162.04 MS 1957 [Repealed, 1959 c 500 art 6 s 13]

162.04 LIMITATION ON PAYMENT OF CONTRACT PRICE.

Whenever the construction or improvement of any county state-aid highway is to be done by contract, and the construction or improvement is not financed in whole or in part by federal aid highway money, the county board shall agree in the contract to pay the contractor on account an amount not to exceed 95 percent of the value of the work from time to time actually completed as shown by monthly estimates thereof, made by the county engineer on the basis of the contract prices, and shall further agree that when the work is 95 percent or more completed upon the recommendation of the county engineer such portions of the retained price shall be released as the county board determines are not required to be retained to protect the county's interest in completion of the contract. In such case it shall be lawful for the county auditor to issue a warrant on the county treasurer to the contractor for an amount consistent with the above prescribed limitations of the value of the work so completed and specified in the engineer's monthly estimate without allowance of a claim therefor by the county board. Failure to pay any amount due and payable under the terms of the contract within 30 days of a monthly estimate or 90 days after the final estimate of the value of the work completed shall obligate the county to pay to the contractor simple interest on the past due amount at an annual rate equal to the Monthly Index of Long Term United States Bond Yields for the month prior to the month in which this obligation is incurred plus an additional one percent per annum. Interest shall not be imposed with respect to any amount which a county may legally withhold as a result of breach of contract or other contractual claim, or if the delay is caused by the contractor.

History: *1959 c 500 art 3 s 4; 1973 c 437 s 1; 1977 c 144 s 1; 1980 c 464 s 6*