SECTION 01200

PRICE AND PAYMENT PROCEDURES

PART 1 GENERAL

1.01 SECTION INCLUDES

A. Procedures for preparation and submittal of applications for progress payments.

1.02 SCHEDULE OF VALUES

A. Electronic media printout including equivalent information will be considered in lieu of standard form specified; submit sample to Engineer for approval.

B. Forms filled out by hand will not be accepted.

C. Submit a printed schedule on AIA Form G703 - Application and Certificate for Payment Continuation Sheet. Contractor's standard form or electronic media printout will be considered.

D. Submit Schedule of Values in duplicate within 15 days after date of Owner-Contractor Agreement.

E. Format: Utilize the Table of Contents of this Project Manual. Identify each line item with number and title of the specification Section. Identify site mobilization and bonds and insurance.

F. Include in each line item, the amount of Allowances specified in this section. For unit cost Allowances, identify quantities taken from Contract Documents multiplied by the unit cost to achieve the total for the item.

1.03 APPLICATIONS FOR PROGRESS PAYMENTS

A. Payment Period: Submit at intervals stipulated in the Agreement.

B. Electronic media printout including equivalent information will be considered in lieu of standard form specified; submit sample to Engineer for approval.

C. Forms filled out by hand will not be accepted.

D. Present required information in typewritten form.

E. Form: AIA G702 Application and Certificate for Payment and AIA G703 - Continuation Sheet including continuation sheets when required.

F. Execute certification by signature of authorized officer.

G. Use data from approved Schedule of Values. Provide dollar value in each column for each line item for portion of work performed and for stored Products.

H. List each authorized Change Order as a separate line item, listing Change Order number and dollar amount as for an original item of Work.

I. Submit three copies of each Application for Payment.

J. When Engineer requires substantiating information, submit data justifying dollar amounts in question. Provide one copy of data with cover letter for each copy of submittal. Show application number and date, and line item by number and description.

1.04 MODIFICATION PROCEDURES

A. Submit name of the individual authorized to receive change documents and who will be responsible for informing others in Contractor's employ or subcontractors of changes to the Contract Documents.

B. For minor changes not involving an adjustment to the Contract Price or Contract Time, Engineer will issue instructions directly to Contractor.

C. Engineer will advise of minor changes in the Work not involving an adjustment to Contract Sum or Contract Time as authorized by the Conditions of the Contract by issuing supplemental instructions on AIA Form G710.

D. For other required changes, Engineer will issue a document signed by Duluth Steam instructing Contractor to proceed with the change, for subsequent inclusion in a Change Order.
   1. The document will describe the required changes and will designate method of determining any change in Contract Sum or Contract Time.
   2. Promptly execute the change.

E. For changes for which advance pricing is desired, Engineer will issue a document that includes a detailed description of a proposed change with supplementary or revised drawings and specifications, a change in Contract Time for executing the change with a stipulation of any overtime work required and the period of time during which the requested price will be considered valid. Contractor shall prepare and submit a fixed price quotation within 5 working days.

F. Contractor may propose a change by submitting a request for change to Engineer, describing the proposed change and its full effect on the Work, with a statement describing the reason for the change, and the effect on the Contract Sum and Contract Time with full documentation and a statement describing the effect on Work by separate or other contractors. Document any requested substitutions in accordance with Section 01600.

G. Computation of Change in Contract Amount: As specified in the Agreement and Conditions of the Contract.
   1. For change requested by Engineer for work falling under a fixed price contract, the amount will be based on Contractor's price quotation.
   2. For change requested by Contractor, the amount will be based on the Contractor's request for a Change Order as approved by Engineer.
   3. For pre-determined unit prices and quantities, the amount will based on the fixed unit prices.

H. Substantiation of Costs: Provide full information required for evaluation.
   1. On request, provide following data:
      a. Quantities of products, labor, and equipment.
      b. Taxes, insurance, and bonds.
      c. Overhead and profit.
      d. Justification for any change in Contract Time.
      e. Credit for deletions from Contract, similarly documented.
   2. Support each claim for additional costs with additional information:
      a. Origin and date of claim.
      b. Dates and times work was performed, and by whom.
      c. Time records and wage rates paid.
      d. Invoices and receipts for products, equipment, and subcontracts, similarly documented.
   3. For Time and Material work, submit itemized account and supporting data after completion of change, within time limits indicated in the Conditions of the Contract.

I. Execution of Change Orders: Engineer will issue Change Orders for signatures of parties as provided in the Conditions of the Contract.

J. After execution of Change Order, promptly revise Schedule of Values and Application for Payment forms to record each authorized Change Order as a separate line item and adjust the Contract Sum.

1.05 APPLICATION FOR FINAL PAYMENT

A. Prepare Application for Final Payment as specified for progress payments, identifying total adjusted Contract Sum, previous payments, and sum remaining due.

B. Application for Final Payment will not be considered until the following have been accomplished:
   1. All closeout procedures specified in Section 01700.

PART 2 PRODUCTS - NOT USED

PART 3 EXECUTION - NOT USED

END OF SECTION