Punch lists: "It isn't over till it's over"

These minor fix-ups can become major headaches unless you follow a few simple rules

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A successful construction project requires the coordination of numerous activities under the constraints of time and budget. One of the most perplexing parts of the process is how the punch list, which contains activities that comprise only a miniscule portion of the entire projects costs and resources, inevitably can take a disproportionate amount of time and effort to complete. The punch list is a record of primarily minor activities on the project that have not been completed. It is one of the final steps in closing out a construction project, yet always seems to be more difficult than planned.

The importance of a punch list is a matter of common sense, but is often a point of contention between the project's participants. The entire process is usually made more difficult and confrontational than necessary. Too often the punch list is used as a vehicle to manipulate the contractor by pointing out in detail every error made during the course of the project. The owner may try to induce the contractor to perform more work than was originally in their scope, or worse, use it as an excuse to withhold final payment. This creates an atmosphere of animosity among the parties, not to mention doing nothing to complete the project.

Read the contract

The first rule of construction is to always read the contract. This applies to the requirements for closeout procedures as well. It is important to understand both what is expected and required before starting the project. Never make assumptions. The responsibilities for close out procedures are generally contained in the contract agreement. If they are not, make note of this and address this issue prior to signing the contract.

Communicate

Make sure that you know when construction is to be completed and when the owner is to occupy the building. Then communicate that information to everyone with whom you are involved. This will make sure everyone understands when their punch lists have to be completed and the job closed out. If there are activities that must be finished in order for you to meet your obligations, address those early and often. Take responsibility for meeting your obligations, and if needed get clarification on the responsibilities of other parties. The punch list should be kept simple and straight forward. Each item should be as specific as possible, and the list should be presented in a logical and organized fashion.

Don't procrastinate

Address any issues as early as possible. Do not wait until close out to correct things. The sooner problems are handled, the less likely they are to cause additional concerns or impact the project. The punch list should be a compilation of minor problems that are to be remedied prior to the project being completed; it is not intended to address any major concerns that should have been resolved earlier in the construction process. This will help avoid confrontation during the close out process. It is important to realize that the punch list is not meant to provide a list of everything the contractor did wrong during the project.

Empower people

Encourage subcontractors to perform their own preliminary walk through and generate a list to start the process. Inspecting and properly completing construction is the contractor's responsibility, not the owner or A/E's. The contractor has worked for the duration of the project with numerous subcontractors coordinating a complex effort. The American Institute of Architect's General Conditions requires the contractor to submit in writing a comprehensive list of items to be completed or corrected. When the contractors have completed the punch list and everything is finished, they should indicate in writing that they are done. After the contractor's submission, the owner or A/E should perform an inspection. It can be very helpful to consistently format the punch lists in the same way, for example sequentially by floor or area. Communicate to all parties the expected process. Include criteria for scope and timeframe.

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Remember that one of the main reasons for a punch list is to determine substantial completion so that the owner can occupy all or a portion of the project. Again it is important to know the requirements of the contract regarding substantial completion. It should also be noted that the Certificate of Substantial Completion establishes responsibilities between the owner and contractors for insurance, maintenance, heat, utilities, security and other issues that should be addressed. These items should be determined well ahead of time.

Inspection

During the verification walk through, the A/E should use the contractor's list and verify completion or make notes regarding discrepancies. If the A/E adds items to the list, it is the contractor's job to determine responsibility for the work's completion. The owner or

A/E should not be concerned with the remedy to the problem, they should only identify it. The contractor should participate in the entire punch list walk through. This will allow for better communication and issue resolution.

The owner should prepare a list before, and participate in the walk through in order to get their comments and concerns. No one wants the owner coming up with a new list after everyone else has completed their reviews and repairs are underway.

After a walk-through, the A/E can issue a certificate of substantial completion. All punch lists should be included with the certificate. This information should remain together with the appropriate authorizations to document the work still required for completion. Along with the construction work still required, the punch list should contain everything that still needs to be done to complete the contract. This

can include warranties, city signoffs, record documents, administrative items not completed and others. This is why it is important to review all documentation and specifications to make sure that all open or pending issues are included.

As with all aspects of the project, the closeout requires coordination and communication. Address issues as early and quickly as possible. Work with all of the parties involved to complete the work in an acceptable and timely fashion. This will cement sound relationships and preserve your reputation for future work. **BXM**

Thomas J. Williams is vice president of sales and marketing at VN Services, a project support services company that works with contractors and subcontractors, attorneys and architects, engineering and design firms on projects of all sizes.