

CLOSE-OUT AND RECORD DOCUMENTS

7.01 DESIGNER and CONTRACTOR EVALUATION for construction phase services

Upon certification of Substantial Completion, the Owner will begin the process of making an evaluation of the construction phase services rendered by both the Contractor and the Designer. The forms used for this are *Administrative Forms* F866 (Contractor) and F966 (Designer). A copy of the completed evaluations will be provided to the evaluated parties, with a request to sign and return the form as acknowledgment that this information has been shared.

7.02 MODIFICATIONS AFTER SUBSTANTIAL COMPLETION

- A. All of the same instructions given in Chapter 6 still apply.
- B. Modifications after Substantial Completion are to be avoided if at all possible. They are typically limited to final adjustment of allowances, assessment of liquidated damages, and late demands from regulatory authorities.
- C. The Certificate of Substantial Completion will have established an agreed date by which final completion is required, and this is enforced on **General Work** by a secondary liquidated damages clause. Therefore, additions to the Work after substantial completion are an alteration of the punch list, and may require a modification of the agreed punch duration.

7.03 FINAL INSPECTION

- A. Standard Bidding and Contract Documents provisions relative to final inspection procedures and payment are in General Conditions section 3.11 and Article 9; and, for General Work in specification sections 01 29 76 and 01 77 70.
- B. Schedule an inspection with Contractor and OFD-CR and Institution facility coordinator upon receipt of the following from Contractor:
 - 1. certification that a qualified person authorized by Contractor has reviewed the Contract Documents and inspected the Work;
 - 2. written assertion that the Work is complete and in accordance with Contract Documents and ready for Final Inspection;
 - 3. additional materials necessary to augment the Operating & Maintenance Data Binders with instructions for adding these to the Binders, or full replacement Binders, or written assertion that such will be complete and available prior to inspection;
 - 4. Construction Record Documents and Project Data Binders, or written assertion that these will be complete and available prior to inspection; and,
 - 5. an application for final payment.
- C. Prepare paperwork:
 - 1. Check whether the project requires a Sustainable Design Verification Form, which should be included in the specifications as Section 01 78 56, and whether one has been signed yet. If required and not yet signed, take a copy with you to the inspection for signing.
 - 2. Make a copy of the Substantial Completion certificate and punch list to take for reference.
 - 3. Prepare a *Form F764 Report of Final Inspection*, by filling in the project identification, and take a copy with you.



D. The following agenda is recommended for a Final Inspection meeting:

1. Preliminary:
 - a. Review Substantial Completion inspection "Punch list"
 - b. Verify delivery of surplus stock to the Institution
 - c. Verify completeness of Project Data Binders (See **7.04** below)
 - d. Verify completeness of Construction Record Documents (See **7.04** below)
2. Conduct Inspection of the Work
3. Review results of inspection (reschedule if incomplete)
4. Review unfinished construction business:
 - a. Applicability of 25% Liquidated Damages (only on *General Work*)
 - b. Outstanding contract modifications needed
 - c. Contractor signing the Sustainable Design Verification Form (spec section **01 78 56**)
 - d. Contractor's outstanding debts and final payment application (including whether final payment will have to be advertised in accordance with **7.05.B**).
 - e. One-Year Corrective Inspection
5. Review unfinished design business
 - a. Report of final completion
 - b. Record Documents
 - c. Design fees and reimbursable expenses
 - d. SBC-25
 - e. if a SWPPP applies, the Storm Water Operation & Maintenance Plan (SWOMP) and Notice of Termination (NOT).
 - f. Designer's final invoice

E. **Failing Final Inspection:** Work required for final completion that is incomplete should not be re-classified as corrections to be made after final inspection. If close-out documents, such as the Record Documents and Data Binders, are incomplete, the Work should not pass final inspection; however, the Designer may report that the construction activity is complete. Unfortunately, the accuracy of close-out documents often cannot be verified without a re-inspection at the site. If final completion has not been achieved, report the failed final inspection to the OFD-CR and include or attach a list, similar to a punch list at substantial completion. If warranty items were observed, attach a list of these, but distinguish between punch list items and warranty items.

F. **Passing Final Inspection:**

1. When final completion has been achieved, including work on site and closeout documents, make a report to the OFD-CR using **Administrative Form F764**. If warranty items were observed, attach a list of these.
2. If a SWPPP applies, and the job was not ready for Notice of Termination (NOT) at Substantial Completion, it must be now; so, go back to *Administrative Procedures* Chapter 6 on Construction, and follow the procedures given in **6.19.F.1** to issue the Notice of Termination, finish the SWOMP, and provide the As-Built Certification.
3. If Commissioning applies, but a (minor) portion was incomplete at substantial completion, it must be complete now; so, go back to *Administrative Procedures* Chapter 6 on Construction, and follow the procedures given in **6.19.F.2** to report the functional performance test data.

G. The **General Work** Conditions include a paragraph **9.12** that establishes 25% secondary liquidated damages for failure to make timely final completion, which includes construction activity and close-out documentation.



