

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.

SUBCONTRACTORS MAY REQUEST PARTIAL PAYMENT WHEN THE OWNER WITHHOLDS PAYMENT OF AN INVOICE TO THE CONTRACTOR FOR ANY REASON LISTED IN SECTION 14.4.1. IF PAYMENT IS WITHHELD BY THE OWNER, THE CONTRACTOR SHALL NOTIFY ALL AFFECTED SUBCONTRACTORS WITHIN TWO (2) WORKING DAYS OF NOTICE THAT PAYMENT IS BEING WITHHELD. UPON NOTIFICATION, SUBCONTRACTORS MAY SUBMIT A FORMAL WRITTEN REQUEST FOR PARTIAL PAYMENT TO THE CONTRACTOR AND OWNER. IF DIRECTED BY THE OWNER, THE CONTRACTOR SHALL WITHIN THREE (3) WORKING DAYS RESUBMIT TO THE OWNER AN INVOICE FOR THE SAME PERIOD THAT INCLUDES ONLY THE WORK PERFORMED BY THE REQUESTING SUBCONTRACTORS DURING THIS PERIOD. THE OWNER WILL REVIEW THIS RESUBMITTED INVOICE IN ACCORDANCE WITH SECTION 14.3.1. UPON RECEIPT OF PAYMENT FOR THE RESUBMITTED INVOICE, CONTRACTOR SHALL PAY THE SUBCONTRACTOR WITHIN TEN (10) CALENDAR DAYS IN ACCORDANCE WITH SECTION 6.4.7.

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- Step 1. Requests for Partial Payment will only be approved when there are no issues relating to Subcontractor's work. If an invoice is submitted for three scopes of work and the first two are approved, but the third one is not, the first two will be paid and the third will not be paid until it is approved by the City.
 - Step 2. Contractor will submit invoice for payment to the City. To confirm payment, a subcontract can go to Austin Finance Online (<https://www.austintexas.gov/financeonline/finance/index.cfm>) or contact the project manager assigned to the project.
 - Step 3. If Payment is withheld, Contractor is required to inform all affected subcontractors in writing, within two (2) working days of receiving notice, that payment is being withheld by the City.
 - Step 4. When Subcontractor has received notification from Contractor, Subcontractor may submit a formal written request for Partial Payment to Contractor and the City.
 - Step 5. If the City approves request, Contractor must resubmit an invoice, *within three (3) working days*, for the same period to include only the work performed by Subcontractor(s) requesting Partial Payment, in accordance with Section 14.3.1.
 - Step 6. Within ten (10) calendar days of Contractor receiving payment of resubmitted invoice, Contractor shall pay Subcontractor(s) in accordance with Section 6.4.7.
 - Step 7. At any time, Subcontractor may contact the Capital Contracting Office (CCO), the project manager, or the Small and Minority Resources Department (SMBR) for assistance with Partial Payment process. All three of the parties will work to resolve any issues. The project manager will approve payment.