PART 1 - GENERAL

1.1 SUMMARY

A. This section includes the administrative and procedural requirements for Contractor payments as herein specified and further described in Part 7 of the General Conditions.

B. Owner's forms referenced in this Section include (see Appendix A):

1. Application and Certificate for Payment on Contract (Application for Payment)
2. Construction Invoice Voucher
3. Retainage Invoice Voucher (This form is not used for JOC projects)
4. Monthly Subcontractors List and Certifications
5. Certificate of Payment of Labor and Materials

1.2 PREREQUISITES FOR FIRST APPLICATION FOR PAYMENT

A. Progress Schedule: Submit and receive approval of the "preliminary" Progress Schedule.

B. Prevailing Wage Forms: For each Work Order, prior to commencing the Work, a Statement of Intent to Pay Prevailing Wages form must be approved by the Department of Labor and Industries (see Part 6.04B of the General Conditions). The Owner will not make payment on an Application for Payment until the Contractor has on file with the Department of Labor and Industries an approved Intent to Pay Prevailing Wages form for the Contractor and every Subcontractor of every tier that performed work during the payment period and are included in an Application for Payment. The form shall list every classification of laborer, worker, or mechanic employed by the Contractor and its Subcontractors. THERE ARE NO EXCEPTIONS TO THIS REQUIREMENT.

1. The website address link to the prevailing wage forms is included in Appendix A.

2. The website address link to the "Washington State Prevailing Wage Rates for Public Works Contracts" is included in Appendix A.

C. In accordance with Article 2.03G of the General Conditions, the Contractor must return the Schedule of Values with Contractor signed Work Order within 5 working days of receiving Notice to Proceed. The approved Schedule of Values shall be used by the Owner as the basis for progress payments. Payment for Work shall be made only for and in accordance with those items included in the Schedule of Values.

1. Format: Provide Schedule of Values on Application and Certificate For Payment On Contract form see Appendix A.

2. Content: Include as a minimum the following:

a. Sub-sets of the Priced Items List and Non-priced Item List in logical divisions of work, at a minimum in 2004 CSI format divisions.

b. Major cost items, which are not directly a cost of actual work-in-place, such as distinct temporary facilities, General Conditions, mobilization and/or

demobilization, Work Order Closeout and Construction Progress Schedule prep and monthly update shall be shown as separate items in the Schedule of Values.

(1) Supervision, schedule prep & update; shall be 2% of Work Order amount.
(2) If required submittals; shall not be less than 1% of Work Order amount.
(3) Closeout; shall not be less than 4% of Work Order amount.

c. For items on which progress payments will be requested for materials or equipment purchased/fabricated/delivered but not yet installed, show "initial value" for payment request and "value added" for subsequent stage(s) of completion on that unit of Work;

d. Breakdown major work efforts by floor or phases or systems as appropriate for ease of review and confirmation of Work completed;

e. Round figures to nearest dollar amount;

f. Make sum of total scheduled costs equal to the Work Order Award Amount, do not include State sales tax;

3. Coordinate items of the Schedule of Values so that there is a corresponding item in the Construction Progress Schedule.

4. Revise as requested.

D. Submit a list of all Subcontractors.

E. Submit a list of all major material suppliers.

F. Retainage Bond: The contractor shall provide a retainage bond and applicable retainage is released to the contractor with each progress payment. The Owner's standard Retainage Bond form must be used and may be found in APPENDIX A.

1. In accordance with Article 7.06A of the General Conditions, the retainage bond shall serve as a trust fund for the protection and payment of:

a. The claims of any person arising under the Contract Documents;
b. The State with respect to taxes imposed pursuant to Titles 50, 51, and 82 RCW which may be due from such Contractor; and
c. The Owner for claims it may have against the Contractor.

1.3 DRAFT APPLICATION FOR PAYMENT

A. Submit a signed draft Application for Payment for approval for each individual Work Order. The cutoff date shall be five (5) days prior to actual application or as otherwise agreed. Date invoice for entire month and include projected costs to the end of the month in the pay request. Provide the following documents: (Draft Documents may be marked by hand). **If the application is approved, the Contractor will not need to resubmit a final Application for Payment**.

1. The Application and Certificate for Payment on Contract form (see form in Appendix A) shall be used for each individual Work Order: Fill in required information.

    a. List Change Orders approved prior to submission date individually, last on the form. Use Owner's Change Order designation and description, similar to an original component item of work. Do not bill for Change Order Proposals until an APPROVED Change Order has been received incorporating the proposal.

2. Monthly List of Subcontractors and Certifications (see form in Appendix A).

3. Stored Materials: Requests for payment on materials stored shall be for materials properly stored on the project site. In addition to the requirements of the General Conditions, payment for materials stored off-site shall be at the sole option of the Owner and comply with conditions stipulated by Owner. These conditions may include, but are not limited to:

    a. Providing the supplier invoice;
    b. Providing insurance or a bond to cover the total loss of material and time impact to Project;
    c. Materials must be quantified and correlated to line items on the Work Order, Unit Price Book pricing sheet, and related to the accepted Schedule of Values.

