

Assembly Bill No. 2336

CHAPTER 126

An act to amend Section 9203 of the Public Contract Code, relating to public contracts.

[Approved by Governor July 8, 2000. Filed with Secretary of State July 10, 2000.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2336, Zettel. Local agency contracts.

Existing law prescribes limits on progress payment that may be made on any contract with a local agency for the creation, construction, alteration, repair, or improvement of any public structure, building, road, or other improvement, that exceeds \$5,000.

This bill would provide that a county water authority shall be subject to a \$25,000 limit for purposes of these provisions.

The people of the State of California do enact as follows:

SECTION 1. Section 9203 of the Public Contract Code is amended to read:

9203. (a) Payment on any contract with a local agency for the creation, construction, alteration, repair, or improvement of any public structure, building, road, or other improvement, of any kind which will exceed in cost a total of five thousand dollars (\$5,000), shall be made as the legislative body prescribes upon estimates approved by the legislative body, but progress payments shall not be made in excess of 95 percent of the percentage of actual work completed plus a like percentage of the value of material delivered on the ground or stored subject to, or under the control of, the local agency, and unused. The local agency shall withhold not less than 5 percent of the contract price until final completion and acceptance of the project. However, at any time after 50 percent of the work has been completed, if the legislative body finds that satisfactory progress is being made, it may make any of the remaining progress payments in full for actual work completed.

(b) Notwithstanding the dollar limit specified in subdivision (a), a county water authority shall be subject to a twenty-five thousand dollar (\$25,000) limit for purposes of subdivision (a).

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