



## **Subcontractor & Material Supplier Billing Procedures & Policies**

All Subcontractors and Major Material Suppliers:

Enclosed please find copies of JHL Constructors Billing Procedures and the applicable forms required to complete the payment application process with JHL. **Please review these procedures and requirements carefully prior to submitting progress payment applications, as missing or incomplete items will prevent release of progress payments in a timely manner.**

The following is a summary of the official policies of JHL Constructors, Inc. as related to Subcontractor and Material Supplier billings:

### **1. Payment Applications – Subcontractors & Major Material Suppliers**

- Enclosed is a copy of the JHL Constructors Application for payment. Upon request to the project administrator, an electronic can be e-mailed to the subcontractor / supplier or the electronic form can be downloaded from [www.jhlconstructors.com](http://www.jhlconstructors.com) under the Subcontractors & Suppliers link.
- **All subcontractor and material supplier billings MUST be submitted on the attached JHL Constructors application for payment forms. BILLINGS THAT ARE NOT SUBMITTED ON A JHL APPLICATION FOR PAYMENT WILL BE REJECTED AND RETURNED TO THE SUBCONTRACTOR FOR RE-SUBMITTAL. THIS MAY RESULT IN THE BILLING BEING PUSHED INTO THE FOLLOWING MONTH.**
- The JHL Constructors project name and job number, and the subcontractor / supplier application for payment number must be listed on all applications for payment.

### **2. Schedule of Values**

- The Schedule of Values provided with the JHL Application for Payment MUST be used and shall be provided with all subcontractor & supplier billings.
- The schedule of values shall provide a full breakdown with scheduled amounts for each category of the work and must be presented in sufficient detail to allow the JHL Project Manager to fully evaluate the payment application.
- The base contract schedule of values must be submitted to the JHL Project Manager and approved prior to any subcontractor or supplier applications for payment.
- The base contract schedule of values cannot be modified during the completion of the contract except for approved change orders, which shall be added to the bottom line of the schedule of values as they are approved by JHL Constructors.

### **3. Billing Dates**

- Each subcontractor / material supplier billing, along with all of the required forms and documentation **MUST** be submitted to the JHL Constructors, Inc MAIN OFFICE no later than the end of the **20<sup>th</sup> day** of the month to be processed, unless otherwise indicated in the Owner's Contract. Where the 20<sup>th</sup> of the month falls on a weekend or holiday, subcontractor / material supplier billings MUST be submitted the FOLLOWING BUSINESS DAY.
- **All billings received after the dates outlined above WILL NOT BE PROCESSED until the following month with no exceptions.**

### **4. Insurance Requirements**

- The subcontractor shall be responsible to read, review, and fully understand all insurance requirements for the project as outlined in the Terms of Agreement for the subcontract or material purchase order.
- A valid and fully compliant insurance certificate shall be submitted to JHL Constructors prior to commencement of ANY WORK on the project by the subcontractor.
- No progress payments will be released without the receipt of a valid insurance certificate.

### **5. Contract & Material Purchase Order Requirements**

- Progress payments will not be released until a signed contract or material purchase order is received and executed by JHL Constructors.

### **6. Change Orders**

- A fully executed change order must be received by JHL Constructors with the progress billing application or in advance of the progress billing application for the subcontractor or material supplier to bill for the work.
- Properly documented field work orders may be billed for by the subcontractor prior to receipt of a fully executed change order with advance approval of the JHL Project Manager.



## 7. Off-Site Stored Materials Documentation

- All billings for off-site stored material must be approved in advance by the JHL Project Manager and will be allowed only if permitted by the Owner Contract.
- Billings for off-site stored materials must include the following:
  - Valid off-site stored material insurance certificate, policy value to meet or exceed the value of stored materials included in the billing, with additional insured to match the project insurance requirements.
  - Bill of sale executed by subcontractor or material supplier.
  - Digital photographs of off-site stored material labeled for the project.
  - The location of the stored materials, site contact, and inspection hours of the facility.

