

File No. 9689 Continued.

CORRESPONDENCE.

SEWERAGE COMMISSION  
OF THE CITY OF BALTIMORE.  
CHIEF ENGINEER'S OFFICE.  
AMERICAN BUILDING.

Baltimore. March 5, 1909.

Mr. E. G. Grace,  
General Manager,  
Bethlehem Steel Company,  
South Bethlehem, Pa.

Dear Sir:-

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I am in receipt of your letter of February 9th, which has been carefully considered in connection with the specifications.

Referring to Sections 3 and 4 of your letter, the bond (which covers auxiliary machinery not yet manufactured, erection of plant, operation for one year, etc., as well as the pumps themselves) is not "for the protection of the engines to the Commission", but for the purpose of guaranteeing the complete performance of the contract, and the premium on it is not a part of "the actual cost of storing and protecting" the parts of the plant, which the specifications (paragraph 28, page 15) require to be paid to the Contractor in case of delay in the completion of the building.

The insurance premiums, on the other hand, are paid to secure protection in case of damage to the engines by fire, etc., and are, I think, properly a part of "the actual cost of storage and protection" of parts of the plant, mentioned in the specifications (paragraph 28, page 15).

Referring to Section 5 of your letter, paragraph 28 of the specifications states in detail what additional payments will be made to the Contractor in case the Station building is not ready at the time specified in the contract, and provides that these payments, together with a certain extension of time, "shall fully compensate the Contractor for any and all damages he may suffer, or expense he may incur, by or on account of such delay". In case, however, the Com-