

## SECTION 01 2900 - APPLICATIONS FOR PAYMENT

### PART 1 - GENERAL

#### 1.1 RELATED DOCUMENTS

- A. Drawings and general provisions of the Contract, including General and Supplementary Conditions and Division 01 Specification Sections, apply to this Section.

#### 1.2 SUMMARY

- A. This Section specifies administrative and procedural requirements necessary to prepare and process Applications for Payment.
  - 1. Coordinate the Schedule of Values and Applications for Payment with the Prime Contractor's Construction Schedule, Submittal Schedule, and List of Subcontracts.
- B. Related Sections: The following Sections contain requirements that relate to this Section.
  - 1. Schedules: The Prime Contractor's Construction Schedule and Submittal Schedule are specified in Division 01 Section "Submittals."

#### 1.3 SCHEDULE OF VALUES

- A. Coordination: Each Prime Contractor shall coordinate preparation of its Schedule of Values for its part of the Work with preparation of the Prime Contractors' Construction Schedule.
  - 1. Correlate line items in the schedule of values with other required administrative forms and schedules, including the following:
    - a. Prime Contractor's Construction Schedule.
    - b. Application for Payment forms, including Continuation Sheets.
    - c. List of subcontractors.
    - d. Schedule of allowances.
    - e. Schedule of alternates.
    - f. List of products.
    - g. List of principal suppliers and fabricators.
    - h. Schedule of submittals.
  - 2. Submit the schedule of values to Architect upon request of Architect but as early as 48 hours after the bid is submitted, but no later than (fourteen) 14 days before the date scheduled for submittal of initial Applications for Payment.

3. Sub-schedules for Phased Work: 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: 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. Project name and location.
    - b. Name of Architect.
    - c. Architect's phone number.
    - d. Prime Contractor's name and address.
    - e. Date of submittal.
  2. Arrange the Schedule of Values in tabular form with separate columns to indicate the following for each item listed:
    - a. Related Specification Section or Division.
    - b. Description of Work.
    - c. Name of subcontractor.
    - d. Name of manufacturer or fabricator.
    - e. Name of supplier.
    - f. Change Orders (numbers) that affect value.
    - g. Dollar value.
      - 1) Percentage of Contract Sum to nearest one-hundredth percent, adjusted to total 100 percent.
  3. 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. Break principal subcontract amounts down into several line items.
  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.
    - a. Differentiate between items stored on-site and items stored off-site. Include requirements for insurance and bonded warehousing, if required.
  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. Unit-Cost 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. Estimate quantities from the best indication in the Contract Documents.

8. Margins of Cost: Show line items for indirect costs and margins on actual costs only when such items are listed individually in Applications for Payment. Each item in the Schedule of Values and Applications for Payment shall be complete. Include the total cost and proportionate share of general overhead and profit margin 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 the Prime Contractor's option.
9. 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

#### 1.4 APPLICATIONS FOR PAYMENT

- A. Each Application for Payment shall be consistent with previous applications and payments as certified by 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: See AIA Document A101 for Application for Payment submittal schedule.
- C. Application for Payment Forms: Use AIA Document G702 and AIA Document G703 as form for Applications for Payment.
- D. Application Preparation: Complete every entry on form. Notarize and execute by a person authorized to sign legal documents on behalf of Prime Contractor. Incomplete applications without action.
  1. Entries shall match data on the schedule of values and Prime 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.
- E. Transmittal: Submit three (3) signed and notarized original copies of each Application for Payment to Architect by a method ensuring receipt within 24 hours. One copy shall include waivers of lien and similar attachments when required.
  1. Transmit each copy with a transmittal form listing attachments and recording appropriate information about application, in a manner acceptable to the Architect.

- F. Waivers of Mechanic's Lien: With each Application for Payment, submit waivers of mechanic's lien from entities lawfully entitled to file a mechanic's lien arising out of the Contract and related to the Work covered by the payment.
- G. 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. List of principal suppliers and fabricators.
  3. Schedule of Values.
  4. Approved Prime Contractor's Construction Schedule.
  5. Schedule of principal products.
  6. Schedule of unit prices.
  7. Submittal Schedule (preliminary if not final).
  8. List of Prime Contractor's staff assignments.
  9. List of Prime Contractor's principal consultants.
  10. Copies of building permits.
  11. Copies of authorizations and licenses from governing authorities for performance of the Work.
  12. Initial progress report.
  13. Report of preconstruction meeting.
  14. Certificates of insurance and insurance policies.
  15. Performance and payment bonds.
  16. Data needed to acquire the Owner's insurance.
  17. Initial settlement survey and damage report, if required.
  18. Weekly Payroll Certificates for Public Works Projects, 1<sup>st</sup> submittal to be notarized.
- H. Application for Payment at Substantial Completion: Following Issuance of the Certificate of Substantial Completion, Submit an Application for Payment.
1. This application shall reflect Certificates of Partial Substantial Completion issued previously for Owner occupancy of designated portions of the Work.
  2. Administrative actions and submittals that shall precede or coincide with this application include: Occupancy permits and similar approvals.
    - a. Warranties (guarantees) and maintenance agreements.
    - b. Test/adjust/balance records.
    - c. Maintenance instructions.
    - d. Meter readings.
    - e. Startup performance reports.
    - f. Changeover information related to Owner's occupancy, use, operation, and maintenance.
    - g. Final cleaning.
    - h. Application for reduction of retainage and consent of surety.
    - i. Advice on shifting insurance coverages.
    - j. Final progress photographs.
    - k. List of incomplete Work, recognized as exceptions to Architect's Certificate of Substantial Completion.

- I. Final Payment Application: Administrative actions and submittals that must precede or coincide with submittal of the final Application for Payment include the following:  
Completion of Project closeout requirements.
  1. Completion of items specified for completion after Substantial Completion.
  2. Ensure that unsettled claims will be settled.
  3. Ensure that incomplete Work is not accepted and will be completed without undue delay.
  4. Transmittal of required Project construction records to the Architect and Owner.
  5. Certified property survey.
  6. Proof that taxes, fees, and similar obligations were paid.
  7. Removal of temporary facilities and services.
  8. Removal of surplus materials, rubbish, and similar elements.
  9. Change of door locks to Owner's access.
  10. Weekly payroll certificates for public works projects, final payment to be notarized.
  11. Any other itinerary established by the Architect and/or Owner.

PART 2 - PRODUCTS (Not Used)

PART 3 - EXECUTION (Not Used)

END OF SECTION 01 2900

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