

Mr. Leon Small, Water Engineer (cont'd)

by him, then you may retain such amounts as may be necessary to meet the claims filed from any money due the contractor, under the contract until the claims have been fully discharged or the notices withdrawn, and that any amounts of money retained by you may not be used for the purpose of paying such claims unless the contractor consents thereto in writing.

There is nothing in the above mentioned paragraph of the Specifications which compels you to retain any money for the payment of the type of claims now under discussion, but on the other hand, the language of such paragraph does vest in you the discretion to do so if you see fit.

Your attention is directed to the fact that a claim has been filed by Stephen J. Bahil as the Assignee of the claims of three employees of the Eastern Substructure Corporation and that another claim has been filed by Lena Jacobs, individually and trading as Columbia Liquor Store, who is alleged to have cashed checks for three other employees of the aforesaid Company. If the language of the aforementioned provision of the Specifications is strictly construed, it seems to me that the claims mentioned in this paragraph have not been filed by persons having done work for the contract.

In view of the above, it is my opinion that you have the authority to retain sums of money from that which may be due by the City to the contractor under this contract, subject to the terms and provisions of the said paragraph of the Specifications, which, in your discretion, you may exercise in an attempt to take care of claims filed by such persons who may have done work for the contract.

I am returning herewith the copy of the contract between the City and Matracciani which you sent me in connection with this matter.

Very truly yours,

(signed) WM. H. MARSHALL

Assistant City Solicitor

WHM/LM

APPROVED: (signed) CHARLES C. G. EVANS,
City Solicitor