

CONSTRUCTION OF THE DISTRICT OF COLUMBIA STADIUM, AND MATTERS RELATED THERETO

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HEARINGS
BEFORE THE
COMMITTEE ON
RULES AND ADMINISTRATION
UNITED STATES SENATE

EIGHTY-EIGHTH CONGRESS
SECOND SESSION

PURSUANT TO

S. Res. 212 and S. Res. 367

RESOLUTIONS AUTHORIZING AN INVESTIGATION INTO THE FINANCIAL, BUSINESS, OR OTHER INTERESTS OR ACTIVITIES OF PRESENT OR FORMER MEMBERS, OFFICERS, OR EMPLOYEES OF THE SENATE, WITH PARTICULAR EMPHASIS ON THE ALLEGATIONS RAISED IN CONNECTION WITH THE CONSTRUCTION OF THE DISTRICT OF COLUMBIA STADIUM, AND MATTERS RELATED THERETO

OCTOBER 1 AND 2, 1964

PART 1

Testimony of James A. Blaser, James A. Mollison, Arthur J. Bergman, Noble W. Herzberg, Floyd D. Akers, Robert E. McLaughlin, Maj. Gen. William H. Abendroth, and James F. Reilly

Printed for the use of the Committee on Rules and Administration



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CONSTRUCTION OF THE DISTRICT OF COLUMBIA STADIUM, AND MATTERS RELATED THERETO

THURSDAY, OCTOBER 1, 1964

U.S. SENATE,
COMMITTEE ON RULES AND ADMINISTRATION,
Washington, D.C.

The committee met, pursuant to notice, at 10:05 a.m., in room 318, Old Senate Office Building, Senator B. Everett Jordan (chairman) presiding.

Present: Senators Jordan, Hayden, Pell, and Cooper.

Also present: Gordon F. Harrison, staff director; Hugh Q. Alexander, chief counsel; L. P. McLendon, general counsel; Burkett Van Kirk, associate counsel; James H. Duffy, associate counsel; William Ellis Meehan, investigator; and Susan F. Alem, clerical assistant.

The CHAIRMAN. The committee will come to order. Although not all members are present, we have a quorum.

Is General Abendroth here? Mr. Robert McLaughlin? He is here. Mr. Floyd Akers. He is not here. Mr. Noble Herzberg. General Mollison? David Hauck? Arthur J. Bergman and James Francis Reilly? Mr. J. A. Blaser? Mr. Blaser is here.

Gentlemen, it is necessary that I read to you the reason for your being here and what rights you have under the resolution which we are authorized and directed to carry out. I called the roll so it wouldn't be necessary to read it to each one of you individually as you are called.

This committee is acting by direction and under the authority of Senate Resolution 367, agreed to September 10, 1964, and Senate Resolution 212, agreed to on October 10, 1963. Senate Resolution 367 renews the powers authorized by Senate Resolution 212 and broadens the scope of jurisdiction conferred. The texts of those resolutions will be inserted at this point in the record.

(The texts of S. Res. 212 and S. Res. 367 are as follows:)

SENATE RESOLUTION 212

88th CONGRESS, 1st SESSION

IN THE SENATE OF THE UNITED STATES

OCTOBER 10, 1963

Mr. WILLIAMS of Delaware submitted the following resolution; which was considered and agreed to

RESOLUTION

Resolved, That the Committee on Rules and Administration or any duly authorized subcommittee thereof is authorized and directed to make a study and

investigation with respect to any financial or business interests or activities of any officer or employee or former officer or employee of the Senate, for the purpose of ascertaining (1) whether any such interests or activities have involved conflicts of interest or other impropriety, and (2) whether additional laws, rules, or regulations are necessary or desirable for the purpose of prohibiting or restricting any such interests or activities. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation together with such recommendations as it may deem desirable.

88TH CONGRESS
2D SESSION

S. RES. 367

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 9, 1964

Mr. MANSFIELD submitted the following resolution ; which was ordered to lie on the table and to be printed

SEPTEMBER 10, 1964

Considered, amended, and agreed to

RESOLUTION

Resolved, That the Committee on Rules and Administration or any duly authorized subcommittee thereof is hereby authorized and directed to reopen the study and investigation begun under the authority of S. Res. 212, a resolution to inquire into the financial or business interests of any officer, employee, or former employee of the Senate. In the conduct of the study and investigation authorized by this resolution, the committee is authorized and directed (1) in addition to its investigation of the financial or business interests or activities of any officer or employee, or former officer or employee, of the Senate, to investigate any other interests or activities of any such officer or employee, or former officer or employee, and (2) to extend its investigation to include investigation of the interests or activities of Members or former Members of the Senate, for the purpose of determining whether or not any of such interests or activities have involved any violation of law or any other impropriety of any kind or have reflected unfavorably on the integrity of the Senate.

Resolved further, That the study and investigation authorized by this resolution is directed to give particular emphasis to the allegations raised in connection with the construction of the District of Columbia Stadium and matters related thereto.

Resolved further, That, in the conduct of this investigation, the committee is directed to cooperate to the fullest extent possible with the Federal Bureau of Investigation, the government of the District of Columbia, and any other agency having jurisdiction of the subject matter.

The CHAIRMAN. The Committee on Rules and Administration has now been granted the power to investigate all interests or activities of present or former Members, officers, or employees of the U.S. Senate for the purpose of determining whether such interests or activities have involved any violation of law or other impropriety or have reflected unfavorably upon the integrity of the Senate and whether additional laws, rules, or regulations are necessary or desirable for the purpose of prohibiting or restricting any such interests or activities.

In the study and investigation authorized by Senate Resolution 367 the committee is directed to give particular emphasis to the allegations raised in connection with the construction of the District of Columbia Stadium, and matters related thereto.

The committee believes that witnesses who are called to testify possess information which is material and pertinent to the subject mat-

ter under investigation, as authorized, and will aid the committee in the fulfillment of its legislative purpose.

The Chair advises each witness that he is entitled under the rules of procedure adopted by the committee to retain and be accompanied by counsel, who may advise the witness of his legal rights during the course of the inquiry but who shall not coach the witness or answer for him. If the witness should not fully understand any question directed to him, he may ask for clarification. The committee will now proceed to hear the testimony of Mr. James A. Blaser, the contracting officer, who is Director of Buildings and Grounds for the District of Columbia. Mr. Blaser, will you take the stand please, sir, remain standing, put your left hand on the Bible, and raise your right hand?

Do you solemnly swear that the evidence you are about to give before the committee in the matter now under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BLASER. I do.

The CHAIRMAN. Thank you, sir. Please be seated. Major McLendon, you may proceed with the questions, sir.

Mr. McLENDON. Mr. Chairman and gentlemen of the committee, before I begin examination of this witness, I would like to make a statement in the hope that it will be of some help to the members of the committee. The staff has prepared a document which is entitled "Staff Memorandum" in this printed form. (See appendix, p. A1.) It incorporates a brief statement of the legislative history of the District of Columbia Stadium, and also incorporates a list of all of the individuals who served on the Armory Board of the District of Columbia, those who served as Chairmen, and those who served as members. It also includes dates of important events connected with the construction of the District of Columbia Stadium, because these dates become rather confusing unless you have a record of them before you.

It also includes the identification of important employees, staff employees such as Mr. Blaser here, the first witness, who is the contracting officer, and in the same compilation are quite a number of other documents which will be used as exhibits during examination of these witnesses.

In connection with the question as to who served as Chairmen or members of the Armory Board, which by the statute had the responsibility of constructing the District of Columbia Stadium, all have been notified, so that all of them could be present, in addition to those that I thought were necessary to be examined. I call your attention, however, to the fact that Mr. Francis J. Kane, who is a member of the Board, has recently suffered an operation and is not physically able to be here. I am advised that it will be a week or 10 days before he will physically be able to attend the hearing, if his evidence turns out to be material.

Another member of the Board, present member of the Board, is Mr. Walter N. Tobriner, who has been absent from the country, and his office advises me that he will be back in Washington on Monday or Tuesday of next week. He is, therefore, not available to testify. Other than those two, all of the persons indicated as members or as Chairmen of the Board during the construction period are present. Some of them, not all of them, will be called as witnesses, but they are all present and available if the committee desires to ask any of them any questions pertinent to this matter.

The CHAIRMAN. Major, I think maybe it might be well for me to make a short explanation as to why we started in the manner we have this morning with these particular witnesses. The resolution, part of Senate Resolution 367, says—

Resolved further, That the study and investigation authorized by this resolution is directed to give particular emphasis to the allegations raised in connection with the construction of the District of Columbia Stadium and matters related thereto.

You know that some very serious charges have been raised in connection with the construction of this stadium and that Mr. McCloskey—it certainly has been insinuated that there was something very seriously wrong in the whole conduct of the construction of this stadium—that possibly Mr. McCloskey was shown favoritism in receiving this contract; that there were numerous change orders permitted or authorized which probably should not have been, or, if they were, that they were so priced that they gave him an advantage that he shouldn't have had; and a great many allegations that I think must be cleared up and which we intend to clear up, and we felt that it was advisable to start right at the top; that is, with the Commissioners and the Armory Board, who had the complete charge of building this stadium. The Armory Board, as I understand it, employed the architects, and I would assume that they were responsible for any change orders of any magnitude, such as specifically mentioned on the Senate floor by one of the Senators.

We think it is our duty to completely clear up this whole construction deal from top to bottom at the proper place, and this is the proper place to start because it was specifically directed by this resolution that this should be done.

I want to say that every witness who is here this morning is here voluntarily. He is not under subpoena. He came of his own free will and accord, and we appreciate that very much. We have been getting perfect cooperation from all the Armory Board and all the construction officers, of which I believe, Mr. Blaser, you were and still are in some capacity down there, and we appreciate your cooperation.

Now, Major, you may proceed with your questions, sir.

Mr. McLENDON. Perhaps I should also announce, Mr. Chairman, that all of the persons who have been asked to be here today as potential witnesses have come without subpoena, and voluntarily. And secondly, that the committee's staff has been afforded every opportunity to have access to—and we have had access to—all of the records of the Armory Board, Mr. Blaser's records, and other persons who will be examined. We have also had the benefit of the investigation conducted by the General Accounting Office.

Will you please state your full name and your business address for the record?

TESTIMONY OF JAMES A. BLASER, DIRECTOR, DEPARTMENT OF BUILDINGS AND GROUNDS, DISTRICT OF COLUMBIA

Mr. BLASER. My name is James Blaser. I am Director of the Department of Buildings and Grounds for the District of Columbia. My office is located at 300 Indiana Avenue NW. It is also in a building commonly called the Municipal Center.

Mr. McLENDON. Mr. Blaser, are you an engineer?

Mr. BLASER. Yes sir; graduate engineer and also registered.

Mr. McLENDON. Of what university?

Mr. BLASER. Stanford University.

Mr. McLENDON. And you said, "also registered"?

Mr. BLASER. I am a registered engineer; yes, sir.

Mr. McLENDON. Exactly what does that mean? I am not sure.

Mr. BLASER. You take an examination in every State to give you the right to practice professionally in that State.

Mr. McLENDON. When did you first become an employee of the District of Columbia?

Mr. BLASER. November 6, 1956.

Mr. McLENDON. Were you employed then in the same capacity you occupy now?

Mr. BLASER. No, sir. I came to Washington from Colorado Springs.

Mr. McLENDON. In what capacity?

Mr. BLASER. In Colorado Springs I was associated with the Air Force Academy construction agency as an engineer, the civilian engineer in the operations division.

Mr. McLENDON. What was your first employment by the District of Columbia?

Mr. BLASER. As Director of the Department of Buildings and Grounds.

Mr. McLENDON. And you had that position all the time?

Mr. BLASER. Yes, sir.

(Senator Pell entered the hearing room.)

Mr. McLENDON. Up to the present. Were you assigned, Mr. Blaser, to act as contracting officer for the Armory Board that had the statutory responsibility for constructing the District of Columbia Stadium?

Mr. BLASER. I was.

Mr. McLENDON. Were your duties as contracting officer to be in addition to your regular duties as Director of Grounds and Buildings for the District?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Was any additional compensation involved to you?

Mr. BLASER. None.

Mr. McLENDON. Have you acted as contracting officer from November 7, 1958—I am taking that date from the minutes—until the stadium was completed?

Mr. BLASER. Yes, sir. Major, I would like to offer one correction to the statement you made.

Mr. McLENDON. Please do.

Mr. BLASER. I was formally designated as contracting officer by the Commissioners' order, which I believe was dated December 23, 1958. Prior to that time any duties that I performed for the Armory Board were, let's say, of an ex officio nature.

Mr. McLENDON. But it was made official in December 1958?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Will you, for the benefit of the committee, give us a little description of your duties as contracting officer?

Mr. BLASER. I was the individual who supervised for the Armory Board both the architect-engineer contract which covered the design and supervision of construction of the stadium as well as performing

those same duties in connection with the actual construction of the stadium.

Mr. McLENDON. Was it part of your duty to pass upon, as an engineer, all requests for change orders?

Mr. BLASER. Yes, sir, with the advice and recommendation of the architect-engineer.

Mr. McLENDON. I will go into detail about that a little later, but that was within your duty?

Mr. BLASER. Correct.

Mr. McLENDON. Were you familiar with the legislation which finally was adopted in 1957 authorizing the Armory Board to construct the stadium? When I say familiar, did you know about it, and were you a witness before any committees?

Mr. BLASER. I know generally of the legislation and its general provisions, Major. However, I at no time appeared before any congressional committee in connection with that bill.

Mr. McLENDON. Did you have any personal acquaintance with any individuals who happened to be connected with either the committee in the House or the committee in the Senate?

Mr. BLASER. No personal acquaintance until after my beginning to be associated with the stadium by virtue of Mr. McLeod serving as clerk of the House District Committee which, of course, handles much of the District business. I believe that, prior to my association with the stadium, perhaps I had some phone calls asking for information on District of Columbia business from Mr. McLeod. But the timing of this I cannot state.

Mr. McLENDON. The McLeod you refer to is Mr. William N. McLeod, who was secretary to the House Committee on the District of Columbia?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Did you know the secretary of the Senate committee headed by the chairman, Senator Bible?

Mr. BLASER. No, sir.

Mr. McLENDON. You didn't know him?

Mr. BLASER. Sir, excuse me. Would you repeat your question? I think I may have answered improperly.

Mr. McLENDON. There may be some question about when Senator Bible became chairman of the Senate committee, succeeding Senator Neely, of West Virginia. Did you know either one of them, or anyone who served as chairman of the Senate committee?

Mr. BLASER. I know Senator Bible, chairman of the Senate committee. I also know several of his staff.

Mr. McLENDON. And you say you never appeared before either committee in any hearing, public hearing, on the legislation?

Mr. BLASER. Correct.

Mr. McLENDON. In your capacity as contracting officer, did you attend meetings of the Armory Board?

Mr. BLASER. Yes, sir; I did. Those meetings that concerned stadium items with which I, too, was concerned.

Mr. McLENDON. Are you familiar with the activities of the Board which led up to the employment of the firm in New York known as Praeger, Kavanagh & Waterbury?

Mr. BLASER. You refer to their employment as the organization that conducted the feasibility and economic study?

Mr. McLENDON. That is right.

Mr. BLASER. No, sir. I was not associated with this project at that time when they were selected. I did not know the organization.

Mr. McLENDON. You did know of the firm?

Mr. BLASER. Not prior to the time the stadium project was—

Mr. McLENDON. Did they make the survey for the Board which the Board was directed to follow substantially by the act of Congress of 1958?

Mr. BLASER. Yes, sir. They made the survey.

Mr. McLENDON. And that document—I have a copy of it here—is that familiar to you?

Mr. BLASER. Yes, sir.

Mr. McLENDON. It deals with such subjects as the site, the proposed site?

Mr. BLASER. Yes; correct.

Mr. McLENDON. The stadium and its size, the general type of construction, parking facilities, accessibility, estimated cost, and also contains several alternate schemes, does it not?

Mr. BLASER. Yes, sir.

Mr. McLENDON. So when you became active in your position as the contracting officer, this preliminary—first survey, I call it—had already been done?

Mr. BLASER. Correct, sir.

Mr. McLENDON. Now after your activities began as contracting officer, what part, if any, did you have in the selection of the architects and engineers who were to prepare the final plans for the stadium and to construct it or supervise its construction?

Mr. BLASER. Major, my part in this occurred before I was formally appointed contracting officer. I first became associated with this activity as a stand-in, if I may use the word, for the Engineer Commissioner of the District of Columbia at times when he could not be present. I also accompanied the Engineer Commissioner to several of the meetings where the architect organizations were considered.

Mr. McLENDON. Which one of the Commissioners was that?

Mr. BLASER. At the time he first served in this capacity he was Col. A. C. Welling. Subsequent to that time he was promoted to Gen. A. C. Welling. This is the gentleman who was Engineer Commissioner at that time.

Mr. McLENDON. And you were aiding him; is that what you mean?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Exactly what did you do to assist the Board in determining what architect and what engineers to employ?

Mr. BLASER. I examined numerous architect-engineer brochures, perhaps 20 to 30 organizations, names of which I obtained from technical publications and by contacting the American Society of Civil Engineers. The American Institute of Architects forwarded to General Welling a list of architects in connection with the type of work that was involved for the stadium. All of these I reviewed, screened, and suggested various names for consideration of the Armory Board and the advisory committee.

Mr. McLENDON. At that time did the Armory Board have an advisory committee of citizens to advise with the Board about the selection of the architects and engineers?

Mr. BLASER. Yes, sir; they did.

Mr. McLENDON. Did you meet with that advisory board?

Mr. BLASER. Yes, sir, on several occasions.

Mr. McLENDON. The record shows that Mr. William N. McLeod was a member of that board. Do you recall that?

Mr. BLASER. Yes, sir; I do.

Mr. McLENDON. How many meetings did you have, approximately, with the advisory board?

Mr. BLASER. Major, I would estimate about a half dozen.

Mr. McLENDON. When you had gotten through examining the data with respect to the qualifications of these various firms, did you personally submit that to the advisory board or to the Armory Board?

Mr. BLASER. Major, may I ask you to repeat your question?

Mr. McLENDON. I said when you finished making your investigations about the qualifications of the possible architects and engineers, did you submit your data and findings to the advisory board or to the Armory Board?

Mr. BLASER. I submitted my findings to the advisory committee at their meetings, and, as I recall, at most of the meetings I attended, at least two members of the Armory Board were likewise there. So, in effect, my reference material could be considered both to the advisory committee and to the Armory Board.

Mr. McLENDON. Were you present when the Armory Board made the decision with respect to exactly which architect-engineer it would employ?

Mr. BLASER. As I recall, Major, I was at the last meeting at which this type of thing was conducted. However, the final selection, I believe, was made without my presence at the actual assembly of people. I cannot recall whether I left the room or whether this discussion on the actual selection was held in a separate room or not. But I was not in the discussion at all. I did not hear the discussion that established the final selection.

Mr. McLENDON. Can you now identify the companies that were employed?

Mr. BLASER. Yes, sir. Those companies are a combination of Dahl, Ewin, Osborn.

Mr. McLENDON. D-a-h-l?

Mr. BLASER. Yes, sir.

Mr. McLENDON. All right.

Mr. BLASER. This is known as George L. Dahl & Associates, with offices in Dallas, Tex. It is an architectural firm. Ewin.

Mr. McLENDON. E-w-i-n?

Mr. BLASER. E-w-i-n, I believe, is presently called Ewin Associates. I think at the time of the stadium work they were called Ewin Engineering Co. This is an engineering organization from Washington, D.C. They have other offices in other parts of the United States, but I believe their home office is Washington, D.C. The third firm, Osborn Engineering Co., is an organization with offices in Cleveland, Ohio. This also is an engineering organization.

Mr. McLENDON. Will you tell the committee briefly what the qualifications of these three firms were, as you found them to be?

Mr. BLASER. The organization Dahl & Associates had done work on—excuse me just a moment.

Mr. McLENDON. Yes sir; refer to your files, anything you want to.

Mr. BLASER. George L. Dahl had done work on four stadiums and one auditorium. The University of Texas Stadium, the Cotton Bowl in Dallas, the East Texas State College Stadium, and Texas Prison System in Huntsville. The auditorium was the Dallas Memorial Auditorium. They had done work for the Corps of Engineers, the Navy, and the U.S. Air Force at the time it was called the Air Corps, and several other private organizations.

Mr. McLENDON. Was it your personal opinion as an engineer that that firm was qualified for this job?

Mr. BLASER. Yes, sir.

Mr. McLENDON. All right; now take the next one, please.

Mr. BLASER. The Osborn Engineering Co. had done the Municipal Stadium in Cleveland, Ohio, the football stadium at Notre Dame University, Yankee Stadium in New York, a communications center at the University of Michigan, which was an addition to the stadium there: press box, photographers center, and such things as that were contained in this addition. They did the County of Milwaukee Stadium as well as several other sizable structures for colleges, major league baseball clubs, and such things.

Mr. McLENDON. Was that firm primarily an engineering firm?

Mr. BLASER. Yes, sir. They did have architects in their organization, but it was primarily an engineering organization.

Mr. McLENDON. What about the Dahl firm? Was it primarily an architectural firm or engineering, or both?

Mr. BLASER. It was primarily an architectural firm.

Mr. McLENDON. All right; now take the third one.

Mr. BLASER. Erwin Engineering Corp. had done considerable highway, bridge, and city street work. They did the Ladd Memorial Stadium in Mobile, Ala., with a capacity of 36,000 seats. In addition, the firm had engineered several factories, office buildings, and other government installations. Each of these firms was, in my opinion, well qualified to do this type of work.

Mr. McLENDON. Did you have any personal interest in any one of them?

Mr. BLASER. No, sir.

Mr. McLENDON. Did you have any motive to serve other than to give your professional opinion on the qualifications of these people?

Mr. BLASER. No, sir. At the time, Major, that I first became involved in this type of activity, each of these three names of companies was strictly a name to me. I knew none of the individuals in any of the organizations until the first interview.

Mr. McLENDON. Mr. Blaser, do you recall whether in making your recommendations to the Board you included the New York firm of Praeger and his associates who prepared this first survey that you have testified about?

Mr. BLASER. Major, in my consideration of the organizations that were interviewed, as I recall, all at the meeting were asked to put the names of four organizations in order.

Mr. McLENDON. You mean in 1, 2 order?

Mr. BLASER. In order of priority; 1, 2, 3, 4.

Mr. McLENDON. Go ahead.

Mr. BLASER. Among the organizations that I selected, Praeger was No. 4.

Mr. McLendon. So then the Board had for consideration your recommendation of four firms?

Mr. Blaser. Yes, sir. There were other people who also made suggestions as to the architect-engineers that should be selected for this project.

Mr. McLendon. Can you give the committee an estimate, or accurately if you can, the number of firms that were considered, the total number of firms?

Mr. Blaser. Major, I am sure that during the examination of organizations who would be eligible or qualified to perform this work, I reviewed the brochures and capabilities of from 20 to 30 organizations. I know that the other people who were assisting in the selection considered at least from 10 to 15 organizations.

Mr. McLendon. Were any of these potential architects and engineers invited by you to consider possible employment in this connection? You understand my question? Were they invited or did they of their own accord come in more or less as applicants?

Mr. Blaser. There was a combination, Major. Some were asked were they interested in this. Others did submit to the Armory Board their brochure with a request that they be considered for this work.

Mr. McLendon. Were you present at the meeting of the Board when the Board tentatively decided, according to the minutes, to invite all four of these people that you had recommended to enter into a joint contract with the Board for the rendition of architectural and engineering services?

Mr. Blaser. Major, I cannot state that I was present at the meeting where the Board determined that these four organizations should be invited. I say I cannot state. I should change that. I cannot remember whether I was at that meeting or not.

Mr. McLendon. Did you learn that the Board had taken such action?

Mr. Blaser. Yes, sir.

Mr. McLendon. Did you ascertain the result of it, what happened when that invitation or that suggestion was made by the Board to these four firms? Can you tell the committee what occurred then?

Mr. Blaser. As I recall, Major, there was a meeting between the Board and other people invited by the Board as well as these four organizations, at which meeting there was some discussion as to how a possible combination of these four organizations would crystallize and operate.

Mr. McLendon. At this meeting did the Armory Board members definitely make requirements as to how they would get together and operate?

Mr. Blaser. As I recall, the question of the Board was: "Will you four organizations get yourselves together and come up with a method?"

Mr. McLendon. The minutes would indicate that you were informed that the Praeger firm had withdrawn and would not associate itself with the other three. Do you recall that?

Mr. Blaser. Yes, sir. I do.

Mr. McLendon. Let me refresh your recollection by reading you an excerpt from the minutes of the Board meeting held on September 30, 1959. On motion made by Commissioner McLaughlin, seconded by

General Abendroth, and unanimously carried, the following resolution was unanimously adopted:

Whereas on September 15, 1959, Mr. J. A. Blaser, contracting officer for the Board, recommended that the Osborn Co., Ewin Engineering Associates, and George L. Dahl be engaged to prepare plans and specifications and supervise construction of District of Columbia Stadium, and whereas on this date, September 30, 1959, the advisory committee to the Armory Board has unanimously recommended that these same three architect-engineers be so engaged by the Armory Board, it is hereby resolved that the Armory Board does hereby accept these recommendations and it is hereby further resolved that notices be sent to the Osborn Co., Ewin Engineering Associates, and George L. Dahl to meet with the Armory Board, its advisory committee, and Mr. James A. Blaser, contracting officer, at the earliest possible date to discuss the terms of a contract for preparation of final plans and specifications and for supervision of the construction of the District of Columbia Stadium.

Does that refresh your recollection at that point?

Mr. BLASER. Yes, sir, Major. I confirm that definitely. My previous comments were on a completely different subject and a different Board meeting. I am sorry I confused the record.

Mr. McLENDON. Yes; I understand. I was reading this to you in preface to my next question. Did you meet with these three firms, and prepare or assist in the preparation of the contract of employment of the three?

Mr. BLASER. I did.

Mr. McLENDON. Did you have the assistance of any attorney; Mr. Gray, the Corporation Counsel of the District of Columbia?

Mr. BLASER. Yes, sir. The legal terms of the contract, which were established, were very definitely reviewed by the Corporation Counsel for the District of Columbia government before any agreement with the architect-engineer was established.

Mr. McLENDON. After the contract of employment was entered into with these firms, did they begin immediately the performance of their duties?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Did they finally present to the Board drawings, plans, and specifications for the construction of the stadium?

Mr. BLASER. They did.

Mr. McLENDON. Did you examine those plans and specifications?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Did you approve them as being adequate for the purpose for which they were prepared?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Did you recommend to the Board that it accept the plans and specifications?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Were those plans, subject to certain changes which I will examine you about later, used throughout construction of the stadium?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Mr. Blaser, do you have a copy of these printed exhibits there before you? I want to ask you now about the procedures which were used in advertising for bids, the reception of bids, and awarding of the contract. Will you look at that document on page A3, and tell the committee what that memorandum addressed to you is, what purpose it served—the one signed by Mr. Wessells, the Procurement Officer?

Mr. BLASER. Yes, sir. Mr. Chairman, this is a memorandum to me from the procurement officer of the District of Columbia concerning the material demonstrating the method of advertising the District of Columbia Stadium. I believe by this memorandum I received from the Procurement Officer a summary of names of 211 newspapers and other publications throughout the United States in which the District of Columbia Stadium project was advertised. We had requested the initial advertisement, I believe, I guess it went out April 19, 1960, and this project was advertised in nationwide publications.

Mr. McLENDON. On page A4, marked "Exhibit 2a," is a letter from you to the managing director of the District of Columbia Armory Board describing five documents that you were enclosing.

Mr. BLASER. Yes, sir.

Mr. McLENDON. Do you see that?

Mr. BLASER. I do.

Mr. McLENDON. They all related to advertising for bids, did they not?

Mr. BLASER. Yes, sir.

Mr. McLENDON. On exhibit 2b on page A5 is a memorandum from Mr. Lawyer, the Supervisor, Bid and Contract Division, Procurement Office, to the Secretary of the Board of Commissioners of the District of Columbia.

Mr. BLASER. Yes, sir.

Mr. McLENDON. That also had to do with the invitation for bids, and the publication of it in the Engineering News?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Then on page A6, exhibit 2b refers to or states that you were sending to the Procurement Officer drawings and specifications for the construction of the stadium; is that right?

Mr. BLASER. Correct.

Mr. McLENDON. Page A7, exhibit 2b, is a copy of the advertisement for bids; is that correct?

Mr. BLASER. Yes, sir.

Mr. McLENDON. On page A8, exhibit 2c is a letter, the form of a letter which was sent out, I understand, to numerous newspapers and publications directing the publication of the notice to bidders.

Mr. BLASER. Yes, sir. I believe there were 211.

Mr. McLENDON. And on page A9 is a copy of the printed advertisement for bids.

Mr. BLASER. Correct.

Mr. McLENDON. Exhibit 2c. Then follows a list of newspapers in which advertisement was published exclusive of local papers—meaning exclusive of District of Columbia papers, I assume; is that correct?

Mr. BLASER. Yes, sir.

Mr. McLENDON. How many did you say there were?

Mr. BLASER. I misstated, Major. The invitation that I said was mailed, the advertisement that I said was mailed to 211 newspapers, this is incorrect. The 211 referred to 211 contractors.

Mr. McLENDON. Yes.

Mr. BLASER. Throughout the United States.

Mr. McLENDON. Yes.

Mr. BLASER. That this notice was mailed to newspapers, if I may have a moment to count these.

Mr. McLENDON. Yes.

Mr. BLASER. I can give you the number; 34 newspapers.

Mr. McLENDON. Thirty-four?

Mr. BLASER. Yes, sir.

Mr. McLENDON. That included the Engineering News, did it not? I think that was in a separate brochure from this list, but the record shows that they received the advertisement all right.

Mr. BLASER. Engineering News-Record is not included in this list.

Mr. McLENDON. And it would be added?

Mr. BLASER. Pages A10 and A11; yes, sir; it was separately in the Engineering News-Record.

Mr. McLENDON. For the record, what is the Engineering News? How wide a circulation does it have among contractors and engineers?

Mr. BLASER. Engineering News-Record is a technical publication, the contents of which are largely demonstrated by its name. It refers to engineering and construction. It is published by the McGraw-Hill Publishing Co. It is generally subscribed to by most engineering organizations, most construction organizations throughout the United States and in numerous foreign countries.

Mr. McLENDON. Now following that is exhibit 2e on page A12, which states: "Attached advertisement mailed to following contractors." Was the advertisement the same that you previously identified, appearing on page A9?

Mr. BLASER. Major, the advertisement was issued to the 211 contractors; that is shown as exhibit 2b on page A7.

Mr. McLENDON. Exhibit 2b on page A7?

Mr. BLASER. Yes, sir.

Mr. McLENDON. All right. Then follows the list of the contractors. It is a very long list. Just for the record I believe you have already stated the number. How many are there?

Mr. BLASER. 211.

Mr. McLENDON. 111?

Mr. BLASER. 211, sir.

Mr. McLENDON. Where did you get this list? How did you compile it?

Mr. BLASER. Major, the Procurement Office in the District of Columbia maintains an extensive list of organizations who specialize in construction business or businesses which are closely related thereto. By this I mean materials suppliers and organizations of this type. I believe this was the source, the basic source of names which appear on this list. However, I know that some of the technical publications for names of contractors were also examined to see if they should not receive this announcement.

Mr. McLENDON. What was your object in selecting such a large list of contractors, and also a relatively large list of publications?

Mr. BLASER. To accomplish one thing, Major. To be sure that this project received nationwide distribution, or at least the announcement of its forthcoming construction received nationwide publicity, so that we might increase competition, so that we might attract as many contractors as possible who felt they were capable of doing the job.

Mr. McLENDON. Did you keep a list of all the contractors who applied for and obtained copies of the plans?

Mr. BLASER. Yes, sir.

Mr. McLENDON. And specifications?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Does that list begin on page A44 as exhibit 2f?

Mr. BLASER. Correct.

Mr. McLENDON. Was each one of them required to make a deposit of \$200 in order to get a copy of the plans and specifications?

Mr. BLASER. Each set of plans and specifications required the deposit of \$200, and each contractor did make this deposit, which, when he returned the plans, was returned to him.

Mr. McLENDON. The money was returned if they returned the plans?

Mr. BLASER. Yes, sir.

Mr. McLENDON. And this list includes all those who did do that; that is, did obtain the plans and specifications obviously for the purpose of bidding?

Mr. BLASER. Right.

Mr. McLENDON. Mr. Blaser, the bids according to the advertisement were to be received by the Board on June 10, 1960?

Mr. BLASER. Yes, sir; that is correct.

Mr. McLENDON. I believe the advertisement calls for reception of sealed bids on May 18 instead of June 10. Look at page A9. Doesn't that call for May 18?

Mr. BLASER. Yes. The original advertisement did require or state that bids would be opened on May 18. I confirmed the June 10 date. I confirmed the actual date of bid opening, Major.

Mr. McLENDON. I will come to that. Now the bids were opened on what date?

Mr. BLASER. June 10, 1960.

Mr. McLENDON. Do you have, beginning on page A46, marked "Exhibit 3a," tabulation of all the bids that were received and opened on June 10?

Mr. BLASER. Yes, sir.

Mr. McLENDON. It lists the names of 10 companies, I believe.

Mr. BLASER. Correct.

Mr. McLENDON. Will you describe to the committee how these bids were handled from the time they were received until they were opened and tabulated at a public meeting of the Board?

Mr. BLASER. I will. The bids for the District of Columbia Stadium were due at the Procurement Office, which is located at 499 Pennsylvania Avenue, at 2 o'clock on June 10. They were to be transported to the District of Columbia Armory and opened publicly at 3 o'clock. There was a specially constructed box in which bids were to be deposited.

Mr. McLENDON. They were sealed, were they not?

Mr. BLASER. Yes, sir. It was placed in the Procurement Office. It had a slot in the top large enough to accommodate an envelope this size [refers to letter size]. The doors to this box were padlocked. Shortly before 2 o'clock I was in the Procurement Office ready to supervise the removal of this bid box to the District of Columbia Armory. Immediately at 2 o'clock the slot in the box was sealed with scotch tape and a piece of paper so no additional bids could be placed in there after the 2 o'clock deadline. This box was taken down to a

vehicle, an official vehicle of the District of Columbia, by two employees of the Department of Buildings and Grounds, and I accompanied the box. The box did not leave my sight. This box was placed in the trunk of the official vehicle and transported to the District of Columbia Armory at which point two more employees of the Department of Buildings and Grounds met the vehicle and carried the box from the vehicle to the room in which the bid opening was to be held. At the appointed hour the box was unlocked and the bids were removed.

Mr. McLENDON. One at a time?

Mr. BLASER. Sir?

Mr. McLENDON. One at a time?

Mr. BLASER. No.

Mr. McLENDON. All of them were taken out?

Mr. BLASER. I reached in the box and brought out the envelopes in a stack as they had formed—as they were dropped into the box. From 2 o'clock until the bids were publicly opened, the box did not leave my sight, and no one had access to that box.

Mr. McLENDON. Do you remember what individual actually opened the envelopes in which the bids were contained?

Mr. BLASER. Yes, sir. As I recall, I opened the envelopes.

Mr. McLENDON. What did you do as you opened each envelop?

Mr. BLASER. I examined the bids to be sure that the required bid bond accompanied the bids. There were several—

Senator COOPER. May I interrupt there?

Mr. BLASER. Yes, sir.

Senator COOPER. You mentioned that you determined that the required bid bond accompanied the bid?

Mr. BLASER. Yes, sir.

Senator COOPER. Will you explain what you mean by the bid bonds?

Mr. BLASER. Senator, each bidder was required in the announcement, the invitation to bid, that a bid bond in the amount of 5 percent accompany his bid. I believe this bond can be offered either in the form of a certified check or a bond. This was the bid bond that was required, Senator.

Mr. McLENDON. When you speak of 5 percent you mean percent of the man's bid, do you not?

Mr. BLASER. Yes, sir; 5 percent.

Mr. McLENDON. In other words if a man bid \$14 million he would have to include a bond for 5 percent of that amount?

Mr. BLASER. Yes, sir; that is right.

Mr. McLENDON. When you opened these bids, did you find that each one of the bidders had enclosed the bid bond?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Now were these bids as they were opened, and after you examined them as you have testified, were they tabulated on a blackboard in the presence of the people there?

Mr. BLASER. Yes, sir.

Mr. McLENDON. How big a crowd of people was present, as you can recall?

Mr. BLASER. Major, I would guess that perhaps there were 30 to 40 people there.

Mr. McLENDON. Was it held in public?

Mr. BLASER. Yes, sir.

Mr. McLENDON. No one was excluded, I take it from what you said?

Mr. BLASER. No one was excluded.

Mr. McLENDON. Do you remember whether members of the advisory committee were present, some of them?

Mr. BLASER. Major, I cannot recall whether members of the advisory committee were there or not.

Mr. McLENDON. Specifically do you remember whether William N. McLeod, Jr., was present?

Mr. BLASER. I believe he was.

Mr. McLENDON. You think he was?

Mr. BLASER. Yes, sir.

Mr. McLENDON. After the bids had been tabulated on the board, I assume that it would be obvious to spectators who was the low bidder and so on; is that correct?

Mr. BLASER. Yes, sir. May I refer to your statement that at this time, with the tabulation of the bids on a board at a session of this kind, it is generally referred to as the apparent low bidder.

Mr. McLENDON. Apparent low bidder?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Who was the apparent low bidder?

Mr. BLASER. McCloskey & Co.

Mr. McLENDON. Who was the second apparent low bidder?

Mr. BLASER. John McShain, Inc.

Mr. McLENDON. The bid of McCloskey is corrected on this exhibit with pen and ink as \$14,247,187.50; is that correct?

Mr. BLASER. Yes, sir.

Mr. McLENDON. And the head of that column says "Base bid plus alternate No. 1."

Mr. BLASER. Correct.

Mr. McLENDON. What was alternate No. 1?

Mr. BLASER. Alternate No. 1, Major, was an alternate that provided for increased or improved lighting.

Mr. McLENDON. Light?

Mr. BLASER. Lighting, field lighting.

Mr. McLENDON. Lighting?

Mr. BLASER. Yes, sir. And the purpose was to determine how much it would add to the contract to provide a little better field lighting in the acceptance of the bid, that alternate No. 1 was likewise accepted.

Mr. McLENDON. In contracting language, am I correct in saying when a proposal is stated like that, the base bid including an alternate, in this case designated No. 1, that the judgment of the Board can still be used as to whether they included or excluded the alternate?

Mr. BLASER. Yes, sir.

Mr. McLENDON. The cost of the alternate would appear in the next to the last column on the right; would it not?

Mr. BLASER. Correct.

Mr. McLENDON. And in McCloskey's bid he would add \$65,000 if the Board chose the alternate?

Mr. BLASER. Right.

Mr. McLENDON. If they didn't choose to build the alternate, his bid would be \$65,000 less?

Mr. BLASER. Correct.

Mr. McLENDON. Now after the bids were opened, as you described, what was the next thing that you had to do in performance of your duty in connection with the signing of the contract?

Mr. BLASER. The first activity, Major, is to go back over these bids, to assure that the totals are correct, that the arithmetic is proper in the bids, because very often a quick examination at a bid opening, there may be mistakes in the arithmetic of the bid which would change the relationship of bidders in the final totals. This was accomplished as the first activity. I did this, assisted by a representative of the architect-engineer.

Mr. McLENDON. Having had some experience with such matters as a lawyer, the purpose of that is to avoid subsequent misunderstandings and claims, possible claims that errors were made?

Mr. BLASER. Yes, sir.

Mr. McLENDON. That unintentional errors were made?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Am I correct?

Mr. BLASER. That is correct.

Mr. McLENDON. You ascertained that the McCloskey bid was in order in all respects?

Mr. BLASER. Yes, sir.

Mr. McLENDON. According to the record, the contract was signed with McCloskey on July 7, 1960?

Mr. BLASER. Correct.

Mr. McLENDON. Look at page A48 of the book of exhibits before you. Tell the committee whether that is a copy of the contract signed by the Board with McCloskey, and dated July 7, 1960, Mr. Blaser.

Mr. BLASER. Yes, sir. This on page A48 is the front sheet of that contract, Major. Succeeding pages reproduce the other pages of the contract, and this terminates on page A62 with the certificate as to incorporation.

Mr. McLENDON. Now, Mr. Blaser, these documents indicate that changes were made in the date of completion of the stadium as originally required under McCloskey's bid. Can you tell us the order in which those changes in the contract were made? I refer to the top of page A50 there. You see written in type: "The contractor shall commence the work on the date specified." Do you see that?

Mr. BLASER. Yes, sir.

Mr. McLENDON. And it reads, does it not—

and shall substantially complete the work, as defined * * * by September 14, 1961, with final completion on March 15, 1962.

And in the margin are the words "see addendum No. 2."

Mr. BLASER. Yes, sir.

Mr. McLENDON. Will you explain how that change was made and what the circumstances were that led to the extension of the time for the completion of the stadium? Maybe I can help you a little bit. Addendum No. 2 appears on page A63.

Mr. BLASER. I have it here, Major.

Mr. McLENDON. You are more familiar with it than I am, so you go ahead in your own way and answer my question.

Mr. BLASER. The original dates called for in the initial advertisement called for substantial completion for baseball by "April 14, 1961,

and shall be all complete by September 14, 1961." During the time that this project was being advertised, it became obvious that this presented much too tight a schedule. Hence, with the approval of the Board, addendum No. 2 was issued on May 2, 1960, during the period of advertisement.

Mr. McLENDON. That appears on page A63 of this volume of exhibits.

Mr. BLASER. Would you repeat the page number again, sir?

Mr. McLENDON. Page A63; addendum No. 2 appears on page A63; does it not?

Mr. BLASER. No, sir.

Mr. McLENDON. Maybe I have the wrong number.

Mr. BLASER. Addendum No. 2 appears on page A64 as exhibit 5b, Major.

Mr. McLENDON. Oh, I see.

Mr. BLASER. The exhibit 5a on page A63, the paragraph near the bottom of the page, shows the original date that was specified, called for in the original advertisement.

Mr. McLENDON. And completion date was changed by exhibit 5 to March 15, 1962; is that correct?

Mr. BLASER. Yes, sir. The final completion, and substantial completion to September 14, 1961, this being for the football season.

Mr. McLENDON. Now in the contract appearing at the top of page A50, the final completion date is March 15, 1962. Do you have a copy of the addendum that brought about that change?

Mr. BLASER. Yes, sir. This is addendum No. 2, dated May 2, 1960. What occurred in that connection, Major, before the contracts were signed, the Procurement Office went through and made certain changes consistent with the addenda, and hence the change noted at the top of page A50.

Mr. McLENDON. Am I correct then that the final completion date as finally agreed upon in the contract documents was March 15, 1962?

Mr. BLASER. This is correct.

Mr. McLENDON. Did that involve any additional cost to the Armory Board? Did you have to pay McCloskey any additional money because the time was extended?

Mr. BLASER. No, sir. This, Major, addendum 2, was issued to all bidders. If this addendum had any effect at all, it had the same effect on every bid that was presented for the bid opening.

Mr. McLENDON. In other words, all bidders had knowledge of this change before they filed their bids?

Mr. BLASER. Yes, sir. Every bidder who submitted a bid must also acknowledge on that bid that he did receive every addendum.

Mr. McLENDON. So McCloskey's contract was not changed, after he executed it, in this respect?

Mr. BLASER. In this respect, no. However, I wish to call your attention to exhibit 5c, which is on page A65. This gave or authorized a time extension for the contractor, and this was occasioned by foul weather during the winter, during the construction period, and there is a paragraph in the contract, which is article 9.

Mr. McLENDON. On page A52 of this booklet?

Mr. BLASER. Yes, sir; at the bottom of page A52 of the booklet, providing for time extensions under justifiable circumstances.

The CHAIRMAN. Mr. Blaser, may I ask a question at that point?

Mr. BLASER. Yes, sir.

The CHAIRMAN. That information was made available to all the people who did submit a bid on this? In other words, that information was available to all the contractors who submitted bids?

Mr. BLASER. Yes, sir. Mr. Chairman, the fact that the contract might be extended under justifiable circumstances was known to every bidder. The actual time extension that was issued to McCloskey during the course of construction was not issued to all of the bidders.

The CHAIRMAN. The first part of your answer is what I wanted to know.

Mr. BLASER. Yes, sir.

The CHAIRMAN. If all the contractors knew that under certain conditions the time would be extended.

Mr. BLASER. Yes, sir.

The CHAIRMAN. That was the question I wanted to be certain of.

Mr. BLASER. Correct.

Mr. McLENDON. Mr. Blaser, I would like to point this up now because it becomes important in light of the fact that McCloskey filed a claim with the Board for additional compensation for acceleration of the time of completion. Are you familiar with that?

Mr. BLASER. I am.

Mr. McLENDON. Is it a fact—is it not true that, instead of accelerating the time, the time was extended, as you have testified?

Mr. BLASER. This, Major, is a correct statement of fact as far as the addition of time to the contractor is concerned. His time was extended. This time extension does not reflect perhaps the same consideration that McCloskey put on his activity which prompted him to turn in a request for additional money for expediting the job.

Mr. McLENDON. Would you explain that a little? This committee, of course, is not trying McCloskey's claim, whether it is allowable or not allowable.

Mr. BLASER. Right.

Mr. McLENDON. But it is interested in knowing whether it was made regularly, or whether there was anything unusual about it.

Mr. BLASER. Well, the contractor's request for dollars for expediting the job was based on the premise that he was entitled to a great deal more time, and hence had demonstrated—by meeting the completion dates in the contract, he demonstrated that he had in effect compressed the construction period, if I make myself clear to the committee. For the sake of illustration, if I may—

Mr. McLENDON. Go ahead.

Mr. BLASER. Let's assume that the period of time was 200 days stipulated in the contract, and by virtue of the foul weather he was given a time extension of 10 to 15 days, as he was. By the addition of work to the contract, the contractor said, "It should have taken me 250 days. However, I did meet the date. I compressed the 250 days back to 210 days, so I have additional money coming." The contractor did present a request for additional compensation on this basis to me. In the contractor's request, there was no statement of dollar amount. My reply to the contractor as a contracting officer decision was that no additional moneys were due for this reason.

In instances where a decision of the contracting officer is disputed by the construction contractor, there is a provision in the contract,

article 15 "Disputes" which appears near the bottom of page A54 in the exhibit, which allows that contractor to present an appeal to what is known in the District of Columbia government as the Contract Appeals Board. The contractor did take exception under this article, to my decision, and made an appeal to the Contract Appeals Board. This appeal is now in the hands of the Appeals Board, with a decision yet to be made by the Contract Appeals Board.

Mr. McLENDON. So far as you know, has McCloskey ever placed a dollar amount on that claim?

Mr. BLASER. Yes, sir. I understand that subsequent to his letter appealing to the Contract Appeals Board, he did assign a dollar sign to this, \$955,000.

Mr. McLENDON. And it was not allowed by you as contracting officer?

Mr. BLASER. Sir, at the time the matter was referred to me, there was no dollar sign in connection with it.

Mr. McLENDON. Well, you didn't allow the claim?

Mr. BLASER. Nothing on the basis of my decision was allowed, and my decision refused the claim.

Mr. McLENDON. And the Board didn't allow it; the Armory Board didn't approve it?

Mr. BLASER. The Armory Board did not approve it.

Senator COOPER. Mr. Blaser, is it correct that the Armory Board extended the time in which Mr. McCloskey would be permitted to complete his contract for the construction of the stadium?

Mr. BLASER. That is correct.

Senator COOPER. And there were at least two extensions, according to this record?

Mr. BLASER. Senator, the first extension of that I believe you refer to as the two——

Senator COOPER. One extension was written into the contract itself.

Mr. BLASER. That was changed by an addendum available to all bidders, so in effect the first extension was not an extension, but rather a reassignment of a completion date which was made available to all the contractors.

Senator COOPER. I understand that.

Mr. BLASER. Yes, sir.

Senator COOPER. But the original estimate as to the time necessary to complete the contract was changed?

Mr. BLASER. Correct.

Senator COOPER. In the contract?

Mr. BLASER. Right.

Senator COOPER. And later, according to this memorandum, looking at page A65, exhibit 5c, there is a copy of a letter which you had written to McCloskey & Co., in which the contract was again extended.

Mr. BLASER. Yes, sir.

