

UNIVERSITY OF CALIFORNIA

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R

LAWRENCE RADIATION LABORATORY
 BOX 808
 LIVERMORE, CALIFORNIA

August 17, 1959

Mr. O. E. Harvey
 Director of Administration
 Cooper Development Corporation
 2626 South Peck Road
 Marrovia, California

BEST COPY AVAILABLE

Dear Mr. Harvey:

SUBJECT: Subcontract 106

We have received approval from the Atomic Energy Commission to make available to you those items which were listed as Exhibit A to your letter of April 6, 1959, except for the fourth and fifth items listed therein consisting of 1 Only National Radio Receiver and 1 Only Novatron Power Supply. The AEC has other needs for these two items and separate disposition must occur. This material is being made available to you under provisions of Article XI, Paragraph D - Property-Disposition. It is understood that the cost will be the acquisition cost plus 18% for G & A expenses.

Enclosed are four copies of General Services Administration Standard Form 114 for your completion and return of three copies, recognizing that the sale is on an as-is, where-is basis without warranties of any kind expressed or implied and that Paragraphs 1 through 16 on the reverse side of Form 114 are applicable.

By way of payment we will have to determine the method after an accounting evaluation whether it be by credit or cash.

According to our Accounts Payable Section the following is a statement of invoices and payments which should be reconciled:

Total Invoiced from Inception through February 28, 1959	\$ 7,217.34
Total Invoiced from March 1, 1957 through February 28, 1958	969,281.61
Total Invoiced from March 1, 1958 through November 21, 1958	262,271.70
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Sub-total	\$1,331,394.98
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Total Payments by LRL as of August 13, 1959	\$1,315,602.04
Fee Retained	8,089.38
Invoice 200-31 not paid	7,703.56
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	\$1,331,394.98
	<hr/>

*W.P. - Sub 106
 Handwritten
 Cooper Dev Corp*

Route	Sr
EMM	
DC	
WBR	✓
HAF	
RWB	
GWM	
WDD	
LOV	
WBH	
NOG	
RLH	
EIO	
MHA	✓
J	

Return to:
 149 Bldg.

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Re: Subcontract 108

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In addition to the amount withheld by LRL, we believe you have also deducted as "Retention on Overhead" the sum of \$13,366.65 which is in addition to the above. This should be verified.

It was our impression that there was going to be a substantial cost overrun and it may be your books reflect reimbursable costs which are not yet invoiced so this should be explored.

At one time we were quite concerned because the actual overhead rates might exceed the provisions overhead rates used. This situation should be carefully investigated and evaluated.

In my letter of December 22, 1958 I furnished you a statement of audit findings for the period from inception through February 28, 1958. This data should be taken into account when evaluating the total picture.

With regard to residual inventory in your custody would you please arrange to ship this material to us by the most practical and economical means, charges collect, addressed to:

University of California Lawrence Radiation Laboratory
End of East Avenue
Livermore, California
Reference: Subcontract 108
Attention: Mr. W. E. Brownlee, Stores Division

As I recall, there was at least one full trailer load of material. Prior to shipment of this material to the Laboratory, advance arrangements should be made with our Mr. William Brownlee, Telephone: Hilltop 7-1100, Extension 696 so that he can be ready with equipment as necessary to unload the trucks, space in which to accept delivery, and have manpower available. The shipment should be scheduled out of your area to arrive for delivery here before 2:00 PM; packing ticket or list on each box or unit; we prefer not to have articles shipped loose; care should be taken so that small articles do not become lost; adequate protection should be made against breakage; each box or package should be numbered with identity to contents therein and a master list should be prepared to accompany the truck for Receiving Clerk's usage here. Detailed shipping lists should accompany the manifest, mail one to Mr. Brownlee, send four copies to this office.

NO EXPLOSIVE MATERIALS MAY BE SHIPPED TO THE ABOVE LIVERMORE ADDRESS.

If explosive materials or propellants, igniters, flares, caps, etc. are involved, shipment should be coordinated with Mr. Brownlee, but should be addressed to:

University of California Lawrence Radiation Laboratory
Site 300
Tracy, California
Reference: Subcontract 108
Attention: Mr. Gordon Hobbs - Telephone Hilltop 7-1100, Ext. 8228

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We have limited magazine facilities for explosive materials and would not be able to accommodate any significant amount of material without advance arrangements.

We have prepared and enclosed copies of our shipping notice, E43218, to cover the transfer of materials for which you made an offer and are desirous of retaining. Please signature execute and return four copies.

Very truly yours,

C. L. Blue
Assistant Business Manager

CLB:m
Attached

cc: W. E. Brownlee
W. D. Douglass
L. A. FitzGerald
J. F. Long
W. B. Reynolds ✓