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DEPARTMENT OF COMMERCE AND LABOR.
LIGHT-HOUSE ESTABLISHMENT,

1 INCLOSURES.

OFFICE OF ENGINEER, 10TH DISTRICT,

BUFFALO, N. Y., September 5, 1903.

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SUBJECT: No.893.
South Buffalo,N.Y.
Status of contract.

The Light-House Board,

Washington, D.C.

Gentlemen:

Replying to letter of the Board File No.58, dated 5 August, 1903, I have the honor to report as follows:

There is hereto appended a statement in detail of the condition of the contract with the Buffalo Dredging Co. as regards the completion of the work at South Buffalo, showing what work has been completed and paid for, with dates.

There still remains to be done the fog-signal house complete, on which no beginning has yet been made. The contractors claim that this state of affairs is due to the fact that white pine such as is called for by the specifications is very difficult to get at the present time, and that the Government timber inspector would pass only a small part of the timber which they purchased for this purpose. After [illegible] deal of time lost in this manner, the Buffalo Dredging [illegible] to me for permission to substitute yellow pine fo[illegible] timbers. They submitted a detailed list of the ti[illegible]

quired, and after careful consideration and inquiry in the matter, they were authorized to use yellow pine instead of white pine. The Buffalo Dredging Co. assured me that by this change they would be able to get the lumber promptly and begin the work at once.

All this occurred two months ago. I have since seen a member of the firm twice, and he claims that they have done everything possible to get the lumber but that it is impossible to get it delivered from the south. I am inclined to think that this is true; at the same time, the entire season has passed during which the house should have been completely erected, and it is difficult to say to the Board what is to the best interests of the United States in this case. Even if the contract were now annulled, it would be impossible for the United States probably to get even yellow pine lumber from the south in time to finish the fog-signal this season.

After consideration it is recommended that in this case matters be allowed to run along until next spring, by which time it is hoped that the Buffalo Dredging Co. will have the necessary lumber and the house can be begun promptly in the spring, to accomplish which will be the endeavor of this office during the season of closed navigation.

Had this contract been annulled at the time of expiration by its own terms, I believe that this office could have had the fog-signal house erected this season, and I respectfully represent to the Board the advisability of permitting this office

to adopt the policy in future of annulling contracts which are not completed on time. A special letter in regard to the Toledo light-house will be forwarded to the Board at an early date as an illustration of the loss entailed by the United States in permitting a contractor who has not completed his contract on time to go on with the work indefinitely, which practically means a waiver of the time limit. This method is not only unbusiness-like, but its pursuance in the past has given the contractors in this district an idea that Government contracts are not particularly binding in character and the the time limit mentioned in the contract is of no special importance. This laxity produces its effect in the character of the work furnished and in strenuous endeavors by means of protests, delays, and similar methods to have work accepted by the Government which is not up to grade as indicated by the specifications.

Very respectfully,

Your obedient servant,

Theo. A. Bingham

Major of Engineers, U.S.A.
Engineer 10th L.H. District.