## Approved For Release 200@1901T CIA-RDP81B00878R001400030047-8

SAPC-25708 Copy of 6

27 March 1958

MEMORANDUM FOR:

Project Director

AIV

Project Director of D and E

FROM

Project Contracting Officer

SUBJECT

Request for Reinstatement of various Racks recently cancelled under Contract A-101 with The Ramo-Wooldridge Corporation

Reference (a)

SAPC-25776, dtd 25 Mar 1958, attached hereto

- 1. A meeting was held on 25 March 1958 to discuss the above subject in view of limited savings now indicated by the Contractor.
  - The racks in question are discussed separately below:
    - (a) G, J Racks The Project Communications Officer, by Ref.(a), has stated that the elimination of this combination of racks from Base B would create more difficult conditions for System 4 checkouts and would preclude duplication of the tape originals. The following cost information was received from the Contractor:

Unit Cost - G Rack - \$16,661.73; cost to complete 2 cancelled units - \$7,767.00.

Unit Cost - J Rack - \$7,538.29; cost to complete 2 cancelled units - \$376.00.

Recommendation: It is recommended that the 1 cancelled G and the 1 cancelled J rack be reinstated for Base B in view of the small cost involved and the possible operational benefits to be derived therefrom.

E Rack - The savings resulting from the cancellation of the 2 E racks amounts to \$1815.00; the unit cost per rack is \$9,206.89.

Recommendation:

It is recommended that the 2 E racks be reinstated in view of the limited savings and the operational benefits which could be derived therefrom at both Base B and C.

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(c) H Rack - The savings resulting from the cancellation of the 2 H racks is \$3,481.00; the unit cost of each rack is \$14,639.22

Recommendation: It is recommended that an H rack be reinstated in view of the limited cost savings and the need for the unit for duplication of System 4 tapes at Base B.

3. The Contractor has been advised that the Project no longer desires L racks. However, since 3 units have been shipped or are awaiting shipment, the savings on this rack will be negligible since FOG has also cancelled its L racks.

