# GENERAL

## SUMMARY

### This Section includes the administrative and procedural requirements for Contractor progress payment and release of retainage as herein specified and further described in Part 6 of the General Conditions.

### Owner’s forms referenced in this Section include (see Appendix A):

#### Application and Certificate for Payment on Contract (Application for Payment)

#### Construction Invoice Voucher

#### Retainage Invoice Voucher

#### Monthly Subcontractors List and Certifications

#### Certificate of Payment of Labor and Materials

#### Monthly Safety Report

For projects with an estimated construction cost of less than $1 million, delete the Apprentice and Journey Level Worker Utilization Report.

#### Apprentice and Journey Level Worker Utilization Report

## PREREQUISITES FOR FIRST APPLICATION FOR PAYMENT

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

### Prevailing Wage Forms: Submit Statement of Intent to Pay Prevailing Wages form, approved by the Department of Labor and Industries, prior to commencing the Work (see Part 5.04B of the General Conditions). The Owner will not make payment on an Application for Payment until the Contractor has filed with the Owner an approved copy of the 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.

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

#### The website address link to the “Washington State Prevailing Wage Rates for Public Works Contracts” is included in Appendix B.

### Schedule of Values: Within 14 calendar days of Notice to Proceed, submit and receive approval of the Schedule of Values allocating the detail of the Contract Award Amount, in a breakdown acceptable to the Owner, which shall be documented on the Application for Payment. The approved Schedule of Values will be used by the Owner as the basis for progress payments. PAYMENT FOR WORK WILL ONLY BE MADE FOR, AND IN ACCORDANCE WITH, THOSE ITEMS INCLUDED IN THE APPROVED SCHEDULE OF VALUES.

#### Format: On 8-1/2" x 11" paper

#### Content: Include as a minimum the following:

##### Individual Items of Work.

##### Major cost items, which are not directly a cost of actual work-in-place, shall be shown as separate items in the Schedule of Values, and shall include the following items:

###### General Conditions, mobilization, and distinct temporary facilities shall not exceed 5% of the Contract Award Amount.

###### Section 01 77 00 “Closeout Procedures” shall not be less than 4% of the Contract Award Amount.

###### Preparation and submittal to Owner of Construction Baseline Schedule and Submittal Schedule shall not be less than 1/4% of the Contract Award Amount.

###### Preparation of monthly Progress Schedule updates shall not be less than 1/4% of the Contract Award Amount, with the value of each update apportioned equally.

##### 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.

##### For each line item of installed value exceeding 10% of Contract Award Amount, show breakdown by major products or operations under each item.

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

##### Breakdown mechanical and electrical systems or phases with material and labor as separate items.

#### Round figures to nearest dollar amount.

#### Make sum of total scheduled costs equal to the Contract Award Amount. Do not include State of Washington sales tax.

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

#### Revise as requested by Owner.

### Subcontractors List: Submit a list of all Subcontractors and major material suppliers consistent with Part 5.20B of the General Conditions.

### Retainage: Submit instructions for the disposition of retainage funds.

#### In accordance with Part 6.04B of the General Conditions and Chapter 60.28 RCW, the Owner shall reserve a Contract retainage in an amount not-to-exceed 5% of the moneys earned by the Contractor as a trust fund for the protection and payment of:

##### The claims of any person arising under the Contract Documents;

##### The State of Washington with respect to taxes imposed pursuant to Titles 50, 51, and 82 RCW which may be due from the Contractor, and;

##### The Owner for claims it may have against the Contractor.

#### Contractor's written instructions should be submitted to the Owner with the documents required for contract execution.

#### At the option of the Contractor, the moneys reserved by the Owner shall be:

##### Retained in a fund by the Owner; or

##### Bonded by the Contractor (if approved by Owner) for all of the Contract retainage in a form acceptable to the Owner; or

##### Deposited by the Owner in an Owner’s interest bearing account in a bank, mutual savings bank, or savings and loan association; or

##### Placed in escrow with a bank or trust company by the Owner.

###### Escrow Agent: If the retained funds are to be placed in escrow, Contractor will select the escrow agent, subject to approval by the Owner. The selected agent must be a bank or trust company in the State of Washington.

###### Escrow Agreement: Pursuant to electing the escrow option, an escrow agreement shall be executed by Contractor, Owner, and bank. A completed and signed escrow agreement in a form acceptable to the Owner must be on file with the Owner for payment before the Contractor's first Application for Payment is processed.

###### Escrow Payments: As each progress estimate is presented for payment, Contractor shall make a voucher request for the retained funds that are to be placed in escrow. Such requests should be prepared on the Owner’s Retainage Invoice Voucher form and submitted with the related Application for Payment. Upon receiving a retainage invoice, the Owner will issue a check payable to the Contractor and the bank jointly. Such checks will be mailed to the bank and the Contractor will receive copies of check transmittal letters.