Senator COOPER. That is correct, is it not?

Mr. BLASER. From September 14 to October 9, 1961, and from March 15 to April 9, 1962.

Senator COOPER. Now I understand from your testimony that first you had extended the time in which Mr. McCloskey's firm could complete the construction of this stadium and then he asked for additional sums to complete the work as quickly as possible; is that correct?

Mr. BLASER. Senator—

Senator COOPER. My point is this. You are an engineer. If you had granted him additional time to complete the construction of the stadium, upon what grounds could he be allowed additional sums, as you say, to expedite the construction?

Mr. BLASER. Senator, the basis of my decision to the contractor that he had no additional sums coming for expediting the work is about what you yourself have stated. In other words, your comment that why did he have additional money coming for expediting the job was the basis, a part of the basis, for my decision in telling him there was no additional amount due him.

Senator COOPER. But he did submit to you and to the Board the request for the payment of additional sums to expedite the completion of the stadium; is that correct?

Mr. BLASER. This is correct; yes, sir.

Senator COOPER. And you say now that his request was not in order?

Mr. BLASER. His request to me was refused in a decision by me, with the assistance of the Corporation Counsel. He was entitled, under the terms of the contract, Senator, to appeal any decision of the contracting officer with which he disagreed. He did disagree with my decision, as is demonstrated by his appeal to the Contract Appeals Board subsequent to my giving him the decision that he had no additional money coming for expediting the job.

Senator COOPER. Turning to his request to you for revision of the contract in which additional sums were claimed as necessary for the expedition of the contract, did he set out the reasons upon which he based his request?

Mr. BLASER. Senator, the letter that the contractor submitted is quite lengthy. I can compress it by one comment, I believe, that he felt he was directed to complete the work by a certain time. He was told by the Armory Board or by the contracting officer to complete the work by a certain time. He was directed—this was his position: that he was directed to accomplish this work by a very definite date.

Senator COOPER. Was this request submitted to you or to the Armory Board, and was it in writing?

Mr. BLASER. Senator, the request was submitted to me because as contracting officer—and it was submitted in writing—because as contracting officer it was necessary for—

Senator COOPER. Do you have that letter?

Mr. BLASER. Yes, sir.

Senator COOPER. Approximately how long is it?

Mr. BLASER. A little over three pages, Senator.

Senator COOPER. Mr. Chairman, I ask that it be made a part of the record so that we will have an opportunity to read and study it during the recess.

The CHAIRMAN. Without objection, it will be made a part of the record at this point.

(The letter referred to may be found as exhibit 8 at p. A106 of the appendix.)

Mr. McLENDON. Do you have a copy of it, Mr. Blaser?

Mr. BLASER. I have one copy here, Major. It is my file copy. With the agreement of the committee I will have a copy made very promptly, and send it to you.

Mr. McLendon. Can you do that during the recess? Or if you could take that out of your file, we could have it copied right now and give it back to you before you leave.

The CHAIRMAN. Is that a copy, a photostat, or is it a carbon copy?

Mr. Blaser. No, sir; this is a photostat copy.

Mr. McLendon. While you are taking that out, does that letter also include the other claims that McCloskey made?

Mr. Blaser. No, sir. On each separate claim that he made, there was a separate letter.

Senator Cooper. May I ask the date of the letter?

Mr. Blaser. Yes, sir. The letter is dated March 26, 1963.

Senator Cooper. And what is the total amount that Mr. McCloskey asked to be paid to him in addition to the original contract price?

Mr. Blaser. Senator, he did not object in this letter to the basic contract price.

Senator Cooper. Does he mention any sum in this letter?

Mr. Blaser. No, sir; he does not mention any sum in this letter.

Mr. McLendon. That price tag that he put on it was put on it after you had disapproved the claim and the case was presented to the Appeals Board, was it not?

Mr. Blaser. That is correct, Major.

Mr. McLendon. And the price he put on it then was \$955,000?

Mr. Blaser. Yes, sir.

Mr. McLendon. When did McCloskey complete the construction of the stadium and it was accepted by the Board?

Mr. Blaser. His first date of completion was October 1, 1961. This was the date for substantial completion. The final completion was April 9, 1962. This was the completion that was required for baseball.

Mr. McLendon. Was that within the time allowed him?

Mr. Blaser. Yes, sir.

Mr. McLendon. Now while we are on this question of claims filed by McCloskey, I have before me here the report of the cost of construction of the stadium, as required by the statute, which was filed with the District of Columbia, and also with the committees of Congress. Do you have a copy of that before you? If you do not, I will let you use one of these.

Mr. Blaser. I have one here, sir.

(The document referred to may be found as exhibit 9 at p. A108 of the appendix.)

Mr. McLendon. Look at page 13 (p. A120 in the appendix), if you don't mind. This document you are looking at now is entitled "Final Construction Report on the District of Columbia Stadium, Dated June 30, 1963," filed by the Armory Board in compliance with the provision of the statute requiring that such statement be filed with the committees of Congress, and also with the District of Columbia Commissioners. You are familiar with that. I suppose you didn't prepare this?

Mr. Blaser. Sir?

Mr. McLendon. You did not prepare this?

Mr. Blaser. No, sir. I furnished certain information to be used in this preparation, but I did not prepare this report.

Mr. McLendon. May I ask you then to look at page 13 of the report and state whether or not you are familiar with each one of those claims stated there?

Mr. Blaser. I am familiar with the items on this page.

Mr. McLendon. The one we have been talking about is stated as \$955,000, and the total is \$1,011,868.

Mr. Blaser. Yes, sir.

Mr. McLendon. Did you, as contracting officer, pass on each one of those claims listed on that page?

Mr. Blaser. I, as contracting officer, denied payment in connection with each one of these claims.

Mr. McLendon. Seven in number.

Mr. Blaser. Correct.

Mr. McLendon. I noticed there are two of them, Nos. 107 and 124, that have no amounts stated, and No. 103 has zero in the column where the amount would appear. Can you explain that?

Mr. Blaser. Major, at the present time to my knowledge there is not yet a money amount assigned or claimed in 107 and 124. In each case the contractor stated to me that he felt he was not required to do the work that I had required him to do by written word in accordance with the terms of the contract. It was my position that the work so required was in accordance with the terms of the contract. He wrote stating that he appealed this decision, which produced each of these claims.

(Senator Hayden left the hearing room.)

Mr. Blaser. I believe that at such time as each of these cases having no dollar amount after them may be acted upon by the Appeals Board, depending on that action it may be necessary to establish a dollar amount at that time. In the case of the claim No. 103, this has no dollar sign attached to it because this ties in with his claim No. 206 to which he has assigned a dollar value.

Mr. McLendon. Aren't those two claims in conflict? One is for damages for extending the time and the other one is for damages accelerating the time. How do you reconcile that, or do you reconcile it?

Mr. Blaser. Sir?

Mr. McLendon. I say how do you reconcile it, or do you reconcile it?

Mr. Blaser. I am not sure I do reconcile it, Major. This is a part of what my position was in responding to each of his claims, and with the forbearance of the committee, any detailed discussion of the claims—don't misunderstand, I am not reluctant to discuss them, but since they have not yet been settled by the Contract Appeals Board, any detailed review of the claims here could jeopardize how in the end they might be settled.

Mr. McLendon. Well, I won't ask you to do that.

Mr. Blaser. Thank you.

Mr. McLendon. I think it is adequate for your purposes and for the committee's purpose to note again that you disallowed them all, disapproved them all.

Mr. Blaser. Yes, sir. This is why they are appeals cases. They all have been denied at this point.

Senator Cooper. May I ask a question? Mr. Blaser, I ask you to look at exhibit A on page 4 (p. A111 of the appendix) which exhibit is entitled "Statement of Cost of Construction."

Mr. BLASER. Yes, sir.

Senator COOPER. It states total construction cost \$19,348,433.13. Schedule 8 (see p. A120) represents a schedule of claims that McCloskey & Co. is now making in addition to the total construction cost stated on exhibit A. Is that correct?

Mr. BLASER. Yes, sir.

Senator COOPER. And according to this schedule 8, he is claiming a total of \$1,011,868?

Mr. BLASER. Correct.

Senator COOPER. You say you did not approve it, and that the claim is now pending before the District of Columbia Contract Appeals Board?

Mr. BLASER. Yes, sir.

Senator COOPER. But in item CAB-206 of schedule 8, McCloskey & Co. is making a claim relating to acceleration work in the amount of \$955,000?

Mr. BLASER. Correct.

Senator COOPER. Making that claim, although the Armory Board twice extended the time for the completion of the contract.

Mr. BLASER. Yes.

Mr. McLENDON. Mr. Blaser, I want to turn to another subject. Will you refer to the contract document which appears beginning at page A48 of this document of exhibits?

Mr. BLASER. Yes, sir; exhibit 4, page A48.

Mr. McLENDON. I wish you would point out to the committee any provision of the contract which is applicable to so-called change orders involving the payment of additional money to the contractor.

Mr. BLASER. There are three paragraphs in the contract that provide for modification of the construction contract.

Mr. McLENDON. Give us the number of those, please.

Mr. BLASER. Articles 3, 4, and 5. Three and four appear on page A50, and five appears at the top of page A51.

Mr. McLENDON. Without reading the exact text, will you explain to the committee what those provisions are, because I am going to ask you in detail now about these change orders and I want the committee to understand how they are handled and disposed of?

Mr. BLASER. Article 3 permits the contracting officer, by a written order, to change the contract within its general scope at any time, within the limitation in this particular case of \$25,000. In other words, the contracting officer for this project was authorized to issue a change order to the contract up to \$25,000. Change orders for which the price was in excess of \$25,000 had to be approved by the Armory Board. By the way, this limitation of \$25,000 applies to a change to the contract for any reason, be it accomplished under article 4, Changed Conditions. This provides for modifying the contract in such things as if you run into a foundation condition that was not anticipated during the course of construction, to accomplish what is necessary to surmount this unexpected foundation condition, this comes under the category of changed conditions.

(At this point, Senator Pell withdrew from the hearing room.)

Mr. McLENDON. When the change involved more than \$25,000, what was the procedure?

Mr. BLASER. Obtain the approval of the Armory Board. I could not direct the change without such approval, so the Armory Board had to make such approval for issuance of the change.

Mr. McLENDON. Now, will you explain to the committee how you, as contracting officer, handled change orders involving, first, less than \$25,000?

Mr. BLASER. My exercise of this authority was limited entirely to the type of instance where a condition was encountered in the field that required revision in order to construct this particular area. To illustrate the type of thing, if the plans required that a wall be constructed in a certain area, and a pipeline, water, or sewer, occurred in such a location, that this wall could not physically be constructed in this place. After examination of which was it easier to move, the pipeline or the wall, a sufficient distance to get the two in and make them fit, this was the type of order, the change order that I would give to the contractor, as long as it was less than \$25,000. In cases of this nature that I have referred to where the dollar sign was in excess of \$25,000, this had to be referred to the Armory Board before I could so direct the contractor.

Mr. McLENDON. Mr. Chairman, we have a witness here who is very brief on one single point, and he tells me he has engagements this afternoon with a large number of people. He is very anxious to testify so he can be excused. Might I have permission to withdraw Mr. Blaser now and examine General Mollison?

The CHAIRMAN. Yes; you may. I was just notified there is going to be a vote on the floor in 15 minutes and when we hear General Mollison we will recess for lunch and come back after lunch. So, General, if you don't mind—

Mr. BLASER. Mr. Chairman, may I ask what time we will convene again?

The CHAIRMAN. One-thirty. General, will you put your hand on the Bible and take the oath? Do you solemnly swear that the evidence you are about to give before this committee in the matter under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. MOLLISON. I do.

The CHAIRMAN. Thank you very much. Be seated, please.

Mr. McLENDON. Will you state your full name and business address, please?

TESTIMONY OF JAMES A. MOLLISON, OF DAVID VOLKERT & ASSOCIATES

Mr. MOLLISON. James A. Mollison, 5104 MacArthur Boulevard.

Mr. McLENDON. Mr. Mollison, are you associated with any engineering firm, and, if so, what is the name of it?

Mr. MOLLISON. I am associated with David Volkert & Associates, now, which was formerly Ewin Engineering & Associates.

Mr. McLENDON. V-o-l-k-e-r-t?

Mr. MOLLISON. V-o-l-k-e-r-t; right.

Mr. McLENDON. That is the same company that formerly was known as Ewin Associates?

Mr. MOLLISON. That is right.

Mr. McLENDON. Were you with Ewin Associates at the time the Armory Board selected the architects and engineers for the District of Columbia Stadium?

Mr. MOLLISON. I was.

Mr. McLENDON. Did you personally participate in your company's presentation to the Board and to the advisory committee?

Mr. MOLLISON. I did.

Mr. McLENDON. Just briefly state what you did and whether anyone was associated with you.

Mr. MOLLISON. Yes. We were associated with George L. Dahl, of Dallas, an architectural firm, and they made a part of the presentation and we made a part of the presentation.

Mr. McLENDON. Why were you associated with Dahl?

Mr. MOLLISON. We were associated with Dahl because we had no architectural division in our company at that time, and we felt that perhaps the two of us could complement each other. Dahl wasn't so strong on engineering. We weren't at all strong in architecture. So we formed a joint venture to present our plea to the Board.

Mr. McLENDON. Was it presented jointly?

Mr. MOLLISON. It was presented jointly.

Mr. McLENDON. Did you know the Dahl firm, General?

Mr. MOLLISON. I didn't know them until some 3 or 4 months before we became associated together.

Mr. McLENDON. Did you ascertain what their general qualifications were?

Mr. MOLLISON. Indeed I did.

Mr. McLENDON. Will you briefly state what you ascertained?

Mr. MOLLISON. Well, we were particularly interested in this auditorium that they had designed in Dallas. They had also done some stadiums in Texas, other commercial buildings. We felt that they were a good, reputable firm with a record of accomplishment, that we would like to associate with them.

Mr. McLENDON. Now, your company, you stated, was primarily an engineering concern; is that correct?

Mr. MOLLISON. That is right, sir.

Mr. McLENDON. I believe the record shows, and Mr. Blaser has testified, that the Ewin Associates, your company by its former name, the Dahl Co., and the Osborn Co. of Cleveland were the three architects and engineering firms finally employed; is that correct?

Mr. MOLLISON. That is correct, sir.

Mr. McLENDON. Do you have knowledge of why the Praeger firm was not included?

Mr. MOLLISON. The Praeger firm was initially included, and we tried to work out some sort of an equitable distribution of the workload. However, in the initial phase or preliminary phase, we found that Praeger wanted to do it all. In other words, there wasn't anything left for Osborn, Dahl, or Ewin. So there wasn't exactly a harmonious relationship, to put it mildly, and we felt unhappy about the association. However, we didn't do anything about it. We were just suffering in silence, but apparently the Armory Board and the contracting officer felt that this thing couldn't proceed. It was a crash program. It couldn't proceed unless all of the firms involved, architects, engineers, were permitted to work to their utmost capacity.

Mr. McLENDON. Then Praeger withdrew; did they?

Mr. MOLLISON. That is right.

Mr. McLENDON. Did you and the others report back to the Board that the three of you were in accord and would be willing to go as three rather than four?

Mr. MOLLISON. We asked—we were asked, I should say, if we felt that we could do this assignment. We said that we could. We knew that it was a crash program. We knew that we had to work at top speed and, therefore, we divided up these various and sundry functions and tasks in order to make maximum use of the manpower available in each organization.

Mr. McLENDON. Do you recall whether the three of you agreed on designating Mr. Herzberg as the project manager?

Mr. MOLLISON. Yes, indeed. That was unanimously approved.

Mr. McLENDON. He was from the Osborn Co. of Cleveland?

Mr. MOLLISON. That is right.

Mr. McLENDON. The local engineer was Mr. Staker?

Mr. MOLLISON. Carl Staker.

Mr. McLENDON. How do you spell it—S-t-a-k-e-r?

Mr. MOLLISON. That is right. He was the resident engineer.

Mr. McLENDON. Resident engineer. Did you agree on him?

Mr. MOLLISON. We agreed on him.

Mr. McLENDON. Is that the way you worked during the construction of the stadium?

Mr. MOLLISON. Carl Staker was the resident engineer who was out there to exercise the control of the supervision of the project.

Mr. McLENDON. General Mollison, does your company have any association of any sort with the McCloskey Co.?

Mr. MOLLISON. Never have.

Mr. McLENDON. Never have at any time?

Mr. MOLLISON. That is right.

Mr. McLENDON. Never have had any business association with them?

Mr. MOLLISON. None at all, sir.

Mr. McLENDON. Did you communicate with them or any representative of Mr. McCloskey's before you were employed as one of the three architects?

Mr. MOLLISON. We did not.

Mr. McLENDON. Did you ever have any understanding or agreement with them about any phase of the work?

Mr. MOLLISON. Not a single understanding; no contact with them actually at all.

Mr. McLENDON. Did you know at the time you were employed, your company was employed, did you know Robert G. Baker?

Mr. MOLLISON. I don't think we knew him at that time.

Mr. McLENDON. Did you get acquainted with him later?

Mr. MOLLISON. I think I met him several times after that. I met him at a football game.

Mr. McLENDON. Did you ever have any conversation with him or communication with him with respect to the stadium, its construction, or any matter affecting the stadium?

Mr. MOLLISON. None.

Mr. McLENDON. None at all?

Mr. MOLLISON. None at all.

Mr. McLENDON. How about William N. McLeod? Did you ever have any conversation, understanding, or agreement with him?

Mr. MOLLISON. None.

Mr. McLENDON. Did you know Donald B. Reynolds?

Mr. MOLLISON. No; I never did know him.

Mr. McLENDON. You never did know him?

Mr. MOLLISON. No.

Mr. McLENDON. You don't know him now?

Mr. MOLLISON. I don't know him now.

Mr. McLENDON. General, did your company have any information that would have given you any sort of inside favorable position—I use that expression to try to convey my thought to you—in connection with being employed?

Mr. MOLLISON. None at all, sir.

Mr. McLENDON. Did you have any political influence?

Mr. MOLLISON. No.

Mr. McLENDON. Did you undertake to get any?

Mr. MOLLISON. No; we did not. We thought we could stand on our own hindlegs.

Mr. McLENDON. Do you have any knowledge that anyone else connected with the construction of the stadium—that is, the architects and the engineers, or even the contractor—had any political influence brought to bear upon the Armory Board, or upon you as one of the Armory Board representatives?

Mr. MOLLISON. I have never heard of such a thing, Major. I know of no instance at all.

Mr. McLENDON. That is all.

The CHAIRMAN. May I ask at that point: At the time you were employed as one of the architects or part of the architectural team, you couldn't possibly have known who was going to get the contract at that time anyway to build the stadium; could you?

Mr. MOLLISON. We certainly couldn't. We figured that there would be maybe 30 or 40 bidding on this. It wouldn't have surprised me if any one of them could have gotten it. And, as a matter of fact, there wasn't too much left on the table in some of these bids. By that I mean the second low bid wasn't too much above the first low bid, and the third low bid was rather close. From then on they went up a little high.

The CHAIRMAN. Thank you.

Mr. McLENDON. That is all.

The CHAIRMAN. Senator Cooper, do you have a question?

Senator COOPER. Yes. General Mollison, you have stated at the time the contract was let that you were president of the Ewin Engineering Corp.

Mr. MOLLISON. I was vice president in charge.

Senator COOPER. Who was the president?

Mr. MOLLISON. David Volkert.

Senator COOPER. Who?

Mr. MOLLISON. David Volkert.

Senator COOPER. Is he still the president?

Mr. MOLLISON. He is the president; that is right.

Senator COOPER. Where does he live?

Mr. MOLLISON. He lived in Middleburg, Va.

Senator COOPER. Does Ewin Engineering Corp. have an office here in Washington?

Mr. MOLLISON. We do.

Senator COOPER. Where is it?

Mr. MOLLISON. 5104 MacArthur Boulevard.

Senator COOPER. Earlier, counsel read from an exhibit, exhibit 7c in the staff memorandum, and quoted a resolution which had been adopted by the Armory Board, recommending that George L. Dahl, the Ewin Corp., Osborn Engineering, and Praeger-Kavanaugh-Waterbury be designated to form a syndicate to design and supervise construction of the District of Columbia Stadium. Do you know of your own knowledge or do you know if you received any communication from the Armory Board inviting the Ewin Engineering Corp. to join with Dahl as a part of a syndicate designed to supervise construction of District of Columbia Stadium?

Mr. MOLLISON. Oh, no. The only time that they asked us to do this was when they invited Praeger-Kavanaugh, Osborn, Dahl, and Ewin to form a joint venture, because all four apparently had been selected or received the right consideration.

Senator COOPER. I understand that. My question is, though, how did your company receive notification of this desire upon the part of the Armory Board that you form this syndicate for the purpose of supervising the construction of the stadium? Did you receive any official letter from the Armory Board?

Mr. MOLLISON. I think we were called in, as I recall it. I don't recall the letter, but the four companies were called in to consult with the Armory Board.

Senator COOPER. Were you there?

Mr. MOLLISON. I was there.

Senator COOPER. Who was there?

Mr. MOLLISON. Well, there was the Armory Board; Mr. McLaughlin, who was then president of the Board of Commissioners; General Abendroth was there; and I don't recall whether General Welling was there for sure or not, but I think he was. Praeger had several people there, three at least. There were about three from our company; two, as I recall it, from Osborn, Homer Borten and Noble Herzberg; and George Dahl was there with about two or three people.

Senator COOPER. At that time did the three companies agree to collaborate in the supervision of the construction of the stadium?

Mr. MOLLISON. Design it and make the contract documents and specifications and so forth, and supervise it, take over the supervision.

Senator COOPER. It was at that meeting?

Mr. MOLLISON. Right.

Senator COOPER. Had you talked before with the three companies?

Mr. MOLLISON. No; we hadn't gotten together. There were four companies on this first go-round—the Praeger-Kavanaugh outfit, Osborn, Dahl, and Ewin—and we had worked together on the preliminary designs, if you can call it working together, because Praeger did it all, and then when it was found that that wasn't going to work too well, we were asked if Osborn, Dahl, and Ewin could form a joint venture to complete these plans and designs.

Senator COOPER. General Mollison, you know that the purpose of this hearing and investigation is to determine if any employee of the Senate or any Member of the Senate acted illegally or improperly in connection with this contract? Prior to this meeting that you at-

tended, that you had with the Armory Board or at any time, did you ever discuss the matter with Mr. Robert Baker?

Mr. MOLLISON. No.

Senator COOPER. Did you ever discuss the District of Columbia Stadium contract or your part in it or have any discussions with him which related to it?

Mr. MOLLISON. None whatsoever; never.

Senator COOPER. Did you ever have any discussions with Mr. McLeod?

Mr. MOLLISON. No, sir.

Senator COOPER. A member of the staff of the District of Columbia Committee.

Mr. MOLLISON. No, sir.

Senator COOPER. Relating to the stadium?

Mr. MOLLISON. Never any discussions with him.

Senator COOPER. Did you ever have any discussions with any Members of the Senate or the House respecting the construction of the stadium?

Mr. MOLLISON. I did not, and I am sure my company didn't.

Senator COOPER. You have said that you knew Mr. Baker. When did you first meet him?

Mr. MOLLISON. I met him at a football game, I think probably about 1960, but it was very casual and I don't think I have ever said three words to him in my life.

Senator COOPER. I believe you said you saw him after that a few times?

Mr. MOLLISON. Yes. I saw him but I don't recall ever conversing with him.

Senator COOPER. When did you meet Mr. McLeod?

Mr. MOLLISON. Well, I met Mr. McLeod, I would say the first time that I ever met him was probably the day the bids were opened for the stadium.

Senator COOPER. Was he present?

Mr. MOLLISON. He was present.

Senator COOPER. Was he present at the meeting with the Armory Board at which the syndicate of the four companies was formed?

Mr. MOLLISON. I don't recall seeing him there. I don't believe he was there, but I do recall seeing him and meeting him the day that the bids were opened.

Senator COOPER. I note in exhibit A an item included in the statement of cost and construction, architectural and engineering, Dahl, Ewin, and Osborn schedule 1, of \$693,868.90. At the time the contract was let and these companies entered into a contract with the Armory Board, was there any discussion then as to what your charges would be for these three or four companies?

Mr. MOLLISON. Oh, yes. That all had to be agreed upon before the contract was signed by the Armory Board, giving us the go-ahead.

Senator COOPER. Do you recollect what you estimated your charges to the Armory Board might be?

Mr. MOLLISON. Yes. It was a lump sum rather than a percentage of the cost of construction. There are two fee structures in the engineering field. One is a percentage of the cost of construction. The other is a lump sum.

Senator COOPER. Do you remember your original estimate?

Mr. MOLLISON. I don't remember. It seems to me it was somewhere in the neighborhood of \$580,000.

Senator COOPER. Do you remember whether the companies, of which your company was one, increased their charges to the Armory Board as the contract and construction of the stadium proceeded?

Mr. MOLLISON. That is right; that is right. We have had several claims because of the change orders. In other words, something would be completely designed, and then when it wasn't—they felt that something should be improved or a better solution should be made, or George Preston Marshall wanted something else, in this particular place in order to sign a contract, or the Griffith family were asking for various and sundry things.

Senator COOPER. Now, when a request for changes was made—and you said these changes resulted in an increase in the estimate of fees to the syndicate—would the engineering companies submit to the Armory Board their request for additional payments and their reasons for their request?

Mr. MOLLISON. Oh, yes.

Senator COOPER. Do you know whether or not they are part of the official records of the Armory Board?

Mr. MOLLISON. Well, I am sure they are.

Senator COOPER. If they are not, can your company supply to the committee records showing these requests and the reasons submitted for them?

Mr. MOLLISON. That is right.

Senator COOPER. Have you had other contracts with the District of Columbia or any of its agencies?

Mr. MOLLISON. Yes; we have. We have had road work here. The 11th Street Bridge is one that we designed. We are the present engineer for the Redevelopment Land Agency, and we have worked for the Department of Sanitary Engineering as well.

Senator COOPER. Did your firm have a part in the work of extending the Capitol?

Mr. MOLLISON. Yes. You mean the tunnel under the Mall? Is that it?

Senator COOPER. No. You remember several years ago—which side is it?

The CHAIRMAN. The other side, the side next to the Library of Congress.

Mr. MOLLISON. Oh, yes.

Senator COOPER. You know the Capitol was extended on one side.

Mr. MOLLISON. No, indeed.

Senator COOPER. What?

Mr. MOLLISON. No, indeed.

Senator COOPER. You had no part in it?

Mr. MOLLISON. No part in it.

Senator COOPER. Have you had any contracts relating to the Capitol itself? Have you had any contracts with the Architect of the Capitol?

Mr. MOLLISON. None with the Architect of the Capitol.

Senator COOPER. You have not?

Mr. MOLLISON. Never.

Senator COOPER. I think you said you did not know Mr. Reynolds?

Mr. MOLLISON. No, sir.

Senator COOPER. In connection with the contracts you have had with the District of Columbia or its agencies, you are required to execute a performance bond?

Mr. MOLLISON. That is right. Not a performance bond. What we have to do in our particular case, Senator, is we have to provide liability insurance to hold the District or any of its agencies blameless due to our work. Now, we are not like a contractor.

Senator COOPER. I understand that. But you do execute performance bonds which, of course, are secured by insurance companies, or some surety, to hold the District of Columbia or its agencies free from any damages.

Mr. MOLLISON. That is right; for damage or injury generally \$300,000 and \$100,000.

Senator COOPER. If there is fault in your work.

Mr. MOLLISON. That is right.

Senator COOPER. Are these executed with some insurance company?

Mr. MOLLISON. Yes. Our insurance representative here is Huntington Block, who was formerly with the McLaughlin Co., and now he is in business for himself, but he has always written those policies for us.

Senator COOPER. You may be aware of the charges that have been made concerning Mr. Reynolds, Mr. Baker, Mr. McLeod, and others with respect to the execution of the performance bond by McCloskey & Co. to the Armory Board, and the alleged statements that McCloskey received a larger payment from the Armory Board to reimburse him for the premium than was due him, and further allegations that a part of this money went to Mr. Baker and others. Have you ever heard of any transaction like that?

Mr. MOLLISON. I have never heard of anything like it, Senator, except what I read in the paper.

Senator COOPER. All right.

The CHAIRMAN. General Mollison, may I clear up something that I have in mind to see if I have got this correct? The Armory Board or any of the so-called owners of this piece of property, the stadium, if they made a decision to make a change of any magnitude, the engineers or the architect, the combination which you represent, would have to furnish the plans and specifications for that change; is that correct?

Mr. MOLLISON. That is correct, sir.

The CHAIRMAN. And in that case you would be entitled to compensation if it exceeded—if it was work which you had already done and included in your contract? This would be additional work on your part, wouldn't it?

Mr. MOLLISON. That is right, sir.

The CHAIRMAN. Would not the contractor—in this case Mr. McCloskey, his company—would not he be entitled then to change-order additions to his contract if it exceeded the cost of the work that was specified originally under your specifications?

Mr. MOLLISON. That is right. That is common practice in the construction industry. There are extras and change orders, and so forth. That is why these change orders are given, because it is something that—Mr. Blanding had the same problem, Senator, when he built his dream house. You never can get something perfect, and as time goes

on, if somebody wants to change it and you say, "This will be a great improvement," it is going to happen.

The CHAIRMAN. The thing I am trying to find out is that a contractor just can't on his own decide he is going to make a change in the plans or specifications and then bill the Armory Board for it.

Mr. MOLLISON. Oh, no.

The CHAIRMAN. Somebody approves the cost of it; isn't that correct?

Mr. MOLLISON. He won't get away with that at all, because, in the first place, the engineers or the architects must draw the plans for the change, and then when he gets the plan, he builds by that.

The CHAIRMAN. And he has to bid on that change order; is that correct?

Mr. MOLLISON. That is correct.

The CHAIRMAN. Would you put an estimate on the cost of it?

Mr. MOLLISON. Generally speaking, there is an estimate on the cost of it, if it is of any consequence.

The CHAIRMAN. In other words, if it were of any consequence, as you said, if the change order required any, you and the contracting officer would consult on that and agree on the cost of this change order?

Mr. MOLLISON. That is right.

The CHAIRMAN. You would be consulted on that?

Mr. MOLLISON. That is right.

The CHAIRMAN. General Mollison, do you remember who was President of the United States at the time you all bid on this contract?

Mr. MOLLISON. I think it was Dwight D. Eisenhower.

The CHAIRMAN. Do you suppose that he was vitally interested in seeing that the Democratic treasurer got this contract?

Mr. MOLLISON. That is a stumper.

The CHAIRMAN. There have been so many accusations I thought I would just find that out.

Mr. MOLLISON. Well, that would be pretty farfetched, wouldn't it, Senator?

The CHAIRMAN. Well, it could be. Major, do you have any questions?

Senator COOPER. Contracts should be expected to be performed and performed right. Let me ask this question: Mr. Herzberg was the representative of these three or four firms, three firms finally?

Mr. MOLLISON. That is right.

Senator COOPER. Who supervised the construction of this stadium?

Mr. MOLLISON. They designed it, Senator.

Senator COOPER. Designed and supervised it.

Mr. MOLLISON. That is right.

Senator COOPER. It was your obligation to see that the contractor faithfully carried out his contract to the Armory Board of the District of Columbia?

Mr. MOLLISON. They were our client.

Senator COOPER. Mr. Herzberg was your representative?

Mr. MOLLISON. Right, sir.

Senator COOPER. It was very important, therefore, that when claims were made by the contractor for additional sums that your representative, Mr. Herzberg, determined whether or not they were proper claims?

Mr. MOLLISON. Oh, yes; that is right.

Senator COOPER. Was he the project officer during the entire time of the period of the construction of the stadium?

Mr. MOLLISON. Yes; he was.

Senator COOPER. Do you know where he is now?

Mr. MOLLISON. He is right in this room.

Senator COOPER. What company is he with? Well, he will be coming before us.

Mr. MOLLISON. There he is.

Senator COOPER. Would he report to the companies from time to time about changes requested by Mr. McCloskey and upon the cost estimates that he submitted for those changes?

Mr. MOLLISON. Well, he was always in contact with the heads of the joint venture, and they held various and sundry meetings where they got together and discussed the progress of the stadium and so forth and so on. You see, we didn't fall completely out of the picture when we turned in our plans and the bid was awarded to McCloskey. We kept a pretty good staff of people working on this, right until—well, even after the thing had been accepted.

Senator COOPER. That was part of your contract?

Mr. MOLLISON. That is right, so we weren't out of touch with them.

Senator COOPER. I don't want to go into all the details now, but in noting the list of changes made during the construction of the stadium, and the claims for additional payments by McCloskey & Co. because of these changes, I think you will find that on page A74, exhibit 7, that one item includes seats. Did the firms which drew up the plans and specifications for this stadium include seats?

Mr. MOLLISON. We included seats. I might mention in connection with that that George Marshall had some very positive ideas on what kind of seats should go in there, and, as I recall, at one of the meetings where he was there presenting his plea, he wanted a seat that was, say, anywhere from 6 to 7 inches wider than the normal seat. A 22-inch seat apparently didn't suit him at all, and I think it came out as a 26- or a 28-inch seat. Not that I am trying to evade the issue, Senator, but Noble Herzberg, who is here and will testify, I am sure is much more qualified because he had the intimate details of all of these change orders, whereas I don't have them.

Senator COOPER. I will wait for Mr. Herzberg on that.

Mr. MOLLISON. Thank you, sir.

Mr. McLENDON. General, Mr. Herzberg did not have authority to approve, to make final approval of a change order, did he?

Mr. MOLLISON. Oh, no.

Mr. McLENDON. That was the responsibility of the contracting officer?

Mr. MOLLISON. That is right, and then if the contracting officer felt that he couldn't do it, why, it was up to the Board.

Mr. McLENDON. Up to the Board itself?

Mr. MOLLISON. Yes, sir.

Mr. McLENDON. Just one other question. I think the record is clear on this. I would like to be sure. Is it correct that when you appeared before the Board, the Armory Board, you appeared jointly with the Dahl Co.?

Mr. MOLLISON. That is correct, sir.

Mr. McLENDON. During the hearing or the proceedings, is it true that the Board itself suggested a joint venture of the four of you?

Mr. MOLLISON. That is right.

Mr. McLENDON. You tried that, and Praeger dropped out?

Mr. MOLLISON. That is right.

Mr. McLENDON. And then you entered into a contract, a joint-venture contract, with the three firms?

Mr. MOLLISON. That is correct, sir.

Mr. McLENDON. All right; that is all.

Mr. MOLLISON. Thank you very much.

The CHAIRMAN. Thank you very much, General. The committee will recess until 1:30.

(Whereupon, at 12:30 p.m., the committee recessed, to reconvene at 1:30 p.m., the same day.)

AFTERNOON SESSION

(Members present at this point: Senators Jordan, Pell, and Cooper.)

The CHAIRMAN. Gentlemen, a quorum is present. The committee will come to order.

Mr. Blaser, will you please come back to the stand, sir?

(At this point, Senator Pell withdrew from the hearing room.)

The CHAIRMAN. Major McLendon, you may proceed with your questions, sir.

Mr. McLENDON. Mr. Blaser, before the recess you had described the procedure followed with respect to change orders. I direct your attention now to page A74 of this printed booklet of exhibits and ask you if beginning on that page there is a complete list by numbers of all the change orders involved in the construction of the District of Columbia Stadium.

TESTIMONY OF JAMES A. BLASER—Resumed

Mr. BLASER. Yes, sir. This tabulation beginning on page A74 contains all of the change orders on the stadium.

Mr. McLENDON. And there are 236?

Mr. BLASER. Yes, sir. This is for the McCloskey contract.

Mr. McLENDON. For the McCloskey contract?

Mr. BLASER. Yes, sir.

Mr. McLENDON. At the foot of the numbered items on page A86 there is another item referring to piling. Will you give us a little explanation of that, please?

Mr. BLASER. Yes, sir. Among the information that has been furnished to the committee there is on page 7, schedule 2 (see p. A114), of the final construction report prepared by the Armory Board a figure or a series of figures which are difficult to coordinate with the figures that are on this tabulation beginning on page A74, and the difference is accounted for by a provision of the contract that permits adjustment of the steel H-piling used in the foundation.

If you would refer to page A46 of the assembly of exhibits, you will notice under the heading, "Item 1" in the third and fourth columns, these are prices for piling based upon an estimated quantity of 201,250 feet of piling. For this item every bidder bid both a unit price and

a total price. The total price is arrived at by multiplying the unit price by the lineal feet of piling. Also, the total in the right-hand column represents the total bid including the estimated quantity of piling, the lump sum for the stadium, and alternate No. 1. In any job normally that involves piling, because of the inability to determine exactly the number of feet of piling required to satisfy the job, the manner in which this is taken care of is to include an estimated quantity of piling and a unit price.

Mr. McLENDON. In the contract, you mean?

Mr. BLASER. In the bidding schedule initially. Then it goes into the contract. There is also a provision in the contract that states that if this quantity, this estimated quantity of piling varies, both up or down, either up or down, the price required will be adjusted in accordance with the variation, within limits.

Accordingly, during the construction of the stadium, rather than driving 201,250 feet of piling, there were 13,330 feet more driven. This 13,330 additional lineal feet of piling was paid for at the unit price bid of \$4.95. This being under the terms of the contract, the basic contract automatically provided for this addition. This produced an additional figure of \$65,983.50. The total amount of additions to the base price, for the basic contract, \$14,247,187.50, was \$3,052,780.22. The item that is shown at the bottom of page A86 as "less reimbursement by the Park Service" covers two change orders that the National Park Service asked the Armory Board to perform under the stadium contract, that the National Capital Region would reimburse the Armory Board for that amount. Those two change orders totaled \$33,952.14. This amount deducted shows a net total increase of \$3,018,828.08, which in turn ties in with the next to the last figure on schedule 2, page 7 of the Armory Board final report.

Mr. McLENDON. So that the \$65,000 shown on the bottom of page A86 was not in reality a change order?

Mr. BLASER. No, sir.

Mr. McLENDON. It was the amount of money due McCloskey under the terms of the contract because he put in 13,330 more lineal feet of piling than you anticipated?

Mr. BLASER. Yes, sir.

Mr. McLENDON. The \$33,952 figure is the amount that the Board was reimbursed by the Park Service?

Mr. BLASER. Correct.

Mr. McLENDON. Now, Mr. Blaser, in this long list of change orders, there are some minus signs. Where a figure is preceded by a minus sign, what does that mean?

Mr. BLASER. That means that that represented a reduction to the contract price, meaning that the items covered by the dollar sign preceded with a minus were deleted from the contract, and the contractor did not perform work thereon.

Mr. McLENDON. This net cost then would be after the minuses had been taken out?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Can you classify these change orders by indicating to the committee whether some of them originated with the contractor, or some of them originated with the Board? Do I make myself clear?

Mr. BLASER. Yes, sir. None of these change orders originated with

the contractor. He at no time requested that a change order be written. There were some circumstances where he would demonstrate in the field to the resident engineer on the job and the project manager for the architect-engineer that he couldn't possibly build it in the manner that was shown on the drawings. His question was, "What do you wish to do about this?"

Mr. McLendon. Can you give us an illustration of that sort of thing?

Mr. Blaser. Yes, sir. May I go back to my example that I cited this morning, an empirical one, concerning the wall to be constructed, and a pipeline, a sewer or water line interfered with it. This is the type of thing to which I referred. The contractor could say in this instance, "I can't build it this way. What do you wish me to do about it?"

Obviously, if there is a conflict, it is not proper to tell the contractor, go ahead and do it. So the resident engineer on the job and the project manager would get together and try to devise a means of circumventing this particular conflict or resolving, rather, this particular conflict, and would come up with a sketch plan or perhaps instructions in words, and this would be given to the contractor over the contracting officer's signature.

There may be and there were instances in the field of this variety, where it was necessary to tell the contractor verbally right at that time to keep this particular area from not progressing. In every one of those instances the project manager, if I was on the jobsite, would discuss this with me as soon as he could find me. If not, he would call me on the phone, confirm that this was the situation, and we would immediately issue a letter to the contractor over my signature telling him that this was the way to go in connection with this particular conflict.

Mr. McLendon. Mr. Blaser, was there ever a single instance in which the contractor went ahead and did what he claimed to be extra work and then, after having done it, put in a claim for a change order? I mean without consulting you or the Board?

Mr. Blaser. Major, I can think of no instance where this was done.

Mr. McLendon. How would you describe in general terms the reason for such a numerous list of these change orders?

Mr. Blaser. In general, there were several reasons. There were several reasons for the change orders that occurred on the District of Columbia Stadium. One of the things that you encounter in any set of construction plans is the first set of construction plans that is perfect has not been produced. There are conflicts in the various parts of the plans. These must be corrected. A part of these change orders is accounted for by that. As the job progressed, there were things that the Armory Board wished to add, and in some cases delete, as are indicated by the minus signs. These instances are rather numerous in this particular tabulation, and they vary in dollar sign as to cost.

Another area that accounted for numerous changes is the requirement to meet the District of Columbia Government Building Code, and codes of all varieties. The code is many times subject to interpretation. Maybe three individuals look at it and you get three interpretations. You finally come up with the proper interpretation, and very frequently this requires a change to the contract.

In addition, this being the first structure of its nature constructed in this area, and under the District of Columbia Building Code and other codes, the provisions were not exactly clear in some instances as to how they would apply to a structure of this nature. There were many codes that had to be fulfilled—the fire code, the building code, the requirements of the Public Health Department—and hence there were numerous places where you could run into this type of thing. That accounts for many of these change orders.

The concern of all the people in dealing with the codes was strictly of this variety. It was a place of public assembly, and the city of Washington in the past has had some rather unfortunate accidents in connection with places of public assembly. Hence everybody was particularly cognizant of code requirements on this project. In essence, this covers the reasons for the list of change orders on this job.

Mr. McLENDON. On page A78 of this document containing the exhibits appears the largest single item, I believe, in the entire list, in the amount of \$858,977.19. Could you give the committee an explanation of that one?

Mr. BLASER. Yes, sir. At the time the plans for the stadium were completed and placed on the market, concession areas, including food-handling areas and things of this variety, were not shown on the plans. There were areas within the stadium structure that could be so utilized. At the time of the advertisement, the Armory Board had not yet determined how they would handle the matter of concessions. The question was something of this variety: "Should the Armory Board put the equipment in the stadium and have a concessionaire operate on the basis of that equipment installed in the stadium," or "Should the Board have a concessionaire include in his proposal for concession services the necessary equipment to run the concessions?" This was a rather difficult decision for the Armory Board to make. There were all kinds of considerations that I am sure they added up in trying to establish their course of action.

Ultimately, they did determine that the equipment should be furnished and installed under the principal stadium construction contract. This was done. The item that you have just cited, Major, is the item covering the necessary utility services, and this type of thing, to get those concessions in shape so that the concessionaire could operate.

Mr. McLENDON. The minutes of the Board indicate that from time to time they consulted people engaged in the conduct of athletic events, football and baseball and other activities. Do you know whether any of these change orders resulted from the advice that the Board obtained from people of that type?

Mr. BLASER. Yes, sir; some were.

Mr. McLENDON. Some were?

Mr. BLASER. Yes, sir. May I say these were included in the category that I cited as being items that were added by the Armory Board or taken out by the Armory Board.

Mr. McLENDON. And were you familiar in each instance with how these change orders originated?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Did you personally pass on and approve all of them that were for less than \$25,000?

Mr. BLASER. Yes; I did. In addition, Major, within this bracket up to \$25,000 there are numerous change orders of less than \$25,000 that were specifically requested and/or approved by the Armory Board. Every change order in this tabulation under \$25,000 is not necessarily of my own action alone. The change orders under \$25,000 that are in this tabulation that are of my own action are strictly of the variety resolving difficulties in the field.

Mr. McLENDON. Do you have knowledge as to whether all of these change orders that did reach the Board were approved by the Board unanimously or whether there was a difference of opinion among the Board members?

Mr. BLASER. Major, I can't answer that specifically. I know that in the Board meetings where these change orders were discussed, there was a great deal of discussion concerning them. I believe at the end of the discussion the feeling of the Board was unanimous. However, certainly, I would defer to the minutes of the Board meetings as to what the voting action of the Board was.

Mr. McLENDON. Mr. Blaser, by way of summary on this question of change orders, do you have any knowledge of any change order having been issued, approved by you, and finally by the Board, that was not a perfectly bona fide change order? I use the words "bona fide" to mean originated in good faith under the terms of the contract and under the conditions that the Board faced in construction of the stadium.

Mr. BLASER. I am not sure I understand your question, Major. Let me give you an answer, and see if I have answered your question.

Mr. McLENDON. All right.

Mr. BLASER. There is no change order in this tabulation that was not properly required, that was not properly executed and properly reviewed.

Mr. McLENDON. The suggestion has been made that conceivably Mr. McCloskey could have filed the low bid for \$14 million-plus, knowing that he could make up for any possible loss in his low bid by getting approval of very large amounts of change orders. What comment have you got to make about that?

Mr. BLASER. Every change order that was issued had two things in connection with it. One, an estimate of cost by the architect-engineer, that was prepared by the architect-engineer; and, two, a price from the contractor.

Mr. McLENDON. A price from what?

Mr. BLASER. From the contractor for doing this work. The purpose of the architect-engineer estimate of the change order was strictly to assure that the price that the contractor was asking was proper. In every instance where there was a difference in price, there were numerous occasions of, may I say, head knocking, to arrive at a mutually agreeable price. There were discussions on every one that had a difference in price, and during these discussions the reasons for the differences were searched out by the architect-engineer. In every case the architect-engineer was thoroughly satisfied that the price was proper for the work covered by the change order.

Mr. McLENDON. Now, how did you, as a representative of the Board in your capacity as contracting officer, find out how many dollars or determine how many dollars McCloskey was entitled to for any particular change order? Just describe to the committee how you went about that.

Mr. BLASER. This was all accomplished by the preparation of an estimate for the particular work covered by the change orders by the architect-engineer, and the major portion of this work was done personally by Mr. Herzberg.

Mr. McLENDON. Did Mr. McCloskey furnish his estimate of the cost of a particular change order?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Did he break it down, itemize it so that you and your staff could check the items for accuracy?

Mr. BLASER. He provided any figures that were required. His price was broken down, and if it was considered his price was not broken down sufficiently, he would provide us with information that broke down even further those portions that we wished to have fully demonstrated.

Mr. McLENDON. Did you have access to McCloskey's records on such things as cost of materials and labor in connection with these change orders?

Mr. BLASER. Yes. He would furnish that if we requested him to furnish it.

Mr. McLENDON. Which one, you or Mr. Herzberg, would make the first criticism of McCloskey's figures?

Mr. BLASER. Major, this was done by both of us.

Mr. McLENDON. Both of you?

Mr. BLASER. Yes, sir. Sometimes it was very apparent, or I thought it was very apparent, that there was something I wished to ask about. In these cases I would ask the questions. In many cases, and in the major portion of the cases, Mr. Herzberg would request this information. If it was a matter that required some considerable detail, this would be requested of McCloskey by letter over my signature.

Mr. McLENDON. Were these estimates of cost made by McCloskey—did they include any possible profit to him on the change order?

Mr. BLASER. Major, there was no figure in his prices that could be specifically labeled as profit. The architect-engineer prepared a labor and material estimate. McCloskey would submit the same type of breakdown. At the very end of this breakdown he included two percentage figures, percentages of the total of the labor and the material. The first was a percentage—as I recall, nine-tenths of a percent for bond, and things of that nature—and the other percentage figure was 10 percent for overhead. There was no figure labeled "profit."

Mr. McLENDON. So that the only profit he had in the change order then would be the possibility that the 10 percent would be a profit?

Mr. BLASER. A portion of that 10 percent could be classified, I think, as profit. Now, I didn't ask how this figure was ever broken down, because the 10-percent figure is a normal figure for such an item as overhead. In the breakdown figures that he did provide us, if the figure included prices from subcontractors—in other words, if some of the work was done by a subcontractor—the figure that covered the subcontractor's work did include overhead and profit for the subcontractor, but in normally expected percentages. However, McCloskey did not put a percentage in on his request for his own profit.

Mr. McLENDON. Did you and Mr. Herzberg always agree with McCloskey's fiscal calculations?

Mr. BLASER. Not always initially, but before the change order was issued.

Mr. McLENDON. What did you do if you disagreed?

