

Attention: MBE/WBE Subcontractors!



CITY OF AUSTIN CONTRACTING LANGUAGE ENHANCEMENTS

As a result of feedback from the Minority Trade Alliance, the City of Austin recently implemented four enhancements in City construction contracts to assist with timely payment to subcontractors on City of Austin construction contracts. *As you are bidding on upcoming City construction solicitations, be on the lookout for these contract language changes.*

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.

PARTIAL PAYMENT

Section 700, General Conditions 14.4.3

In instances when payment is withheld to the prime contractor due to issues unrelated to a subcontractors work, the subcontractor may request payment for approved work performed by the subcontractor. If the request is approved, the City will approve payment from the prime contractor to the subcontractor.

MOBILIZATION PROMPT PAY PROGRAM

Section 810, Supplementary Conditions

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.

QUICK PAY PROGRAM

The Quick Pay Program (QP) allows for subcontractors to be paid within 10 days of work being accepted and approved by the City. The subcontractor invoices the prime contractor when their work is complete and the prime contractor pays the subcontractor when it is approved by the City. The QP program will be available to all businesses that are certified by the City of Austin's Small & Minority Business Resources (SMBR) department as MBEs, WBEs, DBEs, or SBEs on all (eligible) Alternative Delivery Method construction contracts (Design Build and Construction Manager At-Risk).

For more information - Visit the Bidding Requirements, Contract Forms and Conditions of the Contract in Section 00700 General Conditions of the Contract which is found on the Capital Contracting Office's website at the following address:

<http://www.austintexas.gov/page/bid-docs>