###### Escrow Investments: The bank shall invest the retained funds in bonds and other securities selected by the Contractor from the following list approved by the Owner:

Bills, certificates, notes or bonds of the United States;

Other obligations of the United States or its agencies;

Obligations of any corporation wholly owned by the government of the United States;

Indebtedness of the Federal National Mortgage Association;

Time deposits in commercial banks, mutual savings banks, and savings and loan associations in the State of Washington;

Deposits in savings accounts in commercial banks, mutual savings banks, and savings and loan associations in the State of Washington.

###### The investments selected must mature on or prior to the date set for Substantial Completion, including extensions thereof or no later than forty five (45) days following the Final Acceptance of the Work. Interest on such investments shall be paid to the Contractor by the escrow agent as it accrues.

###### Escrow Costs and Fees: All escrow costs and fees shall be paid by the Contractor, in accordance with the escrow agreement.

## DRAFT APPLICATION FOR PAYMENT

### Submit a draft Application for Payment for Owner’s review and comment. The cutoff date shall be five (5) days prior to actual application or as otherwise agreed. Include projected costs to the end of the month in the pay request. Provide the following documents (draft documents may be marked by hand):

#### Application and Certificate for Payment on Contract form: Fill in required information.

##### Mechanical and electrical Subcontractor’s draft monthly payment requests shall be submitted, for review and comment, prior to the A/E’s and Owner’s review of the Contractor’s draft monthly Application for Payment.

##### List Change Orders approved prior to the 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 FROM THE OWNER INCORPORATING THE PROPOSAL.

#### Monthly Subcontractors List and Certifications form.

#### Stored Materials: The Contractor is solely responsible for the 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 the Owner. These conditions may include, but are not limited to:

##### Provide supplier invoice

##### Provide insurance or a bond to cover the total loss of material and time impact to Project

#### Monthly Progress Schedule updates with change in Contract Time analysis.

#### Monthly Safety Report

For projects with an estimated construction cost of less than $1 million, delete the Apprentice and Journey Level Worker Utilization Report.

#### Apprentice and Journey Level Worker Utilization Report.

### The A/E and/or Owner and the Contractor shall review the Project Record for completeness and accuracy.

## APPLICATION FOR PAYMENT

### The Contractor shall submit an electronic copy of the Application for Payment to the Owner after responding to the Owner’s comments to the draft application.

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

### Applications are to be signed by a responsible officer of the Contractor.

### The Application for Payment shall include the following Owner forms and documents:

#### Application and Certificate for Payment on Contract

#### Construction Invoice Voucher (for the total amount due)

#### Retainage Invoice Voucher (for the retainage amount)

#### Monthly Subcontractors List and Certifications

#### Invoices for materials stored off-site

#### Monthly Safety Report

For projects with an estimated construction cost of less than $1 million, delete the Apprentice and Journey Level Worker Utilization Report.

#### Apprentice and Journey Level Worker Utilization Report

### Contractor, subcontractor, or employer shall file a copy of its certified payroll records directly with the Department of Labor and Industries online system at least once per month.

### When the Owner’s Representative and A/E find the Application for Payment properly completed and correct, they will sign and transmit all copies of the Application for Payment to the Owner’s accounting office for processing.

### If the A/E or Owner’s Representative find the Application for Payment improperly or incorrectly executed, an annotated copy will be returned for a new submittal.

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

## SUBCONTRACTOR PAYMENTS REPORTING REQUIREMENTS

### This Contract is subject to compliance tracking using the State’s business diversity management system, Access Equity (B2Gnow). Access Equity is web-based and can be accessed at the Office of Minority and Women’s Business Enterprises at <https://omwbe.diversitycompliance.com/>. The Contractor and all Subcontractors shall report and confirm receipt of payments made to the Contractor and each Subcontractor through Access Equity. For purposes of this requirement, Subcontractor means any subcontractor or subconsultant working on the Contract, at any tier and regardless of status as certified WMBE or Non-WMBE. The Contractor shall:

