Middlesex to sue insurers for $21m in courthouse row

The Middlesex County Commissioners plan to file a $21 million suit against the bonding company that backed the former chief contractor in the delayed and costly construction of the Middlesex County Court House in Cambridge.

According to Atty. R. Robert Popeo, counsel for the commissioners, the suit will be filed within two weeks in Superior Court against the Travelers Indemnity Co. of Hartford, Conn.

Travelers holds a $21 million performance bond for the prime contractor, the Gevyn Construction Co. of Mamaroneck, N.Y.

The building was originally slated for completion in mid-1967 at a cost of $16 million. However, recent estimates on the final cost have been as high as $45 million.

The commissioners maintain that the Gevyn contract was terminated in May because the company failed to comply with the terms of that contract. Construction has been halted since June 1.

George Ungar, president of Gevyn, has charged that his company was not paid for some of the work done and therefore it was the county commissioners who violated the terms of the contract.

In a letter sent to Popeo on July 2, the bonding company asserted it was standing behind Ungar's charge that the county, and not the contractors, was breaking the terms of the contract.

Popeo said that the $21 million suit, if won by the county, could save taxpayers from having to pay additional construction costs and various claims against the county, possibly totaling as much as $32 million.

"If the county wins, and is correct in its legal position, the people of Middlesex County will have lost time only," he said. "The monetary loss can be replaced."

In a related development, a Massachusetts Bar Association team investigating the construction of the courthouse will make a preliminary report to the association's board of delegates Wednesday night.

Philip L. Sisk, president of the association, said the meeting with the three-member investigatory body, headed by Richard K. Donahue of Lowell, will be held in Marblehead.

Donahue, the incoming president of the association, said the meeting would not be open to the public and the preliminary report would not be released.

The State Supreme Court is also investigating the construction of the courthouse.