

THIS MEMO IS EXPIRED

June 25, 2001

M E M O R A N D U M N O. 11-01

TO: DISTRICT CONSTRUCTION ENGINEERS
FROM: Greg Xanders, State Construction Engineer
COPIES: Bill Albaugh, Archie Montgomery, Jim Johnson, Robin Naitove, FHWA, FTBA
SUBJECT: ELIMINATION OF RETAINAGE AND SECURITIES

Beginning with the July 2001 lettings, retainage will only be withheld when the project is behind completion requirements per specification.

On projects let prior to July 2001 where the contractor wishes to stop retainage the following actions are required:

1. Contractor is to furnish a letter to the project engineer listing all ongoing projects that the Surety is willing to have the retainage returned to the contractor.
2. The Department will prepare a change order deleting the old retainage specification and inserting the new retainage specification into each contract. The exception to this change will be that all projects that have been final accepted will follow the present specification for the release of the retainage.
3. The Department will revise the CRS program so that retainage is optional. This will allow the field to charge retainage on projects that the contractor is behind progress or the surety has not agreed to allow return of the retainage.

For the contractor to obtain the return of their securities, send a letter to the FDOT Office of Comptroller, attention: Disbursement Operations Office, Contract Payment Section asking that their securities be returned with a copy to each district final estimate engineer in the districts where the projects are located. Attach a copy of the surety's letter agreeing that retainage could be released on all contracts and state which projects are in the final estimate phase and if they want securities or retainage withheld to cover those projects.

Should you have any questions, please contact Archie Montgomery at suncom 994-4146.

GX/wc