

DOCUMENTATION OF CONSTRUCTION PROJECTS FOR SUBCONTRACTORS

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Subcontractors can use the following forms to protect themselves from liability, protect their right to get paid, and avoid surprises on complicated projects.

Remember that any form, letter, email, document or note you send out should list your Company Name and ROC License Number (including the letters ROC in front of the license number).

32-1158. Minimum elements of a contract

A. From and after December 31, 1992 until December 31, 2007, any contract in an amount of more than one thousand dollars and less than one hundred fifty thousand dollars entered into between a contractor and the owner of a property to be improved shall contain in writing at least the following information:

1. The name of the contractor and the contractor's business address and license number.
2. The name and mailing address of the owner and the jobsite address or legal description.
3. The date the parties entered into the contract.
4. The estimated date of completion of all work to be performed under the contract.
5. A description of the work to be performed under the contract.
6. The total dollar amount to be paid to the contractor by the owner for all work to be performed under the contract, including all applicable taxes.
7. The dollar amount of any advance deposit paid or scheduled to be paid to the contractor by the owner.
8. The dollar amount of any progress payment and the stage of construction at which the contractor will be entitled to collect progress payments during the course of construction under the contract.

B. From and after December 31, 2007, any contract in an amount of more than one thousand dollars entered into between a contractor and the owner of a property to be improved shall contain in writing at least the following information:

1. The name of the contractor and the contractor's business address and license number.
2. The name and mailing address of the owner and the jobsite address or legal description.
3. The date the parties entered into the contract.
4. The estimated date of completion of all work to be performed under the contract.
5. A description of the work to be performed under the contract.
6. The total dollar amount to be paid to the contractor by the owner for all work to be performed under the contract, including all applicable taxes.
7. The dollar amount of any advance deposit paid or scheduled to be paid to the contractor by the owner.
8. The dollar amount of any progress payment and the stage of construction at which the contractor will be entitled to collect progress payments during the course of construction under the contract.
9. That the property owner has the right to file a written complaint with the registrar for an alleged violation of section 32-1154, subsection A. The contract shall contain the registrar's telephone number and website address and shall state that complaints must be made within the applicable time period as set forth in section 32-1155, subsection A. The information in this paragraph must be prominently displayed in the contract in at least ten point bold type, and the contract shall be signed by the property owner and the contractor or the contractor's designated representative. This paragraph does not apply to a person who is subject to and complies with section 12-1365.

C. At the time of signing a contract the owner shall be provided a legible copy of all documents signed and a written and signed receipt for and in the true amount of any cash paid to the contractor by the owner.

D. The requirements of this section shall not constitute prerequisites to the formation or enforcement of a contract. Failure to comply with the requirements of this section shall not constitute a defense by either party to an action for compensation, damages, breach, enforcement or other cause of action based on the contract.

DAILY LOG

PROJECT _____

CONTRACTOR _____

ARCHITECT _____

DATE _____

Description of Work Performed (Equipment on Site):

Time Arrived:

Time Departed:

Employees on Project:

Other Trades On-Site:

Delays/Schedule Impact:

Injuries:

Changes to Work:

Notices/Requests from Contractor/Owner/Architect:

I certify that the above information is complete and accurate.

Supervisor

Name:

PROJECT _____

CONTRACTOR _____

ARCHITECT _____

DATE _____

REQUEST FOR INFORMATION NO. _____

FROM: (Name, Co.)	TO: (Name, Co.)
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FROM SUBCONTRACTOR:

Subject:

Question:

Suggestion:

Estimated Time (if known): _____ Estimated Cost (if known): (\$000.00 or N/A)

REPLY TO SUBCONTRACTOR	DATE ANSWERED:
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The person or entity responding to this RFI represents and confirms the entity which submitted this RFI is entitled to rely on the Reply stated above.

Copies to:

- Project Manager/Construction Inspector
- Architect
- Construction Administrator
- Contractor

NOTICE OF DELAY

To: **INSERT**
Date: **INSERT**

Project: **Insert**

In reviewing the progress to date for the above project, we have been prevented from performing our work as scheduled because **Reason for Delay**. This delay and the factors which contributed to the delay were unanticipated and beyond our reasonable control. Therefore, any damages, liquidated damages or costs associated with this delay or the factors which caused the delay are not attributable to our company.

Accordingly, we request a commensurate extension of time. At this point we estimate the additional time necessary to complete our scope of work is _____
_____. In addition, we request compensation for any acceleration, extended overhead, or other impact costs that result.

We hereby request a written directive on how we are to proceed in this matter.

ABC Subcontracting

Item 1:

Below is the language that must be inserted in 10 point Bold font in all contracts "From and after December 31, 2007...of more than one thousand dollars entered into between a contractor and the owner of a property to be improved." The Statute at issue is 32-1158.

1. "Pursuant to Arizona law we are required to inform you of your right to file a written complaint with the Registrar of Contractors for an alleged violation of Arizona Revised Statutes section 32-1154, subsection A. Any complaints must be made within the applicable time period as set forth in section 32-1155, subsection A. The ROC can be contacted at (602) 542-1525 or online at <http://www.azroc.gov>. We request that if any portion of our work is unsatisfactory that you notify us prior to filing a complaint so we can attempt to resolve any concerns."

Item 2:

The Arizona Prompt Pay Act provides numerous benefits and protections for contractors. The benefits include a right to timely payment, 1.5% interest per month on unpaid invoices, and the right to stop work for non-payment (after notice). However, the Act only applies to Owner-Occupied Dwellings if the contractor includes certain language on the front page of all its estimates and invoices. The statutory language is as follows:

Notice to owner of applicability of Arizona prompt pay act

(Notice required by Arizona Revised Statutes section 32-1129.07)

Attention: Your obligations to pay your contractor are subject to the Arizona prompt pay act. That act is set forth in section 32-1129, Arizona Revised Statutes, and sections 32-1129.01 through 32-1129.07, Arizona Revised Statutes. The full text of the statutes are available at your local public law library or the internet. Under that act, you have the right to withhold all or a portion of a payment to a contractor for a variety of reasons, including defective construction work that has not been corrected. However, in order to do so, you must issue a written statement setting forth in reasonable detail your reasons for withholding payments within fourteen (14) days after the date you receive a billing or estimate. If you fail to issue the written statement within that period, the billing or estimate will be deemed approved. Once the billing or estimate is deemed approved, you must pay the billing or estimate within seven (7) days. Generally, you are limited by the act to withholding only an amount that is sufficient to pay the direct costs and expenses you reasonably expect to incur to protect you from loss for which the contractor is responsible. You are encouraged to read the act in full to know your obligations and rights.