Mr. BLASER. This is the item I referred to as head knocking. There would be discussions between McCloskey's representative and Mr. Herzberg, and if necessary other people from the architect-engineer organization, to attempt to coordinate what was required in the job, check the individual quantities to see who might have made an improper takeoff, review the prices of materials to see who was incorrect in their material pricing, and at the end of a discussion of this variety, there was a mutual understanding as to just exactly what the price for the change order was.

Mr. McLENDON. Did you, as the contracting officer in each case involved in the change orders, satisfy yourself that the final price paid McCloskey was fair and reasonable under all the circumstances?

Mr. BLASER. As best I could, Major. I want to assure the committee of this. The architect-engineer was employed to supervise the construction. He had an agreement with the Armory Board to do so. It was a part of his responsibility by contractual agreement to accomplish this type of thing. In most instances I did not go into a detailed review of the price of the change orders, because to accomplish this it would have been necessary for me and other people to go through exactly the same steps as the architect-engineer had gone through—make a detailed takeoff, make a detailed pricing of materials—duplicating, therefore, what the architect-engineer was to do. In a few of the change orders, I personally worked up the estimates. In the case of a few others, people within the Department of Buildings and Grounds prepared those estimates. But I assure you these were very, very limited in number.

Mr. McLENDON. Did you and Mr. Herzberg have available for your use in connection with arriving at the cost to be paid for change orders such things as the going labor rates in the District of Columbia?

Mr. BLASER. Yes, sir. Those are always available. They become a part of the contract.

Mr. McLENDON. And did you have available to you the prevailing price on various materials that were used?

Mr. BLASER. Yes, sir.

Mr. McLENDON. So that you had a basis for arriving at the judgment, then, as to what the cost ought to be?

Mr. BLASER. Correct.

Mr. McLENDON. Mr. Blaser, did you have any information or have any reason to believe that there was any collusion anywhere that might have resulted in McCloskey receiving more than he was equitably entitled to for a change order?

Mr. BLASER. No, sir.

Mr. McLENDON. Now, I would like to direct your attention to the provisions of the contract with respect to what I call progress, work-progress payments, or sometimes called partial payments as the work progresses. Will you refer to that provision in the contract, please, calling the committee's attention to it? I believe it is 16, isn't it?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Page A54.

Mr. BLASER. It is at the bottom of page A54; that is correct.

Mr. McLENDON. Without reading the text, will you just tell the committee what it provides?

Mr. BLASER. Yes, sir. This article of the contract provides that once a month the contractor is paid on the basis of the work accomplished during that particular month less a retained percentage of 10 percent. This percentage, after any job has reached 50 percent complete and progress on the job is satisfactory, can be reduced at the discretion of the contracting officer, or, rather, can be eliminated after 50 percent of the job at the discretion of the contracting officer. In other words, 10 percent at 50 percent on the total job represents 5 percent of the total, if you understand what I mean; from 50 percent on you are in effect retaining 5 percent of the amount due the contractor.

Mr. McLENDON. To what extent would the contract require the items contained in the request for payment to be accurate?

Mr. BLASER. Would you repeat, sir?

Mr. McLENDON. I said to what extent does the contract require that the items contained in a particular request for payment should be accurate? To illustrate my question, assuming that an item was put in for excavation, was the contractor supposed to put in exactly the dollars and cents he spent for excavation up to the date of request?

Mr. BLASER. No, sir.

Mr. McLENDON. What was he supposed to put in?

Mr. BLASER. The contractor's figure is an estimated one, his estimate of what his progress is.

Mr. McLENDON. Up to that point?

Mr. BLASER. Up to that point; yes, sir. This is not taken absolutely by the contracting officer. At the time such a request for payment is turned in—on this job, for instance, I received the request for payment. I transmitted it to Mr. Herzberg. He and the resident engineer reviewed the progress indicated by each item on the pay estimate. If their opinion of progress was different than the contractor's, the pay estimate would be revised accordingly, and the contractor would be paid on that basis. That is per month.

Mr. McLENDON. In this case was the first request by McCloskey made on August 9, and copy of it shown on page A70 of these exhibits?

Mr. BLASER. Yes, sir. The request for payment shown on page A70 is the contractor's request for first payment.

Mr. McLENDON. It amounts to \$192,690.

Mr. BLASER. Correct.

Mr. McLENDON. Was it approved for that amount?

Mr. BLASER. Yes, sir.

Mr. McLENDON. The items going to make up that total appear on pages A71 and A72; is that correct?

Mr. BLASER. Well, the two items shown on this payment request are items 1 and 2 of those shown on page A71.

Mr. McLENDON. You are right and I was wrong. Now, on page A70 in the request dated August 9, 1960, the first item appearing there, No. 1, "Bond," and under the words "Percentage complete, 100 percent" and under the heading "Amount payable" is \$100,000. At the time you received this request for payment, and approved the payment of \$192,000 and \$100,000, which would be represented by this item for bond, did you have any knowledge of the amount spent by McCloskey or the amount that he was committed to spend for a bond?

Mr. BLASER. Yes, sir.

Mr. McLENDON. What information did you have?

Mr. BLASER. At the rear of the contract that I had, which is a conformed copy of the contract that he signed, the amount of the bond was indicated as \$73,631.28. That is the performance bond for the contract.

Mr. McLENDON. Yes.

Mr. BLASER. This information was in the back of the contract that was in my office.

Mr. McLENDON. Why did you approve payment for \$100,000 if you had information that the bond only cost \$73,000?

Mr. BLASER. Major, there is a provision in the contract. It is not, by the way, printed in your list of exhibits, because this particular provision is a part of the special stipulations. This provision requires that the contractor will submit to the contracting officer a breakdown showing the principal items of work, and the dollar signs assigned, representing the total amount of his contract. He must submit this for review and approval of the contracting officer, and, when this is approved, it will be used as a basis for his partial payments, his monthly partial payments, and this is a provision in this contract which was in the documents available to all the bidders.

In compliance with that particular portion of the contract, on August 5, McCloskey submitted a breakdown of items consisting of 44 numbered items, an item for each piling, and the alternate one, flood-lighting. This particular breakdown, the 44 items are illustrated on pages A71 and A72.

In the breakdown of any lump-sum contract, the first item is one that covers the contractor's first immediate cost on the job. There is another way of putting it: mobilization and demobile costs, miscellaneous costs, general costs. And it is assumed that the contractor has reasonable expectancy of getting paid the major portion of this item with his first payment to meet those immediate expenses that he has right after the job starts. The amount of this particular item varies and depends upon the size of the job. This particular breakdown that the contractor submitted was reviewed by Mr. Herzberg. He recommended approval, and I approved it with the amount of \$100,000 as the first item. Now, for a \$14,200,000 job, obviously there are many first costs that the contractor is going to have to meet the day he turns a shovel or even before he turns a shovel.

Now, in view of the problem confronting your committee, I can see the choice of the word "bond" is an unfortunate one. In lieu of "bond" it could well be "general" or "miscellaneous," because there are other things besides a bond that the contractor may pay for, at the start would have to pay for, at the start of his job. This, I think, accounts for why this request—let me add one thing. With this document or breakdown approved and returned to the contractor, he went by this particular piece of paper in submitting his first partial-payment request and every succeeding partial-payment request.

Mr. McLENDON. Let me understand that. This item \$100,000 would be repeated in every succeeding request?

Mr. BLASER. It would be listed, but it would also be shown as paid.

Mr. McLENDON. That is what I thought you meant.

Mr. BLASER. Oh, yes.

Mr. McLendon. Excuse me for interrupting you, but the next request would start out by showing that he had already been paid \$100,000 for this same item of bond, would it not?

Mr. Blaser. Correct. Every succeeding payment shows a deduction for previous payments.

Mr. McLendon. Yes, and by that method you could always tell how close the total payments were to the contract?

Mr. Blaser. Yes.

Mr. McLendon. How much was required in the contract to be reserved by the Board until final completion?

Mr. Blaser. The amount was 10 percent until the job was 50 percent, and then this became the equivalent of 5 percent, Major.

Mr. McLendon. After that?

Mr. Blaser. Yes, sir.

Mr. McLendon. It was 10 percent of the first 50 percent and after that 5 percent?

Mr. Blaser. Correct.

Mr. McLendon. Of the remainder; is that what you mean?

Mr. Blaser. Let's say, for the sake of round numbers, that the job was \$10 million.

Mr. McLendon. Right.

Mr. Blaser. At the time he accomplished \$5 million worth of work, 10 percent of the \$5 million would have been retained by the Armory Board.

Mr. McLendon. That is right.

Mr. Blaser. And thereafter no further deductions for retained percentage would be made. From the point 50 percent on, he would be paid in full, but retaining 10 percent of the \$5 million.

Mr. McLendon. I see. All right. Now you mentioned a while ago, in computing the cost to be paid for these change orders one by one, that McCloskey, in making up his estimate of cost—that is, his estimate of what he thought he ought to be paid—would normally include or did include about nine-tenths of 1 percent for bond and insurance.

Mr. Blaser. Yes, sir.

Mr. McLendon. Was that done in all of these cases?

Mr. Blaser. Yes, sir.

Mr. McLendon. Does that mean that he would have to increase the amount of his original bond? Let me be sure you understand what I am trying to ask you. I may be doing a bad job of it. In giving the bond in the first instance of \$14 million, and you had a change order of \$880,000, would he have to put up additional bond on account of the \$880,000?

Mr. Blaser. I am sure that the contractor's surety——

Mr. McLendon. Sir?

Mr. Blaser. I am certain that the contractor's surety would want to have a payment for more bond when the size of the job increased. To illustrate the point, let me go back to a \$10 million job. The bond furnished for a \$10 million job assures that if the contractor does not complete the job, the surety will have to complete that job, and this is a \$10 million job. If the job increases in size to \$12 million, the surety on a \$10 million job is committed to back up a \$12 million job, unless additional bonding is purchased by the contractor.

Mr. McLENDON. I see. Mr. Blaser, in computing the overall total cost of the District of Columbia Stadium—that is, the cost to the Board—was the amount of \$2,660,000 appropriated by Congress or ordered by Congress to be paid by the Department of the Interior included?

Mr. BLASER. No, sir.

Mr. McLENDON. It was not?

Mr. BLASER. This was in addition.

Mr. McLENDON. That amount is in addition to the cost shown in this audit of the total cost?

Mr. BLASER. Yes, sir, and for work not a part of the McCloskey contract.

Mr. McLENDON. What about the land? Is the cost of land included in the cost?

Mr. BLASER. No, sir.

Mr. McLENDON. Of the stadium, as reflected in this statement?

Mr. BLASER. The land was transferred for use by the Armory Board.

Mr. McLENDON. I believe the statute requires that at the end of 30 years the land, title to the land, is to be returned to the Government, or do you remember that?

Mr. BLASER. Major McLendon, I think that the way this situation is, the land was not by deed or anything like that transferred to the Armory Board, but rather it was made available to the Armory Board upon which to construct a stadium, and, after a period of 30 years, the stadium along with the land would revert back to the jurisdiction of the Federal Government.

Mr. McLENDON. Yes; I think you are right. I believe the statute refers to it as a contract between the Department of the Interior and the Board.

Mr. BLASER. I think that is correct; yes.

Mr. McLENDON. And provides for title of the land to revert in the Department of the Interior or in the Government at the end of 30 years. Did you have anything to do with the issuance of bonds that were issued by the Board?

Mr. BLASER. No, sir.

Mr. McLENDON. Did you have anything to do with the employment of counsel, lawyers, bond attorneys?

Mr. BLASER. No; neither the selection nor the appointment.

Mr. McLENDON. Did Mr. Gray, the Corporation Counsel of the District of Columbia, usually attend meetings of the Board?

Mr. BLASER. Yes; he does.

Mr. McLENDON. Was he the legal adviser to the Board and also to you?

Mr. BLASER. Right.

Mr. McLENDON. During the whole time of construction?

Mr. BLASER. Yes, sir.

Mr. McLENDON. That is all, Mr. Chairman.

The CHAIRMAN. Senator Cooper?

Senator COOPER. Mr. Blaser, I want to return to the question of the reimbursement to Mr. McCloskey of \$100,000 with respect to the performance bond. As contracting officer you represented the Armory Board?

Mr. BLASER. Yes, sir.

Senator COOPER. Is it correct that your duty is to protect the Board and the District of Columbia in any action you took in approving the changes in the contract so far as work and materials were concerned, and also as far as approval of any request of Mr. McCloskey & Co. made for partial payments on the contract?

Mr. BLASER. Correct.

Senator COOPER. And there was also the obligation of Mr. Herzberg?

Mr. BLASER. Right.

Senator COOPER. But according to the terms of the contract any estimates submitted by McCloskey & Co. for payments had to be approved by you?

Mr. BLASER. Right.

Senator COOPER. Now, you were familiar with the performance bond which McCloskey & Co. had executed in favor of the Armory Board?

Mr. BLASER. Yes.

Senator COOPER. I would like for you to turn to—well, I can't turn to it because there is no copy of the performance bond in this memorandum. Do you have a copy?

Mr. BLASER. Yes, sir.

Senator COOPER. Now, you knew that McCloskey & Co. and the District of Columbia Armory Board had entered into agreement respecting the performance bond, and that agreement was dated July 7, 1960?

Mr. BLASER. Yes, sir.

Senator COOPER. By the terms of this bond McCloskey & Co. agreed to indemnify the Armory Board for any losses that might occur by reason of any failure upon the part of McCloskey in executing the contract?

Mr. BLASER. Correct.

Senator COOPER. And the surety was the Aetna Casualty Insurance Co., of Hartford, Conn.?

Mr. BLASER. Yes, sir.

Senator COOPER. I want you to look at the bond, look at the copy there, and I will ask you if annexed to the performance bond you find this paragraph:

The rate of premium on this bond is \$10 per thousand on the first \$100,000, \$6.50 for the next \$2,500,000, \$5.25 for the next \$2,500,000, \$5 for the next \$2,500,000, \$4.90 for all over \$7,500,000. Total amount of premium charged \$73,631.28.

You will also note there is a notation signed by Wilbur H. Lawyer, supervisor, Bid and Contract Division, Procurement Office, District of Columbia. Is that correct?

Mr. BLASER. Yes, sir.

Senator COOPER. Did you know about this yourself? Did you know of your own knowledge that this bond had been executed?

Mr. BLASER. Did I know that it had been executed?

Senator COOPER. Did you know that the performance bond had been executed?

Mr. BLASER. Yes, sir.

Senator COOPER. On July 7, 1960?

Mr. BLASER. Yes, sir.

Senator COOPER. And was it filed with the records of the Armory Board?

Mr. BLASER. Yes, sir.

Senator COOPER. According to the memorandum which has been prepared by the committee, I would draw your attention to exhibit 6e on page A70, and the subject of the exhibit is that McCloskey & Co. wrote a letter to you requesting payment for an estimate in the total amount of \$192,690, and the first item is for a bond, 100-percent complete, in the amount of \$100,000. Is that correct?

Mr. BLASER. Yes, sir.

Senator COOPER. The date of that is August 9, 1960. That is 1 month after the execution of the performance bond. Is that correct?

Mr. BLASER. Correct.

Senator COOPER. Then looking at page A69, exhibit 6d, it appears that there was a letter from you to Mr. Herzberg requesting that this be reviewed and his recommendation.

Mr. BLASER. Correct.

Senator COOPER. Page A68, exhibit 6c, is a copy of a letter to you from Mr. Herzberg noting the approval by Mr. Herzberg of these estimates including the \$100,000 for the bond.

Mr. BLASER. Yes, sir.

Senator COOPER. Turn to page A67, 6b, the letter of August 26 directed to the manager of the Armory Board enclosing a request for partial payment for McCloskey & Co., and recommending or approving the payment in the amount of \$192,690. That would include the \$100,000 for the premium on the performance bond. Is that correct?

Mr. BLASER. Correct.

Senator COOPER. That was signed by W. A. Curtis, alternate contracting officer, for the District of Columbia Armory Board. Who is Mr. Curtis?

Mr. BLASER. He is my deputy. He is Deputy Director of the Department of Buildings and Grounds.

Senator COOPER. Did he act for you in this matter?

Mr. BLASER. Yes, sir.

Senator COOPER. His approval was your approval in fact, then?

Mr. BLASER. Right.

Senator COOPER. Then is it correct that, after approval was secured, Mr. McCloskey was paid \$192,690, which amount included the \$100,000 item?

Mr. BLASER. Correct.

Senator COOPER. Do you know when he was paid that sum?

Mr. BLASER. I don't have the date of the check, Senator Cooper, but I do have the date of the voucher, which was the 29th of August.

Senator COOPER. Do you have the records in your file that would show the date of payment to McCloskey & Co.?

Mr. BLASER. No, sir.

Senator COOPER. Who would have those records?

Mr. BLASER. I think the District of Columbia Treasurer would have that record, sir.

Senator COOPER. Mr. Chairman, may that record be secured?

The CHAIRMAN. Yes.

Senator COOPER. I ask that it be secured.

The CHAIRMAN. We will ask for that. Make a note of that.

(The check referred to above, a copy of which was subsequently received for the committee files, was issued August 31, 1960.)

Senator COOPER. How long have you been an engineer, have had experience in engineering contracts?

Mr. BLASER. Senator, I graduated in 1935 from college, and from that date on I have been essentially in the kind of—in engineering and construction. During all that time I have not been in the spot I am in now.

Senator COOPER. I understand that. Have you had experience in the type of work that you were doing for the Armory Board?

Mr. BLASER. Yes, sir.

Senator COOPER. Didn't it occur to you that in an estimate submitted for \$100,000 as a matter of reimbursement for a premium paid by Mr. McCloskey to this insurance company—didn't it occur to you that the request for \$100,000, just a little over a month after the performance bond had been executed, and when you say that the premium was about \$75,000, was somewhat unusual? Didn't that item—wasn't it directed to your attention in any way?

Mr. BLASER. Senator Cooper, rather than thinking of this item only as a bond item, despite its label, I considered it the item of mobilization, first cost, miscellaneous cost, well recognizing that in addition to a specific amount for a bond, the contractor was also going to have charges for various kinds of insurance, which would require him—which were required of him under the terms of the contract that told him he must protect the Armory Board, that he was responsible for this job, and was protecting the Armory Board from any cause whatsoever.

The job was his, and it was his responsibility to protect the Board. Hence, rather than strictly limit this \$100,000 to any consideration as a payment for the performance bond, it was my feeling that there were other first costs in addition to the performance bond which could well have been and definitely were a part of the \$100,000. This \$100,000, Senator, the lump sum for his first costs for a job of this size could have been \$200,000 or \$300,000, and honestly, I do not feel that that would have been an unusual request to put that amount of money in a job of this size. Perhaps it could have been even larger.

Senator COOPER. On page A71 there is an exhibit 6f, a copy of the payment request for work performed of McCloskey & Co. The first item says, "Bond, \$100,000."

Mr. BLASER. Yes, sir.

Senator COOPER. A few moments ago you testified that estimates submitted by Mr. McCloskey were supported by certain data not only for this first estimate which was submitted to you. Is it correct that Mr. McCloskey would submit estimates to you for partial payments with a number of items, and that there would be supporting material for the items that he named? Would he submit any information to support his claims? For example, look at item 2, "Excavation." He asks for \$575,000. Was there any supporting material for that, or was this the only information you received with respect to excavation?

Mr. BLASER. Senator, in the case of each item, he did not submit a series of papers computing what his request covered. He did submit a request citing the lump sum in the first column on page A71, along with the statement of his estimate of the progress, total progress to date on that particular item. By extending, or rather by multiplying the percent he estimated that was complete by the amount in the first

column, he arrived at his request for payment. His determination of his percentage completion or his estimate of his percentage completion for any one of these items was checked by Mr. Herzberg and by Mr. Staker by examination of the job, but McCloskey—

Senator COOPER. My question is that when he submitted an estimate to you, with a request for partial payment such as you see in exhibit 6f, there was no supporting information included with such request for payment?

Mr. BLASER. This is correct.

Senator COOPER. Just the request; that is all?

Mr. BLASER. Just the request; yes, sir.

Senator COOPER. So in item 1, listed as "Bond, \$100,000," there was no information submitted to you to indicate what was meant by bond?

Mr. BLASER. This is correct.

Senator COOPER. Did you ask him what was meant by it?

Mr. BLASER. No, sir.

Senator COOPER. Looking at the contract and the duties of the contracting officer, it was your duty as a contracting officer to satisfy yourself that the estimates that he presented to you were valid. This was the first item on the estimate. I would like to ask you again: Did you ask whoever represented Mr. McCloskey, "What is this for? What does bond mean?"

Mr. BLASER. Senator Cooper, the only answer I can give you to that is, first, let me state—

Senator COOPER. Did you do that?

Mr. BLASER. I did not ask McCloskey to substantiate the \$100,000 because, as I testified a few moments ago, the lump sum of a breakdown, the first-time lump sum of any breakdown of a lump-sum job covers essentially the contractor's first costs. In addition to whatever consideration I might have given to this as a lump sum, there were provisions of the contract that required insurance, not specifically by type of insurance.

Senator COOPER. You are testifying that the contract, copy of which is printed in this staff memorandum, was not the entire contract?

Mr. BLASER. Oh, no sir.

Senator COOPER. There were annexes?

Mr. BLASER. No, sir. I call your attention to article 10, which is on page A53, "Permits and Responsibility for Work."

Senator COOPER. I will read it. I think I can read it quickly.

Article 10. Permits and Responsibility for Work: The contractor shall, without additional expense to the District, obtain all required licenses and permits and be responsible for all injuries to persons and damages to property or premises that occur as a result of any act or omission of the contractor in connection with the prosecution of the work, and shall be responsible for all materials delivered and work performed until completion and final acceptance. Upon completion of the contract the work shall be delivered complete and undamaged.

That is correct, isn't it? Now this article provides this clause:

Without additional expense to the District.

Mr. BLASER. Yes sir; and all of this type of thing, Senator, was included in every contractor's lump-sum bid for this job.

Senator COOPER. You note the statement that if he were required to purchase licenses, permits, and take out types of insurance to protect

himself as regards any damages to persons or property, that it would be his responsibility to pay for those policies. Isn't that correct?

Mr. BLASER. Oh, yes, sir.

Senator COOPER. All right.

Mr. BLASER. But, Senator, when any contractor puts together his bid for a construction job, he recognizes the costs of this type of thing, and includes them in his price.

Senator COOPER. Look at "bond" and tell the committee what type charges that McCloskey & Co. might incur that you consider could be included under the word "bond."

Mr. BLASER. It could be called bond and miscellaneous expenses, bond and mobilization, bond and general expenses, Senator.

Senator COOPER. If all such items were properly incurred by him under the contract, they would be listed as separate items?

Mr. BLASER. Not generally, Senator. In a breakdown of this variety, there is one item that a contractor presents to cover his first costs. The subsequent items are generally those of specific construction activities.

Senator COOPER. What was the first cost then in this?

Mr. BLASER. Well, Senator—

Senator COOPER. Item 1, what was included?

Mr. BLASER. Senator, my guess is that the contractor's first costs on this job were in excess of \$100,000, but I cannot say; I have no piece of paper that says first costs were in excess of \$100,000.

Senator COOPER. It is a fact that he didn't present any estimate to you for any cost other than the ones that are mentioned in this request?

Mr. BLASER. This is correct.

Senator COOPER. Yes.

Mr. BLASER. And these are the accounting or, rather, the breakdown of his price that he submitted to the Armory Board on the date of bid opening.

Senator COOPER. I would like to ask you another question.

Mr. BLASER. Yes, sir.

Senator COOPER. Is it an ordinary and customary practice for the contractor to be reimbursed for the premiums which he pays upon a bond to indemnify against loss? Is it a common practice to charge the one for whom the work is performed with the premium which the contractor pays on the performance bond?

Mr. BLASER. Senator, not specifically as such, but it must be; it is included as a part of his lump-sum bid for any job.

Senator COOPER. Of course. Without question I would assume that a contractor is looking at all of his costs, and one of his costs would be the premium on his performance bond. He could include that in his bid, couldn't he?

Mr. BLASER. Yes, sir; definitely.

Senator COOPER. Do you know whether or not in this case McCloskey & Co. included in the bid the amount that he was to pay as a premium on the performance bond?

Mr. BLASER. No, sir; I do not.

Senator COOPER. Well, if he did do that, then he was paid twice, wasn't he?

Mr. BLASER. I am not sure I understand, Senator.

Senator COOPER. The terms of the performance bond. "McCloskey & Co. and surety bind themselves to the District of Columbia Armory Board in the penal sum of \$14,247,188" to faithfully perform the contract and to hold them free from damages by reason of any failure of the District of Columbia Armory Board; \$14,247,188 was the bid?

Mr. BLASER. Yes, sir.

Senator COOPER. That McCloskey & Co. submitted the lowest bid and secured the contract. Now you have just said that it is possible, although you do not know, that McCloskey & Co. could have properly included in its bid the cost of the premium that they had to pay on the performance bond. Is that correct?

Mr. BLASER. Right. This is a part of his \$14,247,000.

Senator COOPER. You do not know if he included it, but if he did, then he was paid twice?

The CHAIRMAN. No; of course, he wasn't.

Mr. BLASER. No, sir.

Senator COOPER. What?

The CHAIRMAN. No; he wasn't. That was part of his bid price.

Mr. BLASER. He was not paid twice.

The CHAIRMAN. That is his labor and everything he got. He bid \$14 million some odd thousand as the total price.

Senator COOPER. I accept your correction, because \$100,000 was an estimate he made upon his bid price.

The CHAIRMAN. Let me ask Mr. Blaser a question.

Senator COOPER. I just want to finish.

The CHAIRMAN. All right.

Senator COOPER. According to the contract, you had authority to approve any item up to \$25,000?

Mr. BLASER. Yes, sir.

Senator COOPER. Now the premium on the bond as stated was \$73,631.28. The amount he asked for was \$100,000. It was more than \$25,000. Did you consider that under the terms of the contract you had to refer this matter to the Board for approval?

Mr. BLASER. Senator, I think we are talking about different things.

Senator COOPER. I am not. I recognize that you have said that you just didn't consider that this \$100,000 dealt solely with the premium on the performance bond. Did you think this \$100,000 had anything at all to do with the premium on the performance bond?

Mr. BLASER. It included the premium on the performance bond.

Senator COOPER. You did recognize at the time you approved payment that it did include the premium on the performance bond?

Mr. BLASER. I did recognize that, out of this \$100,000, the contractor would pay for the performance bond.

Senator COOPER. Then your position is that you believed that the additional amount had been included for the purpose of paying other costs?

Mr. BLASER. Right; yes, sir.

Senator COOPER. But you did not ask what those costs were?

Mr. BLASER. Senator, let me state this. Had this amount of \$100,000 been specifically the amount of the performance bond, \$73,631, the difference between the \$73,631 would have had to go down in some other item. This is \$26,400, one of the other construction items within this breakdown. All of these items accounted for McCloskey's total

bid of \$14,247,000, so that if there were \$26,400 removed from item 1, that \$26,400 must have gone into one of the other items.

Senator COOPER. What item?

Mr. BLASER. Either from item 2 to item 44.

Senator COOPER. It was your duty, though, to look at each item and to see whether or not it was valid and should be paid. You have testified that during the entire completion of this contract over 200 changes were made which necessitated your examination and approval.

Mr. BLASER. Yes, sir.

Senator COOPER. You didn't follow this same practice respecting other requests he made for payments, did you?

Mr. BLASER. Well, Senator, I assure you that, at the time this breakdown was approved, the \$100,000 was recognized as a payment for first costs on the job, not a payment for bond only, not a payment for bond only. The contractor did not get any more in dollars than is shown by these breakdowns and than is covered by the change orders.

Senator COOPER. I am sure of that. I think there is a larger question involved and that is whether you followed the same practice with other items. You have testified as to the great care you took, and I think properly so, about his request, in that you would examine his claim, and you would consult with Mr. Herzberg. At times you consulted with the engineers and the architects. At times you consulted with the Board. You testified to that.

Mr. BLASER. Yes, sir.

Senator COOPER. And I applaud you. But with this one item, according to your own testimony, you followed an entirely different procedure. You say you approved the payment of \$100,000 knowing it included the premium amount of \$73,000, but you didn't ask what the remainder of the amount was for. Suppose it had been listed as item 10, 11, or 12 instead of 1, "Bond, \$100,000"; would your procedure have been the same?

Mr. BLASER. Senator, had it been item 9 or 10 or some other item in this breakdown, the lump-sum first cost would have probably been treated in the same manner. The breakdown of a lump-sum contract is an accounting or a summation of the items that a contractor wishes to get paid for. If these items are not extremely out of line, or the summation is unbalanced, may I say, he is paid on this basis, and the purpose of progress payments monthly on the basis of work performed is to assure that a contractor—this is one of the safeguards against a contractor being overpaid for work that he performs in the overall.

Senator COOPER. Let us assume, as you have said in your statement, that at the time you approved the payment of \$100,000, you took the position that some \$26,000 was for costs that he had incurred or would incur during the progress of the contract. When the contract was completed did you then inquire to find out if this \$26,000, approximately, was a proper charge that he had made? Twenty-six thousand dollars had to pay for something.

Mr. BLASER. Senator, in a lump-sum contract, when a contractor is paid, let's say, the final amount due, and the final amount due him is exactly equal to the dollar sign covered by the basic contract and the change orders that have been issued thereto, the agency on a lump sum, the owner or the first party to the contract on a lump-sum contract does not then ask the contractor, "What did you do with this money?"

Senator COOPER. I don't accept your reasoning on that because you have already testified that contract changes produced increased costs which could not be anticipated, and therefore his price was increased. Furthermore, there were items which you found that the Board did not approve of, and you reduced the amount of the contract by such sums. I am sure you agree that if you had found during the progress of the contract that he had rendered no services for the \$26,000, you would have taken that into account, wouldn't you, in the final payment?

Mr. BLASER. Senator, this was a portion of the basic contract price that McCloskey submitted in his low bid. There is no portion in the low bid or in any one of the bids that can be specifically isolated. The only way that you generate a means of paying the contractor is on the type of thing that he has submitted and was approved on this breakdown. Had he submitted a breakdown, for example, that in lieu of totaling up to \$14,247,187.50, had totaled up to \$14,247,188, he would have been asked, "Where is your additional 50 cents? You don't have it coming."

Senator COOPER. I will yield to the chairman.

The CHAIRMAN. Mr. Blaser, let me see if I can understand what has been talked about here recently. The basic contract which McCloskey took, given by the District of Columbia Board, was \$14,247,187.50?

Mr. BLASER. Correct.

The CHAIRMAN. Now you expected him to deliver that stadium according to the specifications and plans that he bid on for that price; is that correct?

Mr. BLASER. Yes, sir.

The CHAIRMAN. And he was to furnish the District of Columbia Board a bond that would guarantee that he would do that?

Mr. BLASER. Yes, sir.

The CHAIRMAN. In other words, if he went broke halfway through the contract, the bonding company would complete the stadium?

Mr. BLASER. Correct.

The CHAIRMAN. According to the specifications he first bid on?

Mr. BLASER. Yes, sir.

The CHAIRMAN. Now, it didn't make any difference to you or to the District of Columbia Board or anybody else what he paid for the bond, did it?

Mr. BLASER. No, sir.

The CHAIRMAN. Not a bit, because it is part of his contract price.

Mr. BLASER. Right.

The CHAIRMAN. It didn't have anything to do with the final costs, its beginning costs, or anything else, as long as he delivered that stadium for \$14,247,187.50?

Mr. BLASER. Right.

The CHAIRMAN. The bond had nothing to do with that at all. It was part of that contract, the price he paid for it.

Mr. BLASER. Yes.

The CHAIRMAN. Now, in this initial payment which is being discussed here, that was not a change order that you were paying for there at all?

Mr. BLASER. None.

The CHAIRMAN. This was for the first part of the performance to be done under that contract; is that correct? He was to put certain

materials on the job and provide so much work as a percentage of the contract which he had to perform. He had his equipment there and he had to do something. Now, was this it?

Mr. BLASER. This is generally it; yes, sir.

The CHAIRMAN. And that would include a bond, any other insurance he might have, anything that you would construe as a part of the contract, as a percentage of the work to be performed; is that correct?

Mr. BLASER. This is correct.

The CHAIRMAN. And this has nothing to do with the change orders because there is nothing to change there about the bond. When you were talking about your OK'ing the change orders up to \$25,000, that had nothing to do with this at all?

Mr. BLASER. There was no change order involved in this, Mr. Chairman.

The CHAIRMAN. So the price of this bond didn't have any effect on the contract price of the District of Columbia Stadium whatsoever, did it?

Mr. BLASER. Not a thing.

The CHAIRMAN. That was my understanding of it. I wanted to be certain that I understood the thing correctly. I know that the bond, the figure that we have on the bond, is \$73,000 some odd.

Mr. BLASER. Yes, sir.

The CHAIRMAN. And so much of that went as premium to the seller of the bond and so forth and so on. But that was no concern of the District of Columbia Stadium Board as to what they paid for the bond.

Mr. BLASER. That is right.

The CHAIRMAN. Do you have any questions, Mr. McLendon?

Mr. McLENDON. Yes, sir. Hand this to the witness, please. Would you examine this paper which I am sending to you, and state whether or not that is a copy of the bond that was executed by McCloskey with the Aetna Insurance Co. and the Armory Board on July 7 as a part of the contract?

Mr. BLASER. Yes, sir; it is.

Mr. McLENDON. That is the performance bond?

Mr. BLASER. That is a copy of the performance bond.

Mr. McLENDON. That sheet you have in your papers is a conformed copy of the original?

Mr. BLASER. Right.

Mr. McLENDON. Bearing the names of everyone who signed it?

Mr. BLASER. Yes, sir.

(The performance bond referred to may be found as exhibit 10 at p. A127 of the appendix.)

Mr. McLENDON. You have already testified that the total amount of money paid Mr. McCloskey when the stadium was completed was the original contract price plus the change orders about which you have testified.

Mr. BLASER. Yes, sir.

Mr. McLENDON. In the final settlement was there any amount of money paid for a bond as such?

Mr. BLASER. No, sir.

Mr. McLENDON. Paid for insurance as such?

Mr. BLASER. No, sir.

Mr. McLENDON. Did you know as contracting officer that Mr. McCloskey did have insurance to protect him and the Board during the construction of this stadium?

Mr. BLASER. I did not know. I knew that it was among the terms of the contract that he must protect the Armory Board. Had anything happened, the contractor would have been held responsible for whatever incident did occur.

Mr. McLENDON. That was a part of the contract?

Mr. BLASER. Yes, sir.

Mr. McLENDON. The responsibility for obtaining and paying for the insurance was McCloskey's, was it not?

Mr. BLASER. Right.

Mr. McLENDON. Regardless of how much it cost McCloskey, he still couldn't collect any more than the contract price plus the change orders?

Mr. BLASER. Right.

Mr. McLENDON. And didn't collect any more?

Mr. BLASER. No, sir.

The CHAIRMAN. May I ask a question at that point?

Mr. McLENDON. Yes, sir.

The CHAIRMAN. Did McCloskey keep this bond that he bought or was it delivered to you or to the District of Columbia Armory Board?

Mr. BLASER. Mr. Chairman, at the time the contracts were signed, the bond, copies of the bond, were in the rear of the papers that were signed.

The CHAIRMAN. In order that you knew that he did have—

Mr. BLASER. Oh, yes.

The CHAIRMAN. That he was bonded.

Mr. BLASER. Yes, sir.

The CHAIRMAN. Then he kept his own bond, I presume.

Mr. BLASER. I am sure—he probably had a copy, but the contracts available to the Armory Board, Corporation Counsel, the Accounting Office, and places of this variety had copies thereof in their book like this one.

The CHAIRMAN. But I mean when you buy an insurance policy of any description, they deliver you a policy. Would the policy have been delivered to Mr. McCloskey or his company or to the Armory Board?

Mr. BLASER. Any insurance policies would have been delivered to McCloskey, not to the Armory Board.

The CHAIRMAN. All you wanted was evidence that he had bought the bond, is that right, that you were protected under the bond?

Mr. BLASER. We didn't require that he advise that he had insurance. By the terms of this contract, Mr. Chairman, the contractor is required to protect the Armory Board, and this is sufficient evidence if he is required by this document to protect the Armory Board; he doesn't need to say, "Well, here is a receipt for this and here is a receipt for that." The bond must be a part of the papers, because he is required by the terms of the contract to have a performance bond, and it is supposed to be a part of the contract.

The CHAIRMAN. In other words, that was made a part of the contract when he bid it. He assured the District of Columbia Board that he did have the bond to protect.

Mr. BLASER. That he would have the bond at the time of the signing of the contract; yes, sir.

The CHAIRMAN. That answers my question. Now, I have one other question, if you don't mind. Did Mr. McCloskey apply for these payments himself or did somebody in his organization do it?

Mr. BLASER. Oh, someone in his organization. Mr. McCloskey himself did not.

The CHAIRMAN. He didn't participate in this himself at all?

Mr. BLASER. No, sir.

The CHAIRMAN. Do you have any other questions?

Mr. McLENDON. Yes, sir. Will you look at this printed document, exhibit 4, at page A62? You will notice on the preceding page, A61, are the signatures of yourself, Mr. McLaughlin, General Abendroth, who were members of the Board. Do you see that?

Mr. BLASER. Yes, sir.

Mr. McLENDON. And by McCloskey & Co., signed by T. D. McCloskey, vice president.

Mr. BLASER. Yes, sir.

Mr. McLENDON. Does this sheet conform to the original?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Is it accurate in that respect?

Mr. BLASER. Yes, sir.

Mr. McLENDON. Immediately following those signatures would appear the bond that you have just identified and the signatures on it, would it not, in the contract?

Mr. BLASER. Yes, sir.

Mr. McLENDON. I would like to offer for the record this booklet with these exhibits in it.

(The documents referred to may be found in the appendix.)

The CHAIRMAN. Senator Cooper?

Senator COOPER. Mr. Blaser, the ultimate cost of the contract was increased by \$3,018,828.08. Do you know whether or not at any time the performance bond was modified to take into account the increase in the cost of the contract? Was it increased to meet from time to time or at any time to meet the increased cost of the contract?

Mr. BLASER. I do not know.

Senator COOPER. Mr. Blaser, I want to ask you a few questions. I want to say in asking you these questions I make no implication. But you understand the nature of this investigation and so I ask you these questions.

Mr. BLASER. Yes, sir.

Senator COOPER. Did you know Mr. McCloskey prior to the negotiations which the Armory Board had with him with respect to the District of Columbia Stadium contract?

Mr. BLASER. I knew no member or employee of the McCloskey Co. prior to the time of this stadium contract.

Senator COOPER. Have you ever been engaged in any engineering work for any person—I mean that in the legal sense—in a contract in which McCloskey & Co. were doing construction work?

Mr. BLASER. Not until the stadium contract.

Senator COOPER. Did you know Mr. Baker?

Mr. BLASER. No, sir.

Senator COOPER. Did you know Mr. McLeod?

Mr. BLASER. Yes, sir.

Senator COOPER. Had you known him prior to the time that he became a member of the Stadium Advisory Board?

Mr. BLASER. I had not met him, Senator. As I testified this morning, it could well be that by virtue of his being on the staff of the House District Committee prior to the time that the stadium project generated, he could have called me for information in connection with the District government. But I am certain that, prior to the time of the stadium initiation, I had not met Mr. McLeod personally.

Senator COOPER. I assume that you are familiar with the allegations that have been made in connection with the premium on the performance bond.

Mr. BLASER. Yes, sir.

Senator COOPER. You must have read about it. Do you have any knowledge of any of the alleged transactions in connection with the premium bond?

Mr. BLASER. No, sir; no knowledge.

The CHAIRMAN. Thank you, Mr. Blaser.

The committee will stand in recess until 10 o'clock tomorrow morning in this same room.

(Whereupon, at 3:30 p.m., the committee recessed, to reconvene at 10 a.m., Friday, October 2, 1964.)

1922, Friday, October 2, 1922

Whitcomb at 3:30 p.m. the committee tree set to recognize in
the same way.

The committee will stand in recess until 10 o'clock tomorrow noon
at our special. Thank you Mr. Director.

Respectfully,
W. H. Whitcomb

1922, Friday, October 2, 1922

Whitcomb at 3:30 p.m. the committee tree set to recognize in
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The committee will stand in recess until 10 o'clock tomorrow noon
at our special. Thank you Mr. Director.

Respectfully,
W. H. Whitcomb

CONSTRUCTION OF THE DISTRICT OF COLUMBIA STADIUM, AND MATTERS RELATED THERETO

FRIDAY, OCTOBER 2, 1964

U.S. SENATE,
COMMITTEE ON RULES AND ADMINISTRATION,
Washington, D.C.

The committee met, pursuant to recess, at 10:15 a.m., in room 318, Old Senate Office Building, Senator B. Everett Jordan (chairman) presiding.

Present: Senators Jordan, Pell, and Cooper.

Also present: Gordon F. Harrison, staff director; Hugh Q. Alexander, chief counsel; L. P. McLendon, general counsel; Burkett Van Kirk, associate counsel; James H. Duffy, associate counsel; William Ellis Meehan, investigator; and Susan F. Alem, clerical assistant.

The CHAIRMAN. The committee will come to order. We have a quorum present. I would like to say to the members of the committee and to the press and to the public at large that one of our distinguished members, Senator Hayden, is having a birthday today. He has reached the young age of 87 years. He came into the Congress at the time Arizona became a State in 1912. He served in the House of Representatives for a few years, came to the Senate, and has been here ever since. He was chairman of this committee a good many years ago, and has been a member quite a long time. I don't remember how many years he has been, but ever since I have been here, and he has been certainly a most valuable and helpful member. He would have been here this morning but he is, as you know, chairman of the Appropriations Committee, and that is a very important committee of the Senate. No appropriations, no money, without action by the committee, and everybody is in favor of Senator Hayden staying where he is this morning. He would be here otherwise. I want to take this opportunity to wish for him many, many more happy birthdays and I am sure you all join with me in that.

Senator PELL. I would like to associate myself, Mr. Chairman, with your remarks. Speaking as one of those serving with Senator Hayden, I am delighted to add my good wishes.

The CHAIRMAN. Thank you very much, Senator Pell. Mr. Bergman, will you come forward? I believe we agreed to hear you first this morning because you have some important business to attend to. If you will, remain standing and place your hand on the Bible. Do you solemnly swear that the evidence you are about to give before this committee in the matter now under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. BERGMAN. I do.

The CHAIRMAN. Thank you very much. Please be seated, Mr. Bergman. Mr. Counsel, you may proceed.

Mr. McLENDON. Will you state your full name and your business address for the record?

TESTIMONY OF ARTHUR J. BERGMAN, MANAGER, DISTRICT OF COLUMBIA ARMORY BOARD

Mr. BERGMAN. My name is Arthur J. Bergman, and I am the manager of the District of Columbia Armory Board.

Mr. McLENDON. Your business address?

Mr. BERGMAN. 2001 East Capitol Street, National Guard Armory.

Mr. McLENDON. When were you appointed manager for the Armory Board?

Mr. BERGMAN. In August of 1948.

Mr. McLENDON. Do your services and duties include both the stadium and the armory?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Generally, without your going into too much detail, what do your duties consist of?

Mr. BERGMAN. Well, mainly, of course, the maintenance and the operation of both the District of Columbia Armory as well as the stadium, and the scheduling of all of the activities in both of those buildings; plans and controls for the use of the stadium and the armory and the advertising and promotional campaigns.

Mr. McLENDON. Are you responsible for the compilation of the annual statements of income and disbursements made by the Armory Board?

Mr. BERGMAN. Yes; I am, and it is submitted to Congress.

Mr. McLENDON. The act of 1957, section 10, provides:

The Board shall file with the Congress in January of each year a financial statement certified as to the accuracy by the auditor of the District of Columbia, a report of the activities and business at the stadium during the preceding fiscal year and recommendations to Congress as to future control and use of the stadium.

In compliance with that requirement of the statute, have you prepared and filed a document known as Final Construction Report on the District of Columbia Stadium, dated June 30, 1963?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. And has it been certified by Mr. Frank M. Hally, the internal audit officer of the District of Columbia?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. I hand you the original document purporting to be signed by Francis J. Kane, Chairman, Walter N. Tobriner, and Gen. W. H. Abendroth, and ask if you will identify that as the document to which you have been referring.

Mr. BERGMAN. I do; yes, sir; I do so identify it.

Mr. McLENDON. And you know it was signed by those gentlemen?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Whose names appear?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Hand it to the reporter. Mr. Reporter, please mark it as an exhibit. Give it the appropriate number.

(The document referred to may be found as exhibit 9 at p. A108 of the appendix.)

Mr. McLendon. Do you have knowledge as to whether that report has also been examined and an audit made by the General Accounting Office?

Mr. Bergman. No, sir. The General Accounting Office has not made an audit of that report, to my knowledge.

Mr. McLendon. Has not?

Mr. Bergman. No, sir.

Mr. McLendon. Mr. Hally is the audit officer for the District of Columbia?

Mr. Bergman. Yes, sir.

Mr. McLendon. Did he examine it and audit it?

Mr. Bergman. Yes, sir.

Mr. McLendon. And certified it to that effect?

Mr. Bergman. Yes, sir.

Mr. McLendon. Without going into details, that document is broken down into two sections, one dealing with cost and the other dealing with the origin of funds, the source of funds?

Mr. Bergman. Yes, sir.

Mr. McLendon. Is that correct?

Mr. Bergman. Yes, sir.

Mr. McLendon. Now, for the fiscal year ending June 30, 1963, did you prepare a statement showing income and disbursements for that year?

Mr. Bergman. Yes, sir.

Mr. McLendon. Do you have a copy of it with you?

Mr. Bergman. You are referring to the June 30—

Mr. McLendon. June 30, 1963; yes, sir.

Mr. Bergman. Yes, sir.

Mr. McLendon. The document you have is a copy of the original which you prepared and filed in compliance with the law?

Mr. Bergman. Yes, sir.

Mr. McLendon. Will you hand it to the reporter there? Mr. Reporter, mark that. The one I am talking about is the financial statement for the year ending June 30, 1963.

Mr. Bergman. I don't have it here. No; I have the final construction report here, Major.

Mr. McLendon. You already gave that to the reporter. He has that. Don't you have the statement ending June 30, 1963? If you don't, I can give you this one.

Mr. Bergman. I think I may have one, Major. Yes, sir; I have that, the annual report for the District of Columbia National Guard Armory and the District of Columbia Stadium.

Mr. McLendon. Hand that to the reporter. Mr. Reporter, mark that with the appropriate number.

(The documents referred to may be found as exhibits 11 and 12 at pp. A129 and A137, respectively, of the appendix.)

Mr. McLendon. Mr. Bergman, the minutes of the Armory Board show that on October 2, 1957, which was shortly after the passage of the law authorizing the Armory Board to build the stadium—do you recall?

Mr. Bergman. Yes, sir.

Mr. McLendon. Those minutes show that an advisory committee to the Armory Board was appointed by resolution of the Board. I ask you to look at this copy of those minutes and state whether you can

identify that as a correct copy of the resolution, and particularly with respect to the names included on the advisory board.

Mr. BERGMAN. Yes; this was the board, the advisory committee to the Armory Board for selection of a consultant.

Mr. McLENDON. The consultant finally selected was the firm of Praeger?

Mr. BERGMAN. Praeger, Kavanagh & Waterbury.

Mr. McLENDON. From New York?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. For the record, will you read the names of the members of that committee, advisory board?

Mr. BERGMAN. I was appointed chairman by the Chairman of the Armory Board. Mr. Akers was on the committee, Mr. Leo Casey, Mr. Francis Kane, Mr. William N. McLeod, Jr., Mr. John A. Reilly, Mr. Fred A. Smith, and Col. A. C. Welling, who at that time was the Engineer Commissioner.

Mr. McLENDON. For the District?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. I notice that included on the Board are Mr. William N. McLeod and Mr. Casey. Was Mr. McLeod at that time secretary to the House Committee for the District of Columbia?

Mr. BERGMAN. Yes; he then at that time was I believe the clerk for the House District Committee.

Mr. McLENDON. How about Mr. Casey?

Mr. BERGMAN. Mr. Casey—I believe his title was chief clerk for the Senate District Committee.

Mr. McLENDON. Did you personally solicit those two gentlemen and ask them if they would serve on the advisory board?

