SECTION 012900 - PAYMENT PROCEDURES

PART 1 - GENERAL

1.1 SUMMARY

A. This Section specifies administrative and procedural requirements necessary to prepare and process Applications for Payment.

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

2. Submit the schedule of values to Architect at earliest possible date but no later than seven days before the date scheduled for submittal of initial Applications for Payment.

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: Include the following Project identification on the schedule of values:

a. Victory Street Duplexes HVAC Improvements.
b. CSHQA: Sheree Willhite, PE.
c. 09066.000
d. Contractor's name and address.
e. Date of submittal.

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 multiple line items for principal subcontract amounts in excess of five percent of Contract Sum.
3. 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.
4. 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.
5. 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 measured quantity. Use information indicated in the Contract Documents to determine quantities.

6. 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.

7. 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

A. Each Application for Payment shall be consistent with previous applications and payments as certified by Owner/Architect and paid for by Owner.

   1. Initial Application for Payment, Application for Payment at time of Substantial 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 Times: Progress payments shall be submitted to Architect by the 15th of the month. The period covered by each Application for Payment is one month, ending on the last day of the month.

D. Application for Payment Forms: Use form provided or approved by Construction Manager for Applications for Payment.

E. Application for Payment Forms: Use forms provided by Owner for Applications for Payment. Sample copies are included in the Project Manual.

F. Application Preparation: Complete every entry on form. Notarize and execute by a person authorized to sign legal documents on behalf of Contractor. Construction Manager 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.

G. Transmittal: Submit three signed and notarized original copies of each Application for Payment to Owner with (1) copy to Architect by a method ensuring receipt within 24 hours. Each copy shall include original waivers of lien and similar attachments if required. The Architect copy shall have copies of the original waivers.

   1. Transmit each copy with a transmittal form listing attachments and recording appropriate information about application.

H. Waivers of Mechanic's Lien: With each Application for Payment, submit required documentation provided by Construction Manager, showing that all entities have been paid in full for work completed.

I. Initial Application for Payment: Administrative actions and submittals that must precede or coincide with submittal of first Application for Payment include the following:

1. List of subcontractors.
2. Schedule of values.
3. Contractor's construction schedule (preliminary if not final).
4. Schedule of unit prices.
5. Submittal schedule (preliminary if not final).
6. List of Contractor's staff assignments.
7. List of Contractor's principal consultants.
8. Copies of building permits.
9. Copies of authorizations and licenses from authorities having jurisdiction for performance of the Work.
10. Initial progress report.
11. Report of preconstruction conference.
12. Certificates of insurance and insurance policies (if not submitted at contract execution).

J. Application for Payment at Substantial Completion: After issuing the Certificate of Substantial Completion, 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.
2. This application shall reflect Certificates of Partial Substantial Completion issued previously for Owner occupancy of designated portions of the Work.

K. Final Payment Application: Submit final Application for Payment with releases and supporting documentation not previously submitted and accepted, 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. HUD, "Contractor's Affidavit of Payment of Debts and Claims."
5. HUD, "Contractor's Affidavit of Release of Liens."
6. HUD, "Consent of Surety to Final Payment."
7. Evidence that claims have been settled.
8. Final liquidated damages settlement statement.

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION (Not Used)

END OF SECTION 012900