1. Complete the required user training (two (2) one-hour online sessions) no later than 15 days after the Owner creates the Contract Record, if a new user.
2. Register and enter all required Subcontractor information into Access Equity no later than 25 days after the Owner creates the Contract Record.
3. Report the amount and date of all payments (i) received from the Owner, and (ii) paid to Subcontractors, no later than 15 days after issuance of each payment made by the Owner to the Contractor, unless otherwise specified in writing by the Owner, except that the Contractor shall mark as “Final” and report the final Subcontractor payment(s) into Access Equity no later than thirty (30) days after the final payment is due the Subcontractor(s) under the Contract, with all payment information entered no later than sixty (60) days after end of fiscal year.
4. Monitor contract payments and respond promptly to any requests or instructions from the Owner or system-generated messages to check or provide information in Access Equity.
5. Coordinate with Subcontractors, or Owner when necessary, to resolve promptly any discrepancies between reported and received payments.
6. Respond to reasonable requests from the Owner for additional information to be provided electronically through Access Equity.
7. Require each Subcontractor to: (a) register in Access Equity and complete the required user training; (b) verify the amount and date of receipt of each payment from the Contractor or a higher tier Subcontractor, if applicable, through Access Equity; (c) report payments made to any lower tier Subcontractors, if any, in the same manner as specified herein; (d) respond promptly to any requests or instructions from the Contractor or system-generated messages to check or provide information in Access Equity; and (e) coordinate with Contractor, or Owner when necessary, to resolve promptly any discrepancies between reported and received payments.

## PRIOR TO FINAL APPLICATION FOR PAYMENT

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

#### Application and Certificate for Payment on Contract

#### Construction Invoice Voucher (for the total amount due)

#### Retainage Invoice Voucher (for the retainage amount)

#### Monthly Subcontractors List and Certifications

#### Invoices for materials stored off-site

#### Final Completion procedures per Section 01 77 00 "Closeout Procedures"

#### Final Schedule of Values "Contract Sum"

#### Monthly Safety Report

For projects with an estimated construction cost of less than $1 million, delete the Apprentice and Journey Level Worker Utilization Report.

#### Apprentice and Journey Level Worker Utilization Report

## RELEASE OF RETAINAGE

### Pursuant to the completion of Work performed in accordance with the Public Works Contract and Final Acceptance by the Owner, the following requirements must be satisfied prior to the release of retained Contract funds.

#### “Notice of Completion of Public Works Contract (REV 31 0020)”: This Department of Revenue form will be completed by the Owner, establishing the date of Final Acceptance. A copy of the notice will be e-mailed to the Department of Revenue, the Employment Security Department, the Department of Labor and Industries, and a copy will be transmitted to the Contractor.

#### “Certificate of Payment of State Excise Taxes by Public Works Contractor (REV 31 0028)”: Following receipt of the Owner’s Notice of Completion of Public Works Contract form 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, thereby notifying the Owner that it has no objection to the release of retainage to the Contractor.

#### “Certificate of Payment of Contributions, Penalties and Interest on Public Work Contract (EMS 8449 760)”: Upon receiving a copy of the Owner’s Notice of Completion of Public Works Contract form 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, thereby notifying the Owner that it has no objection to the release of retainage to the Contractor.

#### Upon receiving a copy of the Owner’s Notice of Completion of Public Works Contract form and determining that the Contractor is in compliance with the provisions of Chapter 51 RCW for payment of industrial insurance premiums, the Department of Labor and Industries will issue a certificate for the Owner, thereby notifying the Owner that it has no objection to the release of retainage to the Contractor.

#### “Affidavit of Wages Paid on Public Works Contract” (F700-007-000): An Affidavit of Wages Paid, for the Contractor, each Subcontractor, and each sub-tier Subcontractor, approved by the Industrial Statistician of the Department of Labor and Industries, must be submitted by the Contractor to the Owner. Contractors and Subcontractors must file the Affidavit of Wages Paid on-line through the Contractor Portal in My L&I. A Notice of Completion cannot be filed with L&I until all Affidavits of Wages Paid have been filed and approved.

#### “Certificate of Payment of Labor and Materials”: This Owner’s form shall be completed by the Contractor and returned to the Owner. If the only exception to full payment to all Subcontractors is retainage owed to Subcontractors, the appropriate box on the form should be checked.

#### Invoice Voucher: If the retained funds are on deposit in Owner accounts, the Contractor shall prepare a Retainage Invoice Voucher for the total amount retained and submit to the Owner for payment. If these funds have been placed in escrow at the direction of Contractor, no further invoice is required.

### Retainage will be paid by the Owner to the Contractor between forty-five (45) and sixty (60) days following the published date of Final Acceptance or when all releases from state agencies have been received, liens and claims released, contingent upon the Contractor’s compliance with provisions of public works statutes and as stated above. If there are either unpaid taxes or unsatisfied claims of lien against the retained percentage, disbursement of retainage funds will be made in accordance with State of Washington law.

### Address all transmittal of retainage documents to the Owner’s Representative at: University of Washington, UW Facilities, Project Delivery Group, Box 359451, Seattle, Washington, 98105.

# PRODUCTS (Not Used)

# EXECUTION (Not Used)

END OF SECTION