

UNIVERSITY of
HOUSTON

FACILITIES MANAGEMENT
Project Delivery Program

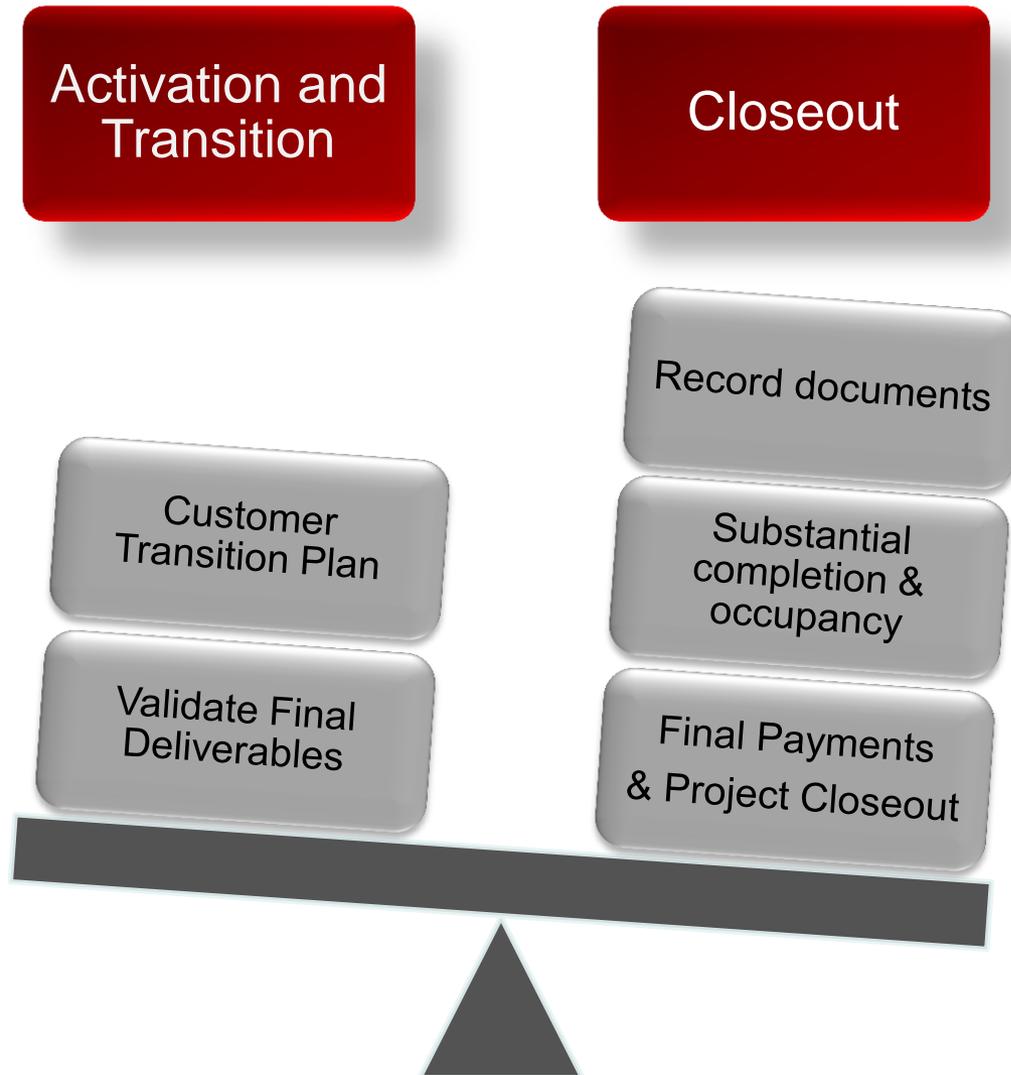
Activation, Transition & Close Out – Step 7

July 13, 2012

Project Management Concept

- Step 1: Needs Development
- Step 2: Scope Development
- Step 3: Procurement of Design Team
- Step 4: Design
- Step 5: Bid/Procurement of Contractor
- Step 6: Construction
- **Step 7: Activation, Transition and Closeout**
- **Wrap-Up Summary**
- **Q & A**

Step 7: Activation, Transition & Close Out



Step 7: Activation, Transition & Close Out

Activation Activities Include:

- Providing adequate attic stock
- All fire, life and safety requirements have been met
- Building systems have been tested and commissioned
- Building systems equipment training has been conducted
- Ensuring a transitional and operational plan is in place with FM and the customer
- IT communication services have been established
- TDLR inspection has been requested
- Locks, key, access plan and way finding completed
- Furniture delivered and installed
- See Activation, Transition and Closeout Checklist

Step 7: Activation, Transition & Close Out

Transition Meeting

- Initiate customer transition meetings - The purpose of these meetings are to review the project status and discuss the operational needs and issues once the project is complete and the facility is “turned over” to the departments
- The customer transition meetings should begin prior to substantial completion to identify and resolve key issues prior to the completion of the project. Meetings should continue on a regular basis until the project is complete and occupied.
- A follow-up meeting should also be conducted just before the warranty expires (11 months after substantial completion). The **Customer Transition Meeting Agenda** and a **Service Matrix** are available for use by the Project Managers.

