Retainage and HB 2415

James Sealy

When does it take effect?

On contracts with an execution date after January 1, 2020.
The change to ORS 279C.570 that affected us

If the contract price exceeds $500,000, the contracting agency shall place amounts deducted as retainage into an interest-bearing escrow account. Interest on the retainage amount accrues from the date the payment request is approved until the date the retainage is paid to the contractor to which it is due.

Issues with this change

- The escrow account
  - Currently, we typically use an interest-bearing bank account

- Interest accrues from date payment approved
  - What date to use for that?
  - What about the interest in the transit time from the time payment is approved until it is put into the escrow account?
How we are currently dealing with HB2415?

- Setting the retainage to None in CPS
  We may re-introduce retainage back into contract at later date.
- Joe Squire is working with industry on the future of retainage.

The change to ORS 701.420 that affect the Contractor

If the contract price exceeds $500,000, the owner, contractor or subcontractor shall place amounts withheld as retainage into an interest-bearing escrow account. Interest on the retainage amount accrues from the date the payment request is approved until the date the retainage is paid to the contractor or subcontractor to which it is due.
Questions
CPS Labeling, Tricks and Quirks

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CCO that Increase, Decrease, or Delete PI

- Typically entered with $0.00 unit price
  - This is done to prevent double payment
  - An exemption is when there is an increase or decrease of a LS item
  - On rare occasions, it is paid under the CCO line for tracking proposes
Labeling Adjustments & MOH

- Label MOH after the PI (ex PI 67 to 7067A)
- When adjustment relates to a PI, label after the PI
- Statspec
  - use separate lines for different lots
  - put the lot # in the line item description
- 6600, 6700, and 6800 series are reserved for escalation.
- LD’s description needs to start with Liquidated
Funding Source & Funding Splits

- Funding Coordinators/EA letter.
- Check the zero estimate.
- Need a line added, contact Contract Admin.
### Pay Note List (PM)

<table>
<thead>
<tr>
<th>Pay Note Number</th>
<th>Source</th>
<th>Remarks</th>
<th>Date Work Completed</th>
<th>Quantity</th>
<th>Amount</th>
<th>Processed</th>
</tr>
</thead>
<tbody>
<tr>
<td>08.01</td>
<td>AT STATION 1</td>
<td>16/01/2015</td>
<td>06/16/2015</td>
<td>10.000</td>
<td>$1,360.00</td>
<td>No</td>
</tr>
<tr>
<td>07.17</td>
<td>CORRECTION</td>
<td>06/33/2015</td>
<td>12/04/2007</td>
<td>-5.000</td>
<td>-$875.00</td>
<td>Yes</td>
</tr>
<tr>
<td>06.05</td>
<td>TEST</td>
<td>02/4/2006</td>
<td>02/10/2006</td>
<td>1.000</td>
<td>$115.00</td>
<td>Yes</td>
</tr>
</tbody>
</table>

**Available balance ($0.00)**

**Note:** Pay Notes cannot be added to completed bid items.

**Dates are in the format of (mm/dd/yyyy)**

**For more details, refer to the Pay Note List report.**

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**Contractor Payment System**

**Progress Indicators for #14277**

- **% Completed:** 0%
- **Date Work Completed:** Not yet defined
- **Payment Request Amount:** $0.00
- **Progress Estimate:** $0.00
- **Number of Days Overdue:** 0

**Note:** The "Contractor's Time-Extended**

The "Deductible Time-Extended" amount is $0.00.
<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Actual</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Item 1</td>
<td>$100</td>
<td>$100</td>
<td>$0</td>
</tr>
<tr>
<td>Item 2</td>
<td>$200</td>
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<tr>
<td>Item 3</td>
<td>$300</td>
<td>$300</td>
<td>$0</td>
</tr>
<tr>
<td>Total</td>
<td>$600</td>
<td>$600</td>
<td>$0</td>
</tr>
</tbody>
</table>

CPS Tips