Mr. BERGMAN. No; I think in a general discussion with the Board that they were asked to serve because we felt we should have two representatives—one from the House and one from the Senate—that could keep both the House and the Senate advised of the activities of the Armory Board in relation to this committee as well as any other work that did proceed or follow.

Mr. McLENDON. Now, that particular committee, the names of which you have read, did it make a recommendation to the Board with respect to the employment of the consulting firm who made the original survey?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Did the Board follow the advice and recommendation of the committee?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. And employed the Praeger firm?

Mr. BERGMAN. Yes, sir. I might add to that, Major, that I believe, if my memory serves me correctly, we interviewed and talked with, I think, about 18 other people in addition to the 3 or 4 that were presented to the Board. There were some 18, I think, volunteered—had written to me or to members of the Board asking that they be considered for this job, and then this committee selected out of that group—they selected 3, or rather 4—and then the Board, from the 4 firms that were selected by the committee, selected 1 and that was the Praeger, Kavanagh, Waterbury Co., from New York.

Mr. McLENDON. Now after that activity was completed, the minutes indicate that the advisory board was enlarged and probably broken

down into one or more sections dealing with different subjects. Are you familiar with that?

Mr. BERGMAN. Are you making reference now to the advisory committee that finally made the selection for the architect-engineer?

Mr. McLENDON. Yes, sir.

Mr. BERGMAN. Yes, sir; that is true.

Mr. McLENDON. What did you have to do with the selection of the members of that committee or the addition of their names to the original committee?

Mr. BERGMAN. Well, I prepared a list of companies, and we had many companies that also had voluntarily followed the reports they received in the newspapers about the construction of the stadium. I believe it is in the minutes of the meeting—I think we interviewed and consulted with about 24 different firms, and out of that group—they were presented as well as their credentials to the members of the Armory Board, and how many of that 24 I don't recall that were called in and then were interviewed by the Board, presented their qualifications. Out of that group, I think that also resolved down to four. Then those names were presented to the Board, and then the Board made this final selection.

Mr. McLENDON. And selected the three firms that were identified here yesterday.

Mr. BERGMAN. Yes, sir; that is correct.

Mr. McLENDON. Mr. Bergman, when the stadium was finally completed and accepted by the Board, did the Board have a problem in connection with obtaining adequate insurance?

Mr. BERGMAN. I am not thoroughly familiar with the insurance situation, although I sat in on a number of meetings with the Corporation Counsel. That was handled almost in its entirety by the Corporation Counsel. But I do recall that they had some little difficulty, I think, in the beginning—during that period the contractors had a schedule to meet and we were trying to get the stadium ready for October 1, and of course we were behind schedule, and we had to have the field ready for October 1 for the Redskins to play. As a result of that, we went through a period that we called beneficial occupancy, and at that time there were questions of insurance that did arise. I think, through the Corporation Counsel and through the Board, that matter was finally settled. But I am not very familiar with that, sir.

Mr. McLENDON. My question was really directed to a little different phase of it. I was asking you about the permanent insurance that was obtained when the stadium was completed.

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Do you recall whether the Board, in connection with that problem, employed a firm of experts from Philadelphia?

Mr. BERGMAN. Oh, yes, they did; yes, sir.

Mr. McLENDON. Do you remember the name?

Mr. BERGMAN. I do not. That was a Philadelphia company.

Mr. McLENDON. Did it receive bids on that insurance?

Mr. BERGMAN. Yes. Bids then were put out; yes, sir.

Mr. McLENDON. Do you remember approximately how many different insurance companies bid on it?

Mr. BERGMAN. I do not recall. I would say at least 10 or more.

Mr. McLENDON. Was Don B. Reynolds or Don B. Reynolds Associates one of the bidders?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Do you know to which insurance company the contract was awarded by the Board?

Mr. BERGMAN. I do not have that before me.

Mr. McLENDON. You don't have that information before you?

Mr. BERGMAN. No.

Mr. McLENDON. Now the other things that you had reference to about insurance arose because the stadium was put in use before the Board had accepted it from McCloskey?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Is that correct?

Mr. BERGMAN. Yes, sir; that is correct.

Mr. McLENDON. The question arose there as to whether it was McCloskey's responsibility to buy insurance to protect the Board and himself, of course his company, against damages that might result from the use of it, before it was accepted by the Board.

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. And that was finally resolved in a manner that was satisfactory to the Board and to McCloskey?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Mr. Bergman, the accusation has been made that all of this business of selecting the architects, selecting the original consultant, awarding of the contract, and the conduct of the various aspects of construction, that all of these things were tainted with some sort of fraud, deception, collusion designed to enable the contractor to get more money out of it than his original contract would entitle him to. In your position as manager were you constantly in touch with the progress of the work?

Mr. BERGMAN. Pardon me, sir?

Mr. McLENDON. Were you in touch with the progress of the work?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Did you attend practically all of the Board meetings?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. And you attended—how many meetings of the advisory committee would you think you attended?

Mr. BERGMAN. I possibly attended all of them.

Mr. McLENDON. How many different citizens—what number of citizens of the District of Columbia would you say served on this advisory committee?

Mr. BERGMAN. In reply to that question, Major, I would like to say this to this committee: First of all, they may not be familiar with the fact that my Board serves without compensation, No. 1, and on that Board, since 1948 that I have had the pleasure of working for, have been men that are outstanding. They are outstanding and distinguished citizens of this community, and have served, as I say, without compensation.

The other people whom we brought in on the various committees, consultants as well as the stadium advisory committee, are also, I would say, outstanding men who have been representative of civic-minded citizens. This job that was done by these people, I think, was a perfect job. I don't know of any people—in fact, we called upon almost everyone that we knew—who would have had better qualifica-

tions and who would have been more helpful to the Armory Board. In that category are Mr. Akers, Mr. Kane, Mr. Hayes, Mr. Simmons, Mr. Talbott—

Mr. McLENDON. Don't read so fast. The reporter can't get it.

Mr. BERGMAN. I am just reading some of the names here. Mr. Reilly, Mr. Smith, General Welling, Mr. Robinson, and Mr. Bisselle. Mr. Bisselle was with the Riggs Bank. I believe he is now deceased. I think he was one of the vice presidents. Morris Cafritz is a name with which many are quite familiar who is also now deceased. Mr. Colton, who is president of one of our banks here. Mr. Kane, who is now serving as Chairman of our Board—certainly an outstanding and distinguished citizen. Mr. Levi, who, I believe, is the president of the Hecht Co., Mr. Andrew Parker, who is the president of Woodward & Lothrop. Mr. Reilly, who is also now deceased, was president of one of the banks here. Mr. Talbott and Mr. Wirth, who at that time was connected with the Department of the Interior. This is only a partial list of the names of the people that we called upon to serve, and to help us out, and in every case we were looking for people that had qualifications. This Board throughout, I think, has had people who only were interested in developing a very fine stadium, having the best stadium in the country, and I certainly was in accord with that.

Mr. McLENDON. Now these numerous people who served on the advisory board or boards, they were permitted to attend the meetings of the Board itself, were they not?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. And frequently urged and invited to attend.

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. Many of them did attend?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. So then there were a large number of citizens in the District of Columbia who had firsthand information about what was going on?

Mr. BERGMAN. At all times; yes, sir.

Mr. McLENDON. Is that a fair statement to make?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. You referred to the fact that the Board employed experts in insurance, advising about the permanent insurance. Do you recall that they also employed an expert in connection with the bond issue?

Mr. BERGMAN. Yes; we did; yes, sir.

Mr. McLENDON. I believe the minutes show that the Corporation Counsel, Mr. Gray, recommended to the Board that they employ a specialist in that field. Do you recall that?

Mr. BERGMAN. Yes, sir. Mr. Henry Russell—I have the name of that firm here.

Mr. McLENDON. He was a member of a law firm in New York?

Mr. BERGMAN. Yes, sir; he was a bond counsel, and Mr. Francis Gallagher was employed by the Board and he sold the bonds.

Mr. McLENDON. He was a local man?

Mr. BERGMAN. No, sir.

Mr. McLENDON. Where was he from?

Mr. BERGMAN. I believe from New York. I have that address here. I thought the names were in this report.

Mr. McLENDON. That is all right. I think that is adequate.

Mr. BERGMAN. Mr. Russell was from the firm of Hawkins, Delafield & Wood.

Mr. McLENDON. Of New York?

Mr. BERGMAN. Yes, sir, and Mr. Gallagher with Kidder, Peabody, and I think the main office is either Boston or New York.

Mr. McLENDON. In addition to those specialists that were employed by the Board, you had on the advisory committee several men who were bankers?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. And experienced in bonds?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. In the sale of bonds?

Mr. BERGMAN. And they were consulted, too.

Mr. McLENDON. The minutes indicate that the Board was very fortunate in selling the bonds at an unusually low interest rate at that time?

Mr. BERGMAN. Very unusual; yes, sir; 4.2 percent.

Mr. McLENDON. It was less than the Treasury Department itself had indicated to you?

Mr. BERGMAN. Yes, sir.

Mr. McLENDON. As to the cost?

Mr. BERGMAN. Yes; that is correct.

Mr. McLENDON. I believe that is all, Mr. Chairman. Wait a minute. I asked you a moment ago—I stated that the accusation suggested that there were irregularities and improprieties in connection with the construction of the stadium and matters relating thereto. Can you give the committee any information to indicate that any such thing as that may have occurred?

Mr. BERGMAN. No, sir; I cannot. I think any accusations of that type are completely false.

Mr. McLENDON. That is all.

The CHAIRMAN. May I ask Mr. Bergman one question? Mr. Bergman, who appointed the various men to these boards and advisory committees? Who was responsible for that?

Mr. BERGMAN. The Armory Board.

The CHAIRMAN. The Armory Board?

Mr. BERGMAN. Yes, sir.

The CHAIRMAN. Selected and appointed these?

Mr. BERGMAN. Yes, sir.

The CHAIRMAN. Were any of the personnel connected with the stadium in any manner in its initial stage appointed by the President?

Mr. BERGMAN. No; not to my knowledge; no, sir.

The CHAIRMAN. Thank you. Senator Cooper.

Senator COOPER. Mr. Bergman, you are now manager of the stadium?

Mr. BERGMAN. Yes, sir; I am the manager.

Senator COOPER. At one time were you a member of the Redskins?

Mr. BERGMAN. Yes, sir; I coached the Redskins back in 1943.

Mr. McLENDON. They might use him now.

Senator COOPER. I don't think I have any questions to ask you, but I would like to make a short statement here. Counsel, for whom I have great regard, said just a moment ago that charges had been made

of corruption concerning transactions relating to the construction of the stadium. I must say that I don't know of any charges of corruption that have been made relating to transactions of the stadium construction or against any of these persons who are here testifying. I am sure that they are fine and outstanding citizens.

I would like to recall that the charges made by Senator Williams on the floor of the Senate are not against any of these men here, but against Mr. McCloskey and Mr. Baker. Senator Williams charged that there were corrupt and illegal transactions between them, and I am sure that, because of this fact and because McCloskey was connected with the construction of the stadium, these gentlemen are here to show that they had no connection with it.

I have no doubt about that myself, but I would like to say that these men would not have been brought here and even have this discussed if we could just get Mr. McCloskey here and Mr. Reynolds and Mr. Baker to testify about the real issue in these transactions. I say that because a minute ago my good friend the counsel said somebody here was charging these gentlemen with corruption. I just want to say we are not. I have no questions to ask. I would like for us to have the real parties in issue here so we can question them concerning the charges made by Senator Williams.

Mr. McLendon. Senator, your candor is admirable. You always are candid. As counsel I had the responsibility to follow the wording of this resolution. The resolution of the Senate says:

Resolved further, That the study and investigation authorized by this resolution is directed to give particular emphasis to the allegations raised in connection with the construction of the District of Columbia Stadium and matters related thereto.

The only accusations that I have knowledge of, except rumors—of course, Washington is noted for its rumors; you can find them by the bushel any day—but the only accusations that I had knowledge of were those made on the floor of the Senate in which Senator Williams suggested that the contract may have been awarded to Mr. McCloskey's firm as a result of collusion; that the remarkable number and amount of the change orders indicated irregularities, and pointed out in some instances details, such as the construction of a number of toilets and details of that sort.

He raised a big question as to whether the contract and the administration of it had been honest, and it was in that light, Mr. Chairman and Senator Cooper, that I have worked hard—as hard and diligently as I knew how—with my staff to give you the details of this thing and give for the benefit of the committee all the information that was available bearing on the subject as stated in the resolution. If the committee is of the opinion that that ought not to be pursued, as counsel, I welcome it. I get no pleasure out of proceeding without anything to proceed on.

The CHAIRMAN. Mr. Cooper, in reply to your remarks I am sure you are honest and sincere in what you say. You always are. But the clear implication on the Senate floor was that there was something improper in the construction of this stadium, whoever got it. Mr. McCloskey got the contract; somebody saw that he got the contract; somebody authorized change orders that should not have been authorized at prices that were out of line, and I think the Board and

everybody connected with the stadium are due to be vindicated. If there is nothing wrong, I think the public ought to know there is nothing wrong. We haven't accused anybody.

You didn't hear these implications being made by any of the Democratic Senators. They were made by Senator Williams on the Senate floor. We were instructed by this resolution to find out the facts from the top to the bottom, and we intend to do that. Anybody who is not guilty of anything, we want to prove that they are not guilty. Anybody that is guilty, we want to put the blame right where it belongs. I think we are doing the good, honest, fair thing about it and going about it in the proper manner, because all of it is involved in the construction of the stadium to start with. What happened afterward is another matter. That is going to be checked into, also. Mr. Bergman, we appreciate your attendance this morning. You appeared voluntarily here this morning.

Senator COOPER. Just one minute. These witnesses are here, and, of course, as you now say, these charges have developed implications against them, and it is necessary just to ask questions. I do so without any implication that they are charged with wrongdoing, but it is my duty to ask them. I will ask Mr. Bergman a question. Again let me say that I didn't call these witnesses and I make no charges against them. Now, you served on this advisory committee with Mr. McLeod?

Mr. BERGMAN. Yes, sir.

Senator COOPER. Did you know him before?

Mr. BERGMAN. Yes, sir.

Senator COOPER. How long had you known him?

Mr. BERGMAN. Oh, I have known McLeod for several years. I don't recall our first meeting.

Senator COOPER. Did you know him at the time the legislation authorizing the construction of the stadium was before the Congress?

Mr. BERGMAN. Yes, sir.

Senator COOPER. You were friends during that period?

Mr. BERGMAN. Yes, sir.

Senator COOPER. What about it?

Mr. BERGMAN. I have been interested in this legislation, Senator, since 1944, and I was very much interested in the construction of a stadium for the District of Columbia, and wanted to talk with any people I could, either in the House or the Senate, and on this occasion it happened to be Mr. McLeod who, at that time, was serving as clerk for the House District Committee, and he was helpful in that respect. In other words, I did ask him for information on the status of legislation and he proceeded to give this to me from time to time. I believe some time later the bill was submitted, and the sponsor of the bill was Congressman Oren Harris. I used to consult with McLeod to follow out what had been done with respect to the bill to follow it and report to my Board.

Senator COOPER. In other words you were interested in——

Mr. BERGMAN. In the procedure.

Senator COOPER. In the passage of legislation?

Mr. BERGMAN. That is correct; yes.

Senator COOPER. That is a worthy purpose. Now, did you know Mr. McCloskey prior to the letting of the contract?

Mr. BERGMAN. I don't think I met Mr. McCloskey until he came into this picture.

Senator COOPER. Until when?

Mr. BERGMAN. Until after he was selected, I believe. I may have met Mr. McCloskey at some meetings or parties or something of that sort in the past, but then actually I did not get acquainted. In fact, he was not on this job even during the period of construction. I don't suppose I have seen Mr. McCloskey half a dozen times in my life.

Senator COOPER. Do you know Mr. Baker?

Mr. BERGMAN. Yes, sir; I do.

Senator COOPER. Robert Baker?

Mr. BERGMAN. I met him here in my many trips I have made up here. On such occasions, for example, like I am meeting you today for the first time. I met Mr. Baker probably at some gathering. I recall the time years ago when I was invited up here—it may have been the first time I met Mr. Baker, and the occasion I believe was a birthday of some Senator, and I was invited to attend that, and I recall seeing him on that occasion.

Senator COOPER. Did you ever have any discussions with him about the legislation before the Congress?

Mr. BERGMAN. No, sir; none whatsoever.

Senator COOPER. Authorizing the construction of the stadium?

Mr. BERGMAN. No, sir.

Senator COOPER. You never did talk to him about it?

Mr. BERGMAN. No, sir.

Senator COOPER. I think that is all.

Mr. McLENDON. Mr. Bergman, did you have any knowledge that the McCloskey company was going to be a bidder for the construction contract prior to the time its bid was received and opened?

Mr. BERGMAN. I certainly did not.

Mr. McLENDON. That is all.

The CHAIRMAN. Thank you, Mr. Bergman. Mr. Herzberg, would you place your hand on the Bible and raise your right hand? Do you solemnly swear that the evidence you are about to give before this committee in the matter under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. HERZBERG. I do.

The CHAIRMAN. Thank you, sir. Please be seated.

Mr. McLENDON. Will you state your full name and your business address to the reporter?

TESTIMONY OF NOBLE W. HERZBERG, PROJECT MANAGER, THE OSBORN CO.

Mr. HERZBERG. Noble W. Herzberg, 1305 Salem Center Road, Cleveland, Ohio.

Mr. McLENDON. At the time the contract was awarded by the District of Columbia Armory Board to McCloskey & Co., were you an employe of the firm of Osborn & Co. of Cleveland, one of the three firms who did the architectural and engineering work for the Board?

Mr. HERZBERG. Yes, sir; I was.

Mr. McLENDON. What position did you hold with Osborn & Co. at that time?

Mr. HERZBERG. In the firm of Osborn & Co. I was a partner.

Mr. McLENDON. You were a partner?

Mr. HERZBERG. Yes.

Mr. McLENDON. What is your background; what was your background at that time with respect to your experience as an engineer or architect?

Mr. HERZBERG. I am a structural engineer. I am not an architect.

Mr. McLENDON. Are you a graduate engineer?

Mr. HERZBERG. Yes, sir; from the University of North Dakota.

Mr. McLENDON. Have you been engaged in engineering work since your graduation up to the time that your company was employed by the Board?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. Were you selected by the three firms, the architects and engineers, to become project manager on the stadium?

Mr. HERZBERG. Yes, sir; I was.

Mr. McLENDON. What are the duties of the project manager?

Mr. HERZBERG. It is to follow the job in its entirety. That is, I was in charge of the preparation of the plans and specifications and also the supervision of construction for the three firms.

Mr. McLENDON. You had general supervision over the plans and specifications?

Mr. HERZBERG. That is right.

Mr. McLENDON. And then had supervision over the actual construction?

Mr. HERZBERG. Right.

Mr. McLENDON. Did you spend much of your time here in Washington during the construction?

Mr. HERZBERG. Yes; quite a bit.

Mr. McLENDON. What proportion of your time would you say you were here?

Mr. HERZBERG. Oh, 85 to 90 percent, probably.

Mr. McLENDON. Were you familiar with the progress of the work?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. At all times?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. Did you know the McCloskey Co. prior to the time that its bid was opened?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Did you ever have any conversation with any representative of the company prior to that time?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Have you ever had any business connection with it?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Or any of its officers or employees?

Mr. HERZBERG. No, sir.

Mr. McLENDON. I am asking that question as of now; have you had any, up to this very moment?

Mr. HERZBERG. You mean since?

Mr. McLENDON. Yes.

Mr. HERZBERG. No, sir; no business relations.

Mr. McLENDON. No business relations at all?

Mr. HERZBERG. No, sir.

Mr. McLendon. Now the question has been raised about the change orders that were issued from time to time as the construction proceeded. What responsibility did you have for the approval of change orders?

Mr. Herzberg. Well, my responsibility was to, you know, have the estimates prepared or prepare them myself, you know.

Mr. McLendon. Raise your voice just a little bit.

Mr. Herzberg. My responsibility was to prepare or have the estimates prepared, either prepare them myself or have them prepared by the engineers of the firms, and then eventually if we had problems of, you know, not being able to agree with the contractor, to have the meetings with the contractors and try to resolve our differences. As Mr. Blaser said—

Mr. McLendon. How did you and Mr. Blaser work in connection with a specific change order? Just tell the committee how both of you functioned.

Mr. Herzberg. Well, we worked together completely. I mean if there were any problems or anything I would always discuss it with Mr. Blaser and we would agree on, you know, what we would go along with.

Mr. McLendon. Did the McCloskey Co. furnish its cost estimate for each change order?

Mr. Herzberg. Yes, sir; they did.

Mr. McLendon. What would you do with it when you got that estimate?

Mr. Herzberg. What we did, of course, compared it with our own estimate which we made completely independently by taking it off of the drawings and, if our estimate was within a reasonable amount of that, we normally accepted their figure, because sometimes ours was more. You know, our estimate in quite a few instances actually was more, but we accepted their figures.

Mr. McLendon. In your opinion in each instance was the amount finally agreed upon for the change order—when I say amount I mean the cost; was that reasonable and fair under the circumstances?

Mr. Herzberg. Yes, sir; in all cases. I certified to that, in fact.

Mr. McLendon. Were you influenced in approving any of those by any factor except your obligation to the Board to render fair and honest service as an engineer?

Mr. Herzberg. Definitely not.

Mr. McLendon. Do you have any knowledge or any information that any of those change orders were false, fictitious, or in any way unreal?

Mr. Herzberg. I know they were not.

Mr. McLendon. Did you actually originate some of them yourself as project manager? I mean did you discover the need for a change order?

Mr. Herzberg. I discovered the need for them; oh, yes, definitely.

Mr. McLendon. What did you do when you found in your own work that a change order was necessary?

Mr. Herzberg. In all instances I took it up with Mr. Blaser, and then if we agreed that it was, you know, required, which there was in most cases no doubt about it, we made the changes on the drawings and issued them to the contractor for him to accomplish the work.

Mr. McLendon. That would be where it was less than \$25,000, would it not?

Mr. Herzberg. That is right; yes, sir. If it was more than that, of course, we took it up with the Board; yes, sir.

Mr. McLendon. So that if you in your capacity as project manager would find the need for a change order, you would confer with Mr. Blaser first; he agreed with you; then you would refer it to the Board?

Mr. Herzberg. That is correct; yes, sir.

Mr. McLendon. Did you attend the meetings of the Board where they acted on these change orders?

Mr. Herzberg. I attended many. I don't know as I attended all of them, but I attended most of them that were over the \$25,000; yes, sir.

Mr. McLendon. Were you sometimes requested by the Board to be present in person in addition to your written approval?

Mr. Herzberg. Yes; I was; yes, sir.

Mr. McLendon. Did you always attend?

Mr. Herzberg. Yes, sir.

Mr. McLendon. Now, without going into all the details, would you give the committee the benefit of your experience on this job by way of explaining the large number of change orders, the number itself, which has attracted attention, and some people have criticized it. Can you give the committee the benefit of your opinion about that?

Mr. Herzberg. Yes, sir. The large number was really somewhat, mostly primarily due to the fact that the way the changes were made, I mean normally we would have lumped probably a whole bunch of these change orders, you know, into one. A lot of them, if you noticed in the record, that some of them were only \$100, some of them are \$300, and in that category. Now because of the fact that changes were small in a lot of instances, the change orders were, you know, submitted in the small amounts. Normally that wouldn't have been true. That is why the number is large, really.

Mr. McLendon. Can you comment on some of the larger ones?

Mr. Herzberg. Yes. Probably the largest one, as I recall it, is the one for the concessions, which were added, which was actually a complete addition after the original drawings were prepared.

Mr. McLendon. Let me make that clear. The original plans and specifications did not provide for the equipment for concessions that the Board finally ordered constructed.

Mr. Herzberg. That is right.

Mr. McLendon. Is that a correct statement?

Mr. Herzberg. That is right; yes, sir.

Mr. McLendon. Did that require the construction of additional space?

Mr. Herzberg. No.

Mr. McLendon. Or merely the rearrangement of the space?

Mr. Herzberg. No; it was a rearrangement of electrical and mechanical utilities and also construction of walls and things like that for it which were not originally included in the job.

Mr. McLendon. The cost is apparently very high. At least it is a big figure. Can you give us some explanation of why it cost so much?

Mr. Herzberg. Well, actually, it is not out of line from my experience with other concessions. You know, that we put in other stadiums. For instance, just this winter we remodeled Yankee Stadium with

new concessions, and with even, you know, the facilities being there, a lot of the facilities being there, the total cost was over \$1 million.

Mr. McLendon. In the Yankee Stadium?

Mr. Herzberg. In the Yankee Stadium. And in the Milwaukee Stadium when we added the concessions, when they were added in there, the total cost, in fact it was estimated that they expected to spend \$2 million. They didn't actually spend that, but it was something over \$1 million there, too. So the costs are in line. I mean they are what you would expect to have when you add concessions.

Mr. McLendon. The word "concession" is not easily understood by a layman like myself. Can you tell us a little bit about what you comprehended in that term?

Mr. Herzberg. Yes. Well, there is the stands themselves, and then, of course, the biggest cost really is the utilities that are required. There are the floor drains and water and the gas and electric. Well, here actually there was no gas because it is all electric. But it is the electric lines which are—you know, there are large loads. They are real heavy loads in concessions, and it would be the commissary part of it, you know, where they actually prepare the food primarily, and then all the stands. There are 27, if I remember right, stands in the stadium.

Mr. McLendon. Twenty-seven concession stands?

Mr. Herzberg. Yes, sir.

Mr. McLendon. That includes the commissary where the food is prepared?

Mr. Herzberg. No; there are 27 just plain stands, and then there are the vendors' stations as they prepared the food where the vendors go out into the stands, and I don't remember the exact amount—I think it is 7 or 8 of those, and they are expensive—and all the equipment in addition to that, the coolers, you know, walk-in coolers and the small coolers and the grills and that is all included.

Mr. McLendon. This may be repetition. If I understand you now, what you have said is that the original plans and drawings did not include this kind of thing.

Mr. Herzberg. That is correct; yes, sir.

Mr. McLendon. The Board made the decision to include them?

Mr. Herzberg. That is correct.

Mr. McLendon. Then you performed your duties as project manager in seeing that the appropriate plans and specifications were prepared for it?

Mr. Herzberg. Yes, sir.

Mr. McLendon. Then you and Mr. Blaser negotiated with McCloskey with respect to the cost?

Mr. Herzberg. That is correct.

Mr. McLendon. And finally agreed on the cost and it was approved by the Board?

Mr. Herzberg. Right.

Mr. McLendon. Was that procedure followed in each instance except those that involved less than \$25,000?

Mr. Herzberg. Yes; except that it was almost followed to the same extent.

Mr. McLendon. I didn't understand.

Mr. Herzberg. It was practically always followed to the same extent except with actually getting the Board's approval, although even

in that case there were some of them that were questionable items which we wondered about; we would take it up with the Board even if it were under \$25,000.

Mr. McLENDON. There is some testimony before the committee, Mr. Herzberg, to the effect that one other problem increasing the cost of the stadium resulted from the application of the District of Columbia Building Code.

Mr. HERZBERG. That is correct.

Mr. McLENDON. Would you tell the committee something about that?

Mr. HERZBERG. Yes. Those were primarily—well, actually, the reason for it was that I had been involved in several stadiums before. Milwaukee was one of them. And we had designed the stadiums in accordance with what was considered the national code, and the District code did not, you know—hardly any code does, as far as that is concerned, because a stadium is a one-time deal, so here they interpreted the stadium as being a building, you know, and not a stadium so far as we were concerned.

Mr. McLENDON. You say they interpreted it?

Mr. HERZBERG. The Building Department.

Mr. McLENDON. The Building Department of the city?

Mr. HERZBERG. Of the District of Columbia; yes, sir, and so that involved a lot of increased cost by—primarily in the mechanical work actually is where it was, in the vents and—well, there were actually other things, gates and various openings we had to put in in order to comply with the code which was stricter than what the national code was.

Mr. McLENDON. What is your answer to the accusation that you architects should have known all that before you prepared the plans and specifications?

Mr. HERZBERG. Well, you don't know. It is impossible to know how the code is going to be interpreted, and the job was going too fast for us to check. We had to get the plans out on a certain date, and we only had about 4 months to get them out to go out for bids, and we couldn't—we didn't have the time to—really check with the Building Department. In fact, they couldn't even review the plans in time. That was the reason. And, as I say, we did follow the national code.

Mr. McLENDON. Your reference to pressure for time, is that based upon the fact that the original contract required completion in 1961, in time for the fall football season?

Mr. HERZBERG. That is correct; yes, sir.

Mr. McLENDON. And actually the stadium wasn't completed at the time of the first game; is that correct?

Mr. HERZBERG. Not 100 percent; no, sir.

Mr. McLENDON. And the Board permitted its use and McCloskey agreed to its use even though the contract had not at that time been completed?

Mr. HERZBERG. That is correct.

Mr. McLENDON. You referred to the fact that you have had experience with other stadiums throughout the country. Would you mind giving the committee a list of those that you worked on?

Mr. HERZBERG. No, sir. I was project manager on a similar job on Milwaukee Stadium, and Reading Stadium in Reading, Pa.; on the

Arkansas Memorial Stadium in Little Rock; and then numerous repairs and renovations on Yankee Stadium and on Michigan Stadium, Notre Dame Stadium. There might be some others. I have worked as a consultant since. I have worked as consultant actually on the stadium going to be built in Oakland, and I am now designing one in Anaheim.

Mr. McLENDON. Indiana?

Mr. HERZBERG. Anaheim, Calif.

Mr. McLENDON. Now, Mr. Herzberg, in your experience as an engineer, are you familiar with the customary practice with respect to making progress payments as the work proceeds on the contract?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. Are you familiar with the provisions in this particular contract with McCloskey?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. In substance, Mr. Blaser has testified—I don't want to repeat unnecessarily—he has testified in substance that he was entitled to make application for payment as the work progressed, and you retained 10 percent up until he had been paid 50 percent of the original contract price.

Mr. HERZBERG. That is right.

Mr. McLENDON. Is that correct?

Mr. HERZBERG. That is correct; yes, sir.

Mr. McLENDON. And after you reached the point of 50 percent then you retained 5 percent of the balance.

Mr. HERZBERG. There was a total of 5 percent that was retained on the total contract; yes, sir.

Mr. McLENDON. He dropped down to 5 percent.

Mr. HERZBERG. That is right; yes, sir.

Mr. McLENDON. What is the practice with respect to—let's take the first request for payment—what is the practice with respect to that?

Mr. HERZBERG. Well, the normal practice is to try to get a little extra on that first one to pay for, you know, the mobilization of the job. There is usually an item in the first item that is actually sometimes called that, you know, starting the jobs, start-of-the-job stuff.

Mr. McLENDON. That means getting men and equipment at the site?

Mr. HERZBERG. That is right.

Mr. McLENDON. Would it include insurance and bond premiums and things of that kind?

Mr. HERZBERG. It normally would, probably; yes, sir.

Mr. McLENDON. The criticism has been made in this case the very first item on the McCloskey Co.'s first request was the single word "bond," b-o-n-d, in the amount of \$100,000 indicating it was 100 percent of the cost. What comment have you got to make about the fact that you and Mr. Blaser both approved that payment?

Mr. HERZBERG. Well, as I said, the amount, that is this whole breakdown, the entire breakdown on this partial-payment request or the whole-payment request was composed of approximately I think it was 44 items, and all of those items are not necessarily 100-percent accurate. I mean, you know, they are estimates of what the amount is, and what each item would amount to, but they add up to the total amount of the contract. So that we didn't try to actually make each

one of these items 100 percent as long as they were reasonable. And so we didn't figure that this was just the bond cost. I mean it was no concern of ours exactly as long as it was not exorbitant, they got too much money on the first payment.

Mr. McLENDON. Would it make any difference, Mr. Herzberg, whether that particular item was overstated or understated in the final settlement with the contractor?

Mr. HERZBERG. No, sir. The final payment would be the amount of the contract, so it made no difference.

Mr. McLENDON. And it wouldn't make any difference whether any particular item was either overstated or understated?

Mr. HERZBERG. That is right.

Mr. McLENDON. In this case do you have knowledge that the final settlement with McCloskey, that he did receive the original contract price of \$14 million-plus, plus the change orders that had been approved in the manner in which you have described?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. Did he receive anything more than that?

Mr. HERZBERG. No, sir.

Mr. McLENDON. You know that of your own knowledge?

Mr. HERZBERG. At least there was no certification to anything more, and I am sure he didn't; no, sir.

Mr. McLENDON. Would you say that this first payment, the first request for payment and the approval of it, is in accord with the practice prevailing in the industry?

Mr. HERZBERG. Yes, sir; definitely.

Mr. McLENDON. Have you had similar experiences?

Mr. HERZBERG. Yes.

Mr. McLENDON. In other cases?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. You knew, of course, that he had filed his bond?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. Because that was a part of the contract.

Mr. HERZBERG. Right.

Mr. McLENDON. Were you familiar with the fact that at the bottom of the bond itself, the original bond signed by McCloskey and the bonding company, the Aetna Co., and by the members of the Board, there was a calculation of the amount of the premium?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. And that was shown to be \$73,000 plus.

Mr. HERZBERG. Correct.

Mr. McLENDON. Did you know Robert G. Baker before you came to Washington on this job?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Did you get acquainted with him after you got here?

Mr. HERZBERG. No, sir; I never met him, to my knowledge, or have never seen him.

Mr. McLENDON. You never met him up to this moment?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Did you know Don B. Reynolds?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Have you ever met him?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Even up to this moment?

Mr. HERZBERG. Not up to this moment.

Mr. McLENDON. Did you know William N. McLeod?

Mr. HERZBERG. I met him; yes.

Mr. McLENDON. In what connection?

Mr. HERZBERG. With the fact that he was on the advisory board and he was at the meetings that I attended when the selection was made.

Mr. McLENDON. Did you ever have any conversation with him about any aspect of this work except such as may have taken place in an open meeting of the committee?

Mr. HERZBERG. No, sir; never.

Mr. McLENDON. Did he ever manifest to you any particular personal interest in this contract?

Mr. HERZBERG. No, sir.

Mr. McLENDON. When did you first meet McCloskey?

Mr. HERZBERG. On the day—I don't know that I even met him, but I saw him for the first time on the day of the bid opening. That wasn't even Mr. — that was Tommy, I think, in that group.

Mr. McLENDON. T.L.?

Mr. HERZBERG. T.D., I think it is.

Mr. McLENDON. Do you know what relation he was to Matt McCloskey?

Mr. HERZBERG. Son, I believe.

Mr. McLENDON. Have you ever met Matt McCloskey?

Mr. HERZBERG. Yes.

Mr. McLENDON. When and where?

Mr. HERZBERG. Several times on the construction project while it was in progress.

Mr. McLENDON. Did you ever have any conversation with him about the work?

Mr. HERZBERG. Yes; once or twice about expediting it.

Mr. McLENDON. About expediting?

Mr. HERZBERG. The work; that is right.

Mr. McLENDON. Any other conversation with him?

Mr. HERZBERG. No, sir.

Mr. McLENDON. How about Tom McCloskey? Did you ever have any conversation with him?

Mr. HERZBERG. Yes, on the same basis. We would meet him on progress. He was at quite a few of the progress meetings.

Mr. McLENDON. Did you ever have any conversation with either of the McCloskeys or anyone representing the McCloskey Co. about the purchase of the performance bond?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Or the purchase of insurance by McCloskey?

Mr. HERZBERG. No, sir.

Mr. McLENDON. You had no conversation with them on those subjects?

Mr. HERZBERG. Definitely, no.

Mr. McLENDON. Was that kind of subject ever mentioned to you by McLeod?

Mr. HERZBERG. No, sir.

Mr. McLENDON. That is all, Mr. Chairman.

The CHAIRMAN. Senator Cooper?

Senator COOPER. Mr. Herzberg, drawing upon your long experience as an engineer, can you tell the committee whether it is normal practice for contractors to be reimbursed for the cost of the premium on a performance bond?

Mr. HERZBERG. Yes, sir, when it is in the contract. I mean when he is required to furnish a performance bond, it is definitely a part of the contract always.

Senator COOPER. That is the normal practice?

Mr. HERZBERG. Yes, sir; that is normal practice.

Senator COOPER. You are familiar, of course, with the first payment request for work performed, and that the item listed as No. 1 was "Bond, contract amount \$100,000, 100 percent payment."

Mr. HERZBERG. Yes.

Senator COOPER. And exhibit 6c, page A68, a letter written by you to Mr. Blaser, states as follows:

DEAR MR. BLASER: I am returning a copy of request for payment from McCloskey & Co. as forwarded with your letter of August 12, 1960.

I have checked the items as listed and discussed them with Mr. Staker, project inspector, and recommend approval of this payment request.

And it is signed by you. The letter is dated August 23, 1960.

What did you discuss with Mr. Staker as regards item 1, the bond, \$100,000?

Mr. HERZBERG. Actually if you look at exhibit 6e, I believe it is, on page A70, the material stored on the site was listed as 15,094 lineal feet, and that is actually what I discussed with Mr. Staker, because he was at the site and I wanted to be sure that that many lineal feet of pile were actually on the site, and also that 10 percent of the excavation was completed. Really, those two items are what I was checking with Mr. Staker.

Senator COOPER. Did you consider that "Item 1, bond," included the premium on the performance bond?

Mr. HERZBERG. Yes, sir.

Senator COOPER. Which had been paid by Mr. McCloskey?

Mr. HERZBERG. Yes, sir.

Senator COOPER. In the sum of \$73,000, and your explanation for the remainder of the \$100,000 is that it is an amount which could be allocated to other costs that the contractor might have incurred in beginning the work?

Mr. HERZBERG. That is correct; yes, sir.

Senator COOPER. Is it correct, then, that you really did not consider this item 1 as primarily having anything to do with the performance bond?

Mr. HERZBERG. That is right. I didn't really consider it as being, you know, the cost of the bond as such. It was cost; normally it shouldn't have been called bond. It should have been called mobilization cost or something, really, or starting cost.

Senator COOPER. The original contract was awarded in the sum of something over \$14 million, and by reason of change orders the final bill of Mr. McCloskey reached \$17 million. That represents an increase in cost of about 28 percent. You say that is the normal increase in the cost of a facility in a contract of this kind?

Mr. HERZBERG. Well, you can't say it is normal necessarily, but it is normal under the circumstances for this stadium. I checked this

out just in a general sort of a way once, and the amount of change orders that are due to, you know, normal oversights and stuff in the plans amounted to less than 3 percent. That is low for the job.

Now, the other increases, one of them is over \$1 million just for the concessions. Of course, that was a complete addition and was, as I say, a normal price for that. And then we had in there the extras on account of the Building Department Code, the District of Columbia Code, and that amounted to around somewhere over \$500,000. So, actually, you can't say that 28 percent is necessarily normal, but the additions that we had and that were required—it is a reasonable price for what we accomplished.

Senator COOPER. Did you anticipate at the time the contract was let that the costs would rise to this amount before the contract was concluded?

Mr. HERZBERG. No; we couldn't say that we anticipated that it would be that much. I mean we didn't actually project.

Senator COOPER. This line of inquiry has been developed. You did know of the District of Columbia Building Code.

Mr. HERZBERG. I had a copy of it; yes, sir, but, as I say, its interpretation of it—

Senator COOPER. Were you in consultation with the District of Columbia authorities about those regulations and provisions?

Mr. HERZBERG. Yes, sir. We had many meetings with them. Some places they went along with what we thought was right and in others they didn't. Of course, we had in addition to that the Health Department, which also cost us money.

Senator COOPER. I have nothing else.

The CHAIRMAN. Senator Pell?

Senator PELL. Sir, what is the normal premium that would be required to cover an adequately sound policy for this kind of a job according to your experience in the past?

Mr. HERZBERG. Actually, that varies. I mean there is no normal, as I know it, and I am not up on the insurance, for one thing. But the insurance can vary on account of the reputation of the contractor, you know, and the size of the job, and all those things, so that is something I don't claim to know.

Senator PELL. But it would be presumed that the contractor would carry liability insurance in performing a job like this?

Mr. HERZBERG. Definitely; yes, sir.

Senator PELL. Would that liability insurance be treated in more or less the same way as the performance bond? Would it be handled by the same kind of company?

Mr. HERZBERG. It could be; yes, sir.

Senator PELL. Could the word "bond," in the perhaps overly short use of it in your records, cover the general liability as well as the performance bond?

Mr. HERZBERG. Yes; it could.

Senator PELL. Might not that total be \$100,000 or \$110,000?

Mr. HERZBERG. Yes, sir; it could be. It could be more than that.

Senator PELL. Thank you.

The CHAIRMAN. Go ahead, Senator.

Senator COOPER. My colleague here is suggesting the possibility that \$100,000 would represent the reimbursement of the premium not

only on the performance bond but other insurance charges he might incur. Are you familiar with article 10 of the contract?

Mr. HERZBERG. Yes, sir.

Senator COOPER. Would you say that the effect of article 10 would be to require McCloskey to be responsible for all additional premiums and costs he might have to pay?

Mr. HERZBERG. Yes.

Senator COOPER. For insurance?

Mr. HERZBERG. Very definitely.

Senator COOPER. Do you know if the Armory Board has been charged for any other premiums he might have paid on any other types of insurance?

Mr. HERZBERG. It would be included in the cost of the project, you know. He probably had it in his total.

Senator COOPER. I think he did include it.

Mr. HERZBERG. I am sure he did.

Senator COOPER. Although article 10 says he shall not.

Mr. HERZBERG. All it says—no; I am sorry; I don't quite read it that way, Senator. It says that he holds the Armory Board free of any responsibility and it doesn't add anything to the cost of the work, but he probably included it in his original bid. I mean I don't know. I shouldn't have said that, probably, because I don't know that he did.

The CHAIRMAN. Do you have any further questions, Senator?

Senator COOPER. You have no information about any company with whom Mr. McCloskey placed other insurance contracts?

Mr. HERZBERG. No, sir.

Senator COOPER. Related to the stadium?

Mr. HERZBERG. No idea at all; no, sir. Insurance doesn't interest me as such.

The CHAIRMAN. Mr. Herzberg, going into this insurance business, there seems to be a great deal of stress placed on that, the bond and so forth. As I said yesterday—and if I am not correct I want you to correct me on this—that was a part of the original contract.

Mr. HERZBERG. That is correct.

The CHAIRMAN. Any insurance he bought was a part of his cost.

Mr. HERZBERG. That is correct.

The CHAIRMAN. Just like a wheelbarrow, Georgia buggy, or anything else he used on the job.

Mr. HERZBERG. That is correct; yes, sir.

The CHAIRMAN. That has no bearing on the cost to the District of Columbia other than if he had not had those things and he was not able to fulfill his contract, the bonding company or the insurance company would have to pay for it.

Mr. HERZBERG. That is correct; yes, sir.

The CHAIRMAN. In other words, he guaranteed by those things that he would hold the District of Columbia blameless in anything that happened in connection with this contract.

Mr. HERZBERG. That is right; yes, sir.

The CHAIRMAN. I would like you to tell me and the members of this committee, and the press, one other thing: Did Mr. McCloskey originate these change orders?

Mr. HERZBERG. No sir; there was no way he could.

The CHAIRMAN. In other words, the change orders were initiated by the District of Columbia Board or you or somebody that was employed to carry out the wishes of the Board?

Mr. HERZBERG. That is right.

The CHAIRMAN. Is that correct?

Mr. HERZBERG. That is correct; yes.

The CHAIRMAN. When you came across something that had to be changed, you took it up with the proper authorities that vested the authority in you and said this should be changed. You asked the architect, I presume, to draw up a sketch of what the change was.

Mr. HERZBERG. Yes, sir; that is correct.

The CHAIRMAN. And they would OK it and you all agreed to have Mr. McCloskey do it, and he bid on that just as he did in the beginning. He gave you a price.

Mr. HERZBERG. He gave us a price; yes, sir.

The CHAIRMAN. He would have to?

Mr. HERZBERG. He had to.

The CHAIRMAN. You couldn't say you are going to do this for \$15 and he would say I want \$1,500.

Mr. HERZBERG. No.

The CHAIRMAN. You would have to agree on that?

Mr. HERZBERG. We agreed on the price before the change; yes, sir.

The CHAIRMAN. I wanted to be certain that Mr. McCloskey didn't just go out there and originate \$3 million worth of change orders and put in a bill for them and nobody was responsible for it.

Mr. HERZBERG. No, sir; that was impossible.

The CHAIRMAN. I want to go to a little bit of trouble here and take a little bit of time. On the 1st of September on the Senate floor, the Congressional Record, starting on page 20579, Mr. Williams of Delaware, and it is in the Record, made this speech on the floor:

I thank the Senator from New Jersey. I point out that in previous discussions of this contract great emphasis was placed on the fact that this was a competitive bid contract, and that Mr. McCloskey was the low bidder. That is true. According to the committee records the bid of Mr. McCloskey on the stadium contract was \$14,182,187.50. This meant that Mr. McCloskey's bid was \$245,750 more than the next lowest bid, but that is not all of the story.

I want you to notice that.

There is another story connected with this operation. Immediately after the bid was awarded, they began thinking of many changes to be made in the contract.

Now, he didn't say who they were, but I presume he is talking about the Armory Board and everybody connected with letting this contract.

We find that the total amount of such changes and additions to the contract after the award of the contract came to \$2,986,796.72. So, in effect, the ultimate cost of the contract instead of being low bidder was around \$2.7 million higher than the second low bid. Perhaps some of the changes made could have been avoided.

He said perhaps some of them could have.

However, I am not unmindful of the fact that some of them should have been in the original contract. I call particular attention to one addition. It was decided to add 14 toilets to the stadium. Let us assume that that item might have been overlooked in the beginning. But we find that the first addition is for the electrical changes for these 14 additional toilet rooms, and so forth. This change was in the amount of \$31,477.86. On April 28, 1961, \$7,027.74 was added for lathing and plastering the ceiling and \$77,035.27 was added for electrical work on these toilets.

He is speaking of the same toilets.

About 3 months later it was discovered that some doors and hardware on the doors were needed for these 14 new toilet rooms, and there was an additional charge of \$9,231.38. Why they did not know they needed doors or hardware on the doors I do not understand, but that is only the beginning. Some time later it was decided that they would have to paint the 14 additional toilet rooms plus ramps and enclosures on level 2. This cost \$18,118.79. They were still working on these same 14 toilets and rooms. But they were not done then. Later they found that they needed additional work for the additional 14 toilets and rooms; this time \$58,521.29 was added to the contract. I have not seen these toilet rooms, but someone has suggested that they may be goldplated. I do not understand why they did not know that the rooms were needed when the contract was awarded or why so many contract changes were necessary.

I cite this instance as only one example. Certainly when they found that they needed the rooms, they should have realized that doors were needed and hardware by which to hang, and they should have known, also, that the painting and masonry work should have been taken care of. These are some of the items that go to make up the additional \$2,700,000 payment to which I have referred. While some of the items might be justified—

you see he says “might be”—

some of the items might be justified, the question still can be asked, “To what extent has there been favoritism, and to what extent has the extra expense come out of the taxpayer’s pockets?” I repeat—I have no evidence whatsoever that this is anything other than an isolated case. It may be the only instance in which an overpayment—

you notice he says an “overpayment”—

in which an overpayment to a subcontractor was involved with the understanding that such overpayment—

I want you to get this—

would be channeled into political contributions. But we have to be sure, and we should not stop at that point. Having established that such an arrangement happened once it is necessary now to explore the question of whether or not there was a pattern of such overpayments. We can all see the real danger that such a procedure could be to our form of government.

Now, he speaks of overpayments. I want to know, did you overpay Mr. McCloskey, and who authorized the overpayment and who was responsible for channeling this money he is talking about into somebody’s pocket?

That is an accusation. If you are not charged with something in this speech on the Senate floor, I don’t know what it could be called. I am calling this committee and Major McLendon together to give you all a chance to review it, and as I said in the beginning, to prove that this is not true, and if you don’t have that chance, anybody can say that you did rig this whole deal. Anybody could say that. It has been intimated you did do it, and I think you ought to have a chance to point out and be heard and prove otherwise unless it is true.

Mr. HERZBERG. No, sir.

The CHAIRMAN. I didn’t make these accusations.

