

Acceptance of Completed Project

Final payment under contract will be subject to the following:

- A. Completion of building commissioning;
- B. The architect's letter of inspection indicating that the work has been completed;
- C. Certification by the superintendent that no liens have been filed on the project, or if liens have been filed, a certified list of the liens and their respective order of priority; and
- D. Written final acceptance by the board.

Pursuant to statute, final payment will not be made until the district has received from the State Department of Revenue, State Department of Employment Security, and State Department of Labor and Industries certification that all taxes due, or to become due by the project's contractor, have been paid in full. The superintendent will notify each department listed that the work is completed and officially accepted so that a determination of tax liabilities of the contractor may be made.

The contract will provide that a percentage of the project cost will be retained by the district as required by law to insure that the project will remain free and clear of any material, subcontractor or tax liens.

The district prefers that five percent of all moneys earned by the contractor be reserved by the district and will request that the Superintendent of Public Instruction act as agent of the school district for managing the cash retainage. The district will accept a bond submitted by the contractor for any portion of the retainage. The bond must be a form acceptable to the district, and the Superintendent of Public Instruction if state funds are part of the project, and come from a bonding company registered with the Washington State Insurance Commissioner and on its currently authorized insurance list, unless the district can demonstrate good cause for refusing to accept the bond.

Legal References:

- Chapter 60.28 RCW Lien for labor, materials, taxes on public works
- WAC 392-343-080 Value engineering studies, constructability reviews, and building commissioning — Requirements and definition
- WAC 392-344-067 Building commissioning contracts
- WAC 392-344-075 Contracts — Filing
- WAC 392-344-147 Retained percentage law related requirements

Zillah School District
Adoption Date: **04.23.98**
Classification: **Priority**
Revised Dates: **07.26.07**