## 8. Lien Waivers

1. The conditional interim lien waiver form is to be used for all interim progress payments.
2. THE SUBCONTRACTOR / MATERIAL SUPPLIER THAT JHL IS CONTRACTED WITH SHALL INCLUDE A CONDITIONAL (INTERIM OR FINAL) LIEN WAIVER **THROUGH THE PERIOD OF THE PAYMENT APPLICATION.**
3. ALL SECOND TIER SUBCONTRACTOR / SUPPLIER / VENDOR LIEN WAIVERS SHALL BE PROVIDED **FOR THE PREVIOUS BILLING PERIOD.**
  - For example, if the subcontractor is billing through the period ending January 31st, the conditional interim lien waivers provided by the JHL subcontractor or supplier with the payment application shall provide for waiver of claims made on materials or labor furnished through January 31st. All second tier subcontractors / suppliers / vendor lien waivers would be provided through the period ending December 31<sup>st</sup>.

## 9. Retention Billings

- All retention billings and retention reductions must be applied for on a separate application for payment. Please contact the JHL Project Manager in advance of submitting retention reduction billings to confirm owner contract requirements and details.
- **PROJECT MANAGER ADVANCE APPROVAL IS REQUIRED FOR ANY RETENTION REDUCTION BILLINGS.**
- All final operations and maintenance (O&M) manual documentation, warranties, as-built drawings, and closeout documents as required by the project specifications and owner contract must be received prior to release of any retention payments.

## 10. Payment Timeline

- Payment is made to all subcontractors within ten days of receipt of payment from the Project Owner.
- Release of payment is subject to final approval by the JHL Project Manager based on quality and completeness of work put-in-place, and receipt of complete documentation. (See contract for specific requirements)

## 11. Early Payment Discounts

- JHL Constructors will consider early payment discounts on a case-by-case basis. The determination of whether or not to proceed with an early payment discount option shall be solely at the discretion of JHL Constructors management.

**For any questions which are not addressed in this document, please contact the JHL Constructors Main Office at (303) 741-6116 and request to speak to the Accounts Payable Department or Project Manager.**





**Sub-Contractor Application for Payment**  
Attachment C

Date: \_\_\_\_\_  
 Sub-Contractor: \_\_\_\_\_ Application Number: \_\_\_\_\_  
 Project Name: \_\_\_\_\_ From Period: \_\_\_\_\_  
 Project Number: \_\_\_\_\_ To Period: \_\_\_\_\_

- 1 **Original Contract Sum** \_\_\_\_\_
- 2 **Net change by Change Order** \_\_\_\_\_
- 3 **Contract Sum to Date** \_\_\_\_\_  
(Line 1 ± Line 2)
- 4 **Total Completed & Stored to Date** \_\_\_\_\_
- 5 **Retainage** \_\_\_\_\_
  - (a) Ten percent of Completed Work \_\_\_\_\_
  - (b) Ten percent of Stored Material \_\_\_\_\_
- Total Retainage** \_\_\_\_\_  
(Line 5a + 5b)
- 6 **Total Earned Less Retainage** \_\_\_\_\_  
(Line 4 less line 5 total)
- 7 **Less Previous Certificates for Payment** \_\_\_\_\_  
(Line 6 from prior Certificate)
- 8 **Current Payment Due** \_\_\_\_\_
- 9 **Balance to Finish, Including Retainage** \_\_\_\_\_  
(Line 3 less line 6)

office use only

Job # _____
Phase _____
Mat'l ___ Sub ___ Other ___
P.M. ___ Pay App# _____
Retainage Yes ___ No ___
Check # _____
Date _____

**Payment Release Verification**

<input type="checkbox"/> Insurance
<input type="checkbox"/> OSHA 10 Hr
<input type="checkbox"/> Executed Contract/PO
<input type="checkbox"/> Bond (if applicable)
<input type="checkbox"/> Lien Waivers
<input type="checkbox"/> Other (list below)
<input type="checkbox"/> HOLD PAYMENT

Change Order Summary			Additions	Deductions
Change Orders Approved in previous months by JHL Constructors, Inc.				
TOTAL				
Approved This Month				
No.	Date Approved			
1				
2				
3				
4				
5				
6				
TOTAL				
Net Change by Change Orders				

The undersigned Sub-Contractor certifies that to the best of the Contractors's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Sub-Contractor for Work which previous Certificates for Payment were issued, and that current payment shown herein is now due.

