

SUPPLEMENTAL SPECIFICATION

REVISIONS TO ARTICLE 109.06 OF THE GENERAL PROVISIONS

109.06 Partial Payments –

Add sections d. and e.

d. Retainage

- (1) The Authority shall retain five percent (5%) of the partial payments determined by the Engineer as provided in Article 109.06 and 109.07; except for payments made for force account work performed as per section 109.04d.
- (2) Amounts will be retained up to five percent (5%) of the original contract value or the revised contract amount, whichever is higher. The amounts will be retained by the Authority until final acceptance of the project and final settlement of the contract has been completed with the Construction and the Finance Areas of the Authority. Final acceptance of the project should be as provided in Articles 105.16 and 109.09.
- (3) An amount equal up to seventy five percent (75%) of the retainage may be released upon substantial completion of the project with the approval of the Engineer and the consent of the Surety as long as suitable progress is being made and there are no outstanding claims against of the Contractor and no claims for unpaid amounts by the Authority have been received. The remaining twenty five percent (25%) or an amount equivalent to two times of the cost of the punch list, whichever is higher, will be retained until final acceptance of the project and the final settlement of the contract. However, the remaining of the retainage will not be released until the Contractor submits the following documents or satisfactory evidence that:
 - (a.) A release or consent from the Surety of the project stating that has no objection to the final payment under the contract.
 - (b.) A release from the State Insurance Fund Corporation (“Corporación del Fondo del Seguro del Estado”) regional office, where the project is located, establishing that the Contractor has no pending balances or issues with this entity.
 - (c.) A release from Municipal Government(s) where the project is located stating that the Contractor has paid all construction taxes including any increase to contract value and has no pending issues with the municipality.
 - (d.) Payment of additional stamps from CIAPR for cancellation to cover any addition if any to the original contract amount.

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- (e.) An affidavit or sworn statement from the Contractor stating that all his indebtedness by reason of this contract has been fully paid or is satisfactorily secured.
- (4) Intentionally Omitted
- (5) Intentionally Omitted
- (6) In federal aided projects, the Contractor shall fully comply with the requirements of the DBE Program Contract Provisions regarding prompt and full payment of retainage to DBE subcontractors. Nothing in this section shall be construed as to limit the rights of the DBE subcontractors under the DBE Program Contract Provisions.

e. Retainage for Covering Claims against the Contractor-

- (1) Unpaid amounts claimed by suppliers and subcontractors against the Contractor should be deducted from the ninety five percent (95%) payment of the Monthly Progress Payment. When there are no available monies in the contract, the amount could be deducted from any other contract between the Authority and the Contractor.
- (2) Amounts of levies if any from Treasury Department or Internal Revenue Service should be deducted in full from Monthly Progress Payment of the project until complete satisfaction of the debt. When there are no available unpaid monies in the contract, the amount could be deducted from any other contract between the Authority and the Contractor.