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ATOMIC ENERGY COMMISSION

MEETING NO. 550

10:30 a.m., Wednesday, April 25, 1951

<sup>1</sup>Present Sumner T. Pike Thomas E. Murray T. Keith Glennan

REPOSITORY

COLLECTION

BOX No.

M. W. Boyer Walter J. Williams Everett L. Hollis

Roy B. Snapp D. G. MacDonald Also Present

Edward J. Bloch Paul W. McDaniel Frederick T. Hobbs J. A. Waters Brig. Gen. James McCormack, Jr. Fletcher C. Waller John H. Burchard Lawrence R. Hafstad Morse Salisbury James G. Beckerley John A. Hall Lindsley H. Noble Howard C. Brown

## 1. Current Activities Reports

The General Manager and Division Directors reported on current developments at field installations and on the progress of matters under study by the staff. Questions by the Commissioners were discussed.

## 2. Clearance for GREENHOUSE Observer

Mr. Boyer reported that a request had been received from the Office of the Secretary of Defense for the clearance of Senator Lester C. Hunt of Wyoming, Senate Armed Services Committee, for the purpose of observing Operation GREENHOUSE. The Commission:

1ST REVIEW-DAT AUTHOR 181 NAME A 2ND RE pp 181-188\_

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AGREED that Senator Lester C. Hunt, Wyoming, Member of the Senate Armed Services Committee, should be given access to the restricted data required in the capacity of official observer at Operation GREENHOUSE.

## 3. Clearance for GREENHOUSE Observer

The Secretary reported for insertion in the minutes that the Commission during its agenda planning session on April 23, 1951 had:

AGREED that Representative Norris Cotton, New Hampshire, of the House Appropriations Committee should be given access to the restricted data required in the capacity of official observer at Operation GREENHOUSE.

## 4. <u>Selection of Operating Contractor for Feed Materials Production</u> Center (See subsequently circulated AEC 421/3)

Mr. Bloch recalled earlier consideration given by the Commission to the selection of an operating contractor for the Feed Materials Production Center at Cincinatti, during discussion of selection of a site and construction contractor for the center at Meeting 542. In accordance with the Commission's request at that time, the Mallinckrodt Company had been asked to make a final proposal in the matter which had now been received (see Annex to Appendix "A" to subsequently circulated AEC 421/3). Mallinckrodt's minimum acceptable fee for operation of the facility had been stated as \$1,350,000 per year, substantially in excess of the \$100,000 fee proposed by the National Lead Company, even after taking into account differences in the methods of apportioning overhead costs by the two companies. Under these circumstances and in view of the essentially comparable abilities of the two firms to perform the job, Mr. Bloch had approved the recommendation of the Manager, New York Operations Office, that the National Lead Company be selected. After further discussion, the Commission:

a. NOTED WITH APPROVAL the selection of the National Lead Company as the operating contractor of the Feed Materials Production Center at a fee of \$100,000 per year; and

b. NOTED that a paper concerning selection of the National Lead Company would be prepared for Commission information (Subsequently circulated as AEC 421/3).

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