

SECTION 010270 – APPLICATIONS FOR PAYMENT

Latest Update: 08-09-2020 See Underlined Text for Edits.

(A/E shall edit specifications and blue text in header to meet project requirements. This includes but is not limited to updating Equipment and/or Material Model Numbers indicated in the specifications and adding any additional specifications that may be required by the project. Also turn off all “Under Lines”)

PART 1 – GENERAL

1.1 RELATED DOCUMENTS

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

1.2 SUMMARY

- A. This Section specifies administrative and procedural requirements governing the Contractor's Applications for Payment.
- B. This Section specifies administrative and procedural requirements governing each prime contractor's Applications for Payment.
 - 1. Coordinate the Schedule of Values and Applications for Payment with the Contractor's Construction Schedule, Submittal Schedule, and List of Subcontracts.

1.3 SCHEDULE OF VALUES

- A. Coordination: Coordinate preparation of the Schedule of Values with preparation of the Contractor's Construction Schedule.
 - 1. Correlate line items in the Schedule of Values with other required administrative schedules and forms, including:
 - a. 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 the University at the earliest possible date but no later than seven (7) days before the date scheduled for submittal of the initial Applications for Payment.

3. Schedules: Where Work is separated into phases requiring separately phased payments, provide 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 the format 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. University's Project number.
 - c. Contractor's name and address.
 - d. 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.
 - h. Percentage of Contract Sum to nearest one-hundredth percent, adjusted to total 100%.
 3. Provide a breakdown of the Contract Sum in sufficient 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; the 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 on the Schedule of Values for initial cost of the materials, for each subsequent stage of completion, and for total installed value of that part of the Work.
 7. Unit-Cost Allowances: **<DELETE IF NOT APPLICABLE FOR PARTICULAR PROJECT>** Show the line-item value of unit-cost allowances, as a product of the unit cost, multiplied by the 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 Contractor's option.
9. Schedule Updating: Update and resubmit the Schedule of Values prior to 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 for payment as paid for by the University.
 1. The initial Application for Payment, the Application for Payment at time of Substantial Completion, and the final Application for Payment involve additional requirements.
- B. Refer to the University of Maryland Baltimore Standard General Condition of Construction for requirements and procedures governing applications for payment.
- C. Initial Application for Payment: Administrative actions and submittals, that must precede or coincide with submittal of the first Application for Payment, include the following:
 1. List of subcontractors.
 2. List of principal suppliers and fabricators.
 3. Schedule of Values.
 4. Contractor's Construction Schedule.
 5. Schedule of principal products.
 6. Schedule of unit prices.
 7. Submittal Schedule.
 8. List of Contractor's staff assignments.
 9. List of Contractor's principal consultants.
 10. Copies of authorizations and licenses from governing authorities for performance of the Work.
 11. Initial progress report.
 12. Report of preconstruction meeting.
 13. Certificates of insurance and insurance policies.
 14. Performance and payment bonds.
 15. Data needed to acquire the University's insurance.
 16. Initial settlement survey and damage report, if required.
- D. 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 University occupancy of designated portions of the Work.

2. Administrative actions and submittals that shall precede or coincide with this application include:
 - a. Warranties (guarantees) and maintenance agreements.
 - b. Test/adjust/balance reports.
 - c. Operation and Maintenance Manuals.
 - d. Meter readings if appropriate.
 - e. Startup performance reports.
 - f. Commissioning Reports.
 - 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 University's Certificate of Substantial Completion.
- E. Final Payment Application: Administrative actions and submittals that must precede or coincide with submittal of the final Application for Payment include the following:
1. Completion of Project closeout requirements.
 2. Completion of items specified for completion after Substantial Completion.
 3. Resolve all previously unsettled claims.
 4. Resolve all previously incomplete Work.
 5. Transmittal of required Project construction records to the University.
 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 University's access.

PART 2 – PRODUCTS (Not Applicable)

PART 3 – EXECUTION (Not Applicable)

END OF SECTION 010270