

MOBILIZATION PROMPT PAY PROGRAM

[Section 810. Supplementary Conditions \(Word\)](#)

The goal of the Mobilization Prompt Pay Program (MPP) is to provide prime contractors and subcontractors quicker access to payments by allowing prime contractors the ability to submit pay applications twice a month during critical mobilization phases on the contract (as submitted by the prime contractor and approved by the City), allowing subcontractors to invoice twice per month. MPP will be offered on all City of Austin construction contracts at or above \$2 million.

ARTICLE 1 – DEFINITIONS “MOBILIZATION PROMPT PAYMENT PROGRAM - THE OWNER’S MOBILIZATION PROMPT PAYMENT PROGRAM, WILL ALLOW BIMONTHLY PAYMENTS DURING “CRITICAL MOBILIZATION STAGES” AS SPECIFIED IN THE CONTRACT DOCUMENTS BY THE PRIME CONTRACTOR. THE MOBILIZATION PROMPT PAYMENT PROGRAM WILL ONLY APPLY TO PROJECTS WITH A CONSTRUCTION COST OF GREATER THAN \$2,000,000.”

ARTICLE 2 – THE BASELINE SCHEDULE AND SCHEDULE SUBMITTALS FOR PROJECTS IN THE MOBILIZATION PROMPT PAYMENT PROGRAM, MUST IDENTIFY PERIODS OF “CRITICAL MOBILIZATION.” THE PERIODS OF CRITICAL MOBILIZATION WILL INCLUDE THE FIRST TWO MONTHS OF THE CONTRACT TIME AND ADDITIONAL PERIODS IDENTIFIED BY THE CONTRACTOR AND APPROVED BY OWNER WHEN PEAK SUBCONTRACTOR MOBILIZATION WILL OCCUR.

ARTICLE 14 – MOBILIZATION PROMPT PAYMENT PROGRAM. DURING CRITICAL MOBILIZATION PERIODS, AS IDENTIFIED BY THE CONTRACTOR AND AS APPROVED BY OWNER IN ACCORDANCE WITH 00700 2.4.2.1 OF THIS CONTRACT, CONTRACTOR SHALL SUBMIT BI-MONTHLY APPLICATIONS FOR PAYMENT. THE ADDITIONAL PAY APPLICATIONS WILL INCLUDE ANY COSTS ACCRUED DURING THE PERIODS OF CRITICAL MOBILIZATION. THE PROGRAM WILL ALLOW THE CONTRACTOR AND SUBCONTRACTORS TO INVOICE FOR COSTS AS THEY ARE ACCRUED DURING PERIODS OF CRITICAL MOBILIZATION. THE CONTRACTOR SHALL SUBMIT BIMONTHLY INVOICES TO THE OWNER FOR SUCH COSTS. THE CONTRACTOR SHALL PAY SUBCONTRACTORS FOR COSTS WITHIN 10 DAYS OF RECEIPT OF PAYMENT FROM OWNER.

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- Step 1. Contractor identifies period of critical mobilization and submits them to the Project Manager for approval.
 - Step 2. Project Manager, on behalf of the owner, approves the critical mobilization periods.
 - Step 3. During such periods, Contractor will submit bimonthly pay applications to the City. Bimonthly pay applications should include costs accrued by Contractor and Subcontractor(s).
 - Step 4. Upon receipt of payment from the City, Contractor must pay Subcontractor(s) within ten (10) days, in accordance with the contract.
 - Step 5. At any time, Subcontractor may contact Capital Contracting Office (CCO), SMBR, and/or Project Manager for assistance with Mobilization Prompt Pay process.