

# RHODE ISLAND SUBCONTRACTORS ASSOCIATION

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## RISA

Established 1970

Ronald J. Parrillo, II, *President*

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*Executive Secretary*  
*General Counsel*

### FULL MEMBERS

Allied Electrical Group, Inc.  
Apollo Roofing & Sheetmetal, LLC  
Arden Engineering Constructors  
Brunca Waterproofing Corp.  
Century Drywall, Inc.  
Coldmasters Temperature Control, Inc.  
Custom Drywall, Inc.  
Danielson Glass & Mirror Co.  
Delta Mechanical  
E.W. Audet & Sons, Inc.  
Eagle Cornice Co., Inc.  
Hareld Glass Co., Inc.  
Hayward Baker/G. Donaldson Const. Co.  
H.S.I. Construction, Inc.  
James J. O'Rourke, Inc.  
K. Electric, Inc.  
M.F. Construction Corp.  
Marguerite Concrete Contractors, Inc.  
Narragansett Improvement Co.  
Northeast Interior Systems of New  
England, Inc.  
Reagan Construction Corp.  
RI Welding & Fabricating Co.  
Ruggieri Brothers, Inc.  
Ryan Electric Construction  
S.A. Feole Masonry Services, Inc.  
SITECON Corporation  
Spino Bros., Inc.  
Unique Metal Works LLC

### ASSOCIATE MEMBERS

Cormack-Routhier Agency  
Insulation Contractors Assoc. of NE  
National Electrical Contractors Assoc.  
NE Mechanical Contractors Assoc.

## NEWSLETTER

**TO: RISA Members**  
**FROM: Girard R. Visconti**  
**DATE: August 26, 2019**  
**RE: "SUBCONTRACTOR RED FLAG"  
CHECKLIST**

The following items constitute a "Red Flag" checklist for Subcontractors to keep in mind on a daily basis:

1. A Mechanic's Lien Notice when recorded in the applicable city or town covers the value of labor, materials and equipment for the past 200 days prior to the recording of the Notice of Lien. In the event that any labor, materials or equipment have been provided within the 200 days, any retainage beyond the 200 days is "captured."

Thus, the value of labor and materials or equipment covered in the last 200 days is subject to the lien.

2. Change Orders. Any Change Order requested by a customer should be in writing with an extension of time to complete the Change Order work, if applicable. Unless there is a stipulated sum, all costs in relation to the Change Order should be tracked separately. (Obviously, it is best to compile all costs for the change in a separate cost log).
3. Payment Bonds. A Subcontractor is allowed to contact any awarding authority (pursuant to the "Records of Public Bodies Act," RIGL 38-2-1 et. seq.) to obtain a copy of the Payment Bond in the event that the Subcontractor has not been paid. Suit on a Payment Bond must be commenced within two years of completion by the Subcontractor on public projects, and one year on private projects. Of course, this is subject to the terms of the Bond which must be reviewed on every project.

4. Delay Claims. Any claims for Delay or any other claim should be processed through the applicable claims' procedure pursuant to the Contract Documents, including any General Conditions. Notwithstanding, the provisions of a subcontract, if a Subcontractor has a claim, it should notify its customer immediately of the claim, i.e. the nature of the claim and the value.
5. Release of Liens. When signing a Partial Release of Lien, there should be a clear notation to **except** retainage, specific claims that are pending, and specific change orders that are pending. Otherwise, the Release could bar pursuing collection of those items.
6. "Conditional Payments." Many general contractors are including conditional language which requires payment from the Owner to the General Contractor as a condition to paying the Subcontractor. Rhode Island has not ruled on "Conditional Payment" language as yet. However, it is wise not to agree to any conditional language as to payment, change orders, delay or other claims.

Sincerely,

*Jerry*