

Clear Contract Language Regarding Payment is Important

“Clear contract language is important. While clear contract language is important in all cases, it is especially important when it comes to determining how you are to get PAID for your work. An ambiguity with respect to the manner in which you get paid is counter-productive. Likewise, not appreciating clear language in your contract regarding the manner in which you get paid is counter-productive. If you are doing **unit cost work** where you are getting paid based on a defined measurement, you want to understand how that measurement is calculated,” reports David Adelsten in ***Florida Construction Legal Updates***.

“In a dredging dispute before the United States Court of Federal Claims ... a contractor was hired by the government to dredge a creek. The contractor was to be paid a unit cost for dredging based on a comparison of before and after survey data. In particular, the contract stated the contractor would be paid ‘measured by the cubic yard in place by computing the volume between the bottom surface shown by soundings of the last surveys made before dredging, and the bottom surface shown by the soundings of surveys made as soon as practicable after the work has been completed.’”

“A dispute arose when the government paid the contractor for 46,065 cubic yards of material removed from the creek. The contractor claimed it was underpaid.”

Read the article.