



SECTION 01 77 00
CLOSEOUT PROCEDURES

PART 1 GENERAL

1.01 SECTION INCLUDES

- A. Section covers closeout activities required at the end of the PROJECT.

1.02 PROCEDURES

- A. CONTRACTOR, OWNER, and ENGINEER Responsibilities:

1. ENGINEER will inspect the WORK to determine if it is complete, and issue a "Punch List" of items to be completed or corrected by the CONTRACTOR.
2. CONTRACTOR shall complete and/or correct all punch list items and notify ENGINEER, in writing, that the WORK is ready for final inspection.
3. ENGINEER will make final inspection.
 - a. When the WORK is found to be acceptable under the conditions of the CONTRACT DOCUMENTS, and all items required are completed, ENGINEER will recommend to OWNER that the WORK is acceptable.
 - b. If OWNER agrees with the recommendation, OWNER will issue CONTRACTOR a letter of "Final Acceptance".
4. CONTRACTOR shall submit a final payment request to ENGINEER for review and approval.

- B. Final Paperwork:

1. Prior to final payment, CONTRACTOR shall deliver the following items to ENGINEER:
 - a. CONTRACTOR's written one (1)-year guarantee of materials and workmanship.
 - b. All guarantees, warranties, and submittals, as specified.
 - c. Receipts for extra materials delivered to OWNER.
 - d. Final payment request.
 - e. CONTRACTOR's Statement Concerning Claims Form.
 - f. All required indemnifications.
 - g. Releases from property owners for special easements.
 - h. Redlined as-constructed drawings.



1.03 GUARANTEE

- A. CONTRACTOR shall guarantee all materials and equipment furnished and WORK performed for a period of one (1) year from the date of final acceptance for all WORK performed under the terms of this CONTRACT.
- B. CONTRACTOR shall further warrant and guarantee for a period of one (1) year from date of final acceptance that all WORK is free from any and all defects due to faulty materials or workmanship.
- C. Corrections of Defects:
 - 1. CONTRACTOR, within the one (1) year performance guarantee period, shall promptly make such corrections as may be necessary by reason of such defects, including the repairs of any damage to other parts of the system resulting from such defects.
 - 2. OWNER will give notice of observed defects with reasonable promptness.
 - a. OWNER will inform CONTRACTOR of defects and CONTRACTOR shall within ten (10) days begin the work of repair or replacement.
 - 3. Should CONTRACTOR fail to begin such WORK within ten (10) days, or in the event that CONTRACTOR fails to make such repairs, adjustments, or other work that may be made necessary by such defects, OWNER may make the repairs or replacements at the expense of CONTRACTOR and charge CONTRACTOR the cost thereby incurred.
 - 4. If OWNER determines that immediate action to make repairs or replacements is necessary because of emergency conditions or to prevent further loss or damage, OWNER may proceed without notice to CONTRACTOR but at the expense of CONTRACTOR.
- D. The PERFORMANCE BOND shall remain in full force and effect through the guarantee period.
- E. Should OWNER claim by WRITTEN NOTICE before the guarantee period expires that certain defects exist and require repair or replacement, the guarantee period shall be automatically extended for as long as these defects exist.
- F. CONTRACTOR agrees that OWNER will be the final authority on whether or not a defect is one covered by the guarantee.

1.04 FINAL PAYMENT AND ACCEPTANCE

- A. General:
 - 1. Upon completion of the WORK, and recommendation by the ENGINEER that the WORK is acceptable, OWNER will issue a letter that the WORK has been accepted under the conditions of the CONTRACT DOCUMENTS.
 - 2. The entire balance found to be due to CONTRACTOR, including the retained percentages, except such sums as may be lawfully retained by OWNER, will be



paid to CONTRACTOR within forty-five (45) days of completion and acceptance of the WORK.

B. Claims Against Contractor:

1. CONTRACTOR shall indemnify and save OWNER, ENGINEER, and OWNER's agents harmless from all claims growing out of the lawful demands of SUBCONTRACTOR(s), laborers, workers, mechanics, and SUPPLIER(s) of machinery and parts thereof, equipment, tools, and all supplies, incurred in the furtherance of the performance of the WORK.
2. CONTRACTOR shall, at OWNER's request, furnish satisfactory evidence that all obligations of the nature designated above have been paid, discharged, or waived by providing the required Statement Concerning Claims.
3. If CONTRACTOR fails to do so, OWNER may, after having notified CONTRACTOR, either pay unpaid bills or withhold from CONTRACTOR's unpaid compensation a sum of money deemed reasonably sufficient to pay any and all such lawful claims until satisfactory evidence is furnished that all liabilities have been fully discharged, whereupon all payment to CONTRACTOR shall be resumed in accordance with the terms of the CONTRACT DOCUMENTS; but in no event shall the provisions of this sentence be construed to impose any obligations upon OWNER to either CONTRACTOR, the Surety, or any third party.
4. In paying any unpaid bills of CONTRACTOR, any payment so made by OWNER will be considered as a payment made under the CONTRACT DOCUMENTS by OWNER to CONTRACTOR and OWNER shall not be liable to CONTRACTOR for any such payments made in good faith.

C. Late Payment to Contractor:

1. If OWNER fails to make payment forty-five (45) days after approval by ENGINEER, in addition to other remedies available to CONTRACTOR, there will be added to each such payment the interest at the maximum legal rate commencing on the first day after said payment is due and continuing until the payment is received by CONTRACTOR.

D. Acceptance of Final Payment as Release:

1. The acceptance by CONTRACTOR of final payment shall be and shall operate as a release to OWNER of all claims and all liability to CONTRACTOR other than claims in stated amounts as may be specifically excepted by CONTRACTOR for all things done or furnished in connection with this WORK and for every act and neglect of OWNER and others relating to or arising out of this WORK.
2. Any payment, however, final or otherwise, will not release CONTRACTOR or the sureties from any obligations under the CONTRACT DOCUMENTS or the PAYMENT AND PERFORMANCE BOND(s).



PART 2 PRODUCTS (NOT APPLICABLE)

PART 3 EXECUTION

3.01 FINAL CLEANING

- A. Upon completion of the WORK, CONTRACTOR shall, as soon as practicable, remove all waste materials, excess materials, tools, and equipment such as scaffolding, temporary structures, and facilities such as fencing and sanitary facilities.
- B. Upon completion of WORK on structures designed for human occupancy, CONTRACTOR shall clean and replace broken or scratched windows, clean and repair all surfaces, and clean and adjust all units of equipment which are part of the various building systems.
- C. The completed WORK shall be ready for full use before it is given a final inspection. Final payment will not be made to CONTRACTOR until all cleanup is done to the satisfaction of ENGINEER and OWNER.

END OF SECTION