Mr. HERZBERG. No, sir. On these toilet rooms, on the fact that some of these change orders had doors, you know, in a change order that is way late, and others, the reason this was done, and this is my first statement on why there were so many change orders. You see it was not just McCloskey. He had subcontractors, and they would submit their, you know, costs, and they would not all go together into one item.

Now, in all these ones that do refer to these 14 toilet rooms, there are other things in each one of those items. You know, there are

other changes that were made, and they even covered some of those, and the toilet rooms are mentioned in this because they were part of it. But the total cost cannot be added up by taking these individual change orders that do refer to the toilet rooms. There is more money in each one of these than just covers that. Some of them, I mean, are just for the toilet rooms. I don't say that. But there are others, that \$70,000 one he is referring to included other electrical changes, only except for the toilet rooms, I am sure.

The CHAIRMAN. Senator Pell, I believe you had a question.

Senator PELL. No; nothing more.

The CHAIRMAN. Senator Cooper?

Senator COOPER. Mr. Chairman, I must say I am sure if Senator Williams were called as a witness he would speak for himself. I would say that the speech from which the chairman has been reading was an important speech because as a result of that speech the Senate voted unanimously to reopen the investigation. If it hadn't been for that speech and the inquiries that Senator Williams made, I don't think it would have been reopened. I would say, though, in view of the fact that Senator Williams made comments about certain items in his speech, to which the chairman has referred, dealing with the construction of the additional toilets, I think it might be helpful to the committee, as long as this line of inquiry has been opened, and I must say that it has been opened by the committee as a whole and by the chairman, and I would say properly so, to show that the members of the Board and others, their position in the matter, as long as there has been testimony concerning the procedure followed when the change orders were made, and as long as Senator Williams did speak of these items on the floor of the Senate, I think it might be helpful to the committee if you as the project manager would just file with the committee, if the committee will agree, all information about the addition of these toilets and why they were not included at first, and the reasons for later inclusion and the cost. This has been opened. I would ask that that be done. Then, if Senator Williams comes to testify, he will have information relating to what he said on the floor of the Senate. Can you do that?

Mr. HERZBERG. Yes, sir; we can do that. Now, on the actual addition of the toilet rooms, I didn't touch on that one as to why they were added. Actually, I would say when the plans went out for bids, as I say, we were rushed in getting them out, and these 14 additional toilet rooms actually were approved to go in before the contract was awarded, actually, I mean, you know, the Board had decided they wanted these additional 14 toilet rooms, so they were actually ready to go the minute we awarded the contract. We knew we needed them at that time. They had been overlooked.

Senator COOPER. Senator Williams spoke of this, Mr. Chairman, which was read into the record. I ask that you file with the committee all of your reasons for making these changes orders with respect to the toilets, and give the cost of such changes.

The CHAIRMAN. Thank you, Mr. Herzberg.

Mr. McLENDON. Just a moment. Do you have your file here in Washington with you?

Mr. HERZBERG. No, sir.

Mr. McLENDON. Where is it?

Mr. HERZBERG. I am actually no longer employed by the Osborn Co., so it is in their office. I don't have it personally at all.

Mr. McLENDON. Do you think it would be available to you?

Mr. HERZBERG. I can get it; yes, sir.

Mr. McLENDON. Of course, Mr. Blaser has his file, I take it.

Mr. HERZBERG. Yes, sir, and they are just a copy.

Mr. McLENDON. I beg your pardon?

Mr. HERZBERG. Mr. Blaser has a complete file in his office. I am sure I could use that.

Mr. McLENDON. Would his file include your recommendations?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. With respect to each order?

Mr. HERZBERG. Yes, sir. He has complete copy of all mine; everything I did, really.

Mr. McLENDON. So then is it fair to conclude that your file, if it still exists in Cleveland, would not add anything to Mr. Blaser's?

Mr. HERZBERG. I don't believe it would; no, sir. Everything is a matter of record, so he got copies of everything.

Mr. McLENDON. You and he both kept records of all these matters?

Mr. HERZBERG. Yes, sir.

Mr. McLENDON. Under those circumstances, Senator, it might be satisfactory to let Mr. Blaser produce his file. I have seen his file. Of course, I couldn't examine every single item in it and I don't pretend that I did. Would that be adequate?

Senator COOPER. Such information as Mr. Blaser has or the Board has regarding these items which Senator Williams mentioned as to toilets and all information that is available will be filed with the committee. If Senator Williams is called I am sure he could be questioned about it.

Mr. McLENDON. We spent a great deal of time examining the minutes of the Board. They were very voluminous. They seem to have been exceedingly careful to prepare and preserve minutes of every meeting, including minutes of these advisory committee meetings. Time and time again those minutes recite action by the Board on these matters resulting in change orders, either approval or disapproval of Mr. Blaser's and Mr. Herzberg's recommendations.

I think I recall at least one instance in which you suggested that Mr. Blaser give his advice to the Board on some points that finally did result in a change order. I am not too sure about that, but I make the point that these are very voluminous. We have had access to them, and they are available down in Mrs. Keith's office in the stadium. I don't know whether you need to have a file of the whole minutes, or a copy of them, because you wouldn't have a complete picture without having the action of the Board itself.

Senator COOPER. I don't think what I have asked for is very difficult. It is limited to these items which Senator Williams mentioned on the floor of the Senate and to which the chairman has just referred. I simply ask that all the information relating to these changes relating to toilets be filed with the committee as to the type of work you all did.

Mr. McLENDON. We will see that that is done.

The CHAIRMAN. Thank you very much, Mr. Herzberg.

(Mr. Noble W. Herzberg subsequently submitted the following information:)

NOBLE W. HERZBERG & ASSOCIATES,
Cleveland, Ohio, October 19, 1964.

Memorandum to: Senator B. Everett Jordan, chairman, Committee on Rules and Administration, Senate Office Building.

From: Noble W. Herzberg.

The following is my statement regarding the necessity for the addition of the 14 toilet rooms in the District of Columbia Stadium as requested of the hearing on October 2, 1964.

The additional toilet rooms which were added to the District of Columbia Stadium after the award of the contract were required to provide public toilet facilities for the additional seats which would be made available for football spectators when the "movable" stands were moved to football position and the fill-in stands provided for approximately 4,300 additional seats. In order to make available toilet facilities for the spectators when the stands were moved to the football position, it was decided by the Armory Board, in accordance with the recommendations of the architect-engineer and the contracting officer that additional toilet rooms should be added, for men and women. At first it was considered that 10 additional toilet rooms would be sufficient; however, when they were actually developed on the drawings it was found that due to limited spaces available in the areas where these toilet rooms were required to be placed, it was necessary to provide 2 additional rooms to make it possible to provide the necessary toilet fixtures required for the approximately 4,300 spectators involved. A total of 14 additional toilet rooms were finally approved by the Armory Board. The two extras, one for men and one women, were added to provide toilet facilities for the football press box. These 2 additional toilet rooms were required when a revision was made in the football press box, and when the drawings were revised these 2 toilet rooms were included and are part of the references to 14 toilet rooms in the contract documents.

The reason for their omission from the original plans was due to an oversight on the part of the architect-engineer. The reason for this oversight can be attributed to the fact that drawings as prepared were laid out with the stands in baseball position and the position of the stands in their football position with the additional fill-in stands was inadvertently overlooked.

I think it can be safely stated that no architectural-engineer firm ever produced a perfect set of drawings, and it is generally understood that certain changes and/or additions will be required due to imperfect drawings. These type of additions do add work to the contract and hence adding the cost thereof by change order is appropriate.

The reason that there were several different change orders which refer to these 14 toilet rooms and which were issued at different times is not due to the fact that these items were added on the drawings at different times; in other words, doors, partitions, painting, hardware, etc., were not overlooked on the revised drawings and were all included on the revisions to the drawing which added the 14 additional toilet rooms. Change orders were processed as prices for individual portions of the changes were received and price differences were negotiated. Because of similarity and close locations of certain classes of work, such as electrical, mechanical, masonry, etc., prices were negotiated for several similar changes in work and did not always cover only one particular type of change.

Respectfully submitted.

NOBLE W. HERZBERG.

(Mr. James A. Blaser subsequently submitted the following information:)

OCTOBER 23, 1964.

Senator B. EVERETT JORDAN,
Chairman, Senate Committee on Rules and Administration, Senate Office Building, Washington, D.C.

DEAR SENATOR JORDAN: In Senator Williams' September 1, 1964, presentation on the Senate floor he made reference to 14 additional toilet rooms that were added to the stadium contract and cited several change orders in connection therewith, raising questions as to the requirement for the additional toilets, timing of determination of need for features of work thereon, and dollar amounts of change orders therefor.

Furthermore, at the conclusion of Mr. Herzberg's testimony on October 2, 1964, the committee requested additional information on these toilet facilities be submitted for the record.

Subsequent paragraphs, I believe, contain the desired information:

Requirement for the additional toilet rooms.—The drawings, as originally prepared and issued for advertisement on April 19, 1960, with bids to be opened on May 18, 1960, contained toilet facilities located to serve adequately the spectator population seated for baseball. However, the shift of seated spectators and the increase in number of spectators for football was overlooked. (For the football season that portion of the lower deck which is essentially parallel to the third base line for baseball moves into a position essentially parallel to the north football sideline and approximately 4,300 seats are added thereby.) This oversight was discovered the first part of May 1960. Since the bid opening, at that time, was scheduled for May 18, the Armory Board was on a very tight schedule for occupancy of the stadium, and the necessary revisions to the plans would require quite some time, it was determined that the necessary toilet facilities would be added subsequent to initiation of construction.

Timing of determination of need for features of work on additional toilet rooms.—Senator Williams indicated that change orders for individual features or type of work on the toilet rooms were issued on the requirement for those items was encountered on the job. This procedure was not the case. As indicated in Mr. Herzberg's statement, change orders citing dollar amounts added to the contract were issued as quickly as satisfactory prices for additional work could be negotiated. Furthermore, in numerous instances prices for like types of work for more than one revision or addition, including those in other locations as well, were negotiated and placed in a single change order.

Dollar amounts of change orders for additional toilet rooms.—In Senator Williams' presentation on the Senate floor he cited the dollar amounts of six change orders and indicated someone had suggested the toilet rooms might be gold plated. The dollar amounts cited, as such, are correct, as can be seen from examination of exhibit 7 beginning on page 74 of the exhibits assembled by the committee staff. This exhibit is a copy of a tabulation which very briefly summarizes stadium change orders and which was prepared in my office for ready reference during stadium construction. A copy of this tabulation was made available to Senator Williams on August 10, 1964. Unfortunately, the brevity of this tabulation does not disclose the great quantity of information and data available in the project records and necessary in an examination of the cost of these toilet facilities. At best and even on a current basis it is extremely difficult to isolate the cost of individual features of work on a lump-sum-type contract. At this time, approximately 3 years later, it is even more difficult. However, since completion of Mr. Herzberg's testimony before the committee on October 2, 1964, I have expended considerable time and effort reviewing the records to establish the approximate cost of these toilet facilities.

In this review I covered first those six change orders cited by Senator Williams and will briefly describe the results of my review.

The change order adding \$31,477.86 for electrical work covers revisions in various portions of the stadium. Of the total amount approximately \$20,700 is pertinent to the 14 toilet rooms.

The change order adding \$7,027.94 for lathing and plastering the 14 toilet rooms is totally for that purpose.

The change order adding \$77,035.77 for electrical work provided principally for electrical revisions throughout the stadium to meet District of Columbia Code requirements. However, approximately \$23,000 of the total provided for lighting and electrical controls for heating and ventilating of the questioned toilet rooms.

The change order adding \$9,231.38 for hardware provided for changes in types of hardware in several portions of the stadium to meet fire requirements. No doors as such were covered by this change order. That portion of the total directly pertinent to the 14 toilet rooms is \$1,965.

With reference to the change order for painting in the amount of \$18,118.79, the latter provided for painting of the 14 toilet rooms as well as other areas in the stadium. That portion of the total directly pertinent to the 14 toilet rooms is approximately \$13,800.

The change order adding \$58,521.29 for masonry work is totally pertinent to the 14 toilet rooms.

Subsequent to this review of the 6 change orders cited by Senator Williams, all change orders and other records were examined to establish an approximate total contract cost of the 14 toilet rooms. This amount is approximately \$220,000, representing an approximate average cost per toilet room of \$15,700. This amount per room appears to be quite reasonable when one considers that these rooms must be automatically heated and ventilated with electric controls to

operate the equipment therefor for two conditions, game or event dates, and in standby or nonuse of rooms but not in "off" position.

As a part of this examination and to ascertain the reasonableness of the cost of the toilets, an estimate of cost of a typical school toilet room was prepared based upon the cost experience in District of Columbia government construction. This estimate of cost is approximately \$10,000 per school toilet room.

It is believed this latter figure demonstrates the reasonableness of the \$15,700 estimated average cost of the 14 toilet rooms cited above. The typical school toilet room contains 14 plumbing fixtures and occupies approximately 375 square feet of space. Those under discussion contain an average of 10 fixtures and occupy an average of about 600 square feet of space. The larger area required to service the public in large groups requires more extensive piping. The piping must also be more heavily insulated to protect against freezing in the stadium. Each toilet room has individual heating and ventilating units with automatic controls while school toilet rooms do not. The stadium toilet rooms have a special wall paint required for cleanliness and ease of cleaning in public places, and the school toilet rooms have walls with a glazed wainscot and ordinary paint on the walls above the wainscot.

The data contained herein has required the expenditure of innumerable man-hours to arrive at the approximations indicated. At this time, almost 3 years after completion of the stadium, preparation of a more detailed and exact total cost of the 14 toilet rooms would involve many more man-hours of work at considerable expenditure of funds which are not available. Accordingly it is hoped that information on costs contained herein is sufficient for the purposes of the committee.

The toilet rooms of the stadium are finished and equipped in a manner that is required to meet the District of Columbia Code requirements for such places and definitely no more.

The information contained herein has been developed from examination of the extensive files, both correspondence and drawings, which were compiled during construction of this job. It has been summarized as briefly as possible, for it is considered that furnishing copies of all pertinent data would pose a tremendous reading, interpretation, and reproduction problem for the committee. However, any portion or all of the files will be made available immediately upon request should the committee members or the committee staff wish to examine them.

Respectfully submitted.

J. A. BLASER,
Director of Buildings and Grounds.

Mr. McLendon. Mr. Akers?

The CHAIRMAN. Will you raise your right hand, sir? Do you solemnly swear that the evidence you are about to give before this committee on the matter now under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. AKERS. I do.

The CHAIRMAN. Please be seated.

Mr. McLendon. Give the reporter your name and business address, please.

TESTIMONY OF FLOYD D. AKERS, WASHINGTON, D.C.

Mr. AKERS. Floyd D. Akers, 1260 22d Street NW., Washington, D.C., business address.

Mr. McLendon. Mr. Akers, the records of the District of Columbia Armory Board show that you were appointed to the Board in June 1960; is that correct?

Mr. AKERS. That is correct.

Mr. McLendon. How did you become a member? Who appointed you?

Mr. AKERS. The chairman of the House District Committee and the chairman of the Senate District Committee appointed me; Mr. McMillan and Mr. Bible.

Mr. McLENDON. The act provides that one member of the Board shall be the presiding officer, the President of the District of Columbia Board.

Mr. AKERS. That is right.

Mr. McLENDON. And one to be appointed by the two chairmen.

Mr. AKERS. That is right.

Mr. McLENDON. And the third one is the man in charge of and responsible for the Armory.

Mr. AKERS. That is right.

Mr. McLENDON. So you were appointed by the two chairmen?

Mr. AKERS. I was.

Mr. McLENDON. The record shows that you served until March 1961.

Mr. AKERS. I resigned by letter on February 21, 1961, which was accepted on March 21, 1961.

Mr. McLENDON. During the time that you served on the Board, did you attend meetings?

Mr. AKERS. I attended all the meetings of the Board.

Mr. McLENDON. Did you miss a single meeting?

Mr. AKERS. Not to my knowledge. I will have to look at the record, but I think I attended all of them during the fall and up to that period.

Mr. McLENDON. Are you familiar with the fact that the Board resolved that all of its work in connection with the stadium and construction of the stadium was to be let by bids except in instances in which bids would not be applicable?

Mr. AKERS. Yes, sir.

Mr. McLENDON. And except, I believe—well, I can't recall an exception. You did follow the bid system, did you not?

Mr. AKERS. I beg your pardon?

Mr. McLENDON. You did follow the system of asking for bids?

Mr. AKERS. We advertised for bids, and we had reply from 24 different companies.

Mr. McLENDON. You are referring now to the employment of the consultants, aren't you?

Mr. AKERS. I beg your pardon?

Mr. McLENDON. You are referring now to the employment of the consultant, Praeger & Co.?

Mr. AKERS. To decide who was going to be appointed as to construction and the engineering and architectural background of the stadium.

(At that point, Senator Pell withdrew from the hearing room.)

Mr. McLENDON. Go ahead and tell how you finally arrived at the decision as to which ones you would employ.

Mr. AKERS. Well, the committee decided, on instructions from the Board, that we wanted several things to be considered from the standpoint of the people who were going to build this stadium and could check it from the standpoint of proper engineering and all other things—mainly their capital background, their experience, and what they could furnish us in the way of a completed stadium. Of course, as you know, we had Mr. Praeger originally offer us a design. The committee met in September and in October, and we finally brought the bids down, I mean the request down for bids to nine companies,

and then that was finally recommended to the Board of the three companies where there was a consolidation of a local company and the Dahl Co. in Texas. It was very evident from the committee's standpoint and from the standpoint of the background of General Welling, his engineering experience, that these companies had the capacity. We recognized that they had the financial responsibility, and from that point on their background and completed work on what they had done over a period of years justified us in making the recommendation.

Mr. McLENDON. Who is General Welling?

Mr. AKERS. He was the District Commissioner at that time for engineering.

Mr. McLENDON. Did you consult him in connection with—

Mr. AKERS. He was on the committee.

Mr. McLENDON. Sir?

Mr. AKERS. He was on the committee, one of the committee.

Mr. McLENDON. How did the Praeger firm—how did it turn out that they were not employed?

Mr. AKERS. Well, there were many ramifications in the study of who had the ability to do this job. We recognized his idea was an excellent idea, and, as you know, it is built along those lines of his original idea. However, he couldn't agree in presenting their program to us, on things that the committee felt should be incorporated in this program, and we found that other companies understood what we wanted here. Then the background of these companies was considered and suggested to the Board that we should employ: No. 1, someone locally, who had a local background here, where there would be someone on the job all the time. No. 2 is, we wanted it covered from an engineering standpoint, we wanted it covered from the architect's standpoint, so that we were safe from the standpoint of having people with knowledge that this stadium would be built right.

Mr. McLENDON. And they were the considerations that you took into account in employing the three firms?

Mr. AKERS. That is right. So we called them in together, and told them of our plan. We advised Mr. Ewin, his company, that we felt that they should be the chairman of this group to coordinate and work this thing out as a marriage in the combination of the heavy responsibility for building this stadium because there was too much money involved to not have a real marriage in this thing as far as we were concerned.

Mr. McLENDON. Now, the Ewin Co. was the company that General Mollison represented yesterday?

Mr. AKERS. That is right.

Mr. McLENDON. The man at that time who was active in it was named Volkert.

Mr. AKERS. Yes; but the general was the man that dealt with us at the time that we were making this choice in advising him what to do, how to handle it.

Mr. McLENDON. The act of Congress of July 28, 1958, provides that, "In the event the Board exercises the authority vested in it by this section, said stadium shall be constructed substantially in accordance with the plans for such stadium contained in the Praeger-Kavanagh-Waterbury survey entitled 'Engineering and Economic Study, District of Columbia Stadium,' dated March 31, 1958." And

Congress having directed you to follow that general plan, the question arises, Why did you get rid of the man who made the plan?

Mr. AKERS. We didn't get rid of him.

Mr. McLENDON. What happened?

Mr. AKERS. He got rid of himself. He resigned and advised us to that effect. He had the privilege of being in counsel on this thing and getting his percentage of whatever the fees were.

Mr. McLENDON. Now, Mr. Akers, what was your business background before you became a member of the Board?

Mr. AKERS. I had been interested in the stadium here since 1944. I had been on the committees. I was appointed originally on the first Commission of the District Memorial Stadium by President Roosevelt. I was reappointed on the final Committee, which became the Memorial Stadium Committee, by General Eisenhower. I followed this program from the time it started. We originally, about 20 years this last February, picked the site at that time. I was active in the board of trade, and we had many problems to try to dissolve to get the right bill through, and later on that first Committee was dissolved when Senator Bilbo introduced a bill that would not be recognized by Congress.

Mr. McLENDON. That was a bill passed, introduced by Senator Bilbo, to set up a commission of nine people?

Mr. AKERS. That is right.

Mr. McLENDON. Did you serve on that?

Mr. AKERS. No.

Mr. McLENDON. You did not?

Mr. AKERS. No.

Mr. McLENDON. That preceded the passage of this act of 1957?

Mr. AKERS. That is right.

Mr. McLENDON. Which authorized the Armory Board to build the stadium?

Mr. AKERS. That is right. This was the final bill.

(At this point, Senator Pell reentered the hearing room.)

Mr. McLENDON. So, I judge then you have been interested in the stadium for over a period of more than 20 years.

Mr. AKERS. That is right.

Mr. McLENDON. Did you have any financial interest in it?

Mr. AKERS. I beg your pardon?

Mr. McLENDON. Did you have any personal financial interest in it?

Mr. AKERS. None whatsoever.

Mr. McLENDON. Did you and the other members of the Board serve without compensation?

Mr. AKERS. That is right.

Mr. McLENDON. You received no pay of any sort?

Mr. AKERS. Nothing whatsoever.

Mr. McLENDON. How about the members, the various members of the advisory committee?

Mr. AKERS. Without compensation.

Mr. McLENDON. They all served without compensation?

Mr. AKERS. That is right.

Mr. McLENDON. Now, can you tell the committee something about the changes that were made in the original plans as you went along that resulted in these change orders that have been subject to criticism?

Mr. AKERS. During the period when I was Chairman of the Armory Board?

Mr. McLENDON. Yes.

Mr. AKERS. The first change order, as I recall, was one on the code, the District code brought up, and Mr. Blaser brought that into us. It was a small changeover of \$9,000 or \$10,000. We realized almost immediately that there would be other change orders, and the next change order came along, in the drillings out here they didn't discover where the sewer was, so that had to be changed because some of the abutments and pilings had to go in where the sewer was. So that was a big change order. Those were the two main ones that I was interested in as Chairman of the Board at that time.

Mr. McLENDON. Will you give the committee your opinion as to whether all these change orders that were approved while you were a member of the Board were necessary?

Mr. AKERS. They had to be necessary, because we couldn't continue with the construction.

Mr. McLENDON. Did your Board consult with any of these people who were potential users of the stadium, like George Marshall and the owners of the baseball team, and so forth?

Mr. AKERS. Did we what with them?

Mr. McLENDON. Did you consult with them?

Mr. AKERS. Oh, we asked them to come into the conferences and offer any suggestions they might have on the type of stadium they thought should be built here.

Mr. McLENDON. Were any of those change orders approved by the Board except upon a unanimous vote of the Board?

Mr. AKERS. None that I know of.

Mr. McLENDON. In every single instance it was a unanimous vote?

Mr. AKERS. Yes.

Mr. McLENDON. Did you have any knowledge of McCloskey's request for the first payment?

Mr. AKERS. Well, it came in to us for payment; that was the first time we made any payments—was that first bill that he sent us.

Mr. McLENDON. And you acted on the approval of Mr. Blaser and Mr. Herzberg?

Mr. AKERS. That is right.

Mr. McLENDON. Were you on the Board when it was decided to use the stadium before it was complete so as to permit football games in the fall of 1961?

Mr. AKERS. No, sir.

Mr. McLENDON. You had gotten off at that time?

Mr. AKERS. I had, and I might give you my feeling on that matter.

Mr. McLENDON. All right.

Mr. AKERS. In the fall of 1960 Mr. Bergman was advised, and advised the Board, that they were setting up the football schedule for the following fall, and that they were meeting in New York, and we immediately conferred with Mr. Blaser and others that were in the meeting at that time, who were there assisting us, the counsel, Mr. Gray.

Mr. McLENDON. The Corporation Counsel?

Mr. AKERS. Corporation Counsel. And we found that it would be almost impossible to finish the stadium. If they did do it, it wouldn't

be finished. The program was extended into 1962. We extended it 30 days, as you recall, just to give them plenty of time so we could start baseball that spring. So from that point on we asked Mr. Bergman to advise them in New York that the stadium wouldn't be ready. And we understood that they had a contract for the old Griffith Stadium over here to continue another year, which was their guarantee they could play football in the following fall there, 1961. So that was the position we took, and I was very definite about it. I didn't feel that we could speed this up. We knew what the problem would be, the extra cost. But I had nothing to do with what happened after—

Mr. McLENDON. After you left?

Mr. AKERS. After I left, in March 1961.

Mr. McLENDON. Without directing my question to any particular item, will you state to the committee here whether you have any knowledge of any kind that suggests that there was anything irregular?

Mr. AKERS. None whatsoever.

Mr. McLENDON. Involved in any of the transactions connected with the construction of the stadium?

Mr. AKERS. None whatsoever.

Mr. McLENDON. Did you know McCloskey?

Mr. AKERS. No, sir. Senior?

Mr. McLENDON. Yes, sir.

Mr. AKERS. No, sir.

Mr. McLENDON. When did you become acquainted with the younger McCloskey, his brother—his son, I mean, Tom McCloskey?

Mr. AKERS. I don't recall if he was—at the time the bids were opened he had a representative there. I met him at the time we started the construction over here, which was in July 1960. I have never met senior.

Mr. McLENDON. Did you have any idea that the McCloskey company would file the low bid?

Mr. AKERS. No, sir.

Mr. McLENDON. As far as you know, was there any way that anyone could have discovered beforehand that McCloskey's bid was going to be low, unless McCloskey himself revealed his figure?

Mr. AKERS. It would have to be that way. I have no idea, because these were sealed bids. They were under lock and key. They were brought out. I was Chairman of the Board at that time. Mr. McLaughlin served as chairman of opening the bids. They were recorded by the secretary. They were reported on the blackboard there, and it was obvious when all the bids were up who was the low bidder.

Mr. McLENDON. At the time the McCloskey bid was opened and it was determined that he was the low bidder, did you as a member of Board have any knowledge then of what change orders might be involved?

Mr. AKERS. No, sir.

Mr. McLENDON. All of that information came later?

Mr. AKERS. That is right.

Mr. McLENDON. Is that correct?

Mr. AKERS. Yes.

Mr. McLENDON. Did you know Robert Baker?

Mr. AKERS. I beg your pardon?

Mr. McLENDON. Did you know Robert Baker?

Mr. AKERS. No, sir.

Mr. McLENDON. Commonly called Bobby Baker.

Mr. AKERS. No, sir.

Mr. McLENDON. Do you know him now?

Mr. AKERS. I have met him once in the city here, but I know him from the newspaper accounts, his picture; that is all. I don't think I would recognize him if he came in here.

Mr. McLENDON. Did you ever have any conversation with him?

Mr. AKERS. No, sir.

Mr. McLENDON. You did know William McLeod, I assume.

Mr. AKERS. That is right.

Mr. McLENDON. The evidence shows that he served on one of the advisory committees.

Mr. AKERS. That is right.

Mr. McLENDON. Did you know Mr. Casey, who was secretary of the Senate committee?

Mr. AKERS. Mr. Casey?

Mr. McLENDON. Yes.

Mr. AKERS. Yes, sir.

Mr. McLENDON. He also served on the advisory committee.

Mr. AKERS. He served on that and attended the meetings, too.

Mr. McLENDON. Do you have any information that would indicate that Mr. McLeod had any ulterior motive in serving on the advisory committee or in assisting in procurement of the legislation?

Mr. AKERS. No, sir. Oh, of the bill that went through?

Mr. McLENDON. Yes. I say did he have any ulterior motive?

Mr. AKERS. I beg your pardon?

Mr. McLENDON. I ask you, do you have any knowledge that he had any ulterior motive?

Mr. AKERS. None whatsoever.

Mr. McLENDON. What do you know about his activities in that respect?

Mr. AKERS. Well, he came over there, in the original setup of the Armory Board in the bill they gave the Senator and also the Congressman, the chairmen of the committees, the courtesy of having a representative there, and that is when I first found out who he was, when he showed up at these meetings.

Mr. McLENDON. Did you know Don Reynolds?

Mr. AKERS. No, sir.

Mr. McLENDON. Do you know him now?

Mr. AKERS. No, sir.

Mr. McLENDON. That is all.

The CHAIRMAN. Senator Cooper?

Senator COOPER. I have no questions.

The CHAIRMAN. I have no questions. Thank you very much.

Mr. AKERS. Thank you kindly.

The CHAIRMAN. Mr. Akers, I appreciate your coming. You came voluntarily, and I don't believe you have been coerced in any way, have you?

Mr. AKERS. None whatsoever.

Mr. McLENDON. Mr. McLaughlin?

The CHAIRMAN. You were not sworn yesterday, were you?

Mr. McLAUGHLIN. No, sir.

The CHAIRMAN. Will you raise your right hand, please sir? Do you solemnly swear that the evidence you are about to give before this committee in the matter now under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. McLAUGHLIN. I do.

The CHAIRMAN. Please be seated.

Mr. McLENDON. Will you state your name and address for the record?

**TESTIMONY OF ROBERT E. McLAUGHLIN, ATTORNEY AT LAW,
WASHINGTON, D.C.**

Mr. McLAUGHLIN. Robert E. McLaughlin, attorney-at-law, 1725 I Street NW.

Mr. McLENDON. Mr. McLaughlin, the Armory Board records show that you became a member of the Board in April 1960; is that correct?

Mr. McLAUGHLIN. I became a member of the Board in 1956 when I became President of the Board of Commissioners, as a member of the Board, and I went off as a member of the Board when I was succeeded by Mr. Tobriner as President of the Board of Commissioners, which was, I believe, March of—

Mr. McLENDON. 1961?

Mr. McLAUGHLIN. 1961. I was Chairman, I was Acting Chairman—I have a note.

Mr. McLENDON. Yes; you can refer to the note.

Mr. McLAUGHLIN. I was Acting Chairman of the Board during the illness of Mr. Shea, who was the official Chairman at that time, from January 20 to April 30, 1960, and I was Chairman of the Board from April 30 to June 17, 1960.

Mr. McLENDON. And you went off on what date, went off the Board?

Mr. McLAUGHLIN. I went off the Board when Mr. Tobriner became President of the Board of Commissioners.

Mr. McLENDON. March 1961?

Mr. McLAUGHLIN. I believe it was the first week of March or April of 1961.

Mr. McLENDON. How were you appointed to the Board? How did you become a member?

Mr. McLAUGHLIN. Of the Armory Board?

Mr. McLENDON. Yes.

Mr. McLAUGHLIN. It is a matter of statute, in the original legislation of 1948 I believe, that the President of the Board of Commissioners will be an ex officio member of the Armory Board.

Mr. McLENDON. And it was by virtue of your official position as President of the Board of Commissioners that you became a member of the Armory Board?

Mr. McLAUGHLIN. Yes, sir.

Mr. McLENDON. How are the Commissioners appointed, the District of Columbia Commissioners; do you know?

Mr. McLAUGHLIN. They are appointed by the President of the United States with the advice and consent of the Senate.

Mr. McLENDON. Are they all appointed for the same term or are they staggering terms?

Mr. McLAUGHLIN. It is a term of 3 years, and until the successor is qualified.

Mr. McLENDON. Were you appointed for the regular term of 3 years?

Mr. McLAUGHLIN. Yes, sir.

Mr. McLENDON. Your appointment, then, would have been made by President Eisenhower, would it not?

Mr. McLAUGHLIN. Yes. I had been Chairman of the Public Utilities Commission for something over 2 years, and I was first appointed a member of the Board of Commissioners in 1955. I believe I was sworn in June 2, 1955.

Mr. McLENDON. Now, after you became a member of the Board—I am talking about the Armory Board—it became necessary for the Board to employ architects and engineers to carry out the mandate of the Congress, that you construct the stadium in general compliance with the original survey or plans made by the Praeger firm of New York. Are you familiar with that?

Mr. McLAUGHLIN. Yes, sir.

Mr. McLENDON. All of the Praeger work was done before you went on the Board?

Mr. McLAUGHLIN. No, sir. That was done while I was a member.

Mr. McLENDON. Oh, it was?

Mr. McLAUGHLIN. Of the Armory Board; yes, sir.

Mr. McLENDON. Will you tell the committee generally what that was, what the work by Praeger was?

Mr. McLAUGHLIN. The original Praeger work was to produce a feasibility study, and the first attempt was made to get an HHFA grant or advance for this planning work by use of a department of the District government, but after the usual delay, departmental delay, it was found that in view of the fact that the particular agency of the District government which had applied for the funds was not going to be the instrumentality of government that would construct the stadium, the proposed stadium, that it was not qualified under law. So the question then came up as to what agency would construct the stadium, and the legislation was passed then which authorized the Armory Board to proceed with construction of the stadium.

After that point, the funds, I believe \$35,000, were made available as an advance for this survey, and acting very much upon the advice of our advisory committee, which consulted with many interested applicants, the Praeger firm was retained and they entered upon this work. It took a great deal of effort on our part to get the final results from the Praeger firm, and I think that may have had something to do with the answer to some of the questions you have asked heretofore as to why there were disagreements and why the Praeger firm withdrew from the later work.

Mr. McLENDON. You indicate by that statement that the Praeger firm was slow in doing the work.

Mr. McLAUGHLIN. Yes.

Mr. McLENDON. Is that the gist of it?

Mr. McLAUGHLIN. Yes.

Mr. McLENDON. But they were considered with three other firms for permanent employment as the architect-engineers?

Mr. McLAUGHLIN. That is true. It was offered to them in conjunction with the other firms in accordance with the testimony you have already had.

Mr. McLENDON. The suggestion that there be a joint venture between all four of these firms was made by your Board, was it not?

Mr. McLAUGHLIN. Yes.

Mr. McLENDON. It didn't come from them? It came from the Board?

Mr. McLAUGHLIN. No. It came from the Board.

Mr. McLENDON. Without going over what has already been testified to, the Praeger firm withdrew?

Mr. McLAUGHLIN. That is true.

Mr. McLENDON. Then you proceeded with the contract with the other three?

Mr. McLAUGHLIN. Yes, sir.

Mr. McLENDON. Was there any political influence used in connection with the employment of those three firms?

Mr. McLAUGHLIN. None whatsoever.

Mr. McLENDON. Was any effort made from the outside from any source that you know about to induce your Board to employ them or any of them?

Mr. McLAUGHLIN. None whatsoever.

Mr. McLENDON. Did you find that they were competent?

Mr. McLAUGHLIN. Yes; I think they did a good job. We were disturbed, of course, about this time delay and the fact that we had to send people to New York to get them to advance with the work, and seeing a monumental task ahead of us probably building this stadium, we were concerned about that aspect.

Mr. McLENDON. Now, Mr. McLaughlin, will you tell the committee something about the problem that you had with respect to change orders after the architect-engineers had delivered the final plans and specifications?

Mr. McLAUGHLIN. Major, I didn't have many of those problems because your exhibit 7 on page A74 will indicate that—I went off the Board in March 1961, and only about \$150,000 of these change orders had gone through at that time.

However, I want to say something I believe has been said here before. This was a new undertaking in engineering. It is certainly a unique structure in this country, and I think throughout the world. Of course, this cantilever concept is used considerably abroad, but one thing that we have in this country is the problem of having two national sports. We have to have two types of stadiums to efficiently do the job, and here was a man who came forward, I suppose it was not an entirely unique idea, but at least he had the nerve to bring it forward in his plan to construct a stadium of this size with a movable section which made it equally attractive for baseball and for football. There were many new problems we knew that we were encountering here, but our qualified—and highly qualified I would say—engineers and architects thought that we should tackle it on this basis.

Now, I think it is natural that there were as many changes as there were. Actually, the only one of these that you have discussed during my period as a member of the Board—and I was not Chairman at that time; I was not Chairman when any of these were made—was the

one, the first two items concerning the toilet changes. I recall a great deal of talk about toilets. As a matter of fact, it is my understanding, and reflection on it convinces me that the reason was that we were moving a large section of the seating here in this stadium.

Mr. McLENDON. That is, you had it mounted on a track?

Mr. McLAUGHLIN. Yes; that is right, and our first contact, as you know, was the contact with the football team. And it seems to have been our understanding, or their understanding, that they were going to have equally attractive toilets for the people who would come for football as those who would come for baseball, and when they got out there and started moving these things around, they found that there was a whole section without toilets when you made it into a football field, and so that is the reason for this football change. It was contemplated—I don't know, perhaps if this is important enough you might want to redirect questions to the engineers, but I think there was just a little blind spot there as a result of the fact that you were moving a great section of your seats. Now, as I say, I left the Armory Board when Tobriner took over in March of 1961, and, therefore, if you will look at your exhibit 7 you will see that I didn't have much to do with the others. I would just be talking from hearsay if I testified on that.

Mr. McLENDON. While you were on the Board, did you have the problem of selling the bonds?

Mr. McLAUGHLIN. Oh, yes.

Mr. McLENDON. That the act of Congress authorized you to sell? Will you tell the committee what you did in that connection?

Mr. McLAUGHLIN. Well, we recognized that we had a "hot potato" and a very large one here in the stadium, because there had been people in the community who thought for generations that this stadium should be large enough to bring the Olympics here, and they wouldn't settle for anything less than a stadium for 100,000. We went into it sufficiently to find that from the point of 50,000 up the expenses increased at such an exaggerated geometrical formula that we just couldn't consider it at all. And so we took every precaution here. We anticipated sessions on the Hill on this stadium.

We didn't anticipate they would come out of just the circumstances that have brought these, but we took maximum precautions in every respect. We talked with the Treasury Department. We talked with all the people who might be involved, and out of that we decided to get the best bond counsel we could, and we decided to get an adviser from a New York securities house. We got the best ones we could from the recommendations that were given us, and I don't think we could have done any better.

Mr. McLENDON. The bonds were sold at an advantageous interest rate?

Mr. McLAUGHLIN. Yes.

Mr. McLENDON. I believe the record shows.

Mr. McLAUGHLIN. Yes.

Mr. McLENDON. Do you know of any other instances in which the Board, while you were a member or while you were Chairman, employed experts? I think the insurance problem came up later.

Mr. McLAUGHLIN. Oh, that is afterward.

Mr. McLENDON. That was after you left the Board?

Mr. McLAUGHLIN. I wasn't even a member of the Board of Commissioners then. I can't recall offhand.

Mr. McLENDON. To what extent did you use these advisory committees that you had set up?

Mr. McLAUGHLIN. We used them—I personally hadn't realized the wisdom of making such extensive use of them. I am certainly glad we did. But we threw all the questions at them; I mean where we felt that the community had a great stake, we brought them in. Where we felt that business had a stake, we brought them in. And I am very, very glad now that we did make such extensive use of them.

Mr. McLENDON. Those meetings were generally public, were they not?

Mr. McLAUGHLIN. They were not public as such. I don't know that they were ever considered closed meetings, exactly. During my time the question never came up. But they were nice enough to come down to my office in the District Building, when there would be a meeting scheduled. They would show up and we would hold it. I don't recall that the question—

Mr. McLENDON. Members of the advisory committee were invited?

Mr. McLAUGHLIN. Yes; they were.

Mr. McLENDON. To attend your Board meetings?

Mr. McLAUGHLIN. Yes.

Mr. McLENDON. Many of them did, did they not?

Mr. McLAUGHLIN. Yes; and, of course, especially where they were ready to make recommendations on some particular matter.

Mr. McLENDON. Now, Mr. McLaughlin, the act of Congress of 1958, I believe it is, broadened the authority of the Board and permitted you to exercise your discretion about awarding contracts, and didn't confine it to bidding. What policy did your Board follow in that respect?

Mr. McLAUGHLIN. We took a very definite policy to confine it to bidding.

Mr. McLENDON. Did you do that?

Mr. McLAUGHLIN. We were apprehensive. We did do that.

Mr. McLENDON. Now, this is repetitious, but I would like for you to have an opportunity to explain to the committee what was done in connection with advertising for bids, receiving bids, and acceptance of the low bid?

Mr. McLAUGHLIN. Well, I haven't heard a misstatement yet by these splendid witnesses who have been up here. The Engineer Commissioner and this group of advisers did set up a system actually for screening which we approved as a board. Well, I am talking now of the engineers. You are talking of the contract?

Mr. McLENDON. I am talking about the contract.

Mr. McLAUGHLIN. Well, as Mr. Blaser described to you, they made the most extensive distribution of the information. I think your exhibits here show how many they sent letters to. I would say as to this whole matter that there was never any exercise so far as I ever knew of any political influence at all. The bids were received by our procurement department. Mr. Blaser brought them up. I was not with him, but I met him at the Armory Board—I mean at the armory. The envelopes were handed to me. I read off the bids. They were written up on the blackboard beside us. I think there were 10 bids. It was obvious who was the low bidder, and that is all

there was to it, except, of course, the usual thing that it had to be shown that the bids were accompanied by a bid bond, and then approved bonds had to be exhibited to the Armory Board officials before the signing of the contract.

Mr. McLENDON. Was there any suggestion by any of the bidders or any other person that there was anything irregular in connection with the advertising and the reception of bids?

Mr. McLAUGHLIN. No.

Mr. McLENDON. And the awarding of the contract?

Mr. McLAUGHLIN. No; I would have been shocked, and frankly if anybody says it off the floor of Congress, where he can be sued, I will sue him, if my character is involved in it.

Mr. McLENDON. You feel that the awarding of the contract was made honestly and in the interests of the Board?

Mr. McLAUGHLIN. I certainly do.

Mr. McLENDON. Now, at the time that the contract was signed—I believe you were one of the signers—Mr. McCloskey delivered the performance bond as required, did he not?

Mr. McLAUGHLIN. I think at the time it was signed; yes.

Mr. McLENDON. Were there any side agreements of any sort with McCloskey's firm in connection with the acceptance of his bid?

Mr. McLAUGHLIN. None whatsoever. I have never met McCloskey, unless I met him at the opening football game. I don't remember specifically, but I met a lot of dignitaries there. I certainly have never met Bobby Baker. I don't know him to this day. All I know about the opening of this contract, the placing of this contract, is that I read off the bid. It was placed on the board, and the appropriate bonds were checked out and we signed the contract after a great deal of legal work on the contract.

Mr. McLENDON. Did you know as a member of the Board at that time that it would turn out that the Board would approve a large number of change orders?

Mr. McLAUGHLIN. No. There was a question of lighting, but that was taken care of as you brought out in testimony. It was still outstanding. There was the question, yes, of how the concessions would be bid, whether contracts would be let on the basis of the concessionaires providing the equipment, or whether it would be advantageous to the Board to provide its own equipment. I was not on the Board at the time this was finally done, but we anticipated, of course, that there might be some change on that, and I suppose you could always anticipate there would be some changes in connection with matters of this type.

Mr. McLENDON. But that particular thing was a policy decision?

Mr. McLAUGHLIN. That is right.

Mr. McLENDON. Which the Board had to make?

Mr. McLAUGHLIN. That is right.

Mr. McLENDON. McCloskey had nothing to do with that, I take it?

Mr. McLAUGHLIN. Pardon me?

Mr. McLENDON. I say McCloskey had nothing to do with the decision?

Mr. McLAUGHLIN. No, no.

Mr. McLendon. On that point, I take it?

Mr. McLaughlin. No; that was entirely related to another policy matter of the Board.

Mr. McLendon. I believe there is one other person I would like to ask you about. Did you know Don Reynolds?

Mr. McLaughlin. No; I have never met him. I don't know him.

Mr. McLendon. You did know Mr. McLeod, I take it.

Mr. McLaughlin. Oh, yes.

Mr. McLendon. Did you have any intimation from any source that McLeod might have any ulterior motives in connection with promoting the legislation?

Mr. McLaughlin. None whatsoever.

Mr. McLendon. Or that Reynolds had anything to do with it?

Mr. McLaughlin. I had never heard his name until I began reading it in the paper in connection with hearings by this committee.

Mr. McLendon. Although you did not know Baker, did you have any intimation from any source that he might have any interest in it?

Mr. McLaughlin. It may be some reflection on my knowledge, but I didn't even know about Bobby Baker until I started reading about it in the actions of this committee.

Mr. McLendon. Mr. McLaughlin, if there is anything else that you wish to say to the committee, I am sure they would be glad to hear you.

Mr. McLaughlin. I believe I have said it. I hope I didn't flush up a little bit too much a while ago, but I think you are all aware that intimations have been made concerning me on the floor of the Senate, and I certainly don't appreciate them after the hundreds and perhaps thousands of hours of work that we did in trying to produce this stadium.

Mr. McLendon. You served without compensation, I believe.

Mr. McLaughlin. No additional compensation. I was being paid as a District Commissioner.

Mr. McLendon. You weren't paid for your services?

Mr. McLaughlin. Oh, no.

Mr. McLendon. On the Armory Board as such? All right. That is all.

The CHAIRMAN. Senator Pell? Senator Cooper?

Senator Cooper. Mr. McLaughlin, you were aware that at the time the performance bond was filed with the Commissioners as part of the contract that the total amount of premium charged was \$73,631.28?

Mr. McLaughlin. At the time it was filed?

Senator Cooper. Yes.

Mr. McLaughlin. I knew nothing about the premium of the bond. I merely knew that the bond had been approved. It was a satisfactory bond to the District government.

Senator Cooper. Do you have a copy of the memorandum prepared by the committee? Is it in this?

Mr. McLendon. No, sir. It was put in evidence here yesterday. I have the transcripts. Do you want to refer to that? Let me see if I can find it for you.

Senator Cooper. It was shown that the performance bond, which was filed with the committee, was signed by the Armory Board, McCloskey & Co., the Aetna Casualty Insurance Co., and which carried

a notation that the total amount of the premium charged was \$73,-631.28. I would assume that was to show that both McCloskey and the surety were stating what the premium was to inform the Commissioners that was all paid.

Mr. McLAUGHLIN. I haven't seen this, Senator.

Mr. McLENDON. Let him look at a copy of that.

Mr. McLAUGHLIN. Do you mean it was computed out on the bond itself?

Senator COOPER. It was part of the contract that was signed.

Mr. McLAUGHLIN. I see it here, Senator. I had never noticed it before, although, of course, I had signed it. There was no reason particularly. I think there are contracts probably that require showing that the payment of the premium has been made so as to definitely give protection against the insurance company's later position possibly that the premium was never paid and the person was never insured.

Senator COOPER. It was to insure the Armory Board?

Mr. McLAUGHLIN. Yes.

Senator COOPER. That the surety had been paid?

Mr. McLAUGHLIN. Yes, sir.

Senator COOPER. Therefore, the performance bond was complete, not only as to the obligation of the contractor but surety. Mr. McLaughlin, Senator Carl Curtis, who is the ranking member, Republican member of this committee, has sent to me a list of questions which are to be addressed to you. The first question is, Do you know a Mr. Max Kampelman?

Mr. McLAUGHLIN. Yes; I do.

Senator COOPER. Will you state to the committee who he is and what relationship, if any, you have with him?

Mr. McLAUGHLIN. He is an attorney in Washington. You say any relationship?

Senator COOPER. Of any kind.

Mr. McLAUGHLIN. Well, I was formerly in the law firm.

Senator COOPER. What?

Mr. McLAUGHLIN. I was formerly in their law firm, Strasser, Spiegelberg, Fried, Frank & Kampelman.

Senator COOPER. Have you ever had any connection with the District of Columbia National Bank?

Mr. McLAUGHLIN. Yes.

Senator COOPER. What was your connection with the District of Columbia National Bank?

Mr. McLAUGHLIN. I was a senior vice president, and member of the board of directors.

Senator COOPER. Can you state when your connection with the bank began and if it still obtains?

Mr. McLAUGHLIN. I was correspondent for the committee that applied for the charter of that bank. It was the first charter granted here in 29 years for a new Federal bank. And being somewhat involved as time went on with the legal aspects of the thing, I went on as senior vice president of the bank upon its opening, and also a member of the board of directors, and, as a matter of fact, by that I became known as a banker temporarily and people forgot that I was trying to practice law. So I finally decided to get back into my primary profession again.

Senator COOPER. What year was it that you became connected with the bank?

Mr. McLAUGHLIN. It opened October 3, 1963.

Senator COOPER. And are you now connected with it?

