January 12, 2017

REVISION OF SECTIONS 108 AND 109

PAYMENT SCHEDULE (MULTIPLE FISCAL YEARS)

**NOTICE**

This is a standard special provision that revises or modifies CDOT’s *Standard Specifications for Road and Bridge Construction.* It has gone through a formal review and approval process and has been issued by CDOT’s Project Development Branch with formal instructions for its use on CDOT construction projects. It is to be used as written without change. Do not use modified versions of this special provision on CDOT construction projects, and do not use this special provision on CDOT projects in a manner other than that specified in the instructions unless such use is first approved by CDOT’s Standards and Specifications Unit. The instructions for use on CDOT construction projects appear below.

Other agencies which use the *Standard Specifications for Road and Bridge Construction* to administer construction projects may use this special provision as appropriate and at their own risk.

**Instructions for use on CDOT construction projects:**

Use in projects which are expected to require more than one State fiscal year to complete.

January 12, 2017

REVISION OF SECTIONS 108 AND 109

PAYMENT SCHEDULE (MULTIPLE FISCAL YEARS)

Sections 108 and 109 of the Standard Specifications are hereby revised for this project as follows:

Delete subsection 108.04, and replace with the following:

**108.04 Payment Schedule.** The Contractor shall prepare a payment schedule which shall show the dollar amount of work the Contractor expects to complete, including Force Accounts, retainage and expected incentive payments, by the progress estimate date each month for the duration of construction. The payment schedule shall be signed by the Contractor’s authorized agent. The payment schedule shall show the dollar amount of work the Contractor expects to complete for every month on the Contract from commencement of work to Project Acceptance. The fiscal year (July 1 to June 30) totals shall also be shown on the payment schedule. The payment schedule may be prepared using standard spreadsheet software such as MS Excel and submitted in electronic format.

1. *Initial Payment Schedule.* The Contractor shall submit the certified initial payment schedule within 15 days of the award of the Contract.
2. *Payment Schedule Updates.* Once each month the Contractor shall submit an update to the Engineer. The update shall be in the same format as the initial payment schedule and shall be submitted to the Engineer by the first day of each month. In each update, estimated monthly dollar amounts shall be revised to show the dollar amount for actual work accomplished which includes actual progress payments made to the Contractor to date and work accomplished but not paid. Each update shall show corrected dollar amounts of work to be completed each month through the expected completion date as shown on the Contractor’s progress schedule.

If the update has any State Fiscal Year (July 1 to June 30) payment in excess of the encumbrance amount, the Department may, in its sole discretion, approve the update. If the Department does not approve the update the Contractor shall either revise the payment schedule or proceed at his own risk. The risk is either not being paid in a timely manner, or not being paid at all for any amounts over the encumbrance amount. If a Contractor proceeds at his own risk, then payment for the at-risk work will be dependent upon ratification of this work by the State Controller’s Office.

If the update exceeds the encumbrance amount because of additional compensable work, and the Department does not approve this update, any delay to critical path work related to this additional compensable work will be considered excusable and compensable in accordance with subsection 108.08 (c), if the Contractor does not proceed at his own risk.

If the update exceeds the encumbrance amount because of the Contractor's accelerated schedule, and the Department does not approve the update, the delay for not performing the work associated with the Contractor's accelerated schedule in the scheduled Fiscal Year will be noncompensable in accordance with subsection 108.08(c), if the Contractor does not proceed at his own risk.

1. *Failure to Submit Payment Schedule.* If the Contractor fails to submit the initial payment schedule, the Contract will not be executed. If a payment schedule update is not submitted by the required date, the Engineer will withhold progress payments until such time as the Contractor has submitted a current payment schedule.

Subsection 109.06 shall include the following:

1. *Maximum Partial Payments*. Partial payments will not be made in excess of the encumbrance amount except at the sole discretion of the Department. Work performed in excess of the encumbrance amount, without written approval of the Department, shall be performed at the Contractor’s risk.

If a Contractor proceeds at his own risk, then payment for the at-risk work will be dependent upon ratification of this work by the State Controller’s Office.