

---

# Proposed Release of Retainage Policy Changes

September 24, 2015

---

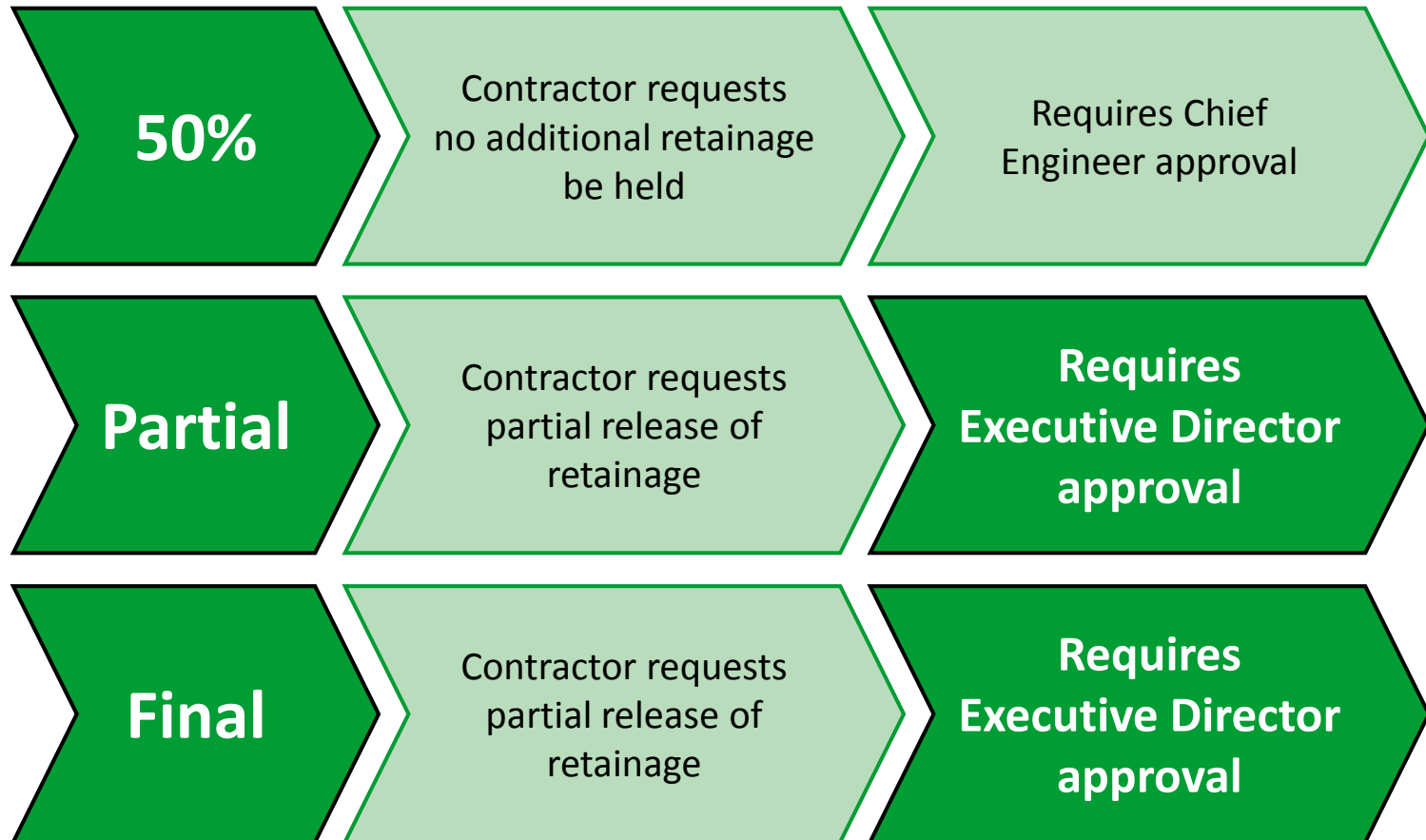
# Current Retainage Policy

---

- ▶ **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**

---