

CONSTRUCTION

MEMORANDUMS

MEMO NO. 46

DATE OF ISSUE:

August 2002

SUBJECT:

PAYMENT FOR CLAIM SETTLEMENTS

DATE OF REVIEW:

August 2003

This memorandum is intended to clarify the procedures used for payment of claim settlements.

Contractor claim settlements are to be paid through the change order process.

For claim settlements originating at headquarters, the Construction Section will prepare the ITD-02317 and ITD-00400 and will electronically transmit a copy of both the ITD-02317 and ITD-00400 to the District to insure that the District is aware of the settlement and prepared to make payment once the change order has been fully executed. The Construction Section will send the ITD-00400 to the Contractor for signature and will instruct the Contractor to return the signed ITD-00400 directly to the Construction Section. The Construction Section will then send the original executed ITD-00400 to the District for payment.

Change orders for claim settlements shall be paid by the District immediately after the execution of the change order to avoid for the possibility post judgment interest.

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