

FILE NO. 72126

July 11, 1940.

Mr. Leon Small
Water Engineer
Bureau of Water Supply
Municipal Office Building
Baltimore, Maryland

Dear Mr. Small:

Please refer to your letter of June 22nd, 1940, and your subsequent letters, pertaining to the claims of the employees of the Eastern Substructure Corporation, a subcontractor of John Matriociani, who contracted with the City to construct the Southeastern Low Service Transmission Main under the tracks of the Baltimore and Ohio Railroad Company and the Pennsylvania Railroad Company in Bay View Yards.

It is my understanding that the claims of the aforesaid employees are based upon checks given them by the Eastern Substructure Corporation, which checks are alleged to be of no value.

Paragraph 76, page 29 of the Specifications, which form a part of the Contract between the City and John Matriociani, dated October 13, 1939, for the above mentioned work, provides as follows:

"When written notice is given to the Engineer before or within ten (10) days after the completion and conditional acceptance of the entire work under this contract, by persons having done work or furnished materials for such contract, that there is money due and unpaid for said work and materials, the Contractor shall furnish the Engineer with satisfactory evidence that said money has been fully paid or satisfactorily secured by him. And in case such evidence is not furnished as aforesaid, such amounts as may be necessary to meet the claims of the persons aforesaid may be retained from any moneys due the Contractor under the contract until the liabilities aforesaid shall be fully discharged or such notices withdrawn. The City or the Engineer may also, with the written consent of the Contractor, use any money retained, due or to become due under the contract, for the purpose of paying for both labor and material for the work, for which claims have been filed in the office of the Engineer."

You will note from the above that the required written notice must be given by persons having done work for the contract; that if the contractor does not furnish evidence that the money claimed has been fully paid or satisfactorily secured