

SECTION 01 29 00 - PAYMENT PROCEDURES

PART 1 - GENERAL

1.1 SUMMARY

- A. Section includes administrative and procedural requirements necessary to prepare and process Applications for Payment.

1.2 SCHEDULE OF VALUES (See AIA A201 and Supplementary Conditions, Article 9)

- A. Coordination: Coordinate preparation of the schedule of values with preparation of Contractor's construction schedule.

1. Coordinate 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. Submittal schedule.
- c. Items required to be indicated as separate activities in Contractor's construction schedule.

2. Subschedules for Phased Work: Where the Work is separated into phases requiring separately phased payments; provide subschedules showing values coordinated with each phase of payment.

- B. Format and Content: Use Project Specification 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: Include the following Project identification on the schedule of values:

- a. Project name and location.
- b. Name of Architect.
- c. Architect's project number.
- d. Contractor's name and address.
- e. Date of submittal.

2. Arrange schedule of values consistent with format provided.

3. Provide a breakdown of the Contract Sum in enough detail to facilitate continued evaluation of Applications for Payment and progress reports. Coordinate with Project Specification table of contents. Provide multiple line items for principal subcontract amounts in excess of five (5) percent of the Contract Sum.

- a. Include separate line items under Contractor and principal subcontracts for Project closeout requirements in an amount totaling five (5) percent of the Contract Sum and subcontract amount.

4. Round amounts to nearest whole dollar; total shall equal the Contract Sum.

5. 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.
6. 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.
7. 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.
8. Schedule Updating: Update and resubmit the schedule of values before the next Applications for Payment when Change Orders or Construction Change Directives result in a change in the Contract Sum.

1.3 APPLICATIONS FOR PAYMENT (See AIA A201 and Supplementary Conditions Article 9)

- A. Each Application for Payment shall be submitted on AIA G702 and G703; each application shall be consistent with previous applications and payments as certified by Architect and paid for by Owner.
- B. Application Preparation: Complete every entry on form. Executed by a person authorized to sign legal documents on behalf of Contractor. 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.
  3. Applications for Payment must be signed in Blue Ink.
- C. Transmittal: Submit three (3) signed original copies of each Application for Payment to Architect. One copy shall include waivers of lien and similar attachments if required.
  1. Transmit each copy with a transmittal form listing attachments and recording appropriate information about application.
- D. Initial Application for Payment: Administrative actions and submittals that must precede submittal of first Application for Payment include the following:
  1. Submittal schedule (preliminary if not final).
  2. List of Contractor's staff assignments.
  3. List of Contractor's principal consultants.
  4. Copies of authorizations and licenses from authorities having jurisdiction for performance of the Work.

5. Initial progress report.
  6. The following documents are to be provided at the Pre-Construction Conference:
    - a. Schedule of values.
    - b. List of subcontractors and major suppliers.
    - c. Information listed in Paragraph 7.1 of the Supplementary Conditions.
    - d. Contractor's construction schedule (preliminary if not final) as defined in 3.10.2 of General Conditions and Supplementary Conditions.
  7. Certificates of insurance and insurance policies are to be provided at contract signing.
- E. Application for Payment at Recommendation of Acceptance: After Architect issues the Recommendation of Acceptance, submit an Application for Payment showing 100 percent completion for portion of the Work claimed as substantially complete.
1. Include documentation supporting claim that the Work is substantially complete and a statement showing an accounting of changes to the Contract Sum.
- F. Final Payment Application: Refer to Supplementary Conditions for Final Payment Application procedures and requirements.

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION (Not Used)

END OF SECTION 01 29 00