Step 7: Activation, Transition & Close Out

Validate Final Deliverables

- The Contractor must deliver all O&M manuals to the Project Manager (PM) for review prior to the demonstration period. The Contractor must schedule and manage the equipment start up demonstration. Attic stock (All extra building supplies) should be secured and managed by FM.
- The punch list is commonly understood to be a list made near the completion of the construction work indicating items of work that remain unfinished, do not meet quality or quantity requirements or are yet to be performed by the contractor prior to completing the terms of the contract.
- The contractor must resolve all punch list items within 30 days of substantial completion. The PM should plan ahead and be fully aware of the specific contractual requirements that relate to punch list items and to substantial completion as these items are closely related.
- If the list is excessive, then there is likelihood that the project is not truly substantially complete.

Step 7: Activation, Transition & Close Out

Record Documents

- A record of formal change orders as well as modifications required to construct the facility.
- The contractor turns over the as-built drawings to the A/E or PM as part of construction close out. The PM will then forward them to Facilities Information using the **Record Documents Transmittal**.
- Any space changes must be accompanied by the [Space Update Form](#)
- All Project Team members should be familiar with FM's **Records Management Guidelines**, and the standard filing structure, to ensure consistency in the management of project files
- A complete project record is **REQUIRED** and must be completed prior to administrative closeout.
- The Archivist will work with the PM to prepare documents for final filing and archiving

Step 7: Activation, Transition & Close Out

Final Endorsement & Occupancy

- On agreement with the Fire Marshal, the PM completes the **Certification of Substantial Completion** and submits to the Prime Contractor. The facility may be occupied and the warranty period begins.
- The PM will provide a copy of the Certification and Notice of Occupancy to the Director of Facilities Operations & Maintenance and EHS for the purpose of risk management and insurance. All insurance policies and documents are available online.
- The warranty period is normally a one-year period after receipt of the Certificate of Substantial Completion. As issues arise after move-in, the PM will work with FM in determining the responsible party.
- FM holds the warranties and is the responsible party in maintaining the facility.
- Warranty reviews are conducted after the first growing season for landscape and eleven months after occupancy for equipment and other building items. When warranty expires, Facilities Management will assume full control of the facility.

Step 7: Activation, Transition & Close Out

Final Payments

- After the A/E or PM confirms that the contractor has completed all punch list items they can recommend that the project be formally accepted by signing the Contractor's final payment request.
- Final payment requests (billing for 100% contract completion) are approved by the PM. Billing for release of retainage must be received separately
- When prime does not self-perform all work, the PM will ensure a release of liens certificate is produced.**
- All vendors must have evaluations completed and maintained in the project file and vendor files within Business Services. The PM is responsible for submitting the evaluations to Business Services within 30 days of contract completion. For evaluation purposes, contract completion is the considered the date of final contract payment.

Step 7: Activation, Transition & Close Out

Project Checklists

The **A/E Contract Completion Checklist** is completed by the PM and is required to be completed and submitted with the A/E's final payment application. The PM is responsible for reviewing the checklist and verifying all items have been completed before approving the final payment.

The **Project Delivery Checklist** is a comprehensive checklist that must be used from the beginning of a project. This is a required checklist and must be used as a reference throughout the project and close out to verify all project steps and tasks are complete.

The **Close the Project Checklist** is required to be completed by the PM, CC and FA. The first section of the checklist is completed by the PM. All items must be completed before the project can be moved to "Administrative Close Out." The DBA of Contracts and Project Accounting can then change the project status and notify Plant Accounting that the project is ready for complete close out and reconciliation.

Step 7: Activation, Transition & Close Out

Close Out Challenges

- Claims: All claims must be resolved before final invoices can be approved
- Complete deliverables: Final payments should not be approved if all deliverables are not complete or have not been received.
- Professional Services payments: There are several things to verify before approving a final payment for professional services. In particular, the PM must verify with the Archivist that the record documents have been received and are readable. Also, any remaining balances on the contract must be closed. Final payments should be marked “Final.”
- Internal billings: The PM is responsible for contacting the appropriate department (UIT, Zones and Technical Shops, Lock Shop, etc.) to verify that all billings have been processed and then notify the Financial Coordinator. Any open balances will be reduced by the Financial Coordinator or DBA.

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Questions / Discussion