

Proposed Release of Retainage Policy Changes

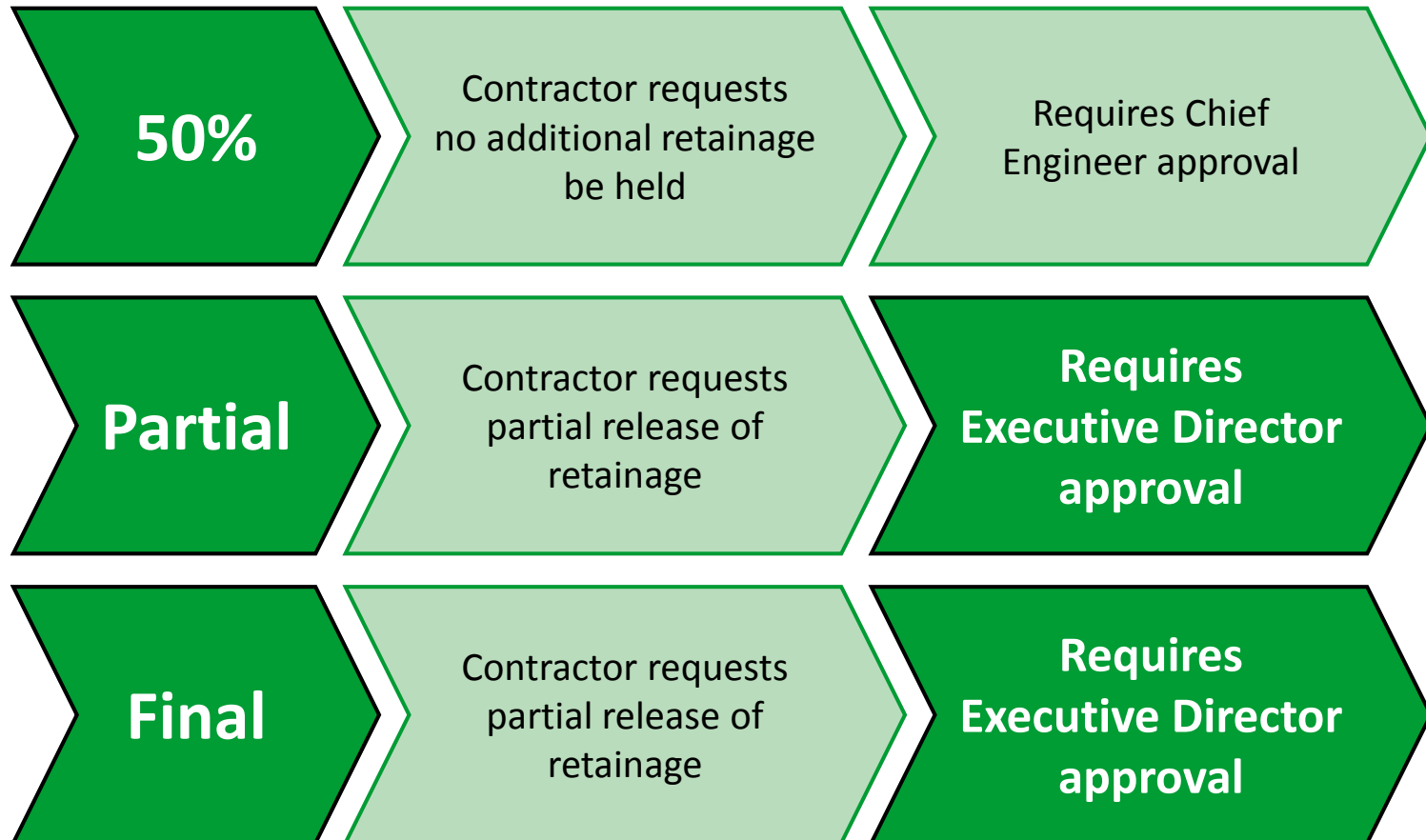
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Current Retainage Policy

- ▶ **Required by the Tollway's Trust Indenture and specifications**
- ▶ **Ensures contract compliance and completion by the contractor**
 - ▶ Detailed review process prior to Board
 - ▶ Diversity goals must be addressed prior to final payment
- ▶ **Approvals to release of retainage are authorized by the Board monthly**

Retainage Process

Several steps to reduce and release retainage on construction contracts



Recommended Changes

Changes permitted by the Trust Indenture

- ▶ **Enable electronic requests for retainage reduction (within web-based project management software)**
- ▶ **Delegate partial and final release of retainage approval to the Executive Director**
- ▶ **Provide a monthly report of retainage released to the Board**

Benefits of Recommended Changes

Modifications to the policy would benefit contractors and subcontractors (including minority and small businesses)

- ▶ **Ensures more timely payments**
- ▶ **Alleviates potential cash flow issues**
- ▶ **Maintains Tollway's reputation as a preferred client**
- ▶ **Follows good business practices**



THANK YOU
