

OFFICE OF THE SECRETARY

December 23, 1969



MEMORANDUM FOR DR. SEAMANS
DR. MCLUCAS /N L.

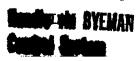
SUBJECT: Manned Orbiting Laboratory (MOL) Program Close-Out Status

Since the announcement of termination of the MOL Program some six months ago, very substantial progress has been made toward the settlement of the MOL Program contracts, the reduction and reassignment of military and civilian personnel, and the disposition of useful and usable program hardware and technology. This report reviews our past actions and current status, and recommends actions for the total cessation of MOL activities.

In his briefing to Dr. McLucas on July 18, 1969 General Bleymaier noted that the terminated contractors were asking for a total of \$137.4M in settlement costs. This figure has now been reduced to \$128M, and is expected to be reduced further. Therefore, the \$125M FY 70 appropriation for MOL is expected to satisfy all the government's MOL Program obligations, although we may require the return of some portion of the transferred to for NRO use. The most recent reports from the Termination Contracting Officers at each of the MOL contractors reflects the following distribution of financial requirements.

	Estimate*	Estimate*
	June 10	Sept 30
McDonnell Douglas (Huntington Beach)	\$ 48.7M	\$ 43.3M
McDonnell Douglas (St. Louis)	20.2	20.2
General Electric (Valley Forge)	27.6	27.4
Eastman Kodak (Rochester)	23.0	19.1
Martin Marietta (Denver)	6.9	6.9
Aerojet General (Sacramento)	1.6	2.0
UTC (Sunnyvale)	7.2	9.6
AC Electronics Division (Milwaukee)	1.2	.1
All Other	1.0	(.7)
Total	\$137.4M	\$127.9M

*Includes special termination costs.





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At the time of termination there were a total of 192 military and 100 civilians assigned to the East and West Coast MOL activities. By November 30 these numbers had been reduced to 10 military and 16 civilians. I will outline my recommendations for the phase out of these people and activities later in this correspondence.

The disposition of MOL hardware and technology is underway in accordance with the recommendations of the Ad Hoc Group on MOL Residuals. These were approved by you on September 29, 1969 and are described in Attachments 1 and 2. The only change to these actions is that the Mission Development Simulator disposition is being deferred until February 1, 1970 pending completion of a NASA sponsored study of the possible utilization and application of the MOL Acquisition and Tracking Scope hardware and technology.

Program documentation and correspondence is being screened by both the East and West Coast offices. Documentation and correspondence considered significant for reference and historical purposes is being retained and retired. Arrangements have been made for BYEMAN storage in the Pentagon and at SAFSP in Los Angeles.

In my view, we are moving towards the final MOL termination phase as rapidly as efficiency and legal requirements permit and, therefore, I suggest the following plan.

My MOL Program Office in the Pentagon should be formally closed out on February 15, 1970. The Office now consists of three Officers, one Airman and two Civilian secretaries. One of these Officers is retiring and will go on terminal leave on December 18, 1969; the remaining military personnel have already been identified against USAF/AFSC personnel requirements. The availability of the secretaries will be reported to OSAF civilian personnel for reassignment to positions commensurate with their skills, and so as to cause them a minimum of personal inconvenience.

Simultaneous with the close-out of the Program Office, I recommend that Brigadier General Lew Allen, SAFSS, be designated as the responsible point of contact for residual

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MOL activities. He will have available to him the services of Lt Colonel Robert Hermann, SAFOIPIA, and Lt Colonel Norbert Walecka, SAFFM. Both Officers were previously assigned to the MOL Program Office and are knowledgeable and outstandingly capable of handling those MOL public information/Congressional and financial matters which may occur. In addition, many other Officers formerly assigned to the MOL Program and Systems Offices will be available in the Washington area for quite some time in the future. This arrangement has been discussed with General Allen who concurs.

I recommend also that the Systems Office in Los Angeles be scheduled for close-out on June 30, 1970. The military and civilian personnel remaining in the Systems Office are now in the process of completing their administrative tasks, and by March 31 administrative activities will be essentially complete; however, significant contractual and financial actions will continue for approximately the next 18 months until final contractual settlements are completed. By June 30, 1970, Systems Office personnel strength will be reduced to 10 people. The sustaining effort required until final settlement of the contracts will require the support of 6 to 8 procurement specialists. These individuals can be assigned to the SAMSO procurement activity with part of their time devoted to non-MOL duties as the situation permits. Following the close of the MOL Washington Program Office on February 15 General Higgins, AFSC, DCS/Procurement and Production will manage the contractual and fiscal details of the final termination activities supported by the specialists on the West These West Coast personnel can be released and reassigned to new duties in the subsequent 18 months as requirements permit. Every possible effort will be made to protect these people to insure that they are fully utilized and that they are given acceptable job opportunities at the completion of their MOL tasks.

By these arrangements, I have provided for the senior and most experienced people to be available to finalize the MOL contractual and financial settlement details. It is my intention, however, to re-examine this plan in the March-April time period to be sure that the close-out of the Systems Office on June 30 will not, in any way, delay or

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Page 3 of 4 Pages Copy / of 4 Copies SAFSL BYE 68346-69 adversely affect termination settlement actions. If our termination settlement status is unsure, or if problems not now apparent should occur, then I will continue the activities of the Systems Office to some later date.

Attachment 3 will accomplish these actions and has been prepared for your signature.

To summarize briefly. We have made, and continue to make, satisfactory progress toward the total close-out of the MOL Program. The \$125.0M FY 70 NOA is expected to cover all contract settlement costs. Administrative actions, including retirement and storage of important program documentation, including BYEMAN material, are almost complete. Program personnel have been reduced from 292 people at the time of termination to a current level of 26 people, and will be reduced to 14 by January 1, 1970, and to 6 or 8 after June 30, 1970. No outstanding actions requiring an MOL office staff will remain after that date.

