

HEADQUARTERS
AMC BALLISTIC MISSILES CENTER
UNITED STATES AIR FORCE
Air Force Unit Post Office
Los Angeles 45, California

REPLY TO
ATTN OF: LBZS

SUBJECT: Weekly Diary 8 Oct 59 through 14 Oct 59

TO: LEG

Attached are the weekly diary items for Space Projects Office.



RICHARD G. HOWLAND
Major, USAF
Chief, Space Projects Office

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1. Weekly Diary LBZSP (U)
2. Weekly Diary LBZSA (U)

WEEKLY DIARY ITEMS - LBZGA

8 October 59 Thru 14 October 59

(U) Communication Satellite Program

1. A re-negotiation conference was held with General Electric on 7 - 8 October, as stated in last week's Diary. The purpose of this conference was to negotiate a CPFF contract containing a special provision accepting the General Electric guarantee-offer to bear any additional cost not to exceed \$1,770,400.00 incurred above the estimated total cost. During this conference, General Electric brought up the following subjects as possible areas where changes in the standard ASPR/AFPI clauses would be required: subcontracting, small business, termination, Government property, insurance and liability to third persons, patent clause, bailment clause, Government facilities and changes.

2. After considerable discussion, it was agreed that these standard clauses need not be changed because of the "1.7M" offer except for the changes clause. In view of the major Program change made at the 7 October Project Meeting, schedule stretch out, deletion of requirement to furnish certain hardware (command receiver, tracking beacon, telemetry, etc.) and added emphasis on reliability, General Electric wanted to develop a contract change agreement in conjunction with pricing out this first major Program change. General Electric's concern, of course, regarding changes is the effect on the company's "1.7M" potential liability.

3. In view of General Electric's insistence to develop this change agreement slowly, i.e., in conjunction with pricing out this first major change, and further that considerable in-house review of this change agreement will be required at General Electric, there was no alternative but to issue a Letter Contract. This Letter Contract is being prepared and will be mailed to General Electric within the next five working days.

(U) Letter Contract AF 04(647)-449 Aeronutronics System - Program 609A

Aeronutronic cost proposal for definitizing the above contract was submitted on 2 October 1959 and is presently in process of being evaluated by Air Force BMD technical personnel and the ACO. Negotiations of the contract schedule and work statement are contemplated during the week of 19 October 1959, with cost negotiations being tentatively scheduled for the week of 26 October 1959.

(U) Contracts with Space Technology Laboratories, Inc.

Letter Contract AF 04(647)-361 - Negotiations are proceeding on definitizing subject Letter Contract, with the statements of work, terms and conditions, and contract report requirements having been negotiated. Pending receipt of cost proposal for CCN Nr. 1, negotiations of estimated cost and fee are scheduled to begin approximately 21 October 1959. CCN Nr. 1 mentioned above, revised the contract launch schedule of performance along with a configuration change. It is our intention to negotiate this CCN as part of the original work called for in basic letter contract and amendments thereto, rather than as a separate item.

WEEKLY DIARY ITEMS - IBZSP

8 Oct Thru 14 Oct 1959

(U) Contracts with Douglas Aircraft Company, Inc.

1. Letter Contract AF 04(647)-481 covering Systems Engineering and Technical Direction for the WS 315A Program was forwarded to the Contractor for execution on 8 October 1959.

2. Supplemental Agreement No. 52 to Contract AF 04(645)-65 is still in the hands of the Contractor for execution. It is anticipated this will be returned to this office by 21 October 1959 and will be sent to AMC on or about 30 October 1959. Change Order No. 54, adding \$13,686,000 to the contract, was forwarded to the Contractor on 8 October 1959. This partially resolves the funding problem. Supplemental Agreement No. 53, incorporating 17 CCN's into the contract, is now being reviewed by IBPC. No problems appear to exist and it is anticipated that this document will be sent to the Contractor for execution by 19 October 1959.

3. Administrative Notice to Letter Contract designated as Supplemental Agreement No. 49 to Contract AF 04 (645)-65 removing \$5,286,000 of P131 funds and substituting therefor a like dollar amount of P270 funds is being processed and should go forward to the Contractor by 16 October 1959. This funding re-allocation was accomplished to provide additional P131 funds for Contract AF 04(645)-114.

4. Change Order No. 5 to Contract AF 04(645)-65 adding \$4,000,000 of P230 funds is being processed and should be distributed by 23 October 1959. This will relieve the funding problem.

(U) Yardney Electric Corporation - Contract AF 04(647)-236 - As a result of a meeting on 8 October 1959 between IBZSP and Yardney Representative, Yardney has agreed in writing to modify a maximum of 15 batteries at no cost to the Government. Yardney's letter authorized the Government to return the batteries freight-collect and stated that Yardney will return the modified batteries within 8 weeks, freight prepaid. AMC has been requested to furnish an exception number to permit the return of Government property to the Contractor without formal contractual coverage. The batteries will be returned to Yardney on or about 20 October 1959 for modification.

(U) Titan Missile Display - Contract AF 04(647)-451 with the Martin Company for the Titan Missile Display has been executed by both parties. Martin will deliver the display to the Air Force on or before 13 November 1959. The AF Orientation Group has requested the Secretary of the Air Force to authorize the use of a missile transtainer by Martin as GFP for the display. If the Secretary approves, the contract will be modified to add the transtainer as an item of GFP.

(U) Photographic Laboratory, Vandenberg AFB - Contract AF 04(647)-472 was executed and distributed to Technicolor Corporation on 24 September 1959. The detailed designs of the photographic lab will be submitted to Lookout Mountain AFS on 19 October 1959. No problems are anticipated.

(U) Calibration Standards Laboratory - Cook Electric Company, under Contract AF 04(647)-320, has submitted a proposal totaling \$89,507 for the modification of the Calibration Laboratory. Modification of the lab will expand the calibrating capabilities and increase the accuracy of the equipment currently contained in the laboratory. This proposal is undergoing the technical evaluation as of this date. The contractual document covering the modification will be formalized by 27 November 1959, if Cook's proposal is accepted.