B. The following shall be reviewed and approved by Owner prior to approval of the draft Application for Payment:

1. As-built drawings for completeness and accuracy;

2. Construction Progress Schedule Monthly Updates;

3. Contractor Quality Control Reports.

1.4 APPLICATION FOR PAYMENT

A. Submit one (1) copy of Application for Payment to the Owner’s Representative, or as directed. Contractor shall submit the individual Work Order billings as a group to the Owner’s Representative.

B. Contractor is cautioned to carefully check all extensions, totals, and required information for accuracy before formal submittal.

C. Applications are to be signed by a responsible officer of Contractor. Do not sign in black ink: no photocopies of signature permitted.

D. Application for Payment shall include the following Owner forms (see forms in Appendix A) and documents:

1. Application and Certificate for Payment on Contract;

2. Construction Invoice Voucher (for the total amount due);

3. Monthly List of Subcontractors and Certifications (with L&I Intent numbers included);

4. Invoices for materials stored off-site;

5. Do not include certified payrolls unless requested by Owner's Representative, or required elsewhere.

E. When Owner finds Application for Payment properly completed and correct, the Owner will sign and transmit all copies of Application for Payment for processing.

F. If the Owner finds Application for Payment improperly or incorrectly executed, an annotated copy will be returned for a NEW SUBMITTAL.

G. Only minor corrections are allowed on the original, with approval of Owner.

1.5 PRIOR TO APPLICATION FOR FINAL PAYMENT

A. The final Application for Payment request will be accepted for processing only after providing satisfactory completion of the following:

1. Application and Certificate for Payment on Contract

2. Construction Invoice Voucher (for the total amount due)

3. Retainage Invoice Voucher (NA/this form is <u>not</u> used for JOC projects)

4. Monthly Subcontractors List and Certifications

5. Invoices for materials stored off-site

6. Final Completion procedures per Section 01 77 00 "Closeout Procedures"

7. Final Schedule of Values "Contract Sum"

8. "Building Componentization Report" allocating the final Contract Sum to each of the following categories (this is generally determined in the initial schedule of values for the work order):

a. Site Preparation
b. Exterior construction
c. Foundations and building structure
d. Exterior walls
e. Roofing
f. Interior construction
g. Floor covering
h. Fixed equipment
i. Elevators
j. HVAC
k. Plumbing and piping
l. Fire protection
m. Lighting and electrical

1.6 RELEASE OF RETAINAGE

A. Pursuant to the completion of Work performed in accordance with a Public Works Contract and Final Acceptance of each Work Order by the Owner, the following requirements must be satisfied prior to the Owner releasing any portion of the applicable retainage bond obligation:

1. "Notice of Completion of Public Works Contract (REV 31 0020)": This Department of Revenue form will be completed by Owner on the date of Final Acceptance of the Work Order. A copy of the notice will be mailed to each of the following Washington State agencies: the Department of Revenue; the Employment Security Department; and the Department of Labor and Industries.

2. "Certificate of Payment of State Excise Taxes by Public Works Contractor (REV 31 0028)": Following receipt of Owner's Notice of Completion and after determining that all taxes, interest and penalties due from Contractor have been paid, the Department of Revenue will issue this certificate to Owner, releasing any lien the Department may have on the retained percentage.

3. "Certificate of Payment of Contributions, Penalties and Interest on Public Work Contract (EMS 8449 760)": Upon receiving a copy of Owner's Notice of Completion from the Department of Revenue and determining that the Contractor is in compliance with the provisions of the Employment Security Act, the Employment Security Department will issue this certificate to Owner, releasing any lien the Department may have on the retained percentage.

4. For each Work Order the Contractor must submit from the Department of Labor and Industries' website an Employer Liability Certificate for the Contractor and each Subcontractor demonstrating that Workers' Comp premiums have been paid and are up to date with the Department of Labor and Industries. The website address for the Department of Labor and Industries is https://fortress.wa.gov/lni/crpsi/MainMenu.aspx.

5. "Affidavit of Wages Paid on Public Works Contract" (F700-007-000). For each Work Order, an Affidavit of Wages Paid, for the Contractor and each Subcontractor of any tier must be approved by the Industrial Statistician of the Department of Labor and Industries. Contractors and Subcontractors may file the Affidavit of Wages Paid either online at the website provided in Appendix A, or by completing the forms manually.

6. Certificate of Payment of Labor and Materials: This Owner's form should be completed by the Contractor and returned to Owner. If the only exceptions to payments in full are Subcontractor retainages, the appropriate box on the form should be checked. A complete list of all subcontractors used on the Project must also be included on this form.

B. Release of the applicable portion of the retainage bond obligation will be made forty five (45) days following Final Acceptance, contingent upon Contractor's compliance with provisions of public works statutes and as stated above. If there are either unpaid taxes or other unsatisfied lien claims against the retained percentage, special payment procedures will be required.

C. Please address all transmittal of retainage documents to the Owner's Contracts Office at University of Washington, Capital Planning and Development, Box 352205, Seattle, Washington, 98195.

PART 2 - PRODUCTS (Not used)

PART 3 - EXECUTION (Not used)

END OF SECTION 01 29 76