

## **SECTION 01 29 00 – PAYMENT PROCEDURES**

### **PART 1 - GENERAL**

#### **1.1 SUMMARY**

- A. This Section specifies administrative requirements necessary for payment procedures including, but not necessarily limited to:
  - 1. Schedule of Values.
  - 2. Applications for Payment.
  - 3. Attachments to Applications for Payment.

#### **1.2 SCHEDULE OF VALUES**

- A. The Contractor shall coordinate preparation of the Schedule of Values with preparation of the Contractor's Construction Schedule.
- B. Format and Content: Use the Project Manual Table of Contents as a guide to establish the format for the Schedule of Values.
  - 1. Identification: Include the following Project identification on the Schedule of Values:
    - a. Project name and location.
    - b. Name of the Architect and Construction Manager.
    - c. Contractor's name and address.
    - d. Date of submittal.
    - e. Number of Submittal.
  - 2. Arrange the Schedule of Values in a tabular form with separate columns to indicate the following for each item listed:
    - a. Generic name.
    - b. Related Specification Section.
    - c. Name of subcontractor.
    - d. Name of manufacturer or fabricator.
    - e. Name of supplier.
    - f. Change Orders (numbers) that have affected value.
    - g. Dollar value.
    - h. Percentage of Contract Sum to the nearest one-hundredth percent, adjusted to total 100 percent.
- C. Provide a breakdown of the Contract Sum in sufficient detail to facilitate continued evaluation of Applications for Payment and progress reports. At a minimum, the breakdown shall be by building, trade, and floor. Break principal subcontract amounts down into several line items. Round amounts off to the nearest whole dollar; the total shall equal the Contract Sum.

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- D. Tabulate schedule of values into subcontracts and trades for each of which the labor, materials, other cost and resulting final cost per line item shall be indicated. Labor, materials, and other cost generally include but are not necessarily limited to the following:
  - 1. Labor; on site labor for the handling and installation of material from point of delivery at site.
  - 2. Material; cost of materials as delivered to the site for installation and erection.
  - 3. Other cost; rental equipment, depreciation, site office, administration, overhead and profit, testing, survey and layout, samples and all other costs not included in labor and material.

### **1.3 APPLICATIONS FOR PAYMENT**

- A. The Contractor's monthly application for payment shall be in the same schedule form as the schedule of values, reflecting the same items.
- B. Each Application for Payment shall be consistent with previous applications and payments as approved by and paid for by the Owner.
  - 1. The initial Application for Payment, the Application for Payment at time of Substantial Completion, and the final Application for Payment involve additional requirements.
- C. Payment Application Times: The Contractor is to submit a pencil copy on the 25<sup>th</sup> of each month for work completed through this date. The pencil copy is not to forecast work to the end of the month. The Construction Manager will review and either provide revisions or an approval within three (3) business days.
- D. Payment Application Forms: Use AIA Document G702/CMA and Continuation Sheets G703/CMA as the form for Application for Payment.
- E. Application Preparation: Complete every entry on the form, including notarization and execution by person authorized to sign legal documents on behalf of the Contractor. Incomplete applications will be returned without action.
  - 1. Entries shall match data on the Schedule of Values and Contractor's Construction Schedule. Use updated schedules if revisions have been made.
  - 2. Include amounts of approved Change Orders issued prior to the last day of the construction period covered by the application.
- F. Transmittal: Submit one (1) original and one (1) copy of each Application for Payment with all backup documentation to the Construction Manager.
- G. Initial Application for Payment: Administrative actions and submittals that must precede submittal of the first Application for Payment include the following:
  - 1. List of subcontractors.

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2. List of principal suppliers and fabricators.
3. Approved Schedule of Values.
4. Contractor's Construction Schedule.
5. Schedule of principal products.
6. Submittal Schedule.
7. List of Contractor's staff assignments.
8. Copies of filed building permit applications.
9. Certificates of insurance and insurance policies.
10. Performance and payment bonds.
11. Site Specific Safety program.
12. QA / QC Program

H. Final Application for Payment: Administrative actions and submittals that must precede submittal of the final Application for Payment include the following:

1. As-Built drawings.
2. Operation and Maintenance manuals.
3. Attic Stock.
4. Special written guarantees and warranties in addition to the one-year guarantee. Guarantee shall be signed and sealed by Officer of the Contracting Firm and shall be notarized.
5. Final Certificate of Occupancy.
6. Final Commissioning report from the Commissioning Agent.

### **1.4 ATTACHMENTS TO APPLICATIONS FOR PAYMENT**

A. Monthly Applications for Payment:

1. Transmittal Letter.
2. Attachment to Application for Payment.
3. NJ State Monthly Project Workforce Report.

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4. NJ State Certified Payroll Reports.
  5. Monthly Construction Progress Photographs.
  6. Updated CPM Schedule.
- B. Final Application for Payment:
1. Transmittal Letter.
  2. Attachment to Application for Payment.
  3. AIA Document G706 Affidavit of Payments of Debits and Claims from the Contractor and all Subcontractors.
  4. AIA Document G707 Consent of Surety to Final Payment.
  5. Certification of paid wages in accordance with NJ Prevailing Wage Act from the Contractor and all Subcontractors.

**- END OF SECTION 01 29 00 –**