Mr. McLAUGHLIN. No.

Senator COOPER. In any official capacity?

Mr. McLAUGHLIN. No; I resigned.

Senator COOPER. Do you remember when you resigned?

Mr. McLAUGHLIN. Well, as senior vice president, I resigned toward the end, I believe at the end of August of 1964. No; wait a minute; I am a year wrong. It was 1962 they opened. That is right; 1962 they opened, and I left in August 1963. Then a couple months later I resigned as member of the board of directors.

Senator COOPER. Were you a Commissioner of the District of Columbia when the bank secured its charter?

Mr. McLAUGHLIN. Oh, no. I left the Board of Commissioners in July 1961.

Senator COOPER. Are you aware of the fact that Robert G. Baker subscribed for 1,500 shares of stock in the District of Columbia National Bank at a price of \$22,500?

Mr. McLAUGHLIN. I am not aware of it. I suppose I could have been aware of it, but I didn't know Robert G. Baker, as I testified a while ago.

Senator COOPER. Are you aware of the fact that the District of Columbia National Bank loaned Mr. Baker \$125,000 at one time?

Mr. McLAUGHLIN. I am not. I have read the newspapers, but I am not aware of any of these things in any connection with the bank.

Senator COOPER. Are you aware of the fact that the District of Columbia National Bank on October 14, 1963, made another loan to Mr. Baker in the amount of \$10,000?

Mr. McLAUGHLIN. No; I have no knowledge of this.

Senator COOPER. Were you a director at the time?

Mr. McLAUGHLIN. I would have been a director until October or November of 1963, but I had no knowledge of either one of these loans.

Senator COOPER. Did you know William F. Collins?

Mr. McLAUGHLIN. Yes.

Senator COOPER. Was he an officer in the bank?

Mr. McLAUGHLIN. Yes. He was executive vice president from the opening of the bank until about maybe 6 weeks ago. He is now president of the bank.

Senator COOPER. Are you aware that Mr. Collins considered the loans I have just noted, and wrote a memorandum which was placed in the files of the District of Columbia National Bank, which stated:

Mr. Baker's position within the U.S. Government recommends serious consideration to the transaction as he is a gentleman with innumerable friends and connections whose good offices in behalf of our bank would be very valuable in our growth.

Mr. McLAUGHLIN. No. I read it in the newspaper, but I have no other knowledge of it.

Senator COOPER. But you did not see it in the files?

Mr. McLAUGHLIN. No.

Senator COOPER. It was placed in the files, but you didn't see it?

Mr. McLAUGHLIN. No.

Senator COOPER. You had no knowledge of it at the time you were director and officer of the bank?

Mr. McLAUGHLIN. That is right.

Senator COOPER. Then your statement as to all of these questions I have asked you is that you were not aware of these transactions?

Mr. McLAUGHLIN. No; not at all.

The CHAIRMAN. Any further questions? Thank you very much, Mr. McLaughlin. The committee will stand in recess until 1:30.

(Whereupon, at 12:30 p.m., the committee recessed, to reconvene at 1:30 p.m., the same day.)

AFTERNOON SESSION

The CHAIRMAN. The committee will please come to order. We have a quorum present. General Abendroth, will you please come up and take the stand, sir? You haven't been sworn?

Senator COOPER. Mr. Chairman, before we proceed, I would like to address a question to you and to the committee. As we know, the Congress may be approaching an adjournment, and it is also true that members of this committee will have to make decisions as to their schedules when the Congress adjourns. On the minority side Senator Scott is a candidate from Pennsylvania for reelection. Senator Curtis has quite an extensive schedule of speeches. I would like to ask if the chairman contemplates meetings next week, or when the next meeting will be held, and also if the chairman contemplates calling at this time Mr. Reynolds, who, Senator Williams stated, made these allegations to him; Mr. McCloskey, against whom the allegations were made; and Mr. Baker and Mr. McLeod. If the chairman can inform me so I can inform my colleagues on the minority side as to his plans, I would appreciate it very much.

The CHAIRMAN. I can answer a part of that right now without any problem whatsoever. Mr. McCloskey will be called. Mr. McLeod will be called. Mr. Reynolds will be called and Mr. Baker will be called. Now those I know of. There certainly will be others that will be called in connection with these. I don't think there is any question about that. Now as to when there will be another meeting, there won't be one next week. I can tell you that now because I won't be here myself, unless somebody else wants to hold it and I don't think that is so.

We can't get but one Republican here now and I have trouble getting another Democrat, so it is going to be a matter entirely of what the members of the Rules Committee want to do. If the Congress adjourns today or tomorrow night, it is going to be a matter of what the members want to do. We are going to continue to get the information we need, which the counsel will have to get and which the staff will have to get and which we haven't gotten up to this time. That is going to take some time. The order of the witnesses to be called I cannot tell you right now because I don't know. So far as I know we haven't gotten any information from McCloskey personally or his construction company other than some verbal information which was gotten a couple of weeks ago. There will have to be a pretty thorough investigation made into his records, and so forth, before he is called.

Mr. McCloskey has been out of the country but he is back now, I

know that, so I can't tell you exactly what date. We do intend to finish this up as fast as we can. What date will be set to finish this up, that I can't tell you. We intend to do this job thoroughly and completely, and we think we are starting at the right place, where we started yesterday and today, and we intend to pursue it right down through the avenues that we think should be. Now Mr. Reynolds is the accuser in all of this, so far as I know, through Senator Williams, who is talking for him on the Senate floor.

Senator COOPER. I think the Senator is talking for himself.

The CHAIRMAN. Well, he is repeating what Mr. Reynolds told him. He is conveying that information. So Mr. McCloskey certainly is entitled to be heard as soon as possible, and we will do that, and Mr. Baker. Counsel just advised me, which I already knew, that I asked Mr. Williams, Senator Williams, about a week ago, for additional information which he says he has, and which he has not supplied to me or the committee as yet. He said he would do it and I am sure he will. He is a very honorable gentleman. So that is as far as I can tell you right now, Senator Cooper.

Senator COOPER. Could we have a meeting on Monday morning of the committee?

The CHAIRMAN. So far as I am concerned.

Senator COOPER. To discuss the witnesses and the time when they would be called?

The CHAIRMAN. Yes, sir. I will be here Monday morning and will be glad to meet with you and any other members that will be present. I will be delighted to do that. That is one of the things I had in mind, because that is going to determine the timing of our future procedures as to how many members we can get present.

Senator COOPER. I will be here and it may be that either Senator Scott or Senator Curtis will be here but the reason I asked is that we wish to know what the procedures and schedules will be. We would expect to ask that we call immediately, or in the next week at the latest, Mr. Reynolds, Senator Williams, Mr. McCloskey, Mr. Baker, and Mr. McLeod.

The CHAIRMAN. I am going to get out a notice for a meeting. I had already discussed that. I discussed it with you just a few minutes ago about whether Senator Cooper was going to be in town Monday, and he said he was, and I will call for a meeting Monday.

Mr. McLendon. We just got the notice today.

The CHAIRMAN. We have an agreement which the committee made with Senator Scott, that we would give him 3 days' notice of a meeting and we will get that notice out today so as to comply with Senator Scott's wishes. But I might add this. That there is no such thing as me complying with everybody's wishes, because you have got nine. If everybody wants to stretch it out in some other direction it is going to be a little hard to do in coming back here. Does that answer your question, Senator?

Senator COOPER. Yes. I will take it up on Monday.

The CHAIRMAN. Thank you. General Abendroth, do you solemnly swear that the evidence you are about to give before the committee in the matter now under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

General ABENDROTH. Yes, sir.

Mr. McLendon. Would you state your full name and your business address to the reporter?

**TESTIMONY OF MAJ. GEN. WILLIAM H. ABENDROTH, MEMBER,
ARMORY BOARD**

General ABENDROTH. William H. Abendroth. My business address is the District of Columbia Armory.

Mr. McLendon. You are the commanding general of the District of Columbia National Guard?

General ABENDROTH. Yes, sir.

Mr. McLendon. How long have you occupied that position?

General ABENDROTH. Since 1948.

Mr. McLendon. Have you been a member of the District of Columbia Armory Board since its creation?

General ABENDROTH. I came on the Board in 1949.

Mr. McLendon. In 1949?

General ABENDROTH. Yes, sir.

Mr. McLendon. Have you been a member of the Board continuously since that time?

General ABENDROTH. Yes, sir.

Mr. McLendon. General, what was your first problem arising or which confronted your Board in beginning your efforts to construct the stadium? What was the first undertaking you had to solve?

General ABENDROTH. I believe the first undertaking was to get a survey made.

Mr. McLendon. Will you tell us briefly what you did about that?

General ABENDROTH. Yes, sir. We formed a committee, an advisory committee, to get brochures and information on people that could make the survey, and submit to us the names that they would recommend.

Mr. McLendon. What firm did you finally employ?

General ABENDROTH. Praeger, Kavanagh & Waterbury of New York.

Mr. McLendon. Did they make the survey?

General ABENDROTH. Yes, sir.

Mr. McLendon. The act of Congress of 1958 directed that the Board proceed to construct the stadium in general compliance or substantial compliance with that survey. Do you remember that?

General ABENDROTH. Yes, sir.

Mr. McLendon. What did you do next, then?

General ABENDROTH. Let's see; they made the survey, and I think it was determined during that survey that the stadium would not pay, that it would cost the taxpayers some money.

Mr. McLendon. Would do what?

General ABENDROTH. Would cost the District taxpayers some money, so we didn't know whether we should go ahead or not, so we met with members of the board of trade, and asked their advice. Their advice was to go ahead. Then we met with people we considered heavy taxpayers, prominent citizens in the District, like Morris Cafritz and people of that caliber, and asked them what we should do, and they told us to go ahead. Then we met with the District Commissioners, and they told us to go ahead, so we went ahead to build the stadium, knowing that some of the load would fall on the taxpayers.

Mr. McLENDON. The act of 1958 eliminated the limitation upon the cost. Do you remember that?

General ABENDROTH. Yes, sir.

Mr. McLENDON. The first limitation of the Congress was \$6 million.

General ABENDROTH. Yes, sir.

Mr. McLENDON. That is, that it would not exceed in cost \$6 million.

General ABENDROTH. Yes, sir.

Mr. McLENDON. After that limitation was removed, did your Board decide to go ahead with the stadium that would cost in excess of \$6 million?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you proceed to have plans and specifications drawn for such a stadium?

General ABENDROTH. Yes, sir.

Mr. McLENDON. The original act also limited the size to not to exceed 50,000.

General ABENDROTH. Yes.

Mr. McLENDON. Seats, accommodations for 50,000.

General ABENDROTH. That is correct.

Mr. McLENDON. That was not changed, was it?

General ABENDROTH. No, sir.

Mr. McLENDON. The stadium that you did build was built to accommodate 50,000?

General ABENDROTH. Approximately 50,000.

Mr. McLENDON. Approximately. Then did it become necessary for you to employ architects to make the final design?

General ABENDROTH. Yes, sir.

Mr. McLENDON. The drawing. What did you do about that?

General ABENDROTH. Well, we created another advisory committee to go over the different architects in the country to find out which ones would be the best and make a recommendation to us.

Mr. McLENDON. Was this advisory committee composed of District of Columbia citizens?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you participate in selecting them and in inviting them to serve?

General ABENDROTH. Not on the advisory committee.

Mr. McLENDON. I mean did you invite the individuals to serve on the advisory committee?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you personally invite some of them?

General ABENDROTH. No. I think we decided on it at a Board meeting.

Mr. McLENDON. At a Board meeting?

General ABENDROTH. Decided on a list of names at a Board meeting.

Mr. McLENDON. What sort of people did you undertake to select?

General ABENDROTH. We selected the people that we thought were best qualified to select the architect-engineers.

Mr. McLENDON. Did they make recommendations back to your Board?

General ABENDROTH. Yes, sir.

Mr. McLENDON. How many firms did they recommend?

General ABENDROTH. I don't remember how many firms.

Mr. McLENDON. They recommended the Praeger firm, didn't they, for one?

General ABENDROTH. Yes, sir.

Mr. McLENDON. And at least three others, Dahl, Ewin, and Osborn?

General ABENDROTH. That is right.

Mr. McLENDON. Does that refresh your recollection?

General ABENDROTH. Yes, sir; that is right.

Mr. McLENDON. What decision did your Board make then?

General ABENDROTH. We decided that we would ask them to form a corporation, so that they could work together on the stadium. We figured that some of them were engineers, some of them were architects, and we thought that by combining them they could do a better job.

Mr. McLENDON. Did your Board get a report from the advisory committee as to each of these firms, their qualifications and so forth?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you go over all of that information?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you have these firms appear before you, the Board?

General ABENDROTH. I believe we did before they were finally selected.

Mr. McLENDON. After you invited them to form a syndicate, the four of them, what occurred then?

General ABENDROTH. They formed the syndicate, and I believe Ewin was to be the chairman, and then later on they came to us and asked us or told us that they couldn't work with Praeger. So they wanted to know what we wanted to do about it, and we told them that that was their problem, that we didn't want to enter into it.

Mr. McLENDON. What happened?

General ABENDROTH. Then I believe Mr. Praeger resigned from the syndicate.

Mr. McLENDON. Did you go ahead and make the contract with the other three?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Up to this time, these things that you have testified about, was there anything like political pressure brought to bear upon you or the Board?

General ABENDROTH. None whatever.

Mr. McLENDON. To induce you to employ Praeger in the first instance or these other three firms in the second place?

General ABENDROTH. None whatever.

Mr. McLENDON. Did you exercise your own independent judgment about that?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Were you satisfied with the choice after you had made the contract with them?

General ABENDROTH. Yes, sir; I was satisfied.

Mr. McLENDON. General, when did your Board become aware of the fact that the plans and specifications as drafted by this syndicate of three architects and engineers did not include everything that the Board wanted to include in the stadium?

General ABENDROTH. Well, I think the first incident was the 14 toilets talked about this morning.

Mr. McLendon. Yes.

General ABENDROTH. I think in drawing up the plans they drew them up for baseball rather than for football and baseball, and on the side where the stands move around to create the stadium for football they move 6,400 seats. There weren't any toilets on that side, so George Marshall was the first one to call our attention to it. So we added the 14 toilets on that side to take care of the 6,400 people.

Mr. McLendon. You speak of these movable seats. Are they so arranged that they move on rail or track?

General ABENDROTH. Yes, sir; they move on a track.

Mr. McLendon. Now on what part of the baseball diamond would they be?

General ABENDROTH. They would be in left field.

Mr. McLendon. Between the homeplate and first base?

General ABENDROTH. No; between third base, around by third base.

Mr. McLendon. OK. Then for football you move them back?

General ABENDROTH. Yes, sir; toward the scoreboard.

Mr. McLendon. Is that right?

General ABENDROTH. Yes, sir.

Mr. McLendon. In order to do that, to comply with the building code and the sanitary code, you would have to have these toilets?

General ABENDROTH. Yes, sir.

Mr. McLendon. An extra setup; is that what you mean?

General ABENDROTH. Yes, sir.

Mr. McLendon. Did the Board authorize that change?

General ABENDROTH. Yes, sir.

Mr. McLendon. What else do you recall now that you decided—that the Board decided should be added?

General ABENDROTH. Well, the temporary stand that would be put in the end zone, the flooring for that was five-ply wood with fire resistant paint on it—and that has been used in any number of stadiums—and when we started to put it in, the inspectors told us that we couldn't put it in; we had to put in metal. So we had to change to aluminum, and that was a \$129,000 additional cost, aluminum flooring.

Mr. McLendon. Go ahead with the next one that you recall. To refresh your recollection, do you remember the one that concerned the concessions, the concession areas?

General ABENDROTH. Yes, sir. We hadn't decided for some time whether we would put the installations in for the concessionaires or whether they would put them in. Then we made the decision to put the equipment in ourselves. We did that because we figured we could get a shorter term with the concessionaires, also a better percentage, if we put the equipment in. If they put the equipment in, we would have to give them a 25- or 30-year lease until they paid for the equipment that they put in there. So we decided that it would be better for us, more economical, to put the equipment in ourselves. That is the reason it was delayed.

Mr. McLendon. Then the contract with the concessionaires would be on a percentage basis?

General ABENDROTH. Yes, sir.

Mr. McLendon. Of their intake?

General ABENDROTH. Yes, sir.

Mr. McLendon. Was that the kind of contract that was finally made with them?

General ABENDROTH. Yes, sir.

Mr. McLendon. In that connection did you have the advice of people familiar with the operation of stadiums?

General ABENDROTH. Yes, sir. Mr. Bergman and I made two or three trips to other stadiums to inquire about the concessionaires and other things on the stadiums.

Mr. McLendon. Did you actually inspect stadiums?

General ABENDROTH. Yes, sir.

Mr. McLendon. Where they had these concession arrangements?

General ABENDROTH. Yes, sir.

Mr. McLendon. Both ways?

General ABENDROTH. Yes, sir.

Mr. McLendon. Did you and Mr. Bergman then recommend to the Board that you adopt the plan you did adopt?

General ABENDROTH. Yes, sir. We reported our findings to the Board.

Mr. McLendon. Do you recall any other large item that you decided to change?

General ABENDROTH. I think one large item was that we first started to construct the stadium with glass enclosures on the mezzanine boxes, and then baseball didn't want that because they figured the reflection from the glass would hit some of the players any time during the day.

Mr. McLendon. Make them drop a ball?

General ABENDROTH. Yes, sir. Marshall objected to it because he said it would be like attending a silent movie when you went to the football game. So we took that out. Only the frames had been put in. We hadn't purchased the glass. So we had to take that out. That was a change order.

Mr. McLendon. General, were each of these changes considered by your Board and voted on by your Board?

General ABENDROTH. Yes, sir.

Mr. McLendon. Were the votes always unanimous?

General ABENDROTH. Yes, sir; they always were.

Mr. McLendon. In everything?

General ABENDROTH. Yes, sir.

Mr. McLendon. According to the contract and the testimony of Mr. Blaser, I believe, in the case of change orders involving less than \$25,000 they were not required to bring them to the Board but they did bring some of these to the Board?

General ABENDROTH. Yes; that is correct, because it would take time to get the Board together, and if they were small amounts we figured it would be better for Mr. Blaser and Mr. Herzberg to pass on them to expedite the completion of the stadium.

Mr. McLendon. General, do you know of any instance in which the contractor himself—that is, McCloskey—suggested a change which would require a change order?

General ABENDROTH. No, sir; not that I know of.

Mr. McLendon. Did they all originate with your Board and the Board's staff?

General ABENDROTH. Either the Board or Mr. Blaser.

Mr. McLendon. Was a single one of those changes made that was not reasonably necessary, in your opinion?

General ABENDROTH. We thought they were necessary when we passed on them; yes, sir.

Mr. McLENDON. Did your Board follow the policy of employing experts in certain areas, like an expert to help you with the bond issue?

General ABENDROTH. Yes, sir.

Mr. McLENDON. And an expert to help you with insurance?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you employ an expert in connection with the bonds?

General ABENDROTH. Yes, sir.

Mr. McLENDON. I believe it has been testified that his name was Russell, was it?

General ABENDROTH. From New York; yes, sir.

Mr. McLENDON. From New York. And you also employed another man named Gallagher, I believe?

General ABENDROTH. Yes; from New York.

Mr. McLENDON. He was with one of the brokerage houses; is that right?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did they advise you with respect to the terms of the bonds?

General ABENDROTH. Yes, sir; they did.

Mr. McLENDON. And how you would market them?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Now with respect to insurance, what did you do about expert advice on that?

General ABENDROTH. I am not too familiar with the insurance. The Corporation Counsel handled that almost entirely.

Mr. McLENDON. Mr. Gray?

General ABENDROTH. Yes, sir.

Mr. McLENDON. You do know, do you not, or do you, that you did employ a firm from Philadelphia to advise with respect to the permanent insurance on the stadium after it was constructed?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did they advertise—prepare for the Board, bids—advertisement for bids?

General ABENDROTH. Yes, sir.

Mr. McLENDON. On the insurance?

General ABENDROTH. Yes.

Mr. McLENDON. Did you receive bids on insurance just like you received bids on the stadium?

General ABENDROTH. Yes, sir.

Mr. McLENDON. State whether or not you awarded the insurance contract to the bidder that you thought had the most favorable proposal.

General ABENDROTH. Yes, sir. The lowest qualified bidder.

Mr. McLENDON. That happened to be a District of Columbia firm, did it not?

General ABENDROTH. I believe one of them was.

Mr. McLENDON. Do you recall Don B. Reynolds or Don B. Reynolds Associates was one of the bidders for that insurance?

General ABENDROTH. No, sir.

Mr. McLENDON. You don't remember his name being connected with it? The minutes of July 5, 1961, show that Don B. Reynolds

Associates represented by Don Reynolds, Emmett Kenealy, assistant manager of United States Fidelity & Guaranty Co. of Baltimore, and Mr. Cheney, representing the New Hampshire Insurance Co., appeared before the Board.

General ABENDROTH. They probably appeared. I don't remember.

Mr. McLENDON. The minutes also show that this firm of experts, Lukens, Savage & Washburn, met with the Board on September 22 with 10 local insurance firms. Do you recall that?

General ABENDROTH. No, sir. I believe they met with Mr. Korman of the Corporation Counsel's Office.

Mr. McLENDON. Then finally on the 4th day of December Lukens, Savage & Washburn submitted to you a list of all the bidders for insurance and recommended that you award the contract to Reliance Insurance Co., represented by the Cafritz Co.

General ABENDROTH. Yes, sir. They returned the list to us with their recommendations.

Mr. McLENDON. Is that correct?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Was any political influence brought to bear upon you or any member of the Board in connection with awarding that insurance?

General ABENDROTH. None whatsoever.

Mr. McLENDON. Can you give the committee some idea of the size of the premium, the amount of premium on the total insurance on this stadium?

General ABENDROTH. No, sir; I couldn't.

Mr. McLENDON. You don't recall anything about what it was, approximately?

General ABENDROTH. No; I don't believe I do.

Mr. McLENDON. Now earlier than that, when you decided in the fall of 1961 to permit the use of the stadium for football before the stadium was completed, was it necessary for you to negotiate with the McCloskey Co. about additional insurance?

General ABENDROTH. Yes.

Mr. McLENDON. To protect the Board and to protect him, of course?

General ABENDROTH. Yes, sir; to protect the Board. We were disturbed because we were afraid the equipment would be left around where the public would fall over it. We insisted that everything be cleaned up out of the aisleway, also that the insurance would be taken out. I believe that we took out 6 days' insurance. It might be McCloskey took 6 days and then we took the balance. It ran over 6 days of games while the stadium was still being worked on.

Mr. McLENDON. To express it another way, there were 13 games played, weren't there?

General ABENDROTH. Yes, sir.

Mr. McLENDON. And McCloskey contended it was unfair for him to pay the insurance for all of that.

General ABENDROTH. That is right; so we picked up the balance.

Mr. McLENDON. You paid for seven games and he paid for six; is that correct?

General ABENDROTH. That is right.

Mr. McLENDON. Or is it the other way around?

General ABENDROTH. No. We paid for seven games.

Mr. McLENDON. That represented a compromise, I assume?

General ABENDROTH. Yes, sir.

Mr. McLENDON. With that exception, did your Board have any dealings with McCloskey in the nature of negotiating any kind of contract or agreement subsequent to the time that you awarded him the main contract?

General ABENDROTH. No, sir. When the football people asked us to expedite the stadium so they could play the first game in there, George Marshall asked me to come down for lunch, and I went down there and Tom McCloskey was there. I believe Blaser was there, also. And it wasn't any meeting with the Armory Board or a formal meeting, but Marshall talked to Tom McCloskey about getting the stadium finished in time, and Tom promised him he would get it finished so that he could play the game, get it partially finished. But there was no fee mentioned or no deal with the Armory Board. It was just a promise between Tom McCloskey and George Marshall.

Mr. McLENDON. This was in the fall of 1961, when the stadium was well on the way toward being finished?

General ABENDROTH. Yes, sir.

Mr. McLENDON. In the meantime your Board had extended the time for completion, had you not?

General ABENDROTH. Yes, sir.

Mr. McLENDON. With McCloskey. Did he at that time—Tom McCloskey—make any representation that the McCloskey company would expect any additional compensation?

General ABENDROTH. No, sir.

Mr. McLENDON. Did you have any knowledge of that until later when the McCloskey company filed a claim for damages, I suppose you would call it, because of what he called acceleration of the contract?

General ABENDROTH. That is the first time I knew of any claim being mentioned one way or another.

Mr. McLENDON. You informed the Board, I assume, that you were present and heard McCloskey say that he would accelerate it?

General ABENDROTH. That is correct.

Mr. McLENDON. And made no claim for the payment?

General ABENDROTH. That is correct.

Mr. McLENDON. Is that correct?

General ABENDROTH. That is correct.

Mr. McLENDON. I believe the evidence is that your Board turned down the claim, although he didn't put a dollar figure on it at that time?

General ABENDROTH. He didn't put a dollar figure on it at first, but I believe he did later.

Mr. McLENDON. Yes, but the Board refused to pay it.

General ABENDROTH. Yes, sir.

Mr. McLENDON. It is now before the Contract Appeals Board?

General ABENDROTH. That is correct.

Mr. McLENDON. General, you served all this time, I assume, without pay?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Your duties on the Armory Board were in addition to your duties as commanding general of the National Guard of the District of Columbia?

General ABENDROTH. That is correct.

Mr. McLendon. Did you attend the meetings regularly?

General ABENDROTH. Yes, sir.

Mr. McLendon. Did you give your best judgment and thought to it?

General ABENDROTH. I thought I did.

Mr. McLendon. Are you aware of any information from any source that would indicate that there was anything irregular, any collusion, or any fraud connected with any aspect of the construction of the stadium?

General ABENDROTH. I was very much surprised when I read in the paper that there was some accusation to that effect.

Mr. McLendon. I believe you were one of the signers of the contract with McCloskey & Co.?

General ABENDROTH. Yes; I was.

Mr. McLendon. On behalf of the Board?

General ABENDROTH. Yes, sir.

Mr. McLendon. You heard the other witnesses testify about advertising for bids and how they were opened and how the contract was awarded, have you not?

General ABENDROTH. Yes, sir.

Mr. McLendon. Do you have anything to add to that?

General ABENDROTH. No, sir.

Mr. McLendon. Do you have any reason to believe that there was any collusion between the bidders?

General ABENDROTH. No, sir.

Mr. McLendon. When did you first become acquainted with McCloskey?

General ABENDROTH. I believe I met Mr. McCloskey, the head of the firm—

Mr. McLendon. That is Matt McCloskey?

General ABENDROTH. Yes, sir; Matt McCloskey, at a cocktail party, just to be introduced and say hello. I met Tom McCloskey many times during the construction of the stadium, but never before the bids were opened.

Mr. McLendon. You didn't know either one of them before?

General ABENDROTH. No, sir.

Mr. McLendon. Have you ever had any business dealings with them since that time?

General ABENDROTH. No, sir.

Mr. McLendon. Have you ever talked with them privately about any aspect of the stadium construction? You told about one conversation you had in the presence of—

General ABENDROTH. George Marshall.

Mr. McLendon. Of George Marshall?

General ABENDROTH. No, sir. I would visit the stadium quite often while it was being constructed because my office is right across the street.

Mr. McLendon. Yes.

General ABENDROTH. And I talked with Tom or Mr. Sciambi, his foreman, but not on any deal or any change or anything. Just how are things going, fine, something like that.

Mr. McLendon. Did you know William McLeod, the secretary to the House Committee on the District of Columbia?

General ABENDROTH. I got acquainted with him when he worked with the Board. I didn't know him before.

Mr. McLENDON. You say worked with the Board. Do you mean on the advisory committee, or what do you mean?

General ABENDROTH. Well, on the advisory committee, and he used to attend some Board meetings when George Shea was Chairman.

Mr. McLENDON. Mr. Shea was the first Chairman, was he not?

General ABENDROTH. Yes, sir, on the stadium project.

Mr. McLENDON. Is it true that Mr. Shea asked McLeod to serve as his alternate in his absence on account of illness?

General ABENDROTH. Yes, sir.

Mr. McLENDON. What happened about that?

General ABENDROTH. The Corporation Counsel ruled that he could not vote, because he was an employee of the Federal Government.

Mr. McLENDON. Mr. Gray?

General ABENDROTH. Yes, sir.

Mr. McLENDON. The Corporation Counsel advised your Board that McLeod was not eligible to do that?

General ABENDROTH. That is right.

Mr. McLENDON. Did he vote thereafter?

General ABENDROTH. No, sir.

Mr. McLENDON. But he still attended some of the meetings?

General ABENDROTH. Yes, sir.

Mr. McLENDON. As a member of the advisory committee?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Do you have reason to believe now, or did you have reason to believe, that at that time McLeod had any ulterior motives in his activities, that he was getting any payoff or expected to get any payoff?

General ABENDROTH. No, sir; I didn't.

Mr. McLENDON. When did you first know Don Reynolds, if you knew him?

General ABENDROTH. I didn't know him. I have never met him.

Mr. McLENDON. Did you say that you recalled his appearance about the insurance?

General ABENDROTH. I say he might have appeared with the group there, but I don't remember.

Mr. McLENDON. Otherwise you didn't know him?

General ABENDROTH. No, sir.

Mr. McLENDON. When did you get acquainted with Robert Baker?

General ABENDROTH. I never met Robert Baker.

Mr. McLENDON. You never have, even to now?

General ABENDROTH. No, sir.

Mr. McLENDON. I notice in the minutes and in the resolution which was introduced here that both McLeod, the secretary of the House committee, and Mr. Casey, the secretary of the Senate committee, were put on the advisory committee.

General ABENDROTH. Yes, sir.

Mr. McLENDON. That was early after the act of 1957 authorizing the Board to build a stadium?

General ABENDROTH. Yes, sir.

Mr. McLENDON. What is your explanation for putting those two men on the advisory committee?

General ABENDROTH. We thought they would be valuable on the committee to keep us informed, and also the House and Senate District Committees informed, and guide us in building the stadium according to the Praeger-Kavanagh report. That is, not exactly advise us, but if we were going to the right or left they could caution us. We were very anxious to please the Congress on the building of the stadium, and we thought they would be valuable to us.

Mr. McLENDON. What part did the Board take in promoting the two amendments to the original act of 1957? Do you recall one in 1958 and then another one in 1959?

General ABENDROTH. I didn't understand that question.

Mr. McLENDON. I say what part did you and the other members of the Armory Board take in promoting the two amendments to the original act authorizing the construction of the stadium?

General ABENDROTH. We appeared—we would appear before committees of the Congress to answer questions.

Mr. McLENDON. Were they open hearings, public hearings?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you attend in person?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did you actually testify in any of those instances?

General ABENDROTH. No, sir. Most of the testimony would be with the Chairman of our Board.

Mr. McLENDON. Whoever was Acting Chairman at the time?

General ABENDROTH. Yes, sir.

Mr. McLENDON. But you did personally attend.

General ABENDROTH. Yes, sir.

Mr. McLENDON. Did your Board recommend to the committees of the Congress that the limitation of \$6 million be eliminated from the act?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Why did you do that?

General ABENDROTH. The report that we got on stadiums; we found that we couldn't build a stadium to meet the specifications for the District of Columbia for a stadium at that price.

Mr. McLENDON. I notice that one of the amendments also stated expressly that the Board was not required to let contracts by bidding; that you would be permitted to construct a stadium in any way that you thought was most expedient or most feasible.

General ABENDROTH. That is correct.

Mr. McLENDON. Did your Board have anything to do with getting that language written into the act?

General ABENDROTH. I don't think we did. I don't remember that we did.

Mr. McLENDON. Did you do that? Did you do anything other than get bids?

General ABENDROTH. No, sir. We asked for bids wherever it was applicable. We figured we were safe in asking for bids.

Mr. McLENDON. And that was the decision of the entire Board?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Even though you had authority to do it otherwise?

General ABENDROTH. That is correct.

Mr. McLENDON. What was your reason for that?

General ABENDROTH. Well, so that we could answer questions at a hearing just like this.

Mr. McLENDON. That is a good answer. And you followed that procedure throughout, did you, for receiving bids in every case where bids were applicable?

General ABENDROTH. Yes, sir.

Mr. McLENDON. General, is there anything you want to say about the construction of the stadium that I haven't asked you about? You heard the general statement made here, and I suppose you have kept up with the press reports?

General ABENDROTH. Yes, sir. I believe that McCloskey didn't make any money on the stadium, on the construction of the stadium. When they expedited the construction of the stadium, I know from personal inspections that they put on extra crews and worked all night long, and that was entirely McCloskey, not a subcontractor. And I always felt that McCloskey took this bid and took it at the low figure because he wanted to have a reputation of building the stadium in the Capital City, and I honestly believe that all the way through, and I haven't had anything occur since the stadium was built that would change my mind.

Mr. McLENDON. I believe you testified you had visited stadiums in other places?

General ABENDROTH. Yes, sir.

Mr. McLENDON. And became familiar with how they were constructed and their accommodations and so forth?

General ABENDROTH. Yes, sir. We would visit those stadiums so that, we thought, we wouldn't make the same mistakes they made. We discussed it with the builders and the people that had them built. They told us where they had made a mistake here and there and we marked it down and brought this information back and then we would act on that in building our stadium.

Mr. McLENDON. I noticed, General, that your Board kept very voluminous minutes of all your meetings?

General ABENDROTH. Yes, sir.

Mr. McLENDON. Was that by design? Did you start out with that policy and keep it up?

General ABENDROTH. I believe that is right.

Mr. McLENDON. They have been available to us?

General ABENDROTH. Yes, sir.

Mr. McLENDON. To the committee staff, and they have also been available to the General Accounting Office?

General ABENDROTH. Yes, sir.

Mr. McLENDON. And also to the general accounting officer of the District of Columbia; I forget what his title is.

General ABENDROTH. Mr. Hally.

Mr. McLENDON. Mr. Hally. Have any of these people, Mr. Hally, or the General Accounting Office pointed out to you and to the Board any irregularity in your accounts?

General ABENDROTH. No, sir.

Mr. McLENDON. Or criticized any of your bookkeeping methods?

General ABENDROTH. No, sir. They have been complimentary on it.

Mr. McLENDON. Is there anything else you would like to say?

General ABENDROTH. No, sir.

Mr. McLENDON. That is all, Mr. Chairman.

The CHAIRMAN. Senator Cooper.

Senator COOPER. You stated a few minutes ago that you did not believe that Mr. McCloskey made any profit in the construction of the stadium. Did he tell you that?

General ABENDROTH. No, sir.

Senator COOPER. You have no facts upon which to base your conclusion?

General ABENDROTH. No, sir. It is just my opinion from observation.

Senator COOPER. What was the name of the auditor who prepared the final audit of the sums paid Mr. McCloskey on account of his contract?

General ABENDROTH. The name of the auditor?

Senator COOPER. Yes.

Mr. McLENDON. You mean Mr. Bergman?

Senator COOPER. The auditor. Was there an audit made of the payments that were made to Mr. McCloskey?

General ABENDROTH. I believe there was. I believe Mr. Bergman could answer that better than I could.

Mr. McLENDON. Are you talking about Mr. Hally?

The CHAIRMAN. If Mr. Bergman is here to answer that and could answer it I would be glad to hear it.

Mr. BERGMAN. Our staff prepared the report, and then Mr. Hally of the Auditing Division of the District of Columbia audited our report and certified to its accuracy.

Senator COOPER. The audit, of course, would show payments made to Mr. McCloskey.

Mr. BERGMAN. Yes, sir; the report would show that.

Senator COOPER. Or the McCloskey Co.?

Mr. BERGMAN. Yes, sir.

Senator COOPER. I don't assume you could answer this question at this time, but could you look at the audit and report to the committee in what way item 1 in the first payment request for work performed submitted by McCloskey & Co.—item 1 being "Bond, \$100,000"—was reported? That would show the payment of that sum.

Mr. BERGMAN. Yes, sir. It is shown in the original contract price.

Senator COOPER. And the way it was described in the auditor's report.

Mr. BERGMAN. It is a part of the \$14,247,187.50 contract figure shown in schedule 2 of the audited report.

Senator COOPER. Yes.

Mr. BERGMAN. Yes; on page 7 of our final construction report.

Senator COOPER. Let me ask either you or Mr. Bergman the name of the Philadelphia firm which was employed to give expert advice upon insurance matters.

Mr. BERGMAN. The name of that firm?

Senator COOPER. Yes.

Mr. BERGMAN. Lukens, Savage & Washburn.

Mr. McLENDON. L-u-k-e-n-s, S-a-v-a-g-e.

Senator COOPER. Will you submit to the committee the names of the firms who provided insurance to the Board and the cost of the premiums?

Mr. BERGMAN. Do you wish that now? The name of the firm, the local firm here?

Senator COOPER. Yes.

Mr. BERGMAN. Senator, if I got your question correctly here, this is the correspondence dated October 30, 1961, going to Lukens, Savage & Washburn, Public Ledger Building, Philadelphia, Pa.:

Gentlemen: In accordance with our prior arrangement there is enclosed herewith on behalf of the District of Columbia Armory Board 38 bids for the furnishing of insurance on the Armory and the District of Columbia Stadium. These are sent to you for evaluation and report as promptly as possible. The bid form provides in paragraph 5 that the "announcement of the successful bidder will be made on November 3, 1961, or as soon thereafter as bids received have been evaluated." The enclosed bids are from the following.

There are 38 companies. Do you wish me to enumerate those?

Senator COOPER. He submitted a list of 38?

Mr. BERGMAN. Pardon me, sir?

Senator COOPER. A list of 38 companies was submitted?

Mr. BERGMAN. Yes, sir; there were 38 bidders on the permanent insurance policies. And that letter is signed, "Please let me hear from you as soon as you can. With all good wishes, sincerely, Milton D. Korman, Principal Assistant to the Corporation Counsel of the District of Columbia."

Senator COOPER. According to the questions asked a few minutes ago by counsel, he said that on September 22 Lukens, Savage & Washburn met with 10 local insurance bidders to find out how they would feel about having a representative group submit a proposal on this bid. Did such a group join together to submit a proposal?

Mr. BERGMAN. I have no knowledge of that.

Senator COOPER. They submitted a proposal?

Mr. BERGMAN. I don't know. I never knew about that. This whole matter was handled entirely by Mr. Korman of the District of Columbia Corporation Counsel's Office.

Senator COOPER. Was that the company that got the bid? Did it represent this same group, or was it another bidder?

Mr. BERGMAN. I can't answer that. I believe that Mr. Gray can. I can't answer that. I never knew anything about that, Senator.

Senator COOPER. Who had charge of the bids?

Mr. BERGMAN. The Corporation Counsel was in complete charge of the insurance.

Senator COOPER. The Corporation Counsel?

Mr. BERGMAN. Yes, sir; and Mr. Milton Korman, who is the assistant to Chester Gray, is the one that handled this.

Senator COOPER. I will postpone this. This is the first time I have seen these minutes.

The CHAIRMAN. Do either one of you know whether the people in Philadelphia are any kin to Mr. McCloskey or any of his people?

Mr. BERGMAN. I didn't hear that.

The CHAIRMAN. Do either one of you know whether the people that you mentioned there were employed in Philadelphia had any connection by marriage or kin with Mr. McCloskey?

Mr. BERGMAN. I wouldn't think so; no, sir.

The CHAIRMAN. You don't know?

Mr. BERGMAN. No.

The CHAIRMAN. Thank you. You don't think they were kin to Bobby Baker, either, or Mr. Reynolds? He was one of the people there.

Mr. BERGMAN. No, sir.

Mr. McLENDON. That is all.

Senator COOPER. I will ask you, General, as I asked the others, if you knew at the time the performance bond was filed that the total amount of premium charged was \$73,631.28?

Mr. ABENDROTH. Yes, sir.

Mr. McLENDON. You said you didn't know Baker, didn't you?

Mr. ABENDROTH. No, sir; I didn't know him.

The CHAIRMAN. Thank you very much, General. We appreciate your testimony. That will be all.

Mr. McLENDON. Mr. James F. Reilly.

The CHAIRMAN. Do you solemnly swear that the evidence you are about to give before the committee in this matter now under investigation is the truth, the whole truth, and nothing but the truth, so help you God?

Mr. REILLY. I do, Mr. Chairman.

The CHAIRMAN. Thank you, sir.

Mr. McLENDON. Will you state your full name and your business address for the record, please?

TESTIMONY OF JAMES F. REILLY, WASHINGTON, D.C.

Mr. REILLY. James Francis Reilly, 1625 K Street NW.

Mr. McLENDON. You spell it R-e-i-l-l-y?

Mr. REILLY. If it is spelled any other way, it is not spelled right.

Mr. McLENDON. I can tell you are a lawyer.

Mr. REILLY. That is right. Except for a tour of duty as an Assistant Corporation Counsel and a member of the Public Utilities Commission, and almost 4 years at the CAB, I have been practicing law in the District of Columbia.

Mr. McLENDON. The record shows that you became a member of the Armory Board in April 1961.

Mr. REILLY. That isn't correct, exactly correct. I was sworn in on March 29, I believe the date would be. The first meeting I attended was on April 14, 1961.

Mr. McLENDON. By whom were you appointed?

Mr. REILLY. By Senator Alan Bible, the chairman of the Senate District of Columbia Committee, and Chairman John McMillan of the House District of Columbia Committee, under the statute.

Mr. McLENDON. That was in compliance with the requirement of the statute, was it not?

Mr. REILLY. That is correct.

Mr. McLENDON. I believe the architects and engineers had already been employed when you went on the Board.

Mr. REILLY. Very much so.

Mr. McLENDON. The work was well along toward completion of the stadium?

Mr. REILLY. That is correct.

Mr. McLENDON. You came off the Board in October of that year, 1961?

Mr. REILLY. I think that I resigned; I gave you just a bit ago my letter of resignation with my report, dated October 9, and the resignation was effective October 12, 1961.

Mr. McLENDON. You gave me your letter of resignation addressed to Chairman Bible of the Senate committee, and Mr. McMillan of the House District of Columbia Committee. Would you like for this to be made a part of this record?

Mr. REILLY. I would be very happy if it were.

Mr. McLENDON. Give it to the reporter.

(The letter referred to may be found as exhibit 13 at p. A144 of the appendix.)

Mr. McLENDON. Mr. Reilly, is there anything about the work of the construction of the stadium while you were a member of the Board that was at all suspicious, as far as you were concerned, to indicate any collusion, fraud, deception, or any form of dishonesty?

Mr. REILLY. No, sir.

Mr. McLENDON. Did you attend the meetings regularly?

Mr. REILLY. Too many meetings. As that letter points out, I was spending most of my time on armory business instead of practicing law.

Mr. McLENDON. It was beginning to get burdensome to you?

Mr. REILLY. Very much so, sir.

Mr. McLENDON. It has been brought out over and over again that all of you gentlemen served without pay.

Mr. REILLY. That is right, sir.

Mr. McLENDON. You say you know of no instance of any suspicious conduct by anybody connected with the construction of the stadium?

Mr. REILLY. Well, I don't know, Major; sometimes we lawyers—and, of course, Senator Cooper being a former judge understands this—we lawyers sometimes use words. Now, if you are talking about an actual physical construction of the stadium itself, the answer is unequivocally "No." Now, there did come a time, some time in May of 1961, and this was fully reported in the newspapers in the District of Columbia, all of them—as a matter of fact, I guess we were in the papers all the time. Chairman McMillan, of the House District of Columbia Committee, called me and asked me to have lunch with him. Since he was chairman of the District of Columbia Committee, I accepted that invitation. I was there, and he introduced me to Mr. Reynolds.

Mr. McLENDON. Don B. Reynolds?

Mr. REILLY. That is correct. And he told me that Mr. Reynolds was in the insurance business and would like to be considered for the liability coverage of the District of Columbia Stadium. I said, "Mr. Chairman, under both the Armory Board Act and under the Stadium Act, this has to be by competitive bidding, and if Mr. Reynolds desires to be considered, all he has to do is submit a bid." I told the press at that time that I didn't think that was any pressure. There was no point, the conversation with respect to that had ended at that point, and subsequently Mr. Reynolds did submit a bid, he and three others, and they came to the Armory Board. I haven't seen these records you have before you, Major.

You called me the other day. As you know, I wasn't feeling very well. I could have made the Yale track team, as a matter of fact, from a bug I had. The bidders appeared before the Board, and we turned it over to the Corporation Counsel's Office for them to discuss with the Superintendent of Insurance of the District of Columbia, and they

reported back that—they used an expression that I use quite often, that it is like comparing apples and oranges. There wasn't comparability. As a result of that in these open meetings I asked them if they could recommend somebody that could advise the Armory Board with respect to insurance. That idea did not really initiate with me because there was an insurance man called me on the phone and suggested that this was the way that he suggested to do it; I can't recall who he was. He recommended a fellow in Baltimore, or a firm or an individual, who had done some work, I believe, for a municipal organization or something in Arlington, Va.

The Superintendent of Insurance recommended, as I recall it, both that man and this Lukens, Savage & Washburn, and as a result of that, in drawing up the plans, and so forth and so on, it was quite some time. As a matter of fact, I think that the advertisements in the newspapers about the bids were just almost immediately before I left the Board. I couldn't tell you who got the award. I do know from the newspapers that Mr. Reynolds' group did not.

Mr. McLENDON. You were not there on the Board at the time the award was actually made?

Mr. REILLY. No. As I heard the testimony here, the award was made, I believe, in December, and I believe I left there in October.

Mr. McLENDON. You do know that the Board employed these consultants in Philadelphia, the Lukens firm?

Mr. REILLY. That is correct, because this was handled by Mr. Korman, and he made his recommendation that they be retained, and the Board accepted that recommendation.

Mr. McLENDON. Do you have any recollection as to the approximate amount of money that was involved in the annual premiums for insurance of that quantity?

Mr. REILLY. No. I have not a clear recollection. At the time that the four firms appeared before the Armory Board to make these presentations they were talking of premiums of somewhere from \$12,000 to \$25,000 a year. That is my best recollection. That includes fire and public liability.

Mr. McLENDON. You were discussing the general insurance after the stadium was taken over by the Board, the permanent insurance we call it. That is what we are talking about, isn't it?

Mr. REILLY. Well, it all happened—the stadium hadn't actually been delivered, if that is the correct word. I don't know whether it is or not, but we were discussing the question of liability insurance because the Board was committed under its contract with the Redskins to have the stadium available for the Redskins' 1961 season. I did not participate in that negotiation with the Redskins, but they were committed to that, and wanted to be sure that the Armory Board and the District of Columbia were held harmless for any accidents through liability which occurred.

Mr. McLENDON. Mr. Reilly, did some of these change orders come before the Board while you were still a member?

Mr. REILLY. A number of them did, and frankly, it was my recollection that most of them were because of the building inspection of the Fire Department. As a matter of fact, Major, I refused to vote for the change orders with respect to this flooring for the temporary seats, and I asked an opportunity as Chairman of the Armory Board

to appear before the District of Columbia Commissioners to ask them if they wouldn't waive this regulation with respect to the difference in the flooring, and they granted me that right the very same day, I believe, as a matter of fact, and I appeared before them and I made it clear that I didn't want to endanger anybody's life, but I thought that the sum, I heard General Abendroth say \$40,000, but my recollection was \$130,000, but he is closer to the record than I am, but whatever it was, the chief inspector, Mr. Engelfritz, and Fire Chief Sutton, I have great sympathy for Fire Chief Sutton because my father was a fireman, but they just opposed this request for a waiver, and it was turned down, and I went along with the change order.

Mr. McLENDON. And you did approve it then?

Mr. REILLY. Yes, sir.

Mr. McLENDON. Any other comments you would like to make about the change orders that were approved while you were on the Board?

Mr. REILLY. I relied, as I think I had every right to rely, upon the expertise and the honesty and integrity of Mr. Blaser and Mr. Herzberg and those who are more familiar with those things than I am. I am a lawyer.

Mr. McLENDON. Did you know the McCloskey people, Mr. Reilly?

Mr. REILLY. No. The only time I ever met Mr. McCloskey was some time after my appointment we made a tour with newspaper people—and I think it was with the then president of the Washington Senators—and Mr. McCloskey was there and he was introduced, and we shook hands, and that is the only time I ever saw Mr. McCloskey.

Mr. McLENDON. You never had any business association with him?

Mr. REILLY. None whatsoever.

Mr. McLENDON. Did you know Robert Baker?

