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MEMORANDUM FOR RECORD

SUBJECT: Minutes, May 11 MOL Management Meeting

The May meeting was held at the MOL Program Office in the Pentagon. Principals in attendance were:

Dr. Flax	Brigadier General Martin
Major General Stewart	Colonel Heran
Brigadier General Berg	Dr. Yarymovych
	Dr. Leonard

Systems Office/Aerospace Program Schedule Review

A review was presented of the 12 and 15 month schedules logic. The review was intended to assure that all possible program deferrals and curtailments had been examined to reduce FY 68 fund requirements to a minimum.

Fundamentally, the schedules were dictated by the availability of exchange hardware and the FY 68/69 funding constraints which necessitated a revision to the factory-to-pad sequence to provide for the proper integration of the associate contractor efforts.

Dr. Flax expressed some reservation as to whether the Systems Office had really scrubbed down certain desirable items which may have appeared in going from a 12 to 15 months slip. His point was that with any amount of slip the contractors would attempt to introduce additional or "get well timewise" work into the program. Aerospace stated that this had been recognized and had not been allowed to happen in the schedule reviews.

Dr. Flax also expressed the thought that there might be some advantage to negotiating a single McDonnell-Douglas contract for the Gemini B and Lab Module but recognized that this might not be practical at this time. He did recommend that this possibility continue to be pursued. (Systems Office Action).

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Dr. Flax also strongly urged that there be a back-up software plan to insure that required software is available for AGE and mission simulation, and that there be careful surveillance and thought given to this potential problem. (Systems Office Action).

see MOC  
MGTMTNG  
SAFSL-1  
Memo to  
Stewart  
12 Jun 67

The Aerospace presentation included a rationale of the pros and cons of subcontract termination. This rationale favored not terminating. Dr. Flax was not so certain that this was necessarily true in all cases. He pointed out that you must sometimes trade dollars now for dollars later and that costs of keeping subcontractors on contract versus terminating and reopening the contract effort later must always be considered.

#### McDonnell-Douglas 12 Month Compact Rationale

This was a presentation of the DAC approach to accommodating fiscal year funding restrictions to a 12 month slip schedule. They had first identified the major critical tasks in the 15 month slip program, and then shifted the total sequence of events to accomplish these tasks 3 months to the left (i.e., earlier). Then, within each task they identified the "hard point", after which the sequence of events and times required to complete certain events could not be reduced. This forced them to look at the work preceding the "hard point" for time compression. Mr. Johnson indicated that, recognizing the increased risk, DAC could internally manage out 3 months at the front end of the effort through control of production and delivery schedules and development test. This resulted in the desired shifting of fund requirements into FY 69.

The most critical schedule item was identified as the beryllium gimbal required by GE for their dynamic test model.

#### T-III Program

The presentation described in detail the very substantial cut-backs that the Martin and associate contractors were undertaking for the 12 month compact schedule. These cut-backs resulted in compressing the structural and acceptance test at Martin; stopping the second stage production effort at Aerojet-General; shutting down the ACED effort on the inertial guidance system; and delaying the

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UTC solid rocket motor work. This last action was considered the high risk element of the T-III curtailment.

Gemini B

This agenda item was a review of the Gemini B status, and the Aerospace version of what constituted a minimum effective versus a minimum sustaining program. The difference between the two programs was that in the sustaining program the testing was slipped approximately 9 months, and this could conceivably introduce schedule risk late in the program.

Mission Payload System Segment

This briefing provided a review of the EKC and major subcontractor accomplishments through March.

Dr. Flax expressed concern as to EKC's lack of experience with test chamber operations. He suggested that some arrangements be made to provide them support during the installation and check-out period. Aerospace stated that they have been working very closely with EKC and they are coming up to speed very quickly, and will be able to properly operate the test chambers. (Systems Office Action).

*see  
Cont VII A  
change 7790*

Reference was made again to the criticality of the beryllium gimbal delivery within the total integration schedule. This will be carefully examined as part of the Systems Office/Contractor integration schedule review for the 12 month compact program. This review is to be completed by June 1.

Contracts Review and Proposals

Colonel Dietrich reviewed the current program contract status, and his reasons for preferring the unpriced supplementary agreements to extending the Phase IC contracts. The advantage was primarily one of time and application. The unpriced supplementary agreements could be distributed in a week to ten days and would apply until the definitive contracts were negotiated. The Phase IC extensions could not be accomplished so expeditiously.

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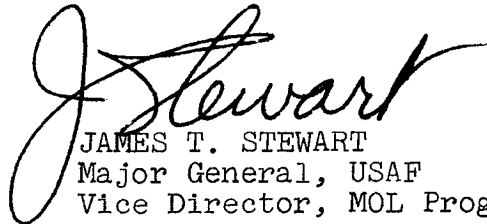
He also addressed the types of contract alternatives considered, and particularly with respect to Fixed Price Redeterminable type contracts, the reasons for the desirability of preserving the FPIF contract arrangements.

#### Funding Requirements

A brief review was provided of the schedule and funding exercises of the past few months. The current fund status for each contractor was discussed, and a projection made of the FY 67 fund status through June 30. The Systems Office stated that if the unpriced supplementary agreements were approved and distributed in accordance with Colonel Dietrich's schedule, there would be no carryover of FY 67 funds.

The bogeys for the 15 and 12 month compact schedules were examined, and the arguments for each schedule were considered. The Systems Office/Aerospace tended to favor the 15 month slip schedule as more realistic and less risky than the compact 12. There may be funding problems incident to the compact 12, particularly for FY 69. It was also noted that the FY 68 bogey for the T-IIIM is some \$9.0 million less than requested by the T-III SPO.

A decision was made, after a meeting between Dr. Brown, Dr. Flax and General Stewart on May 12, to proceed on the "compact 12" schedule pointing towards the first all-up manned flight in December 1970, against FY 68/69 fund limit bogeys of \$480/\$661. It was also agreed that the Phase II contracts and appropriate supplements should be signed and distributed as soon as possible to place the program on a sound basis.

  
JAMES T. STEWART  
Major General, USAF  
Vice Director, MOL Program

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Systems Office/Aerospace Program Schedule Review

A review was presented of the 12 and 15 month schedules logic. The review was intended to assure ~~Dr. Flax~~ that all *POSSIBLE* program deferrals <sup>AND</sup> curtailments ~~and possibilities~~ had been examined *to reduce FY 68 fund requirements to a minimum.*

Fundamentally, the schedules were dictated by the availability of exchange hardware and the FY 68/69 funding constraints which <sup>NECESSITATED</sup> ~~dictated~~ a revision to the factory-to-pad sequence to provide for the proper integration of the associate contractor efforts.

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*W. Flax*

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SP?

"bogie"

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