

SECTION 01 29 00 - 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. The Design Professional and Owner shall have full discretion in establishing the measure and depth of breakout that is required to be reflected in the Schedule of Values. Additionally, the Design Professional and Owner shall have full discretion in establishing the manner in which Change Orders are added to the Schedule of Values.
 2. Correlate line items in the Schedule of Values with other required administrative forms and schedules, including Application for Payment forms with Continuation Sheets Submittals Schedule and Contractor's Construction Schedule.
 3. Submit the Schedule of Values to Design Professional and Owner at earliest possible date but no later than 14 days after the issuance of the first Proceed Order. The Schedule of Values must precede and be approved by the Design Professional and Owner prior to the initial Application for Payment.
 4. Sub-schedules: Where the Work is separated into phases requiring separately phased payments, provide sub schedules showing values correlated with each phase of payment.
- B. Format and Content: The Schedule of Values shall be in a format similar to AIA Document G703. 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. Submit draft of Application for Payment Continuation Sheets.
 2. The approved Schedule of Values shall be used in the Continuation Sheets of all Applications for Payment, and shall not be altered except by the addition of approved Change Orders. Alterations to the approved line items in an Application for Payment without prior agreement will result in the return of the Application for Payment to the Contractor, for correction.
 3. The total of the items in the Schedule of Values shall equal the Contract Sum.
 4. Allowances: Provide a separate line item in the Schedule of Values for each allowance. Use information indicated in the Contract Documents to determine quantities.
 5. Schedule Updating: Resubmit the Schedule of Values at least 10 days before the next Applications for Payment when Change Orders 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 Design Professional and paid by Owner.
- B. Payment Application Times: Progress payments shall be submitted to Design Professional no later than the last day of the month. The period covered by each Application for Payment is one month (minimum), ending on the last date of the application.
- D. Payment Application Forms: Use forms provided in the Construction Contract.
- E. Application Preparation: Complete every entry on form. Notarize and execute by a person authorized to sign legal documents on behalf of Contractor. Design Professional 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 approved revisions were made. No changes shall be made to the Schedule of Values and Continuation Sheets without the prior approval of the Design Professional and Owner.
 - 2. Include amounts of Change Orders approved before last day of construction period covered by application. Add Change Orders to the Schedule of Values and Continuation Sheets in a manner that accurately reflects the manner in which they are authorized and issued.
 - 3. On the Application form, include in the "work completed" columns (previous and current) only the value of work that has actually been completed. The value of the current inventory of stored materials shall be accurately reflected in the "stored materials" column. When stored materials which have been previously invoiced remain stored at the time of subsequent Applications, their value shall remain in the "stored materials" column; only when previously-stored materials are incorporated into the work shall their value be shifted into the "current work completed" column. The inaccurate inclusion of the value of Stored Materials within the value of Work Completed will result in the return of the Application for payment with no action. There will be no exceptions.
 - 4. All Stored Materials for which payment is requested must be supported by sufficient documentation including invoices. If there remains stored a value of materials for which an invoice was presented with a previous Application for Payment, a copy of the same invoice shall be presented. When applicable, these material support invoices should bear notations to reflect the diminishing volume and hence value of the stored materials.
 - 5. Applications for Payment which reflect an incorrect or unapproved retainage rate or amount will be returned without action.
 - 6. The Design Professional will not mark, edit, or correct Applications for Payment in order to recommend them for payment. Applications which require corrections will be returned to the Contractor for the needed corrections.
 - 7. The Contractor may if he wishes submit a draft of each Application for Payment in advance of the actual Application, for the advance cursory review and informal approval of the Design Professional. Any such review and informal approval by the Design Professional shall not guarantee the formal review action by the Design Professional of the actual Application for Payment.

- F. Transmittal: Submit 4 signed and notarized original copies of each Application for Payment to Design Professional by a method ensuring receipt within 24 hours. One copy shall include waivers of lien and similar attachments if required.
- G. Waivers of Mechanic's Lien: If required by the Owner or Design Professional, with each Application for Payment, submit waivers of mechanic's lien from every entity who is lawfully entitled to file a mechanic's lien arising out of the Contract and related to the Work covered by the payment.
1. Submit partial waivers on each item for amount requested in previous application, after deduction for retainage, on each item.
 2. When an application shows completion of an item, submit final or full waivers.
 3. Owner and Design Professional reserve the right to designate which entities involved in the Work must submit waivers.
 4. Waiver Forms: Submit waivers of lien on forms, executed in a manner acceptable to Owner and in conformance with Georgia Law.
- H. All Applications for Payment involve additional required actions and submittals. Any Application for Payment submitted without compliance with these additional requirements will be returned without action.
1. Initial Application for Payment: Administrative actions and submittals that must precede or coincide with submittal of first Application for Payment include the following:
 - a. List of subcontractors and suppliers.
 - b. Schedule of Values.
 - c. Contractor's Construction Schedule (preliminary if not final).
 - d. Submittals Schedule and Log (preliminary if not final).
 - e. All submittals and approvals of all items that require approval prior to commencement of work for which payment is sought.
 - f. List of Contractor's staff assignments.
 - g. List of Contractor's principal consultants.
 - h. Copies of building permits.
 - i. Copies of authorizations and licenses from authorities having jurisdiction for performance of the Work.
 - j. Initial progress report.
 - k. Report of preconstruction conference.
 - l. Certificates of insurance and insurance policies.
 - m. Performance and Payment Bonds.
 2. Periodic Applications for Payment: Administrative actions and submittals that must precede or coincide with submittal of each Periodic Application for Payment include the following:
 - a. Contractor's updated construction schedule, or a written statement that the most recent previous updated schedule remains accurate within 5%, which statement shall be subject to the concurrence of the Design Professional.
 - b. Updated current Submittals Schedule and Log.
 - c. Updated current RFI, PCO and CO Logs.
 - d. All actual submittals and approvals of all items that require approval prior to commencement of work for which payment is sought.
 - e. Daily Construction Reports for the period covered by the Application.
 - f. Minutes of all Meetings held during the period covered by the Application.
 - g. Local and/or MFBE Monthly Report Forms provided in the Bidding Documents

3. Application for Payment at Material Completion and Final Pay-

ment:

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION (Not Used)

END OF SECTION