SUB-CONTRACTOR: \_\_\_\_\_

By: \_\_\_\_\_

Date: \_\_\_\_\_



### Sub-Contractor Application for Payment

Subcontractor: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Project Name: \_\_\_\_\_  
 \_\_\_\_\_  
 Project Number: \_\_\_\_\_

Date: \_\_\_\_\_  
 Application Number: \_\_\_\_\_  
 From Period: \_\_\_\_\_  
 To Period: \_\_\_\_\_

Item Number	Description	Scheduled Value	Previous Applications	This Application		Total Complete	Percent Complete	Balance to Finish
				Complete	Stored Materials			
1		-	-	-	-			
2		-	-	-	-			
3		-	-	-	-			
4		-	-	-	-			
5		-	-	-	-			
6		-	-	-	-			
7		-	-	-	-			
8		-	-	-	-			
9		-	-	-	-			
10		-	-	-	-			
11		-	-	-	-			
12		-	-	-	-			
	Contract Sum To Date							
	Total Completed To Date							
	Less 10% Retainage							
	Less Previous Payments							
	Amount Due This Request							



**SUPPLIER / VENDOR LIST**

_____ / _____ Date                  Pay App #
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Subcontractor: \_\_\_\_\_  
 Project: \_\_\_\_\_

Supplier/Subcontractor	Contract or PO Amount (in excess of \$5,000.00)	Contact	Phone Number	Description of Services or Materials Supplied
<b>Total:</b>				

Subcontractor certifies that the above list includes all of Subcontractor's sub-subcontractors, equipment, labor and material suppliers with an anticipated contract value or cost in excess of \$5,000.00 and is being provided pursuant to the obligations contained in the Subcontract. Subcontractor acknowledges its obligation to supplement this list within ten (10) days in the event new sub-subcontractors or equipment, labor or material suppliers having a contract value in excess of \$5,000.00 are used by subcontractor in the Project. Subcontractor certifies that this list is true and accurate.

Subcontractor  
 \_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Printed Name and Title

IN WITNESS WHEREOF, \_\_\_\_\_ has executed this Supplier/Vendor List on behalf of the Subcontractor as its \_\_\_\_\_ this  
 \_\_\_\_\_ day of \_\_\_\_\_, 201\_\_

STATE OF COLORADO  
 County of \_\_\_\_\_  
 My commission expires: \_\_\_\_\_  
 \_\_\_\_\_ Notary Public



**CONDITIONAL INTERIM LIEN WAIVER AND RELEASE**

**PROJECT:**

**ADDRESS:**

**GENERAL CONTRACTOR:** JHL Constructors, Inc.

**SUBCONTRACTOR:** \_\_\_\_\_

**COMPANY SIGNING THIS LIEN WAIVER AND RELEASE:** \_\_\_\_\_

The undersigned states that he/she is the authorized agent for the Company signing this Release ("Company") on the Project and is authorized to act on behalf of the Company. The Company has provided labor, materials or equipment directly to the General Contractor or to the Subcontractor noted above..

Upon receipt and bank clearance in the amount of \$ \_\_\_\_\_, the Company agrees as follows:

- (1) The Company waives all right to and claims for a mechanics' lien, notice to disburser or verified statement of claim against the above described real property or the Project for any and all work, labor, materials, equipment and other expenses performed, procured or furnished to the date of \_\_\_\_\_, except for retention and claims noted below.
- (2) The Company releases the Owner, General Contractor its staff, employees and surety, collectively referred to as the ("General Contractor"), from all claims, right of action, liability and lien or claim of any kind or nature arising out of the work performed and/or materials furnished by the Company up to the date referred to in Paragraph (1), except for retention and claims noted below.
- (3) The Company further certifies that each of Company's subcontractors, equipment providers and suppliers have been fully paid or will be timely paid with the above funds, less retainage, up to the date referred to in Paragraph (1), except as noted below\*. The Company represents to the Owner and General Contractor that there has not been any assignment, transfer, or purported transfer, or assignment to any person, firm or corporation, of any of the claims released hereby.
- (4) The Company agrees to indemnify and hold the Owner and General Contractor harmless from any and all claims hereinafter made by the Company, its material or equipment suppliers, subcontractors, or employees, or assigns of such persons or any person claiming through the undersigned, against the Owner, General Contractor or the above described property or Project, for any and all work, labor, materials, equipment and other expenses performed, procured or furnished as of the date referred to in Paragraph (1).