Mr. REILLY. I have a recollection of meeting him a great many years ago, and the only other association I had with him—and it is kind of an ironical thing to talk about it—was when I was president of the Friendly Sons of St. Patrick of the District of Columbia in 1959. That is a society of Irishmen and those of Irish descent. It was supposed to be open to Catholics and non-Catholics, and we Catholics try to keep the balance in our favor, and we had invited the then majority leader to address us. We always try to have distinguished people. It is a very, very fine affair.

On this occasion we were hopeful that the President of the United States, Dwight David Eisenhower, and the President of Ireland, Seán O'Kelly, who was going to be in Washington March 17, would be present. I wanted my ancestors in Ireland to be proud of me for something. We didn't get any reply from the Senator and, as I recollect, I called that office and I was directed to Mr. Baker, and I talked to him and he said the majority leader couldn't make the speech. The ironical part about all of this is the man who made the speech is the present Republican nominee for President of the United States, and he did a terrific job.

The CHAIRMAN. We will have to recess for about 15 minutes. There is a rollcall vote.

(Brief recess.)

The CHAIRMAN. The committee will come to order, please. As you see, we do not have a quorum, but Senator Cooper says he has no objection to proceeding with the questioning of the witness, and I certainly don't have, so we will proceed.

Mr. McLENDON. Had you finished the statement you were making?

Mr. REILLY. The last thing you had gotten the rollcall and I finished talking about the luncheon. I am glad to answer questions that anybody has.

Senator COOPER. Mr. Reilly, I will direct some questions to you regarding your statement about a meeting with Congressman McMillan and Mr. Reynolds.

Mr. REILLY. Yes, sir.

Senator COOPER. Do you remember the date of the meeting?

Mr. REILLY. Some time in May, as best I can tell you.

Senator COOPER. May of what year?

Mr. REILLY. 1961.

The CHAIRMAN. This is after the stadium was under construction?

Mr. REILLY. Yes.

The CHAIRMAN. Way down the line?

Mr. REILLY. Yes.

The CHAIRMAN. It had nothing to do with the performance bond and so forth?

Mr. REILLY. That is right.

Senator COOPER. You think it was May 1961?

Mr. REILLY. Yes.

Senator COOPER. Where was the meeting?

Mr. REILLY. In the House restaurant.

Senator COOPER. How was the meeting arranged?

Mr. REILLY. Congressman McMillan called me and invited me to lunch.

Senator COOPER. Who was present?

Mr. REILLY. Mr. McMillan, Mr. Reynolds, and myself.

Senator COOPER. Was anyone else present?

Mr. REILLY. No, sir.

Senator COOPER. Now, will you repeat what Congressman McMillan said to you and what you said to him?

Mr. REILLY. Well, he introduced Mr. Reynolds as a friend of his from his district, and a very successful insurance man, and I believe he mentioned that he had something to do with his appointment to West Point, and that he would like to be considered for the insurance at the stadium. And I said, "Well, Mr. Chairman, under the law this has got to be done by competitive bidding, and if Mr. Reynolds wants to be considered for it he has to competitively bid." As I recall it, that was over 3 years ago; the chairman said that that is all he was entitled to, or something to that effect.

Senator COOPER. Who said that?

Mr. REILLY. Mr. McMillan.

Senator COOPER. Did Mr. Reynolds say anything?

Mr. REILLY. He talked generally about insurance and his experience and so forth. He was a very personable kind of a fellow.

Senator COOPER. Was it suggested to you as to a way you might be of assistance to Mr. Reynolds?

Mr. REILLY. There was not.

Senator COOPER. By way of an insurance policy?

Mr. REILLY. There was not.

Senator COOPER. Was it discussed whether or not the insurance business would be awarded without competitive bidding?

Mr. REILLY. No, no; there wasn't. I raised the question of competitive bidding. Mr. McMillan just said he wanted Reynolds to be considered for it.

Senator COOPER. Had you known Mr. Reynolds before?

Mr. REILLY. I understood that he was at the swearing-in ceremonies when I was sworn in as a member, but I have no recollection of that.

Senator COOPER. Then your statement is that you just didn't know him?

Mr. REILLY. That is right.

Senator COOPER. Before that time?

Mr. REILLY. That is absolutely right.

Senator COOPER. Have you talked to him since that time?

Mr. REILLY. I have no recollection of seeing or talking with Mr. Reynolds since he made his presentation to the Board, with other bidders, in July, I believe.

Senator COOPER. Who were the members of the Armory Board with you at that time in May of 1961?

Mr. REILLY. Commissioner Walter N. Tobriner and Major General Abendroth.

Senator COOPER. You said something about the press inquiring about this meeting, and you talked to the press.

Mr. REILLY. Made full disclosure when they asked me.

Senator COOPER. When was that?

Mr. REILLY. I don't know. Within a month or something I got a call and was asked who the bidders were on the contract, and I told them who they were, and then Reynolds, of course, was one of them, and then somebody, some reporter—I don't know which one—asked me if I had ever met Mr. Reynolds and under what circumstances and I told them what I am telling you today, Senator.

Senator COOPER. Had you told anyone about this meeting with Congressman McMillan and Mr. Reynolds?

Mr. REILLY. Not to my knowledge; no.

Senator COOPER. You didn't report it to the Armory Board?

Mr. REILLY. No; I did not.

Senator COOPER. When was it you resigned?

Mr. REILLY. The effective date was October 12.

Senator COOPER. I know you said that no one else was present at the meeting, but I will ask you if, while you were there in the restaurant, Mr. McLeod was present at any time?

Mr. REILLY. No; he was not.

Senator COOPER. Are there any other occasions which you remember where anyone made any kind of suggestion like this to you?

Mr. REILLY. Well, I recall Mr. McLeod called me on two occasions.

Senator COOPER. Mr. McLeod?

Mr. REILLY. Yes, sir. Once he called me about the status of the concession contract—the concession bids, rather—and that is all he did ask me, and I told him they were under consideration. As a matter of fact, I think the records of the Board will show that he wrote to the two Chairmen as a result of our April 14 meeting when the concession

bids were opened, and told them that all the bids—when it was decided that all bids would be made public, and that is the way it was handled on April 28, Senator Cooper.

Senator COOPER. Mr. McLeod called you and wanted to know about—

Mr. REILLY. The status only.

Senator COOPER. The status of bidding for the concession?

Mr. REILLY. That is right.

Senator COOPER. What kind of information did he ask for?

Mr. REILLY. When we might be deciding it.

Senator COOPER. Was that after the bids had been submitted?

Mr. REILLY. Yes, sir.

Senator COOPER. Did he mention any particular bidder?

Mr. REILLY. He did not.

Senator COOPER. Did he indicate any interest in any particular bidder?

Mr. REILLY. He did not.

Senator COOPER. At any time?

Mr. REILLY. He did not.

Senator COOPER. During the time you were serving on the Armory Board—

Mr. REILLY. Before we leave Mr. McLeod, Senator Cooper—

Senator COOPER. There was another occasion that you mentioned.

Mr. REILLY. That is right. He called me and said there was a complaint on some of the concession equipment; that one of the bidders had claimed that the bid, the low bid, which had been awarded, they just couldn't build, well, couldn't perform under the contract at that low price. I told him that the bid had been awarded; that they had to put up a bond; and if they wanted to have a meeting and discuss it with the people it would be perfectly all right. I understood from Mr. Blaser that he did have such a meeting. The Board met with Mr. Blaser and Mr. Herzberg and I think Mr. McCloskey—Thomas; is that his name—was present, and we discussed the matter, and the bid stood as it was awarded. He didn't ask me to do anything. He just said that there was this complaint.

Senator COOPER. At that time, did Mr. McLeod name the bidder who he said could not meet the terms of his bid?

Mr. REILLY. I regret very much that I can't answer that question.

Senator COOPER. Sir?

Mr. REILLY. I regret I cannot answer whether he did or did not.

Senator COOPER. You say at some later date there was a meeting at which this question was discussed?

Mr. REILLY. That is right. The minutes of the Armory Board will show who it was.

Senator COOPER. Were you present at that meeting?

Mr. REILLY. Yes, sir.

Senator COOPER. Was McCloskey at the meeting?

Mr. REILLY. Thomas McCloskey was there.

Senator COOPER. Could you refresh your recollection by looking at the minutes to see what other persons were there?

Mr. REILLY. I think I can tell you. There were the three members of the Board, Mr. Blaser, Mr. Herzberg, and Mr. McCloskey, and Mrs. Keith, who was the secretary to the Board, and that would be it.

Senator COOPER. This matter you were discussing didn't involve the whole question of the concession; did it?

Mr. REILLY. Oh, no; no, indeed; no. The concession contract had been awarded. It just involved some portion of the equipment that was being purchased, and the bids had been made and received, is my recollection, and the award had been made, and there was the complaint that they couldn't perform at that low price.

Senator COOPER. Did it occur to you after these calls from Mr. McLeod that there was any indication of his interest in bringing these matters to you and to the Board?

Mr. REILLY. I guess the only way I can answer that question is he was clerk of the House District of Columbia Committee, and he was calling me, I guess, in my capacity as Chairman of the Board, and I can assure you that it was clearly made out to him that these things were going to be decided strictly on the basis of the bids and awards, and anybody that knows me and my reputation in the District of Columbia knows that is so. I am not up here, as the Senator well knows, to defend my character. I am here to provide whatever information this committee can secure from me with respect to your investigation. And I am telling you what the facts are, as I recall them. As a matter of fact, Senator, the last time I appeared before you, you were a member of the Senate Judiciary Subcommittee in the nomination of Edward Tamm 16 years ago.

Senator COOPER. The nomination of—

Mr. REILLY. Edward Tamm, of the District Court, and I was one of the two or three that spoke in favor of him, and you voted for him, and he has turned out to be one of the outstanding trial justices in the United States of America, and I think you ought to be very proud of that vote.

Senator COOPER. Well, I have been, always. It was a close vote.

Mr. REILLY. It sure was.

Senator COOPER. Was there any other time when Mr. McLeod was attempting to intervene for any person interested in this construction?

Mr. REILLY. No, sir; never. These are the only two occasions I can recall.

Senator COOPER. Was there any occasion when Congressman McMillan—

Mr. REILLY. Well, at the same time in this period Mr. McMillan wrote me a letter about the parking. We are going to get in bids on the parking, and when the press called me with respect to the other matter, they asked me the same question that you are asking me right now, Senator Cooper. And I said, yes, he wrote me a letter, but I didn't pay any attention to it; I didn't answer it. This is a competitive bidding thing. But I did give them the substance of the letter, and I was surprised he was writing about two people instead of one. And that is all covered thoroughly in the press in the period there, 1961, and all of these, and I have always tried to answer frankly and honestly any questions that were put to me.

Senator COOPER. I think you said you didn't know Mr. Baker at all.

Mr. REILLY. I told you the only contact I remember was that one about the invitation for the Senate majority leader to speak, and I just have a real hazy recollection that I did meet and shake hands with him on an occasion 10 or 12 years ago, way back, but I have never had any other conversations with him, to my knowledge.

Senator COOPER. Am I correct in saying that a few minutes ago you testified that you did have some disagreement with the Board members concerning some changes that were made in the contract?

Mr. REILLY. On this one. I don't know—I guess disagreement is as good a word as any, but as I recall the figure, it was \$133,000 or \$135,000, something in that area, but instead of using the kind of material for the flooring in the movable stands—these are the movable stands—that they had to use, I thought it was aluminum, but I heard the general say metal. I said I didn't think we ought to spend that money, and we ought to ask the Board of District Commissioners if they wouldn't waive the regulations and we would save that money.

I asked Mr. Tobriner, who, of course, wears two hats—he was on this by law; he is a member of the Armory Board and he is also on the Board of Commissioners—if I could appear before the Board, and he said “Yes,” and I asked when his next meeting was, and it was not long after we were having our meeting, and I appeared. It was a public meeting.

I made my little speech about why I thought they ought to waive it, and, of course, I didn't want to endanger anybody's life, but in my own way I thought out there in that big place, that the likelihood of fire was kind of remote, but Chief Sutton of the Fire Department and Egelfritz, or Engelfritz, whatever his name is, were very adamant on the thing, and the Commissioners turned it down, and so I went along with the change. When the press reported it was about this fire hazard, but that is the time, Senator Cooper.

Senator COOPER. I just have one more question. You have brought to the attention of the committee the instances which you felt, if they were not irregular, could be thought of as being irregular. Are there any others?

Mr. REILLY. No; that is all I can recall.

Senator COOPER. That you can think of?

Mr. REILLY. Yes. This question, as the Senator well knows, the question—it is awfully easy to have 20-20 vision on people on hindsight—and I think of no other incidents. I was going to live by the statute. That is the way I have practiced law, and I took this job as I thought I could do a public service, and I worked hard and assiduously, as you will see from that letter of resignation. We were in this period where we were trying to meet the contract requirement of the Redskins' contract and I attended, I think that record will show, about 18 meetings, most of them full time, plus the preparation for these meetings. I felt that I had made a contribution. I have always felt that the Board performed in an outstanding manner.

I have always felt very badly about the fact that my name appeared in the paper in connection with some of these things. I have six children who see these matters in the press, and people come to conclusions. They read as they run, and I must say that, despite the fact that I was glad of the opportunity to perform a public service, I was very happy to become a full-time lawyer again. I might say for your information that I have been chairman of this District of Columbia Legal Aid Agency, an agency which the Congress established in 1960 under Chief Judge Prettyman, and am also on the admissions and grievance committee of the U.S. district court, right now I am in the middle of trying to correct some papers. But I was asked by the counsel to be

available. He called me at my home where I was ill. I had no forewarning and I felt it was my duty to say everything that I could recollect without any reservation, and I made no comment about anybody or charges about anybody. The facts speak for themselves.

Mr. McLENDON. Just one other question. In referring to the letter that Mr. McMillan wrote you, you made some remark to the effect that he spoke of two people. I didn't quite understand what you meant.

Mr. REILLY. Well, I will tell you what it was. As a matter of fact, I just took that letter and just threw it aside, and when the reporters called me they asked me, and I am not complaining about reporters because they have got their jobs to do. I never will forget my oldest son saying to me, "Daddy, you were there, and they have got a right to ask you those questions about what you did when you were there." That has been some consolation to me. But they called. I remember that a fellow called me at 8 o'clock in the morning and they wanted to know—and I told him about this thing. He asked me who it was, and I read the letter, and he called me back and said, "This is two people." Well, I later found that we had these bids.

Incidentally, the winning bid was for \$20 a day, I believe. It is the lowest bid I ever saw in my life. I think it was \$20 a day it ended up, and I went over there to the Armory Board, where the bids were opened publicly with the press and everybody else present. I was told at a later time that these two people, if they got the bid, or maybe when they were interviewed by the press they said that if they got the bid, they were going to pool their operations, and that is the recollection on it. But it was mentioned. And I might say in there as I recall that the theme of Mr. McMillan's letter was that you ought to give this to local people. Local people did get it. The late Mr. Dessendorf was the successful bidder. He was not one of those Mr. McMillan mentioned in his letter.

Mr. McLENDON. That is all the questions.

The CHAIRMAN. I just have one question. Mr. McLeod being a member of this Board or of the advisory committee, would it be natural for people to go to him for information, to ask him to ask people that did know about different functions going on? Would it be a normal thing?

Mr. REILLY. Well, I would assume that when you work with a House committee, and, unfortunately, Senator, I don't know what your views are on this, but unfortunately we do not have home rule, and I presume that they go to the House District Committee with their complaints and they make these inquiries.

The CHAIRMAN. I have no other questions.

Mr. McLENDON. Mr. Chairman, I have been supplied by the secretary of the Board with a letter from the Corporation Counsel to this firm of experts in Philadelphia, Lukens, Savage & Washburn, listing the names and identifying all of the bidders for this general insurance. She tells me that the two companies finally receiving the contracts were Cafritz Co., representing Reliance Insurance Co., the liability insurance, and fire insurance was awarded to Manufacturers Mutual Fire Insurance Co.—two rather than the one that has been previously stated. I suggest you let me put this in the record so the record will be clear on it.

The CHAIRMAN. Without objection.

(The letter referred to may be found as exhibit 14 at p. A146 of the appendix.)

Mr. McLENDON. That is all, except I would like to make the statement that Mr. Hauck was here yesterday, representing the second low bidder, McShain. He misunderstood about his appearance and left town today. He is not here. He didn't know he was expected back, so his office tells me, and I wanted to make that explanation as to why he isn't here.

Mr. REILLY. I would just like to make one closing comment now that I am excused. I would like Senator Cooper to say hello to his dear brother. We were opponents when he was representing TWA and I was representing United Airlines.

The CHAIRMAN. Thank you very much. This will close this hearing for this day. The committee is adjourned.

(Whereupon, at 3:30 p.m., the committee recessed, subject to the call of the Chair.)

APPENDIX

EXHIBIT 1

STAFF MEMORANDUM

DISTRICT OF COLUMBIA STADIUM—LEGISLATIVE HISTORY

OCTOBER 1, 1964.

1. The District of Columbia Armory Board was created by an act approved June 4, 1948 (District of Columbia Code, sec. 2-1702). The Board was composed of three persons: (a) the President, District of Columbia Board of Commissioners; (b) the commanding general of the District of Columbia National Guard; and (c) a person appointed by the chairmen of the House and Senate District of Columbia Committees. The bill authorizing the construction of the stadium was introduced January 5, 1957, in the House by Congressman Oren Harris and passed as Public Law 85-300, September 7, 1957. The only rollcall vote taken on the bill was in the House on the conference report, the House refusing to concur. Thereafter, the Senate approved the House bill.

2. Public Law 85-300 authorized the Armory Board to construct and operate a stadium with a seating capacity not to exceed 50,000, at a total cost not to exceed \$6 million; it directed the Secretary of the Interior to acquire additional land and, at the request of the Armory Board, to transfer title to the Board for the entire site; provision was made for the issuance by the Board of bonds guaranteed by the United States payable from funds provided in accordance with the act.

3. Public Law 85-300 was amended by Public Law 85-561, passed July 28, 1958. The more important amendments are: (a) The Board is directed to construct the stadium substantially according to plans contained in the Praeger-Kavanagh-Waterbury survey, dated March 31, 1958; (b) the Secretary of the Interior is directed to enter into a contract with the Armory Board for the construction of the stadium on the East Capitol Street site and for its operation for a term of not more than 30 years; (c) the Armory Board is authorized to issue bonds to provide funds for the construction, operation, and maintenance; (d) the limitation of the cost to \$6 million is stricken out; (e) the matter of financing is stated in some detail; in substance, the Board was directed to use all income received from the stadium to pay the cost of construction, maintenance, repair, and operating expense and to borrow from the U.S. Treasury amounts sufficient to pay any annual deficit; such borrowings to be included in the District of Columbia budget for the following year.

4. Public Law 85-300 was further amended by Public Law 86-378 approved September 23, 1959. The more important amendments are: (a) The Board may construct the stadium by such means as it determines to be most effective, including but not limited to a negotiated contract; (b) authority is provided for the operation and maintenance of motor vehicle parking areas; (c) the Secretary of the Interior is directed to prepare designated sites for motor vehicle parking at a cost not to exceed \$2,660,000.

SOME INFORMATION REGARDING ORGANIZATION AND OPERATION OF
THE DISTRICT OF COLUMBIA ARMORY BOARD

1. The following persons have served as Chairman of the Armory Board:

	From—	To—
George F. Shea	October 1954	April 1960
Robert E. McLaughlin (acting)	April 1960	June 1960
Floyd D. Akers	June 1960	March 1961
James F. Reilly	April 1961	October 1961
Francis J. Kane	October 1961	Present time

2. Others who have served on the Armory Board and their length of service:

Maj. Gen. W. H. Abendroth, July 1949 to present time.

Robert E. McLaughlin, June 1956 to March 1961.

Walter N. Tobriner, March 1961 to present.

3. Architect and engineer survey:

March 31, 1958: Praeger-Kavanagh-Waterbury, New York City.

4. Architect and engineer employed by the Armory Board for final design and construction (joint endeavor):

The Osborn Co., Cleveland, Ohio.

Ewin Engineering Associates, Washington, D.C.

George L. Dahl, fellow, American Institute of Architects, Dallas, Tex.

5. Contracting officer for District of Columbia Armory Board:

James A. Blaser, Director, Department of Buildings and Grounds, District of Columbia.

Project manager: Noble W. Herzberg, the Osborn Co., Cleveland, Ohio.

Resident engineer: Carl Staker, the Osborn Co., Cleveland, Ohio.

6. Invitation for bids (nationwide coverage), April 18, 1960:

Opening of bids (public), June 10, 1960.

Contract executed, July 7, 1960.

Contract signed for the Armory Board by—

Floyd D. Akers, Chairman.

Robert E. McLaughlin, member.

W. H. Abendroth, member.

Contract signed for McCloskey & Co. by T. D. McCloskey, vice president.

Performance bond signed and delivered July 7, 1960, by the same individuals and for Aetna Casualty Co. by Eugene Fields.

Bonds of District of Columbia Armory Board in the sum of \$19.8 million advertised June 22, 1960.

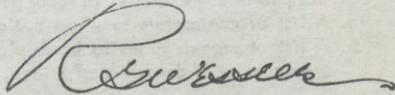
Sold to successful bidder, July 7, 1960.

EXHIBIT 2a

April 21, 1960

MEMORANDUM FOR: Mr. James A. Blaser,
Director, Buildings & Grounds, D.C.

Pursuant to your conversation with Mr. Lawyer today, the attached material pertaining to the D.C. Stadium is forwarded for your information.



R.G. WESSELLS,
Procurement Officer, D. C.

Attachments

MEMO FOR RECORD RE ORDERING
OF ADDITIONAL PLANS.

EXHIBIT 2a—Continued

File No. 8-46

April 27, 1960

To: Managing Director, D. C. Armory Board
Subject: D. C. Stadium

In accordance with my verbal comment to you on April 26, I am enclosing:

1. A copy of a letter sent to all newspapers requested to publish advertisement.
2. A proof copy of a newspaper advertisement on the stadium bid solicitation.
3. A list of newspapers in which this advertisement was published, exclusive of local papers.
4. A list of contractors to whom notice was sent.
5. A list of organizations to whom plans were sent upon receipt of deposit as of Friday, April 22nd.

If additional information is received, it will be furnished to you. It is understood that the bill for newspaper and technical publication advertisements will be assembled by the Procurement Office and submitted to the Armory Board for reimbursement to the Procurement Office.

JAB
J. A. BLASER
Contracting Officer for
D. C. Armory Board

Enclosures as stated

JAB:m

cc:Procurement Office

WAC

EXHIBIT 2b

April 19, 1960

TO THE SECRETARY, BOARD OF COMMISSIONERS, D.C.

It is requested that the attached advertisement for construction of the D.C. Stadium, 22nd and East Capitol Street, Washington, D.C., Invitation No. C-60159-B, be inserted in the Engineering News Record for the issues of April 23 and May 5, 1960.

Request for this advertising has been received in this office from the Department of Buildings & Grounds, D.C.

FOR THE PROCUREMENT OFFICER, D.C.

WILBUR H. LAWYER,
Supervisor, Bid & Contract Division,
Procurement Office, D.C.

Attachment

WHL/bac

cc: Weekly File

Mrs. Cook

GE File

✓ cc: Dir., Bldgs. & Grounds

EXHIBIT 2b—Continued

File No. 4-41

April 18, 1960

To: Procurement Officer

Subject: Construction of D. C. Stadium - Drawings and Specifications for Advertising

Forwarded are drawings and specifications for construction of the D. C. Stadium, 22nd and East Capitol Streets, Washington, D. C.

It is requested that the project be advertised on April 19, 1960, and that bids be received on May 18, 1960.

Wage rates will be required.

After advertising, the following should be sent to this Department attention of Mrs. Hagen:

- 2 copies of advertisement
- 2 sets of wage rates
- 2 sets of standard District forms as modified

It is requested that one extra copy of the Form of Bid be included in each set of specifications issued.

J. A. BLASER
Contracting Officer for
D. C. Armory Board

cc:Mr. Bergman

JAB:m

EXHIBIT 2b—Continued

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL ADMINISTRATION

PROCUREMENT OFFICE

REPLY TO
ROOM 404
499 PENNSYLVANIA AVE N W
WASHINGTON 1. D. C

GF #

You are invited to bid on

District of Columbia - Armory Board, April 19, 1960. CONSTRUCTION OF D.C. STADIUM, 22nd and East Capitol Street, Washington, D.C. (Invitation No. C-60159-B. Bid forms, plans and specifications are now available from Procurement Office, D.C., Rm. 404, 499 Pennsylvania Ave., N.W., upon deposit of a certified check for \$200.00 per set, payable to D.C. Treasurer. (Phone NA 8-6000, Ext. 2378). SEALED BIDS TO BE RECEIVED 2:00 PM, EDT, May 18, 1960 in Room 424, Procurement Office, 499 Penn. Ave., N.W. and OPENED AT D.C. NATIONAL GUARD ARMORY at 3 PM, EDT on the same day.

ADVERTISED IN THE THREE LOCAL NEWSPAPERS FOR APRIL 19,
THROUGH 23 and 25, 1960.

A handwritten signature in cursive script, appearing to read "R G Wessells".

R G Wessells
Procurement Officer, D C

EXHIBIT 2c

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL ADMINISTRATION

PROCUREMENT OFFICE

REPLY TO:
ROOM 404
499 PENNSYLVANIA AVE., N. W.
WASHINGTON 1, D. C.*Name of paper*

April 19, 1960

ATTENTION: Classified Manager

Gentlemen:

You are hereby authorized to publish in your newspaper the enclosed classified advertisement for construction of D.C. STADIUM, Washington, D.C. This advertisement to be set solid without paragraphing, for three consecutive days beginning upon receipt of this order.

The rates charged shall not exceed the commercial rates charged to private individuals, with the usual discounts. Payment will be made by the District upon presentation of an invoice, in duplicate, made to the D.C. Armory Board and addressed to the Procurement Office, D.C., Room 404, 499 Penn. Ave., N.W., Washington 1, D.C.

Since this stadium will be located in our Nation's Capital and will undoubtedly bring many major national and international events to this city this item should be of considerable interest to your newsreaders.

F.H. HEROLD,
Acting Procurement Officer, D. C.

EXHIBIT 2c—Continued

RACK T-26 POST**FIRST PROOF****HFO****D. C. ARMORY BOARD—1x nec****BIDS AND PROPOSALS**

DISTRICT OF COLUMBIA—Armory Board, April 19, 1960. Construction of D. C. Stadium, Wash., D. C. (Invitation No. C-60159-B). Bid forms, plans and specifications are now available from Procurement Office, Rm. 404, 499 Pennsylvania ave., nw., Wash., D. C., upon deposit of a certified check for \$200.00 per set, payable to D.C. Treasurer. (Phone National 8-6000, Ext. 2378). **SEALED BIDS TO BE RECEIVED 2:00 P. M. EDT; MAY 18, 1960 IN PROCUREMENT OFFICE AT THE ABOVE ADDRESS and opened at D.C. National Guard Armory at 3 p. m. EDT on the same day.**

EXHIBIT 2d

LIST OF NEWSPAPERS IN WHICH ADVERTISEMENT WAS PUBLISHED,
EXCLUSIVE OF LOCAL PAPERS

MR. E. M. POOLEY
PRESIDENT & EDITOR
EL PASO HERALD-POST
EL PASO, TEXAS

MR. MARK E. PETERSON
PRESIDENT-PUBLISHER
DESERET NEWS
SALT LAKE CITY, UTAH

MR. JOHN D. PENNEKAMP
ASSOCIATE EDITOR
MIAMI HERALD
MIAMI, FLORIDA

MR. JOHN ELLIS
EDITOR
FORTH WORTH STAR-TELEGRAM
FORT WORTH, TEXAS

MR. JOHN H. STAUFFER
EDITOR
KANSAS CITY, KANSAS
KANSAS CITY, MISSOURI

MR. WALTER H. ANNINGBERG
EDITOR
PHILADELPHIA INQUIRER
PHILADELPHIA, PENNSYLVANIA

MR. T. R. WARING
EDITOR
CHARLESTON NEWS & COURIER
CHARLESTON, SOUTH CAROLINA

MR. A. S. WARDEN
PRESIDENT-PUBLISHER
GREAT FALLS TRIBUNE
GREAT FALLS, MONTANA

MR. DONAL C. URRY
EDITOR, EDITORIAL PAGE
ARIZONA REPUBLIC
PHOENIX, ARIZONA

MR. CHAS. DEYOUNG THERIOT
EDITOR & PUBLISHER
SAN FRANCISCO CHRONICLE
SAN FRANCISCO, CALIFORNIA

MR. KENNETH MACDONALD
EDITOR
DES MOINES REGISTER & TRIBUNE
DES MOINES, IOWA

MR. RALPH MCGILL
EDITOR
ATLANTA CONSTITUTION
ATLANTA, GEORGIA

MR. ROBERT LUCAS
MANAGING EDITOR
DENVER POST
DENVER, COLORADO

MR. GEORGE W. HEALY, JR.
EDITOR
TIMES-PICAYUNE
NEW ORLEANS, LOUISIANA

MR. F. S. HEABERLIN
MANAGING EDITOR
ST. PAUL DISPATCH
ST. PAUL, MINNESOTA

MR. VERMONT C. ROYSTER
EDITOR
WALL STREET JOURNAL
NEW YORK, NEW YORK

MR. IRVING RAMSDALL
EDITOR
LOS ANGELES TIMES
LOS ANGELES, CALIFORNIA

EXHIBIT 2d—Continued

LIST OF NEWSPAPERS IN WHICH ADVERTISEMENT WAS PUBLISHED,
EXCLUSIVE OF LOCAL PAPERS

MR. J. R. KNOWLAND
EDITOR & PUBLISHER
OAKLAND TRIBUNE
OAKLAND, CALIFORNIA

MR. WRIGHT BRYAN
EDITOR
CLEVELAND PLAIN-DEALER
CLEVELAND, OHIO

MR. RICHARD AMBERG
PUBLISHER
GLOBE DEMOCRAT
ST. LOUIS, MISSOURI

MR. HERBERT BRUCKER
EDITOR
HARTFORD COURANT
HARTFORD, CONNECTICUT

MR. VIRGINIUS DABNEY
EDITOR
TIMES-DISPATCH
RICHMOND, VIRGINIA

MR. SEVELLON BROWN, III
EDITOR
PROVIDENCE JOURNAL
PROVIDENCE, R. I.

MR. E. M. DEALEY
PRESIDENT-PUBLISHER
DALLAS NEWS
DALLAS, TEXAS

MR. RAYMOND J. BREWSTER
EDITOR
HERALD-DISPATCH
HUNTINGTON, WEST VIRGINIA

MR. BEN J. COWDERY
PUBLISHER-VICE PRESIDENT
OMAHA WORLD-HERALD
OMAHA, NEBRASKA

MR. WILLIAM BLOCK
PRESIDENT-PUBLISHER
PITTSBURGH POST-GAZETTE
PITTSBURGH, PENNSYLVANIA

MR. JOHN COWLES
PRESIDENT & PUBLISHER
MINNEAPOLIS STAR-TRIBUNE
MINNEAPOLIS, MINNESOTA

MR. FRANK R. AHLGREN
EDITOR
COMMERCIAL APPEAL
MEMPHIS, TENNESSEE

MR. ROBERT B. CHOATE
EDITOR & PUBLISHER
BOSTON HERALD-TRAVELER
BOSTON, MASSACHUSETTS

MR. ROBERT B. BEITH
EXECUTIVE EDITOR
PORTLAND EXPRESS
PORTLAND, MAINE

MR. ALVAH H. CHAPMAN, JR.
PRESIDENT & PUBLISHER
SAVANNAH NEWS-PRESS, INC.
SAVANNAH, GEORGIA

MR. FRANK S. BAKER
PRESIDENT-PUBLISHER
TACOMA NEWS-TRIBUNE
TACOMA, WASHINGTON

MR. TURNER CATLEDGE
MANAGING EDITOR
NEW YORK TIMES
TIMES SQUARE
NEW YORK, NEW YORK

EXHIBIT 2e

ATTACHED ADVERTISEMENT MAILED TO
FOLLOWING CONTRACTORS

Group - 1
Sub - 1

211

Enc. #4

M. E. WINSIEIN CONST. CO.
864 WILLIS AVE.

EXHIBIT 2e—Continued

ZEPHYR CONSTR. CO. INC.
7412- NEW UTRECHT AVE.
BROOKLYN 41 N. Y.

1

SAMUEL N. ZARPAS INC.
11212 GRANDVIEW AVENUE-WHEATON
SILVER SPRING MD.

1

SIDNEY V. YOUNG & SONS INC.
1312 - 62ND AVE. S. E.
WASHINGTON 27 D C

1

YOUNG & CRARY INC.
1312 - 62ND AVE. S. E.
WASHINGTON 27 D C
WASHINGTON NY 27 D C, INC.
7136 WISCONSIN AVENUE
BETHESDA MARYLAND

1

WRIGHT CONTRACTING CO.
P. O. BOX 38
ODENTON MD

1

1

WINGATE CONSTRUCTION CO.
34 SOUTH 17TH STREET
PHILADELPHIA PENNA.

1

WHYTE CONSTRUCTION CO.
P.O. BOX 1027 NORTH STATION
ARLINGTON VIRGINIA

1

WHITTY CONSTRUCTION CO.
1101 VERMONT AVE. N. W.
WASHINGTON 5 D. C.

1

WHITENER & SKILLMAN
4915 - 34TH STREET NO.
ARLINGTON VIRGINIA

1

WESTINGHOUSE ELECTRIC CORP.
1625 K STREET N. W.
WASHINGTON D. C.

EXHIBIT 2e—Continued

WESTERN CONTRACTING CORP.
P. O. BOX 310
FAIRFAX VIRGINIA

1

WESTERN CONTRACTING CORP.
400 BENSON BUILDING
SIOUX CITY 1 IOWA

1

WERTHEIMER CONSTRUCTION CORP.
PRESIDENT - ARLINGTON TOWERS
BOX 9791 ROSSLYN STATION
ARLINGTON 9 VIRGINIA

1

WAYNE CONSTRUCTION CO. INC.
2112 N. QUINCY STREET
ARLINGTON VA.

1

THE WM. L. WARFIELD CO.
P.O. BOX 118
ANNANDALE VA.

HEMAN WARD INC. 1
3800 ARGYLE TERRACE N. W.
WASHINGTON D. C.

1

WALJOHN WATERSTOP INC.
86 - STREET
BROOKLYN
NEW YORK

1

VERMILYA-BROWN COMPANY INC.
100 EAST 42ND STREET
NEW YORK 17 NEW YORK

1

ARTHUR VENNERI COMPANY
1906 K STREET N. W.
WASHINGTON 6 D. C.

1

VANGUARD CONSTRUCTION CORP.
369 LEXINGTON AVE
NEW YORK 17 N.Y.

1

EXHIBIT 2e—Continued

ARTHUR VENNERI COMPANY
1906 K STREET N. W.
WASHINGTON 6 D. C.

1

VANGUARD CONSTRUCTION CORP.
369 LEXINGTON AVE
NEW YORK 17 N.Y.

1

U.S. GOVERNMENT ADVERTISER
669 EIGHT AVENUE
NEW YORK 36 NEW YORK

1

U.S.S STEEL CORPORATION
AMERICAN BRIDGE DIVISION
1625 K STREET N. W.
WASHINGTON D. C.

1

UNITED STATES CONCRETE PIPE
COMPANY
1811 SHERWOOD DR.
SILVER SPRING MD.

1

TURNER CONSTRUCTION CO.
150 E. 42ND STREET
NEW YORK 17 N. Y.

1

TUCKMAN-BARBEE CONSTRUCTION
CO. INC.
6330 - 3RD STREET N. W.
WASHINGTON 11 D. C.

TRIANGLE CONSTRUCTION CO.
8720 FLOWER AVENUE
SILVER SPRING MARYLAND

1

CHAS. H. TOMPKINS CO.
1737 K STREET N. W.
WASHINGTON D. C.

JOHN TESTER & SON INC.
BOX L-144
CLINTON MARYLAND

1

EXHIBIT 2e—Continued

TRIANGLE CONSTRUCTION CO.
8720 FLOWER AVENUE
SILVER SPRING MARYLAND

1

CHAS. H. TOMPKINS CO.
1737 K STREET N. W.
WASHINGTON D. C.

JOHN TESTER & SON INC.
BOX L-144
CLINTON MARYLAND

1

TAYLOR CONTRACTING CORP
P.O. BOX 7283
RICHMOND VA.

1

G.L. TARLTON CONTRACTING CO.
5500 WEST PARK
ST. LOUIS 10 MISSOURI

1

STRESSTEEL CORPORATION
221 CONYNGHAM AVENUE
WILKES-BARRE PENNA.

1

STEUART PETROLEUM CO.
138 12TH STREET N. E.
WASHINGTON D. C.

1

N. S. STAVROU INC.
516 RHODE ISLAND AVE. N. E.
WASHINGTON 2 D. C.

1

STANDARD CONSTRUCTION CO.
1010 VERMONT AVE. N. W.
WASHINGTON 5 D. C.

1

WARREN SPENCER INC.
616 PERSHING DRIVE
SILVER SPRING MARYLAND

1

SPANALL OF THE AMERICA'S INC.

1

EXHIBIT 2e—Continued

STUART PETROLEUM CO.
138 12TH STREET N. E.
WASHINGTON D. C.

1

N. S. STAVROU INC.
516 RHODE ISLAND AVE. N. E.
WASHINGTON 2 D. C.

1

STANDARD CONSTRUCTION CO.
1010 VERMONT AVE. N. W.
WASHINGTON 5 D. C.

1

WARREN SPENCER INC.
616 PERSHING DRIVE
SILVER SPRING MARYLAND

1

SPANALL OF THE AMERICA'S INC.
P. O. BOX 251
ALEXANDRIA VA.

3

SOUTHSIDE PLUMBING CO. INC.
P. O. BOX 221
FARMVILLE VIRGINIA

1

BENNIE SNYDER
WHITE SULPHUR SPRINGS W. VA.

1

SMITH BROTHERS
GALESVILLE
MARYLAND

1

SKINKER & GARRETT INC.
2607 CONN. AVE. N. W.
WASHINGTON 8 D. C.

1

SILVER SPRING EXCAVATING
SERVICE
8915 WALDEN ROAD
SILVER SPRING MARYLAND

1

EXHIBIT 2e—Continued

KENNETH W. SIMPSON CO.
BOX 64
KENSINGTON MD.

1

EUGENE SIMPSON & BRO. INC.
300 MONTGOMERY ST.
BOX 711
ALEXANDRIA VA.

1

GEO. SHUPP
3134- 63RD AVE.
CHEVERLY MD.

1

SHARBE & HAMAKER INC.
3248 WILSON BOULEVARD
ARLINGTON 1 VIRGINIA

1

SCHUPACK & ZOLLMAN
71 LOLLY LANE
STAMFORD CONN

1

SCHACHT STEEL CONSTRUCTION
INC.
465 HILLSIDE AVE.
HILLSIDE N.J.

1

SANFORD CONSTRUCTION CO INC

SANFORD N.C.

1

ROY RYAN SONS CO. INC.
BOX 5047
EVANSVILLE INDIANA

1

RUST ENGINEERING CO.
930 FORT DUQUESNE BLVD.
PITTSBURGH 22 PENNSYLVANIA

1

THE RUST ENGINEERING CO.
1010 VERMONT AVE. N. W.
WASHINGTON D. C.

1

JOHN K. RUFF INC.

EXHIBIT 2e—Continued

SCHACHT STEEL CONSTRUCTION
INC.

465 HILLSIDE AVE.
HILLSIDE N.J.

1

SANFORD CONSTRUCTION CO INC

SANFORD N.C.

1

ROY RYAN SONS CO. INC.

POX 5047
EVANSVILLE INDIANA

1

RUST ENGINEERING CO.
930 FORT DUQUESNE BLVD.
PITTSBURGH 22 PENNSYLVANIA

1

THE RUST ENGINEERING CO.
1010 VERMONT AVE. N. W.
WASHINGTON D. C.

1

JOHN K. RUFF INC.
3010 RIDGEWOOD AVE.
BALTIMORE 15 MD.

1

ROYAL CONTRACTING CO. INC.
P. O. BOX 86
DYNER HIEGHTS STATION
BROOKLYN N. Y.

1

ROSCOE ENGINEERING CORP.
1107 - 19TH STREET N. W.
WASHINGTON D. C.

1

ROSCOE AJAX CORP.
1107 - 19TH ST. N.W.
WASHINGTON 6 D.C.

1

ROGERS & MC GRATH INC.
1221 KENILWORTH AVE. N. E.
WASHINGTON 19 D. C.

1

EXHIBIT 2e—Continued

THE B.F. RODNEY CO
1816 JEFFERSON PL. N.W.
WASHINGTON 6 D.C.

1

CHAS. H. RIDDLE CO.
3925 PLYERS MILL ROAD
KENSINGTON MARYLAND

1

REID INC.
P. O. BOX 83
ALEXANDRIA VIRGINIA

1

REGAL CONSTRUCTION CO. INC.
ROUTE #1 - BOX 280-F
UPPER MARLBORO MD.

1

RAYMOND INTERNATIONAL INC.
GENERAL CONTRACTING DIV.
NORTH AMERICAN OPERATIONS
140 CEDAR STREET
NEW YORK 6 N.Y.

RAYMOND CONCRETE PILE COMPANY
1625 EYE STREET N. W.
WASHINGTON D. C.

1

QUAD CITY CONSTRUCTION CO.
544 25TH AVENUE
ROCKISLAND ILLINOIS

1

PRESCOTT CONSTRUCTION CO. INC.
1307 W' STREET N. W.
WASHINGTON 9 D. C.

POTOMAC ELECTRIC POWER CO.
929 E STREET N. W.
WASHINGTON D. C.

1

PIQUADO STONE CO.
9707 - 23RD AVENUE
ADELPHI MD.

1

EXHIBIT 2e—Continued

PFAFF & KENDALL
84 FOUNDRY STREET
NEWARK 5 NEW JERSEY 1

PEYTON INC.
1909 TADCASTER ROAD
BALTIMORE 28 MD.

1

PERRY & WALLIS INC.
917 'G' PLACE N. W.
WASHINGTON 1 D. C.

1

J. KENNON PERRIN CO
FIFTH & CARY STS.
RICHMOND VA

1

PEERLESS CONSTRUCTION CO INC.
2 OVERHILL ROAD
SCARSDALE NEW YORK 1

JAMES PARRECO & SON
1915 SHEPHERD ST. N. E.
WASHINGTON D. C.

1

NORTH AMERICAN CONTRACTING
CORP.
1526 CONN. AVE. N. W.
WASHINGTON D. C.

1

I. CALVIN OWENS INC.
7401 WISCONSIN AVENUE
BETHESDA MARYLAND

O'DRISCOLL CONSTRUCTION CORP.
1018 VERMONT AVE. N. W.
WASHINGTON D. C.

1

NEVROS & MELVIN CONSTR. CO IN
1910 FRANWALL AVE
SILVER SPRING MD.

1

NELSON STUD WELDING
DIV. GREGORY INDUSTRIES INC.
316 BALTIMORE AVE.
SPRINGFIELD DEL.CO.PENNA.

1

EXHIBIT 2e—Continued

J. KENNON PERRIN CO
FIFTH & CARY STS.
RICHMOND VA

1

PEERLESS CONSTRUCTION CO INC.
2 OVERHILL ROAD
SCARSDALE NEW YORK

1

JAMES PARRECO & SON
1915 SHEPHERD ST. N. E.
WASHINGTON D. C.

1

NORTH AMERICAN CONTRACTING
CORP.
1526 CONN. AVE. N. W.
WASHINGTON D. C.

1

I. CALVIN OWENS INC.
7401 WISCONSIN AVENUE
BETHESDA MARYLAND

O'DRISCOLL CONSTRUCTION CORP.
1018 VERMONT AVE. N. W.
WASHINGTON D. C.

1

NEVROS & MELVIN CONSTR. CO IN
1910 FRANWALL AVE
SILVER SPRING MD.

1

NELSON STUD WELDING
DIV. GREGORY INDUSTRIES INC.
316 BALTIMORE AVE.
SPRINGFIELD DEL.CO.PENNA.

1

HOWARD T NELSON
ROUTE 5 BOX 328
ALEXANDRIA VA.

1

JOSEPH F. NEBEL CO.
3408 WISCONSIN AVENUE N. W.
WASHINGTON D. C.

1

NATIONAL CONTRACT GUIDE INC
55 WEST 42ND STREET

EXHIBIT 2e—Continued

NATIONAL CONTRACT GUIDE INC
55 WEST 42ND STREET
NEW YORK 36 NEW YORK

1

W. E. MOONEY CO. INC.
3924 - 14TH STREET N. W.
WASHINGTON 11 D. C.

1

MONZCO & SON INC.
1200 PERRY ST. N. E.
WASHINGTON 17 D. C.

1

MOHLER CONSTRUCTION CO.
1223 CONN. AVE. N. W.
WASHINGTON 6 D. C.

1

A. E. MINSTEIN CONST. CO.
864 WILLIS AVE.
ALBERTSON N. Y.

1

MINKOFF CO INC.
6139 CHILLUM PL. N. E.
WASHINGTON D. C.

1

MILPORT CONSTRUCTION CO. INC.
6210 GEORGIA AVENUE N. W.
WASHINGTON D. C.

1

W. HARLEY MILLER INC.
132 SO. QUEEN ST.
MARTINBURG W. VA.

1

I. B. MILLER CONTRACTING CORP.
18-12 - 45TH STREET
LONG ISLAND CITY NEW YORK

1

MILLER CONSTRUCTION CO.
3615 RHODE ISLAND AVENUE
MT. RAINIER MD.

1

JOHN G. MILLER CONSTRUCTION CO
222 WEST MULLAN
WATERLOO IOWA

1

EXHIBIT 2e—Continued

MINKOFF CO INC 6139 CHILLUM PL. N.E WASHINGTON D.C.	1
MILPORT CONSTRUCTION CO. INC. 6210 GEORGIA AVENUE N. W. WASHINGTON D. C.	1
W. HARLEY MILLER INC. 132 SO. QUEEN ST. MARTINSBURG W. VA.	1
I. B. MILLER CONTRACTING CORP. 18-12 - 45TH STREET LONG ISLAND CITY NEW YORK	1
MILLER CONSTRUCTION CO. 3615 RHODE ISLAND AVENUE MT. RAINIER MD.	1
JOHN G. MILLER CONSTRUCTION CO 222 WEST MULLAN WATERLOO IOWA	1
W. W. MILLARD COMPANY 4130 GEORGIA AVENUE N. W. WASHINGTON 11 D. C.	1
MERRITT-CHAPMAN & SCOTT CORP. 260 MADISON AVENUE NEW YORK N.Y.	1
MERANDO INC. 4098 MINNESOTA AVE. N.E. WASHINGTON 19 D. C.	1
JOHN MC SHAIN INC. 1501 N. ARLINGTON RIDGE RD. ARLINGTON VIRGINIA	1

EXHIBIT 2e—Continued

JAMES MC HUGH CONSTRUCTION CO
 5007 OVERLOOK AVENUE S. W.
 WASHINGTON 24 D. C.

1

MCCLOSKEY & CO.
 1620 THOMPSON STREET
 PHILADELPHIA 21 PENNA.

1

MC CLOSKEY ENTERPRISES INC.
 P.O. BOX 1930
 WASHINGTON 13 D. C.

1

ADOLPH H. MAXVITAT
 STRATFORD P.O.
 STRATFORD N.J.

1

MAXON CONSTRUCTION CO INC
 2600 FAR HILLS AVENUE
 DAYTON 19 OHIO

1

MASON ENGINEERING
 201 SCOTT DRIVE
 FAIRFAX VIRGINIA

GEORGE C. MARTIN INC.
 4842 GEORGIA AVENUE N. W.
 WASHINGTON D. C.

1

THE MARK ENGINEERING CO.
 BOX 6080 PATTERSON STA.
 BALTIMORE 31 MD.

1

MALAN CONSTRUCTION CORP.
 2 PARK AVENUE
 NEW YORK 16 N.Y.

1

MALABAR CONSTRUCTION INC.
 ATLANTIC DIVISION
 4650 EAST WEST HIGHWAY
 BETHESDA MD.