7.04 CONTRACTOR'S RECORD DOCUMENTS AND DATA BINDERS

- A. Review the Contractor's Record Documents and Project Data Binders for completeness and accuracy in accordance with General Conditions Section **3.11** and the Specifications (standard Section **01 78 21** for General Work).
- B. For Non-Construction contracts, such as large furniture procurements, structured data binders and data binder receipts are not required by OFD standard documents, though a similar form of Record Documents and Product Data specifications may have been added by the Designer.
- C. When these documents have been found complete and correct in accordance with specifications, certify the completeness of the documents in a cover letter, and include a place for the facility coordinator to sign as a receipt for the Binders. *Administrative Form F754* is a model for this letter. Turn the Binders over to the Institution's facility coordinator prior to certifying final completion. Obtain the signature of the facility coordinator or a designee on a copy of the certifying cover letter as a receipt, and forward a copy to the OFD project manager. The receipt shall not relieve the Contractor or Designer of obligations with respect to completeness of record documents.

7.05 FINAL PAYMENT TO CONTRACTOR

- A. Before the Designer certifies final payment, the Contractor must correct any deficiencies in data binders and other record documents. Requirements for Final Payment to a construction Contractor can be found in General Conditions section **00 72 13 / 9.10** and in General Work specification section **01 29 76**. Requirements for Non-Construction are found in General Conditions section **00 72 63 / 9.9**. Inasmuch as the construction activity, Record Documents, and Data Binders are prerequisite to final completion, certification of final payment constitutes certification by the Designer that not only the construction activity, but also the documentation, is complete; however, it does not satisfy the Owner's need to know on what date the Work was finally complete, in order to determine whether a claim for secondary liquidated damages is appropriate. This critical date is provided by the *Administrative Form F764* Report of Final Inspection, previously mentioned.

B. Advertisement before Final Payment:

- 1. Determine whether any one of the following circumstances apply:
 - a. contract sum is \$100,000 or less, and the contract therefore has no Surety;
 - b. General Contractor has been declared in default;
 - c. Surety has been required to assume an active role in the completion of the contract;
 - d. staff officers charged with administration of the construction contract have, in their judgment, sufficient information or concern regarding the General Contractor's payment for all materials, supplies, labor, and equipment used on the project, and have so instructed the Designer to advertise the final payment.
- 2. If any one of the above circumstances apply, then the Designer shall advertise a legal notice of the impending settlement, calling for the filing of claims:
 - a. once, preferably on a Wednesday, within ten (10) days of receipt of the application for final payment with required attachments;
 - b. in a newspaper published in the county where the work is located, or if no such newspaper is published, then in a newspaper in an adjoining county; and,
 - c. following the model of *Administrative Form F780*.
- 3. Thirty (30) days after the advertisement, report to the OFD-CR whether any claims have been made and the apparent validity of any such claims. If there are no claims to address, the Owner will process the final pay request.



7.06 DESIGNER'S RECORD DRAWINGS, INFORMATION, AND INSTRUCTIONS

- A. The Contractor is to provide project data binders and marked-up project record documents. The Designer has similar contractual obligations to provide final record documents, in paragraph **2-1-38** of SBC-6a Standard Terms and Conditions for Agreements between Owner and Designer.
- B. The Designer shall furnish the following record documents to the OFD project manager:
 - 1. Drawings on mylar transparencies suitable for reproduction, and a corrected (marked-up) Project Manual reflecting all changes caused by addenda, modifications, and observed changes recorded by the Contractor.
 - 2. A complete and updated SBC-25 form for the project. See *Administrative Form F825*.
 - 3. A complete SDG Project Close-Out and Credit Verification Form (typically re-formed as spec Section 01 78 56 Sustainable Design Verification Form) signed by Designer and Contractor.
 - 4. If a SWPPP applies: a copy of the CGP Notice of Termination (NOT), and an As-Built Certification, as shown in Administrative Forms **F723**.
- C. **ELECTRONIC MEDIA RECORD DOCUMENTS**
 - 1. The Designer shall furnish one copy on DVD of the above Record Documents in original data file format (i.e., AutoCAD, REVIT, GIS) and as PDFs to the OFD project manager. Production costs are reimbursable.
 - 2. Additional project record documents and/or electronic media may be required by individual institutions. Production costs are reimbursable but must be authorized by the OFD project manager in advance.

7.07 ONE-YEAR CORRECTIVE INSPECTION

- A. When the Inspection is due, the Owner schedules the inspection. The the OFD-CR will have the parties schedule and carry out the inspection shortly before the end of one year from Substantial Completion.
- B. One-Year Corrective Inspection is required (*General Work Section 01 77 70 / 1.06*), though not explicitly described in the standards for Non-Construction. The Designer has the lead in conducting the inspection and determining the corrective work, if any, that the Contractor must undertake pursuant to Article **12** of the General Conditions. The Contractor is required to attend, but do not let an uncooperative Contractor stall the inspection; go ahead without them if necessary.
- C. Commissioned projects normally carry a requirement for a 10-month inspection. When the first reminder notice is received, the Commissioning Agent should be enlisted to conduct and report its inspection as soon as possible, so that results can be considered in the one-year inspection.
- D. The following agenda is recommended:
 - 1. Discuss known non-conforming items with facility coordinator and staff
 - 2. Inspect and determine a list of items requiring corrective work, and a timetable for corrective work
- E. Prepare and send a written report of the results of the inspection to OFD-CR as soon as possible, on *Administrative Form F984*. The due date for corrections given in the report (per **7.07.D.2.b** above is non-binding, and does not supersede contractual obligations, but provides OFD a trigger-date for follow-up to determine if corrections are being provided.

CHAPTER 7 END