THIS CONDITIONAL INTERIM LIEN WAIVER AND RELEASE IS EXECUTED THIS \_\_\_\_\_ DAY OF \_\_\_\_\_ 201\_\_\_\_\_

COMPANY

Signature: \_\_\_\_\_

By: \_\_\_\_\_

Printed Name

Title: \_\_\_\_\_

AUTHORIZED AGENT FOR THE COMPANY

IN WITNESS WHEREOF, \_\_\_\_\_ has executed this Conditional Interim Lien Wavier and Release on behalf of the Company as its \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_ 201\_\_\_\_\_

STATE OF COLORADO

County of \_\_\_\_\_

My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

\*Pursuant to §18-5-302 (3) a person who signs a lien waiver and knowingly fails to timely pay any debts covered by the waiver commits a criminal offense, unless there is a bona fide dispute as to the existence or amount of the debt



**CONDITIONAL FINAL LIEN WAIVER AND RELEASE**

**PROJECT:**

**ADDRESS:**

**GENERAL CONTRACTOR:** JHL Constructors, Inc.

**NAME OF CONTRACTOR, SUBCONTRACTOR, SUPPLIER, and/or INDIVIDUAL:**

The undersigned states that he/she is the authorized agent for the above named Subcontractor, Supplier, Leasing Company, or Individual (hereinafter referred to as "Company") and **upon receipt and bank clearance** of the payment referenced below, the Company will be fully paid for all labor, materials, and all other expenses furnished on the Project *described above*. The undersigned certifies that all the Company's obligations arising out of the Project have been fully paid or will be paid out of the above funds as noted below\*. The undersigned further certifies that the Company has complied with all State and Federal tax laws insofar as applicable to the performance of said work and contract.

**Upon receipt and bank clearance of payment** in the amount of \$\_\_\_\_\_, the undersigned waives all rights under the Colorado Mechanic's Lien Law, Federal, Colorado state and local laws, including any and all applicable Colorado verified claims laws, and the Miller Act for Company to file mechanic's liens, verified claims, bond claims, contract claims or administrative claims on the Project. The undersigned also releases all of the Company's rights related to the Project, to make any claims, whether known or unknown, against, the Owner, General Contractor or any surety relating to the Project. This waiver and release is voluntarily given and the undersigned acknowledges that he/she has fully reviewed the terms of this waiver and release, is fully informed about the legal effects of the waiver and release, and has voluntarily chosen to accept the terms of this waiver and release in exchange for final payment.

The Company agrees to indemnify and hold the Owner, General Contractor and its surety harmless from any and all claims, liabilities, and losses, including reasonable attorney's fees, made by the Company, its material or equipment suppliers, subcontractors, or employees, or assigns of such persons or any person claiming through the Company, against the Owner, General Contractor, its surety or the above described property or Project, for any and all work, labor, materials, equipment and other expenses performed, procured or furnished to the Project.

By: \_\_\_\_\_

Signature: \_\_\_\_\_

Printed Name

Title:

AUTHORIZED AGENT FOR THE COMPANY

IN WITNESS WHEREOF, the undersigned has executed this Conditional Final Lien Waiver and Release this \_\_\_\_\_ day of \_\_\_\_\_, 2010

STATE OF COLORADO

County of \_\_\_\_\_

The foregoing instrument was acknowledged  
Before me this \_\_\_\_\_ day of \_\_\_\_\_, 2010  
My commission expires: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

\*Pursuant to §18-5-302 (3) a person who signs a lien waiver and knowingly fails to timely pay any debts covered by the waiver commits a class 1 misdemeanor, unless there is a bona fide dispute as to the existence or amount of the debt.