This report and its recommendations are for your review and comment. Should you desire to discuss any of the termination particulars in further detail, I or Colonel Ralph J. Ford who is my Assistant for MOL, at extension 50961 in the Pentagon, will meet with you at your convenience.

General, USAF

Director, MOL Program

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For General Bleymaier, Info: Mr. Rutter,	TRANSPITE OF
Mr. Cohen from Colonel Ford. Subject:	
Disposition of MOL Residuals. This message	
in six parts.	
Part I. Confirming our September 30 telecon,	
the Ad Hoc Committee recommendations for the	
disposition of MOL residuals were approved	
by Dr. Seamans on September 29. A summary of	
the committee recommendations and the approved	
disposition action follows.	
Part II.	
	DATE TIME
1. The Committee recommendation that the	*0ct 1969
Feeding System contract be transferred to NASA	P167 NA NA 0F
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Bertram Kemp Lt Colonel, USAF RALPH J. FORD,	Colonel HSAF
Assistant for	
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has been approved. The recommendation that the sample pressure suits and support equipment be transferred to NASA has also been approved.

- 2. The Committee recommendation that Gemini
 AGE be returned to NASA has been approved.
- 3. The transfer of the waste management components and technology, and the oxygen sensor components to NASA has been approved.

Part III. The items recommended for special consideration and further study were evaluated by interested DOD/NASA activities. The resulting recommendations, all of which have been approved, are as follows:

1. One set of the CAGE Equipment, located at Martin, Denver including two Sigma 7 computers and associated software has been approved for transfer to the Air Force Western Test Range. Relocation and installation costs are to be borne by AFWTR. The AFWTR contact is: Mr. Richard Sanders, WTNIS, Air

Force Western Test Range, Vandenberg AFB, Calif.

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- 2. The Laboratory Module Simulator System at MDAC, Huntington Beach, including the IBM 360/65 and associated hardware/software has been approved for transfer to NASA without reimbursement. All subsequent costs for the system are to be borne by NASA. The NASA contact is: Mr. Stan Faber, Code CF33, Manned Space-craft Center, Houston, Texas, telephone (713) HU 3-3411.
- 3. One set of the CITE equipment (Standard CITE #400A) with its associated SDS 9300 has been approved for transfer to the Air Force Office of Scientific Research (AFOSR). Relocation and subsequent costs will be borne by the receiving organization. AFOSR contact is: Capt Richard L. Rose, AFOSR (SRKB), 1400 Wilson Blvd., Arlington, Va. 22209, telephone OX 4-4942.

The ADPE, associated with items 1, 2 and 3 above, will be reported via letter to Hq USAF (AFADAE) Attn:
Mr. Fruchter for inventory reporting purposes. The report will contain:

a. Nomenclature description of item;

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4. The Mi	ssion Simulator at	General Elect	ric,	
including the 3	60/44, is to be ret	ained in a ho	ld status	
	e e e e e e e e e e e e e e e e e e e		a salah di	
pending results	of a s	tudy for poss	ible use.	
In refere	study should be ava nce to the 930/2200 status if required	this compute	r should be :	retained r.
,	maining ADPE is to			
accordance with	Section 24, Part 2	of the ASPR.	The	
ADPE which rema	ins and is to be re	ported is as	follows:	
a. Fo	ur SDS 9300 located	at Huntingto	n Beach	
to have been us	ed as part of the A	STEG;		
b. Off	e SDS 9300 located	at Saytona Be	<u>^</u>	
to have been us	ed with the second	Third CITE;		
c. On	e SDS 930/2200 loca	ted at Valley	Forge	
to have been us	ed With the Mission	Simulator;		
d. Two	o Honeywell 24's and	one Honeywe	11 324	

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Simulator;

e. Two SDS Sigma 7's located at Martin, Denver to have been used with CAGE.
f. 4 pi. IBM Computers

Part IV. So as to protect the DOD interest and ownership of equipment, all equipment transfer documents to

NASA should be annotated so as to read "When this
system is no longer utilized by NASA, the ADPE will
be reported back to DOD for redistribution."

All other equipment is to be reported in accordance with the requirements of ASPR.

Part V. The recommendations regarding disposition of the fuel cell hardware, attitude control engines,

AAP experiments equipment and mass measuring device have all be approved. However, with respect to any of these items if your investigations and evaluations have established what you feel is a priority application, feel free to exercise your best judgement with regard to their disposition.

Part VI. The SO should proceed with all actions

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necessary to implement and complete the aforementioned recommended actions. My office is ready to assist in any way you desire.

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DEPARTMENT OF THE AIR FORCE WASHINGTON 20330

OFFICE OF THE SECRETARY

JAN 8 1970

MEMORANDUM FOR ALL OSAF OFFICES AFCCS

SUBJECT: Manned Orbiting Laboratory (MOL) Program

Effective February 15, 1970, the functions and activities of the Manned Orbiting Laboratory (MOL) Program Office, located in the Pentagon as part of the Office of the Secretary of the Air Force are terminated. The functions and activities of the MOL Systems Office located at the Space and Missile Systems Organization, Los Angeles Air Force Station, are to be terminated effective June 30, 1970.

Such residual MOL contractual matters as may require attention should be referred to the Air Force Systems Command DCS/Procurement and Production. All other MOL matters should be referred to the Secretary of the Air Force, Office of Space Systems, SAFSS for disposition.

This memorandum supersedes and rescinds SAF Memorandum for the Chief of Staff dated January 19, 1965 and SAF Order Number 117.4, dated September 1, 1966, subject "Director of the Manned Orbiting Laboratory (MOL) Program."

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