

## SECTION 01 29 00 - PAYMENT PROCEDURES

### PART 1 - GENERAL

#### 1.01 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and other Division 01 Specification Sections, apply to this Section.

#### 1.02 SUMMARY

- A. This Section specifies administrative and procedural requirements necessary to prepare and process Applications for Payment.
- B. Related Sections include the following:
  - 1. Section 01 31 00 "Contract Modification Procedures" for administrative procedures for handling changes to the Contract.
  - 2. Section 01 32 00 "Construction Progress Documentation" for administrative requirements governing preparation and submittal of Contractor's Construction Schedule and Submittals Schedule.
  - 3. Section 00 62 76 "Contractor's Periodical Request for Partial Payment"

#### 1.03 DEFINITIONS

- A. Schedule of Values: A statement furnished by Contractor allocating portions of the Contract Sum to various portions of the Work and used as the basis for reviewing Contractor's Applications for Payment.

#### 1.04 SCHEDULE OF VALUES

- A. Coordination: Coordinate preparation of the Schedule of Values with preparation of Contractor's Construction Schedule.
  - 1. Correlate line items in the Schedule of Values with other required administrative forms and schedules, including the following:
    - a. Application for Payment forms with Continuation Sheets.
    - b. Submittals Schedule.
    - c. Contractor's Construction Schedule.
  - 2. Submit the Schedule of Values to Architect in accordance with the requirements of the requirements of the Addenda and concurrent with both the initial Contractor's Draw Schedule (Section 00 62 83) and Contractor's Progress Schedule (Section 01 32 00).
- B. Format and Content: Use the Project Manual table of contents as a guide to establish line items for the Schedule of Values. Provide at least one line item for each Specification Section.
  - 1. Identification: Utilize the Contractor's Periodical Request for Partial Payment form at Specification 00 62 83 for the Schedule of Values.
  - 2. Provide a breakdown of the Contract Sum in enough detail to facilitate continued evaluation of Applications for Payment and progress reports. Coordinate with the Project Manual table of contents. Provide several line items for principal subcontract amounts, where appropriate or as directed by the Owner.
  - 3. To the greatest extent possible, round amounts to nearest whole dollar; total shall equal the Contract sum.
  - 4. Provide a separate line item in the Schedule of Values for each part of the Work where Applications for Payment may include materials or equipment purchased or fabricated and stored, but not yet installed.
    - a. Differentiate between items stored on-site and items stored off-site per 00 62 78.
  - 5. Provide separate line items in the Schedule of Values for initial cost of materials, for each subsequent stage of completion, and for total installed value of that part of the Work.
  - 6. Allowances: Provide a separate line item in the Schedule of Values for each allowance. Show line-item value of unit-cost allowances, as a product of the unit cost, multiplied by the allowance quantity. Use information indicated in the Contract Documents to determine quantities.
  - 7. Alternates: Provide a separate line item in the Schedule of Values for each alternate.
  - 8. There shall be a separate line in the amount of 2.5% of the Contract, as awarded, included on the Schedule of Values and titled "Closeout Documents"
  - 9. Each item in the Schedule of Values and Applications for Payment shall be complete. Include total cost and proportionate share of general overhead and profit for each item.

- a. Temporary facilities and other major cost items that are not direct cost of actual work-in-place may be shown either as separate line items in the Schedule of Values or distributed as general overhead expense, at Contractor's option.

#### 1.05 APPLICATIONS FOR PAYMENT

- A. Each Application for Payment shall be consistent with previous applications and payments as checked by Architect and paid for by Owner.
  1. Initial Application for Payment, Application for Payment at time of Completion, and Final Application for Payment involve additional requirements.
- B. Payment Application Times: The date for each progress payment is indicated in the Agreement between Owner and Contractor. The period of construction Work covered by each Application for Payment is the period indicated in the Agreement.
- C. Payment Application Forms: Use Owner provided "Contractor's Periodical Request for Partial Payment" and Continuation Sheets as form for Applications for Payment.
- D. Application Preparation: Complete every entry on form. Notarize and execute by a person authorized to sign legal documents on behalf of Contractor. NOTE: If the Application is not signed by the person who submitted the Bid, the Architect and/or Owner reserve the right to reject the Application, unless and until the Contractor shall have provided the Owner a letter authorizing additional signatories, on Contractor's letterhead, and that Owner has accepted. Architect will return incomplete applications without action.
  1. Entries shall match data on the Schedule of Values and Contractor's Construction Schedule. Use updated schedules if revisions were made.
  2. Include amounts of Change Orders and Construction Change Directives issued before last day of construction period covered by application.
- E. Transmittal: Submit three, signed in blue ink and notarized, original copies of each Application for Payment to Architect at the next Owner-Architect-Contractor (OAC) meeting. Include waivers of lien and similar attachments as required.
  1. Transmit each copy with a transmittal form listing attachments and recording appropriate information about application.
- F. Initial Application for Payment: Administrative actions and submittals, to include Owner's acceptance, that must precede submittal of first Application for Payment include the following:
  1. List of subcontractors.
  2. Schedule of Values.
  3. Contractor's Construction Schedule.
  4. Submittals Schedule (preliminary if not final).
  5. List of Contractor's principal consultants.
  6. Initial settlement survey and damage report if required.
- G. Periodic Applications for Payment: Administrative actions and submittals that must coincide with submittal of each Application for Payment include the following:
  1. Contractor's Periodical Request for Partial Payment.
  2. Submittals Schedule (updated).
  3. Inventory of Stored Materials - submitted on form provided in Specification Section 00 62 78.
  4. Contractor's Draw Schedule on form provided in Specification Section 00 62 83.
  5. Weather Delay Documentation Form as provided in Specification Section 00 63 56.
  6. Updated LEED Scorecard (if Applicable)
- H. Final Payment Application: Submit final Application for Payment with releases and supporting documentation showing 100 percent completion for portion of the Work claimed as complete, including, but not limited, to the following:
  1. Evidence of completion of Project closeout requirements.
  2. Insurance certificates for products and completed operations where required and proof that taxes, fees, and similar obligations were paid.
  3. Updated final statement, accounting for final changes to the Contract Sum.
  4. AIA Document G706, "Contractor's Affidavit of Payment of Debts and Claims."
  5. AIA Document G706A, "Contractor's Affidavit of Release of Liens."
  6. AIA Document G707, "Consent of Surety to Final Payment."

7. Final meter readings for utilities, a measured record of stored fuel, and similar data as of date of Final Completion or when Owner took possession of and assumed responsibility for corresponding elements of the Work.
8. Final, liquidated damages settlement statement.

**PART 2 - PRODUCTS (NOT USED)**

**PART 3 - EXECUTION (NOT USED)**

**END OF SECTION**