



**CITY AND COUNTY OF DENVER
DEPARTMENT OF PUBLIC WORKS and
DEPARTMENT OF AVIATION**

Policy Statement

Subject: Payment Application Processing	
Number: 7	Effective Date: February 5, 2010
Approved: <i>Lesley B. Thomas</i>	Lesley B. Thomas, P.E., City Engineer
Approved: <i>David I. Rhodes</i>	David I. Rhodes, P.E., Deputy Manager

The Prompt Pay ordinance of the City & County of Denver, Article II, Chapter 20, Denver Revised Municipal Code (DRMC) as amended, (comprising sections §20-107 through §20-11S) (Prompt Pay Ordinance) governs all payment application processes. In the event of a conflict between the Prompt Pay Ordinance and this Policy, the Prompt Pay Ordinance shall control.

The intent of this policy is to provide direction to both city personnel and the city's contractors on the payment application process. Cooperation between the City and the Contractors will improve the payment application process.

City Project Manager shall establish a schedule for submitting and validating payment applications at the preconstruction meeting.

Contractor shall submit an undated, draft payment application to Project Manager for review to validate payment application at the agreed upon schedule. Upon review by the Project Manager, the Contractor shall finalize and date the complete payment application and submit it to the City.

If the City Project Manager does not receive draft or complete payment applications from Contractor by the dates set forth in the schedule, the City Project Manager shall notify his/her supervisor and the Contractor in writing. If Contractor fails to submit payment applications for two consecutive months, then the City Project Manager will schedule a meeting with the Contractor to discuss the status of payment applications.

Contractor shall submit its hard copy of the completed payment application to the City Project Manager and a completed electronic pay application to Contracts Administration. Contracts Administration will electronically distribute the application and documentation for concurrent City review and approvals. City Project Manager and supervisor shall review the complete payment application and either approve, approve with modifications, or reject the payment application within five calendar days, but in no event longer than 10 calendar days. The City Supervisor shall forward the action electronically to Contracts Administration. The supervisor shall advise the Deputy Manager of any rejections. Contracts Administration shall issue the rejection notice to the Contractor.

Contracts Administration will review the payment application for contract compliance. Upon confirmation of contract compliance, Contracts Administration will submit the payment application to Controller for payment in accordance with the prompt pay ordinance (35 calendar days).