

RELEASE OF RETAINAGE

Section 700. General Conditions. 14.1.5

A subcontractor may request the release of retainage for work that has been completed, approved and the warranty period for that scope has expired but prior to the completion of the project. If the request is approved, the amount of the subcontractor's retainage will be released in the prime contractor's next payment.

WHERE THE ORIGINAL CONTRACT AMOUNT IS LESS THAN \$400,000, OWNER WILL PAY CONTRACTOR TOTAL AMOUNT OF APPROVED APPLICATION FOR PAYMENT, LESS TEN PERCENT (10%) OF AMOUNT THEREOF, WHICH TEN PERCENT (10%) WILL BE RETAINED UNTIL FINAL PAYMENT, LESS ALL PREVIOUS PAYMENTS AND LESS ALL OTHER SUMS THAT MAY BE RETAINED BY OWNER UNDER THE TERMS OF THIS AGREEMENT. WHERE THE ORIGINAL CONTRACT AMOUNT IS \$400,000 OR MORE, OWNER WILL PAY CONTRACTOR TOTAL AMOUNT OF APPROVED APPLICATION FOR PAYMENT, LESS FIVE PERCENT (5%) OF AMOUNT THEREOF, WHICH FIVE PERCENT (5%) WILL BE RETAINED UNTIL FINAL PAYMENT, LESS ALL PREVIOUS PAYMENTS AND LESS ALL OTHER SUMS THAT MAY BE RETAINED BY OWNER UNDER THE TERMS OF THIS AGREEMENT. IN EITHER CASE, IF THE WORK IS NEAR COMPLETION AND DELAY OCCURS DUE TO NO FAULT OR NEGLIGENCE OF CONTRACTOR, OWNER MAY PAY A PORTION OF THE RETAINED AMOUNT TO CONTRACTOR. CONTRACTOR, AT OWNER'S OPTION, MAY BE RELIEVED OF THE OBLIGATION TO COMPLETE THE WORK AND, THEREUPON, CONTRACTOR SHALL RECEIVE PAYMENT OF THE BALANCE DUE UNDER THE CONTRACT SUBJECT TO THE CONDITIONS STATED UNDER PARAGRAPH 15.2. A SUBCONTRACTOR MAY SUBMIT A WRITTEN REQUEST TO THE CONTRACTOR AND PROJECT MANAGER REQUESTING RELEASE OF RETAINAGE FOR WORK BY THE SUBCONTRACTOR THAT HAS BEEN COMPLETED AND APPROVED. THE PROJECT MANAGER WILL EVALUATE THE REQUEST AND IF IT IS APPROVED, THE PROJECT MANAGER WILL REQUEST THE CONTRACTOR TO INCLUDE THE REQUEST FOR RELEASE OF AN APPROPRIATE AMOUNT OF RETAINAGE IN THE NEXT PAY APPLICATION.

14.1.6 APPLICATIONS FOR PAYMENT SHALL INCLUDE THE FOLLOWING DOCUMENTATION:

- .1 UPDATED PROGRESS SCHEDULE;
- .2 MONTHLY SUBCONTRACTOR REPORT;
- .3 ANY OTHER DOCUMENTATION REQUIRED UNDER THE SUPPLEMENTAL GENERAL CONDITIONS.

Step 1. Subcontractor should verify participation eligibility in Release of Retainage Program with Project Manager and Contractor.

- Eligibility will be contingent upon the sequence of work and the degree the Subcontractors scopes are tied to work remaining on the project.

Step 2. If eligibility is verified by Project Manager, Subcontractor may only request Release of Retainage after completion and approval of work.

Step 3. Subcontractor will submit written request for Release of Retainage to Contractor and Project Manager.

Step 4. Request will be evaluated by Project Manager.

Step 5. If approved, Project Manager will request Contractor to include Subcontractor's appropriate retainage amount to be included in next pay application.

Step 6. Contractor must include the following documents in pay applications:

- Contractor's Updated Progress Schedule,
- Contractor's completed Monthly Subcontractor Expenditure Report (SubK),
- Any other documentation required under the Supplemental General Conditions.

Step 7. At any time, Subcontractor may contact the Capital Contracting Office, Small and Minority Business Resources, or the Project Manager for assistance with Release of Retainage process.