

LODI UNIFIED SCHOOL DISTRICT

REVISION

Business and Non-Instructional Operations

Rule 3314

Payment for Goods and Services

Payment for Construction Contracts

Payment on any contract for the creation, construction, alteration, repair, or improvement of any district property or facility or other public works project shall be made in accordance with the estimates, process, and/or schedule approved by the Board of Education.

As necessary, the Superintendent or designee may make progress payments as actual work is completed or materials are delivered. When a payment request is properly submitted by a contractor, any undisputed portion of the payment request shall be paid within 30 days. If the Superintendent or designee determines any payment request to be improper, ~~he/she~~ **the Superintendent or designee** shall return the payment request to the contractor with a written statement of reasons why the request is not proper.

The district may withhold ~~a maximum up to~~ **up to** five percent of the **proceeds due to the contractor** ~~contract price~~ until the final completion and acceptance of the project.

The proceeds to be withheld by the district may exceed five percent when the Board has made a finding, prior to the bid and during a properly noticed and regularly scheduled **public** meeting, that the project is substantially complex and requires a higher retention amount than five percent. In such cases, the Board's ~~findings~~ **finding** shall include a description of the specific project and why it is a unique project that is not regularly, customarily, or routinely performed by the district or licensed contractors. The bid documents shall include details explaining the basis for the finding and the actual amount to be withheld.

At any time after 50 percent of the work has been completed, the Board may release the withheld proceeds if it finds that satisfactory progress is being made.

Proceeds withheld by the district from payments to contractors for public works contracts shall be released within 60 days after the construction or improvement is completed. In the event of a dispute between the district and the contractor, the district may withhold from the final payment an amount not to exceed 150 percent of the disputed amount.

Rule

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