1

W.F. MAGANN CORP.
 219 5TH AVE
 WEST NORFOLK

EXHIBIT 2e—Continued

MAXON CONSTRUCTION CO INC
2600 FAR HILLS AVENUE
DAYTON 19 OHIO 1

MASON ENGINEERING
201 SCOTT DRIVE
FAIRFAX VIRGINIA

GEORGE C. MARTIN INC.
4842 GEORGIA AVENUE N. W. 1
WASHINGTON D. C.

THE MARK ENGINEERING CO.
BOX 6080 PATTERSON STA.
BALTIMORE 31 MD.

MALAN CONSTRUCTION CORP.
2 PARK AVENUE
NEW YORK 16 N.Y.

MALABAR CONSTRUCTION INC.
ATLANTIC DIVISION
4650 EAST WEST HIGHWAY
BETHESDA MD. 1

W.F. MAGANN CORP.
219 5TH AVE
WEST NORFOLK
PORTSMOUTH VA. 1

FRANCISCO LOPEZ CONCRETE
CONTRACTORS
9926 SUTHERLAND ROAD
SILVER SPRING MD. 1
WM. P. LIPSCOMP CO. INC.
1010 WASHINGTON BUILDING
15TH ST. & N.Y. AVE. N.W.
WASHINGTON 5 D. C.

LEWIS SWIMMING POOL CONSTR.
INC.
611 SO. WASHINGTON STREET
FALLS CHURCH VIRGINIA

EXHIBIT 2e—Continued

LEWIS SWIMMING POOL CONSTR.
INC.

611 SO. WASHINGTON STREET
FALLS CHURCH VIRGINIA

1

DAN LEPCRE & SONS
114 HARVEY STREET
PHILADELPHIA 44 PENNA.

1

C. J. LANGENFELDER & SON INC.
8427 PULASKI HWY
BALTIMORE 24 MD.

1

KENT ENGINEERING CO.
516 RHODE ISLAND AVENUE N. E.
WASHINGTON 17 D. C.

1

J. KENNON PERRIN COMPANY
FIFTH & CARY STREETS
RICHMOND VA.

1

KEASBEY & MATTISON CO
P.O. BOX 2954
BALTIMORE 29 MD.

1

ROBERT L. KEARNEY CO. INC.
1828 JEFFERSON PL. N. W.
WASHINGTON D. C.

1

KANE CONTRACTORS INC.
2710 GARFIELD AVE.
SILVER SPRING MD.

1

JORDAN CONSTRUCTION CO. INC.
1736 COLUMBIA ROAD N. W.
SUITE 104
WASHINGTON 9 D. C.

1

JOHNSON & ROSOFF INC.
145 KENNEDY STREET N.W.
WASHINGTON 11 D.C.

1

EXHIBIT 2e—Continued

KEASBEY & MATTISON CO
P.O. BOX 2954
BALTIMORE 29 MD.

1

ROBERT L. KEARNEY CO. INC.
1828 JEFFERSON PL. N. W.
WASHINGTON D. C.

1

KANE CONTRACTORS INC.
2710 GARFIELD AVE.
SILVER SPRING MD.

1

JORDAN CONSTRUCTION CO. INC.
1736 COLUMBIA ROAD N. W.
SUITE 104
WASHINGTON 9 D. C.

1

JOHNSON & ROSOFF INC.
145 KENNEDY STREET N.W.
WASHINGTON 11 D.C.

1

JOHN W. JOHNSON INC.
1824 DE SALES ROW N. W.
WASHINGTON D. C.

1

AL JOHNSON CONSTR. CO.
608 FOSHAY TOWER
MINNEAPOLIS MINN.

1

W. JENNINGS JONES CONSTR.
COMPANY INC
1343 WEBSTER STREET N.E.
WASHINGTON 17 D.C.

1

JEFFRESS-DYER INC
908 - 20TH STREET N.W.
WASHINGTON 6 D.C.

1

INDIAN HILL STONE CO^C
FABRICATORS OF INDIANA
LIMESTONE
4010 31ST ST.
MT. RAINIER MD.

1

3

EXHIBIT 2e—Continued

INDIAN HILL STONE CO^c
 FABRICATORS OF INDIANA
 LIMESTONE
 4010 31ST. ST.
 MT. RAINIER MD. 1

GEORGE HYMAN CONSTRUCTION CO.
 1010 VERMONT AVENUE N.W.
 WASHINGTON D. C.

1

HYATT IRON & METAL CO. INC.
 1335 1ST ST. S. E.
 WASHINGTON D. C.

HUMPHREYS & HARDING INC 1
 1608 NEW HAMSHIRE AVE. N. W.
 WASHINGTON D. C.
 ZONE 9

1

HOUCK & GREENE STEEL COMPANY
 P.O. BOX 6474
 RICHMOND 30
 VIRGINIA

1

HELMS CONCRETE PIPE CO.
 3800 JEFF. DAVIS HWY.
 ALEXANDRIA VA.

1

HEGEMAN-HARRIS COMPANY INC.
 2415 VIRGINIA AVENUE N.W.
 WASHINGTON 7 D. C.

1

J. D. HEDIN CONSTRUCTION CO. INC
 2900 NEWTON STREET N. E.
 WASHINGTON 18 D. C.

1

HEAD CONSTRUCTION COMPANY
 2601 CONN. AVE. N. W.
 WASHINGTON D. C.

1

GUNNELL CONSTRUCTION CO. INC.
 909 TOWER BUILDING
 WASHINGTON 5 D. C.

1

EXHIBIT 2e—Continued

HELMS CONCRETE PIPE CO.
3800 JEFF. DAVIS HWY.
ALEXANDRIA VA.

1

HEGEMAN-HARRIS COMPANY INC.
2415 VIRGINIA AVENUE N.W.
WASHINGTON 7 D. C.

1

J.D.HEDIN CONSTRUCTION CO. INC
2900 NEWTON STREET N. E.
WASHINGTON 18 D. C.

1

HEAD CONSTRUCTION COMPANY
2607 CONN. AVE. N. W.
WASHINGTON D. C.

1

GUNNELL CONSTRUCTION CO. INC.
909 TOWER BUILDING
WASHINGTON 5 D. C.

1

GRUULEY WALSH & BLANCHE INC.
327 CARROLL STREET N. W.
WASHINGTON 12 D. C.

1

M. J. GROVE LIME COMPANY
P. O. BOX 656
FREDERICK MD.

1

GRAY CONCRETE PIPE CO. INC.
2777 JEFFERSON DAVIS HIGHWAY
ARLINGTON VIRGINIA

1

GRAMERCY CONSTRUCTION CORP.
114 LIBERTY STREET
NEW YORK 6 NEW YORK
ATT. MR. SAMUEL SKOLNIK PRES.

1

CARL GONNSEN & SON INC.

EXHIBIT 2e—Continued

J. D. HEDIN CONSTRUCTION CO. INC.
6210 BLAIR RD.
BALTIMORE 6 MD.

1

E. H. GLOVER
P.O. BOX 1006
FALLS CHURCH VA.

1

GLASSMAN CONSTRUCTION CO. INC.
739 WYATT BUILDING
WASHINGTON D. C.

1

GEORGE A. FULLER CO.
1138 MUNSEY BUILDING
WASHINGTON 4 D. C.

1

EDWARD B. FRIEL INC.
6230 - 3RD STREET N. W.
WASHINGTON 11 D. C.

1

FRAZIER-DAVIS CONSTRUCTION CO
1319 MACKLIN AVENUE
ST. LOUIS 10 MISSOURI

1

THE FOUNDATION CO.
39 BROADWAY
NEW YORK 6 N.Y.

1

FIVE BORO CONSTR. CO
2 LAFAYETTE ST.
NEW YORK 7 N.Y.

1

SILVIO C. FILARDO
1928 BILTMORE STREET N. W.
WASHINGTON 9 D. C.

1

FEDERAL PROCUREMENT PUBLIC-
ATION INC.
P. O. BOX 150
LONG ISLAND CITY 1 NEW YORK,

EXHIBIT 2e—Continued

EDWARD B. FRIEL INC.
6230 - 3RD STREET N. W.
WASHINGTON 11 D. C.

1

FRAZIER-DAVIS CONSTRUCTION CO
1319 MACKLIN AVENUE
ST. LOUIS 10 MISSOURI

1

THE FOUNDATION CO.
39 BROADWAY
NEW YORK 6 N.Y.

1

FIVE BORO CONSTR. CO
2 LAFAYETTE ST.
NEW YORK 7 N.Y.

1

SILVIO C. FILARDO
1928 BILTMORE STREET N. W.
WASHINGTON 9 D. C.

1

FEDERAL PROCUREMENT PUBLIC-
ATION INC.
P. O. BOX 150
LONG ISLAND CITY 1 NEW YORK

ENGINEERING NEWS - RECORD
10212 LORAIN AVE
SILVER SPRING MD.

1

EISEN-MIGERS CONSTRUCTION CO.
145 KENNEDY STREET N. J.
WASHINGTON 11 D. C.

1

EDROW ENGINEERING CO. INC.
7006 CARROLL AVE.
TAKOMA PARK MD.

1

EAST RIVER CONSTRUCTION CORP
5625 47TH AVE.
RIVERDALE MD.

1

EXHIBIT 2e—Continued

P. F. DULANEY
216 C STREET N. W.
WASHINGTON D. C.

1

HERBERT S. DUDLEY COMPANY
903 GIRARD ST. N. E.
WASHINGTON 17 D. C.

1

FRED DREW CONSTRUCTION CO.
1660 FT. MYER DRIVE
ARLINGTON VIRGINIA

1

S. E. DOCKSTADER INC.
MUNSEY BUILDING
WASHINGTON D. C.

1

DILLON CO.
10111 PORTLAND RD.
SILVER SPRING MD.

1

DIAMOND CONSTRUCTION CO.
9801 HAMPTON BOULEVARD
NORFOLK VIRGINIA

1

DAVIS WICK ROSENGARTEN CO. INC
613 - 15TH STREET N. W.
WASHINGTON 5 D. C.

1

DAVIS & PLATT INC.
401 BUTTERNUT ST. N. W.
WASHINGTON 12 D. C.

1

E. L. DANIELS
813 N. TAYLOR STREET
ARLINGTON VIRGINIA

1

THE DAILY RECORD
11-15 EAST SABATOGA STREET

EXHIBIT 2e—Continued

BILLON CO.
10111 PORTLAND RD.
SILVER SPRING MD.

1

DIAMOND CONSTRUCTION CO.
9801 HAMPTON BOULEVARD
NORFOLK VIRGINIA

1

DAVIS WICK ROSENGARTEN CO. INC
613 - 15TH STREET N. W.
WASHINGTON 5 D. C.

1

DAVIS & PLATT INC.
401 BUTTERNUT ST. N. W.
WASHINGTON 12 D. C.

1

E. L. DANIELS
813 N. TAYLOR STREET
ARLINGTON VIRGINIA

1

THE DAILY RECORD
11-15 EAST SARATOGA STREET
BALTIMORE 3 MD.

1

CUSTOMCRAFT INC.
4707 MILLER AVE.
BETHESDA MD.

1

CURTIN & JOHNSON INC.
1116 W STREET N. E.
WASHINGTON D. C.

1

W. E. CRAMER CO.
2601 CONN. AVE. N. W.
WASHINGTON 8 D. C.

1

CORNING CONSTRUCTION CORP.
7210 WISC. AVE.
BETHESDA 14 MD.

EXHIBIT 2e—Continued

CORNING CONSTRUCTION CORP.
7210 WISC. AVE.
BETHESDA 14 MD.

1

CONSTRUCTIONER MAGAZINE
P.O. BOX 329
SOUTH ORANGE NEW JERSEY

1

CONSTRUCTION
2420 WILSON BLVD.
ARLINGTON 1 VA.

1

CONLEE CONSTRUCTION CO.
1504 - 48TH PLACE N.E.
WASHINGTON 27 D. C.

1

TEUNIS F. COLLIER
1109-20TH STREET N. W.
WASHINGTON D. C.

1

COE CONSTRUCTION INC.
1018 VERMONT AVENUE N.W.
WASHINGTON 5 D. C.

1

COASTAL CONTRACTING & ENGR.
COMPANY INC.
SUITE 626 1129 VERMONT AVE. NW
WASHINGTON D. C.

1

CLARKE INC.
7906 FLOWER AVENUE
WASHINGTON 12 D. C.

M. CLADNY CONSTRUCTION CO. INC.
635 F STREET N. W.
WASHINGTON 4 D. C.

1

CHRISTOPHER CONSTRUCTION CO.
1433 PENNA. AVE. S. E.
WASHINGTON D. C.

1

EXHIBIT 2e—Continued

LEONIS F. COLLIER 1
 1109-20TH STREET N. W.
 WASHINGTON D. C.

1
 COE CONSTRUCTION INC.
 1018 VERMONT AVENUE N.W.
 WASHINGTON 5 D. C.

1
 COASTAL CONTRACTING & ENGR.
 COMPANY INC.
 SUITE 626 1129 VERMONT AVE. NW
 WASHINGTON D. C.

1
 CLARKE INC.
 7906 FLOWER AVENUE
 WASHINGTON 12 D. C.

M. CLADNY CONSTRUCTION CO. INC.
 635 F STREET N. W.
 WASHINGTON 4 D. C.

1
 CHRISTOPHER CONSTRUCTION CO.
 1433 PENNA. AVE. S. E.
 WASHINGTON D. C.

1
 W.F. SHORT
 C/O CHENEY FLASHING CO.
 623 PROSPECT ST.
 TRENTON N.J.

1
 W. M. CHAPPELL INC.
 1346 GOOD HOPE RD. S. E.
 WASHINGTON 20 D. C.

1
 CEEBEE CONTRACTORS INC.
 P.O. BOX 9127
 WASHINGTON 28 D.C.

EXHIBIT 2e—Continued

CEEBEE CONTRACTORS INC.
 P.O. BOX 9127
 WASHINGTON 28 D.C. 1

JOHN F. CASEY CO.
 PPO. BOX 1888
 PITTSBURGH 30 PENNA 1

CAREW STEEL CO.
 INDUSTRIAL HIGHWAY
 YORK PENNA. 1

BUILDERS WEEKLY GUIDE
 5106 YORK ROAD
 BALTIMORE 12 MD. 1

BUILDERS STRUCTURAL STEEL COR
 2912 EAST 34TH STREET
 CLEVELAND 15 OHIO 1

BUILDING CONGRESS & EXCHANGE
 2301 N. CHARLES STREET
 BALTIMORE 18
 MARYLAND 1

BRINKER CONSTRUCTION CO. INC.
 10970 BORNEDALE DR.
 ADELPHI MD. 1

HERBERT F. BRIGHT CO. INC.
 4501 BUCHANAN STREET
 HYATTSVILLE MD. 1

BLOUNT BROS. CONSTR. CO.
 79 COMMERCE ST. P.O. BOX 949
 MONTGOMERY ALA.

EXHIBIT 2e—Continued

BUILDING CONGRESS & EXCHANGE
2301 N. CHARLES STREET
BALTIMORE 18
MARYLAND

1

BRINKER CONSTRUCTION CO. INC.
10910 BORNEDALE DR.
ADELPHI MD.

1

HERBERT F. BRIGHT CO. INC.
4501 BUCHANAN STREET
HYATTSVILLE MD.

1

BLOUNT BROS. CONSTR. CO.
79 COMMERCE ST. P.O. BOX 949
MONTGOMERY ALA.

1

BLAKE CONSTRUCTION CO. INC.
33 E. ST S. W.
WASHINGTON 19 D. C.

1

BLACKWELL ENGINEERING CO.
P.O. BOX 358
MERRIFIELD VA.

1

BITTINGER & DULIN INC.
3161-20TH STREET NORTH
ARLINGTON VIRGINIA

1

BETHLEHEM STEEL COMPANY
P.O. BOX 288
BALTIMORE 3 MD.

1

BETHLEHEM STEEL CO
1000 - 16TH ST. N.W.
WASHINGTON 6 D.C.

1

BESTER-LONG INC
HAGERSTOWN MD.

1

EXHIBIT 2e—Continued

BESTER-LONG INC

HAGERSTOWN MD.

1

VICTOR R. BEAUCHAMP ASSOC.
431 CEDAR ST. N. W.
WASHINGTON 12 D. C.SEALL & LEMAY
1726 'M' ST. N. W.
WASHINGTON D. C.

1

1

BAYLOR CONSTRUCTION CORP.
360 LEXINGTON AVE.
NEW YORK 17 N.Y.

L

A. W. BARNHART CO.
140 LUCHLAND STREET
PORT CHESTER N.Y.

1

CHARLES W. BARGER & SON
CONSTR. CO. INC.
LEXINGTON VA.

1

BALTIMORE CONTRACTORS INC.
711 SOUTH CENTRAL AVE.
BALTIMORE 2 MD.

1

JOSEPH B. BAHEN CONST. CO. INC.
418 RANDOLPH ST. N. W.
WASHINGTON 11 D. C.

1

AVERY CONSTRUCTION CO. INC.
4909 46TH AVE.
EDMONSTON MD.

1

ALVIN L. AUBINOE INC.
1515 19TH ST. N. W.
WASHINGTON 6 D. C.

1

ASSOCIATED GENERAL CONTRACTOR

EXHIBIT 2e—Continued

BALTIMORE CONTRACTORS INC.
717 SOUTH CENTRAL AVE.
BALTIMORE 2 MD.

1

JOSEPH B. BAHEN CONST. CO. INC.
418 RANDOLPH ST. N. W.
WASHINGTON 11 D. C.

7
AVERY CONSTRUCTION CO. INC.
4909 46TH AVE.
EDMONSTON MD.

1

ALVIN L. AUBINOE INC.
1515 19TH ST. N. W.
WASHINGTON 6 D. C.

1

ASSOCIATED GENERAL CONTRACTOR
OF AMERICA INC.
VIRGINIA BRANCH
HOTEL KING CARTER
RICHMOND VIRGINIA

1

ARTBOND INC.
1816 JEFFERSON PL. N. W.
WASHINGTON D. C.

1

ARMCO DRAINAGE & METAL PROD
1026 17TH STREET N.W.
WASHINGTON 6 D C

1

APOLLO STEEL CO
DIV. OF APOLLO IND. INC.
APOLLO PENNA.

1

AMERICAN SUPPLY CO.
1123 N. EUTAW STREET
BALTIMORE 1 MD.

1

AMERICAN MARIETTA CO
P.O. BOX 71
JESSUP MD.

1

EXHIBIT 2e—Continued

ARMCO DRAINAGE & METAL PROD
1026 17TH STREET N.W.
WASHINGTON 6 D C

1

APOLLO STEEL CO
DIV. OF APOLLO IND. INC.
APOLLO PENNA.

1

AMERICAN SUPPLY CO.
1123 N. EUTAW STREET
BALTIMORE 1 MD.

1

AMERICAN MARIETTA CO
P.O. BOX 71
JESSUP MD.

1

AMERICAN DEWATERING CORP.
389 MAIN STREET
HACKENSACK N.J.

1

AMERICAN CONSTRUCTION CO. INC.
267 CONSTITUTION AVE. N. W.
WASHINGTON 1 D. C.

1

ALUMINUM CO. OF AMERICA
ATT. JOHN R. LEARY
1200 RING BLDG.
WASHINGTON 6 D.C.

1

ALTON ENGINEERING CO INC.
36 N STREET N.E.
WASHINGTON 3 D.C.

1

ALTIMONT BROS. INC.
4929 BETHESDA AVE.
BETHESDA 14 MD.

EXHIBIT 2e—Continued

APOLLO STEEL CO
DIV. OF APOLLO IND. INC.
APOLLO PENNA. 1

AMERICAN SUPPLY CO.
1123 N. EUTAW STREET
BALTIMORE 1 MD. 1

AMERICAN MARIETTA CO
P.O. BOX 71
JESSUP MD. 1

AMERICAN DEWATERING CORP.
389 MAIN STREET
HACKENSACK N.J. 1

AMERICAN CONSTRUCTION CO. INC.
267 CONSTITUTION AVE. N. W.
WASHINGTON 1 D. C. 1

ALUMINUM CO. OF AMERICA
ATT. JOHN R. LEARY
1200 RING BLDG.
WASHINGTON 6 D.C. 1

ALTON ENGINEERING CO INC.
36 N STREET N.E.
WASHINGTON 3 D.C. 1

ALTIMONT BROS. INC.
4929 BETHESDA AVE.
BETHESDA 14 MD. 1

ALLIED CONTRACTORS INC.
204 E. PRESTON ST.
BALTIMORE 2 MD. 1

EXHIBIT 2e—Continued

BALTIMORE CONTRACTORS INC.
711 SOUTH CENTRAL AVE.
BALTIMORE 2 MD.

1

JOSEPH B. BAHEN CONST. CO. INC.
418 RANDOLPH ST. N. W.
WASHINGTON 11 D. C.

AVERY CONSTRUCTION CO. INC.
4909 46TH AVE.
EDMONSTON MD.

1

ALVIN L. AUBINOE INC.
1515 19TH ST. N. W.
WASHINGTON 6 D. C.

1

ASSOCIATED GENERAL CONTRACTOR
OF AMERICA INC.
VIRGINIA BRANCH
HOTEL KING CARTER
RICHMOND VIRGINIA

1

ARTBOND INC.
1816 JEFFERSON PL. N. W.
WASHINGTON D. C.

1

ARMCO DRAINAGE & METAL PROD
1026 17TH STREET N.W.
WASHINGTON 6 D C

1

APOLLO STEEL CO
DIV. OF APOLLO IND. INC.
APOLLO PENNA.

1

AMERICAN SUPPLY CO.
1123 N. EUTAW STREET
BALTIMORE 1 MD.

1

AMERICAN MARIETTA CO
P.O. BOX 71
JESSUP MD.

1

A44 CONSTRUCTION OF DISTRICT OF COLUMBIA STADIUM

EXHIBIT 2f

Form G P. W.
OF \$
Adv. 4/19/60

PROPOSALS FOR

\$200.00 DEPOSIT REQUIRED

D.C. STADIUM, 22nd and East Capitol St., Wash., DC
Invit. C-60159-B

TO BE OPENED: May 18, 1960

Proposals and Specifications have been obtained by:

	Address	Date Given
FOR DISPLAY		
2 SVERINUP & PARCEL ENGINEERING CO.	1625 Eye St., N.W., Wash., D.C.	4/19/60
3 WASH. STAIR & ORNA. IRON WKS., INC.	2014 - 5TH ST., N. E., WASH., D. C.	"
4 U. S. STEEL CORP.	1625 "K" ST., N. W., WASH., D. C.	"
5 AMERICAN BRIDGE (U. S. STEEL)	" " " " " " " "	"
5 JOEY MESHAIN, INC.	1501 N. ARLINGTON RIDGE RD., ARLINGTON, VA.	"
7 " " " " " " " "	" " " " " " " "	"
8 " " " " " " " "	" " " " " " " "	"
9 ROCOE-AJAX CONSTR. CO.	1107 - 19TH ST., N. W., WASH., D. C.	"
10 " " " " " " " "	" " " " " " " "	"
11 " " " " " " " "	" " " " " " " "	"
11 BEALL-LEWY	1726 "M" ST., N. W., WASH., D. C.	"
13 JOSEPH F. HUGHES & CO., INC.	5 EAST FRANKLIN ST., BALTIMORE 2, M.D	"
14 " " " " " " " "	" " " " " " " "	"
15 " " " " " " " "	" " " " " " " "	"
16 THE POOLE & KENT CORP., WASHINGTON	933 GIST AVENUE, SILVER SPRING, MD.	"
17 BETHLEHEM STEEL CO. (MAILED)	P. O. Box 388, BALT. 3, MD.	"
18 PERINI, CORP. (MAILED)	FRAMINGHAM, MASS.	"
19 " " " " " " " "	" " " " " " " "	"
20 HALAN CONSTR. CORP. (MAILED)	2 PARK AVENUE, NEW YORK 16, N. Y.	"
21 " " " " " " " "	" " " " " " " "	"
21 HARRIS STRUCTURAL STEEL CO. (MAILED)	419 PARK AVE. SOUTH, N. Y. 16, N. Y.	"
21 O. W. BURKE CO. (MAILED)	1082 FISHER BLDG., DETROIT 2, MICH.	"
21 " " " " " " " "	" " " " " " " "	"
25 PAUL TISHOM CO., INC. (MAILED)	21 EAST 70TH ST., N. Y., 21, N. Y.	"
27 " " " " " " " "	" " " " " " " "	"
28 " " " " " " " "	" " " " " " " "	"
29 McCLOSKEY & CO. (MAILED)	1620 THOMPSON ST., PHILA. 21, PA.	"
30 " " " " " " " "	" " " " " " " "	"
31 VIRGINIA ENGINEERING CO. (MAILED)	80 - 29TH ST., NEWPORT NEWS, VA.	"
33 " " " " " " " "	" " " " " " " "	"
35 ARTHUR VENNERT COMPANY	1905 K ST., N. W., WASH. 6, D. C.	"
<i>Blue Reports to</i>	<i>1145 - 19th St. N.Y.</i>	
W. W. DODGE CORP.	1321 ARCH ST., PHILA 7, PENNA.	
W. W. DODGE CORP.	(N. Y. NEWS DEPT) WURLITZER BLDG., 120 WEST 42ND ST. N. Y.	
W. W. DODGE CORP.	308 HAASE BLDG. 18 No. 5TH ST., RICHMOND 19, VA.	
W. W. DODGE CORP.	900 F ST., N. W., WASH., D. C.	
W. W. DODGE CORP.	DISTRICT BLDG., 14TH & E STS., N. W., WASH., D. C.	
BERGMAN	ARMORY BOARD	
PRINTING CONGRESS & EXCHANGE	2301 N. CHARLES ST., BALT. 18, MD.	

EXHIBIT 2f—Continued

Ref: R. P. W.

PROPOSALS FOR

\$200.00 DEPOSIT REQUIRED

4/19/60

D. C. STADIUM, 22ND AND EAST CAPITOL ST., WASH., D. C.
INVIT. C-60159-B

TO BE OPENED: MAY 18, 1960

Proposals and Specifications have been obtained by:

1	PER VENERI COMPANY	1906 K ST., N. W., WASH., D. C.	
2	GEN TESTER & SON, INC.	Box 1144, CLINTON, Md.	
3	GENERAL ELECTRIC CO.	777 14TH ST., N. W., WASH., D. C.	
4	WESTINGHOUSE ELECTRIC CORP.	1625 K ST., N. W., WASH., D. C.	
5	BALTIMORE CONTRACTORS, INC. (MAILED)	1 SOUTH CENTRAL AVE., BALT., MD.	
6	" " " " " "	" " " " " "	
7	THE GEO. HYMAN CONSTR. CO.	1010 VERMONT AVE., WASH., D. C.	4/20/60
8	" " " " " "	" " " " " "	
9	SPANALL OF THE SOUTHEAST, INC.	711 NORTH FAYETTE ST., PO BOX 251, ALEX., VA.	
10	JOSEPH F. NEBEL CO.	3408 WISCONSIN AVE., N.W.	
11	" " " " " "	" " " " " "	
12	" " " " " "	" " " " " "	
13	ALLIANCE PLUMBING & HEATING CO., INC.	1360 OKIE ST., N.E.	
14	C. L. GUILD CONSTR. CO., INC.	1209 KENILMORTH AVE., N. E., WASH., D. C.	
15	ATLAS MACHINE & IRON WORKS, INC.	1252 JEFFERSON-DAVIS HIGHWAY, ARL., VA.	
16	ELLENCO INC.	Box 3627, WASHINGTON 7, D. C.	
17	BLAKE CONSTR. CO., INC.	1120 CONN. AVE., N. W., WASH., D. C.	
18	" " " " " "	" " " " " "	
19	" " " " " "	" " " " " "	
20	DELEWEBB CONSTRUCTION CO. (MAILED)	5101 SAN FERNANDO RD., WEST, LOS ANGELES 39, CALIF.	
21	IRVINGTON FORM & TANK CORP. (MAILED)	100 WILLIAM ST., N. Y. 38, N. Y.	
22	PHOENIX BRIDGE CO. (MAILED)	PHOENIXVILLE, PENNSYLVANIA	
23	E. C. ERIST, INC.	1624 - 14TH ST., N. W., WASH., D. C.	4/21/60
24	THE HOWARD P. FOLEY CO.	2020 EYE ST., N. W., WASH., D. C.	
25	CHAS. H. TOMPKINS COMPANY	1737 "K" ST., N. W., WASH., D. C.	
26	" " " " " "	" " " " " "	
27	" " " " " "	" " " " " "	
28	LLOYD E. MITCHELL	3325 V STREET, N. E., WASH., D. C.	
29	JOHN A. VOLPE CONSTR. CO., INC.	261 CONSTITUTION AVE., N. W.	
30	" " " " " "	" " " " " "	
31	" " " " " "	" " " " " "	

EXHIBIT 3

DISTRICT OF COLUMBIA ARMORY BOARD
 TABULATION OF BIDS FOR D. C. STADIUM
 JUNE 10, 1960

BIDDER NO.	BIDDER	ITEM I 201, 250' H PILING		ITEM II STADIUM LESS PILING TOTAL	BASE BID TOTAL	ALTERNATE NO. 1 LIGHTING TOTAL	BASE BID PLUS ALTERNATE NO. 1 TOTAL
		UNIT PRICE	TOTAL				
1.	Malan Construction Corp. 2 Park Avenue New York, New York	\$ 5.40	\$1,086,750.00	\$14,480,000.00	\$15,566,750.00	\$ 80,000.00	\$15,646,750.00
2.	McCloskey & Co. 1620 W. Thompson St. Philadelphia, Pa.	4.95	996,187.50	13,186,000.00	14,182,187.50	65,000.00	14,247,187.50 14,247,187.50
3.	Roscoe-Ajax Construction Co. 1107 - 19th Street, N. W. Washington, D. C. and Knickerbocker Construction Corp. 3 East 54th Street New York, New York	5.40	1,086,750.00	13,595,000.00	14,681,750.00	61,000.00	14,742,750.00
4.	George F. Driscoll Co. 41 East 42nd Street New York, New York	5.50	1,106,875.00	14,085,000.00	15,191,875.00	70,000.00	15,261,875.00
5.	Chas. H. Tompkins Co. 1737 K' Street, N. W. Washington, D. C.	5.50	1,106,875.00	14,554,701.00	15,661,576.00	100,000.00	15,761,576.00
6.	Arthur Verner Co. 1906 K' Street, N. W. Washington, D. C. and Baltimore Contractors, Inc. 711 South Central Avenue Baltimore, Maryland	5.20	1,046,500.00	13,521,000.00	14,567,500.00	75,000.00	14,642,500.00
7.	Joseph H. Hughes & Co., Inc. 5 East Franklin St. Baltimore, Maryland	6.40	1,288,000.00	14,400,000.00	15,688,000.00	95,000.00	15,783,000.00

EXHIBIT 3—Continued

DISTRICT OF COLUMBIA ARMORY BOARD

TABULATION OF BIDS FOR D. C. STADIUM

JUNE 10, 1960

PAGE 2

BIDDER NO.	BIDDER	ITEM I 201,250' H PILING		ITEM II STADIUM LESS PILING TOTAL	BASE BID TOTAL	ALTERNATE NO. 1 LIGHTING TOTAL	BASE BID PLUS ALTERNATE NO. 2 TOTAL
		UNIT PRICE	TOTAL				
8.	O. W. Burke Co. Detroit, Michigan and Joseph F. Nebel Co. 3408 Wisconsin Avenue, N. W. Washington, D. C.	\$5.50	\$	\$13,665,000.00	\$14,772,000.00	\$ 62,300.00	\$14,834,300.00
9.	John McShain, Inc. 17th & Spring Garden Sts. Philadelphia, Pa.	4.75	955,937.50	13,472,000.00	14,427,937.50	64,000.00	14,491,937.50
10.	Blake Construction Co., Inc. 1120 Connecticut Avenue, N. W. Washington, D. C.	5.60	1,127,000.00	13,361,000.00	14,488,000.00	100,000.00	14,588,000.00

NOTE 1: ALL BIDDERS ACKNOWLEDGED RECEIPT OF ALL ADDENDA

NOTE 2: ALL BIDS WERE ACCOMPANIED BY A BID BOND FOR AT LEAST 5% OF BID

NOTE 3: BIDDER NO. 8 DID NOT EXTEND UNIT PRICE FOR ITEM NO. 1. WITH THIS EXTENSION TO \$1,106,875.00 TOTAL BASE BID IS \$14,771,875.00 AND BASE BID PLUS ALTERNATE NO. 1 IS \$14,894,175.00

NOTE 4: ALTERNATE NO. 1 PROVIDES FOR INCREASED FIELD LIGHTING

EXHIBIT 4

U. S. Standard Form No. 23
 (As modified for use by the
 District of Columbia)
 Revised by District of Columbia
 November 16, 1953

Bids opened: June 10, 1960

Award made: JULY 7, 1960

Approved as to form:

Conforms with accepted bid:

S/ LOUIS P. ROBBINS

S/ WILBUR H. LAWYER

Asst. Corporation Counsel, D. C.

Supervisor, Contract & Bond Section,
 BC Procurement Office, D. C.

G. F. 9-028

CONTRACT

(Construction)

A.B.F.C. No. 1

This Contract, entered into this 7TH day of JULY

One Thousand, Nine Hundred and SIXTY

by the District of Columbia, a municipal corporation, hereinafter called the District, and by the District of Columbia Armory Board, hereinafter called the Board, and McCLOSKEY & CO., a corporation organized and existing under the laws of the State of Delaware,

hereinafter called the contractor, witnesseth, that the parties hereto mutually agree as follows:

Article 1. Statement of work.—The contractor shall furnish labor and material, and perform the work for CONSTRUCTION OF THE D. C. STADIUM, 22nd and East Capitol Streets, Washington, D. C., Invitation No. C-60159-B, in consideration of the prices as set forth below:—

EXHIBIT 4—Continued

ITEM NO.	DESCRIPTION	UNIT	ESTIMATED QUANTITY	UNIT PRICE	ESTIMATED TOTAL PRICE
1.	H PILING	LIN. FT.	201,250	\$4.95	\$996,187.50
2.	STADIUM LESS PILING JOB			SUM	13,186,000.00
	ADD ALTERNATE NO. 1 FIELD FLOOD LIGHTING (SEE ADDENDUM NO. 3)				65,000.00
	ESTIMATED TOTAL PRICE				<u>\$14,247,187.50</u>

and in strict accordance with GENERAL CONDITIONS, SPECIAL STIPULATIONS PERTAINING TO WAGE RATES, SPECIAL STIPULATIONS, SPECIAL CONDITIONS, SPECIFICATIONS, and ADDENDA NOS. 1, 2, 3, 4, 5, 6, 7 and 8, all attached hereto, and Drawings on file in the Office of the Director, Buildings and Grounds, D. C., all of which are made parts of this contract.

EXHIBIT 4—Continued

The contractor shall commence the work on the date specified in a written notice to proceed which shall be issued by the contracting officer, and shall ~~complete the work within~~ substantially complete the work, as defined in the specifications, (paragraph 4, SPECIAL CONDITIONS), by September 14, ~~and within days after such date specified for commencement~~ 1961, with final completion on March 15, 1962.

Article 2. Specifications and Drawings.—The contractor shall at all times keep on the work a copy of the drawings and specifications. In case of difference between drawings and specifications, the specifications shall govern; but anything mentioned in the specifications and not shown on the drawings, or shown on the drawings and not mentioned in the specifications, shall be of like effect as if shown or mentioned in both. In any case of ambiguity or discrepancy in the figures, drawings, or specifications, the matter shall be immediately submitted to the contracting officer, without whose decision said ambiguity or discrepancy shall not be adjusted by the contractor, save only at his own risk and expense. The contracting officer shall furnish from time to time such detail drawings and other information as he may consider necessary, unless otherwise provided.

SEE
ADDENDUM NO. 2

Article 3. Changes.—The contracting officer may at any time, by a written order, and without notice to the sureties, make changes in the drawings and/or specifications of this contract and within the general scope thereof. If such changes cause an increase or decrease in the cost of performing the work under this contract, or in the time required for its performance, an equitable adjustment shall be made and the contract shall be modified in writing accordingly. No change involving an estimated increase or decrease in excess of Five Thousand Dollars shall be ordered unless approved in writing by the Commissioners. Any claim for adjustment under this article must be made in writing to the contracting officer within (10) days from the date the change is ordered: *Provided, however,* That the contracting officer, if he determines that the facts justify such action, may receive and consider and adjust any such claim made at any time prior to the date of final settlement of this contract. If the parties fail to agree upon the adjustment to be made the dispute shall be determined as provided in Article 15 hereof. Nothing provided in this article shall excuse the contractor from proceeding with the prosecution of the work so changed.

Article 4. Changed Conditions.—Should the contractor encounter, or the District discover, during the progress of the work subsurface and/or latent conditions at the site materially differing from those shown on the drawings or indicated in the specifications, or differing materially from those ordinarily encountered and generally recognized as inhering in work of the character provided for in the plans and specification, the attention of the contracting officer shall be called immediately to such conditions before they are disturbed. The contracting officer shall thereupon promptly investigate the conditions, and if he finds they do so materially differ he shall make such changes in the drawings and/or specifications as he may find necessary, and any increase or decrease of cost and/or difference in time resulting from such changes shall be adjusted as provided in Article 3 of this contract, but

EXHIBIT 4—Continued

no such change involving an estimated increase or decrease in cost in excess of Five Thousand Dollars shall be made by the contracting officer unless approved in writing by the Commissioners.

Article 5. Extras.—Except as otherwise herein provided, no charge for any extra, or additional, work or material will be allowed unless the same has been ordered in writing by the contracting officer under the authority of article 3 or 4 of this contract and the price or the basis for payment stated in such order; nor will payment be allowed for any work performed or material furnished which is not in strict compliance with every applicable provision of this contract.

Article 6. Inspection.—(a) All material and workmanship (if not otherwise designated by the specifications) shall be subject to inspection, examination, and test by District representatives at any and all times during manufacture and/or construction and at any and all places where such manufacture and/or construction are carried on. The District shall have the right to reject defective material and workmanship or require its correction. Rejected workmanship shall be satisfactorily corrected and rejected material shall be satisfactorily replaced with proper material without charge therefor, and the contractor shall promptly segregate and remove the rejected material from the premises. If the contractor fails to proceed at once with the replacement of rejected material and/or the correction of defective workmanship the District may, by contract or otherwise, replace such material and/or correct such workmanship and charge the cost thereof to the contractor and his sureties, or may terminate the right of the contractor to proceed as provided in article 9 of this contract, in which latter event the contractor and his sureties shall be liable to the same extent as provided in said article 9 for terminations thereunder because of delays.

(b) The contractor shall furnish promptly without additional charge, all reasonable facilities, labor, and materials necessary for the safe and convenient inspection and tests that may be required by the District. All inspection and tests by the District shall be performed in such manner as not unnecessarily to delay the work. Special, full size, and performance tests shall be as described in the specifications. The contractor shall be charged with any additional cost of inspection when material and workmanship is not ready at the time inspection is requested by the contractor.

(c) Should it be considered necessary or advisable by the District at any time before final acceptance of the entire work to make an examination of work already completed, by removing or tearing out same, the contractor shall on request promptly furnish all necessary facilities, labor, and material. If such work is found to be defective in any material respect, the contractor shall defray all the expenses of such examination and of satisfactory reconstruction. If, however, such work is found to meet the requirements of the contract, and the labor and materials necessarily involved in the examination and replacement cause an increase in the amount due under the contract, or in the time required for its performance, an equitable adjustment shall be made in the manner provided in article 3 of this contract.

(d) Inspection of material and finished articles to be incorporated in the work at the site shall be made at the place of production, manufacture, or shipment, when so stated in the specifications or when

EXHIBIT 4—Continued

authorized in writing by the contracting officer; and such inspection and acceptance shall be final to the extent described in the specifications or in the written authorization of the contracting officer, except as regards latent defects, departures from specific requirements of the contract and the specifications and drawings made a part thereof, damages or loss in transit, fraud, or such gross mistakes as amount to fraud. Subject to the requirements contained in the preceding sentence, the inspection of material and workmanship for final acceptance as a whole or in part shall be made at the site. Nothing contained in this paragraph (d) shall in any way restrict the District's right under any warranty or guarantee.

Article 7. Materials and Workmanship.—Unless otherwise specifically provided for in the specifications, all workmanship, equipment, materials, and articles incorporated in the work covered by this contract are to be of the best grade of their respective kinds for the purpose. Where equipment, materials, or articles are referred to in the specifications as "equal to" any particular standard, the contracting officer shall decide the question of equality. The contractor shall furnish to the contracting officer for his approval the name of the manufacturer of machinery, mechanical and other equipment which he contemplates incorporating in the work, together with their performance capacities and other pertinent information. When required by the specifications, or when called for by the contracting officer, the contractor shall furnish the contracting officer for approval full information concerning the materials or articles which he contemplates incorporating in the work. Samples of materials shall be submitted for approval when so directed. Machinery, equipment, materials, and articles installed or used without such approval shall be at the risk of subsequent rejection.

Article 8. Superintendence by Contractor.—The contractor shall give his personal superintendence to the work or have a competent foreman or superintendent, satisfactory to the contracting officer, on the work at all times during progress, with authority to act for him. The contracting officer may require the contractor to remove from the work such employees as the contracting officer deems incompetent, careless, insubordinate, or otherwise objectionable, or whose continued employment on the work is deemed by the contracting officer to be contrary to the public interest.

Article 9. Delays—Damages.—If the contractor refuses or fails to prosecute the work, or any separable part thereof, with such diligence as will insure its completion within the time specified in article 1, or any extension thereof, or fails to complete said work within such time, the contracting officer with the written approval of the Commissioners may, by written notice to the contractor, terminate his right to proceed with the work or such part of the work as to which there has been delay. In such event the District may take over the work and prosecute the same to completion, by contract or otherwise, and the contractor and his sureties shall be liable to the District for any excess cost occasioned the District thereby. If the contractor's right to proceed is so terminated, the District may take possession of and utilize in completing the work such materials, appliances, and plant as may be on the site of the work and necessary therefor. If the District does not terminate the right of the contractor to proceed, the contractor

EXHIBIT 4—Continued

shall continue the work in which event it will be impossible to determine the actual damages for the delay and in lieu thereof the contractor shall pay to the District as fixed, agreed, and liquidated damages for each calendar day of delay until the work is completed or accepted the amount as set forth in the specifications or accompanying papers, and the contractor and his sureties shall be liable for the amount thereof: *Provided*, That the right of the contractor to proceed shall not be terminated or the contractor charged with liquidated damages because of any delays in the completion of the work due to unforeseeable causes beyond the control and without the fault or negligence of the contractor, including, but not restricted to, acts of God or of the public enemy, acts of the District, acts of another contractor in the performance of a contract with the District, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, or delays of subcontractors due to such causes, if the contractor shall within ten (10) days from the beginning of any such delay (unless the contracting officer, shall grant a further period of time prior to the date of final settlement of the contract) notify the contracting officer in writing of the causes of delay, who shall ascertain the facts and the extent of the delay and extend the time for completing the work when in his judgment the findings of fact justify such an extension, and his findings of fact thereon shall be final and conclusive on the parties hereto, subject only to appeal, within thirty (30) days, by the contractor to the Contract Appeals Board, whose decision on such appeal as to the facts of delay and the extension of time for completing the work shall be final and conclusive on the parties hereto.

Article 10. Permits and Responsibility for Work—The contractor shall, without additional expense to the District, obtain all required licenses and permits and be responsible for all injuries to persons and damages to property or premises that occur as a result of any act or omission of the contractor in connection with the prosecution of the work, and shall be responsible for all materials delivered and work performed until completion and final acceptance. Upon completion of the contract the work shall be delivered complete and undamaged.

Article 11. Eight-hour Law—Overtime compensation—Convict Labor.

(a) No laborer or mechanic doing any part of the work contemplated by this contract, in the employ of the contractor or any subcontractor contracting for any part of said work contemplated, shall be required or permitted to work more than eight (8) hours in any one calendar day upon such work at the site thereof, except upon the condition that compensation is paid to such laborer or mechanic in accordance with the provisions of this article. The wages of every laborer and mechanic employed by the contractor or any subcontractor engaged in the performance of this contract shall be computed on a basic day rate of eight (8) hours per day and work in excess of eight (8) hours per day is permitted only upon the condition that every such laborer and mechanic shall be compensated for all hours worked in excess of eight (8) hours per day at not less than one and one-half times the basic rate of pay. For each violation of the requirements of this article

EXHIBIT 4—Continued

a penalty of five dollars (\$5.00) shall be imposed upon the contractor for each laborer or mechanic for every calendar day in which such employee is required or permitted to labor more than eight (8) hours upon said work without receiving compensation computed in accordance with this article, and all penalties thus imposed shall be withheld for the use and benefit of the District: *Provided*, That this stipulation shall be subject in all respects to the exceptions and provisions of U. S. Code, title 40, sections 321, 324, 325, 325a, and 326, relating to hours of labor and compensation for overtime.

(b) The contractor shall not employ any person undergoing sentence of imprisonment at hard labor.

Article 12. Covenant against Contingent Fees.—The contractor warrants that he has not employed any person to solicit or secure this contract upon any agreement for a commission, percentage, brokerage, or contingent fee. Breach of this warranty shall give the District the right to terminate the contract, or, in its discretion, to deduct from the contract price or consideration the amount of such commission, percentage, brokerage, or contingent fees. This warranty shall not apply to commissions payable by contractors upon contracts or sales secured or made through bona fide established commercial or selling agencies maintained by the contractor for the purpose of securing business.

Article 13. Other Contracts.—The District may award other contracts for other work, and the contractor shall fully cooperate with such other contractors and carefully fit his own work to that provided under other contracts as may be directed by the contracting officer. The contractor shall not commit or permit any act which will interfere with the performance of work by any other contractor.

Article 14. Officials not to benefit.—No Member of or Delegate to Congress, or Resident Commissioner, shall be admitted to any share or part of this contract or to any benefit that may arise therefrom, and all contracts entered into by any contracting officer in which such contracting officer or any of the Commissioners of the District of Columbia shall be personally interested, as well as all contracts made by the Board of Commissioners of the District of Columbia in which any member of the Board shall be personally interested, shall be void, and no payments shall be made on any of such contracts by the District of Columbia or by any officer thereof, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

Article 15. Disputes.—Except as otherwise specifically provided in this contract, all disputes concerning questions arising under this contract shall be decided by the contracting officer subject to written appeal by the contractor within thirty (30) days to the Contract Appeals Board, whose decision shall be final and conclusive upon the parties thereto, subject to the limitations of Sec. 3(b)(2) of Reorganization Plan No. 5 of 1952. In the meantime the contractor shall diligently proceed with the work as directed.

Article 16. Payments to Contractors.—(a) Unless otherwise provided in the specifications, partial payments will be made as the work progresses at the end of each calendar month, or as soon thereafter as

EXHIBIT 4—Continued

practicable, on estimates made and approved by the contracting officer. In preparing estimates the material delivered on the site and preparatory work done may be taken into consideration.

(b) In making such partial payments there shall be retained ten percent (10%) on the estimated amount until final completion and acceptance of all work covered by the contract: *Provided, however,* That the contracting officer, at any time after fifty percent (50%) of the work has been completed, if he finds that satisfactory progress is being made, may make any of the remaining partial payments in full or may retain from such remaining partial payments less than ten percent (10%) thereof, as the Commissioners in their sole discretion may authorize: And provided further, That on completion and acceptance of each separate building or public work on which the price is stated separately in the contract, payment may be made in full, including retained percentages thereon, less authorized deductions, if the Commissioners in their sole discretion so authorize.

(c) All material and work covered by partial payments made shall thereupon become the sole property of the District, but this provision shall not be construed as relieving the contractor from the sole responsibility for all materials and work upon which payments have been made or the restoration of any damaged work, or as a waiver of the right of the District to require the fulfillment of all of the terms of the contract.

(d) Upon completion and acceptance of all work required hereunder, the amount due the contractor under this contract will be paid upon the presentation of a properly executed and duly certified voucher therefor, after the contractor shall have furnished the District with a release, if required, of all claims against the District arising under and by virtue of this contract other than such claims, if any, as may be specifically excepted by the contractor from the operation of the release in stated amounts to be set forth therein.

(e) The Commissioners may withhold final payment hereunder until proof satisfactory to said Commissioners has been furnished that the contractor and all subcontractors employed on this work have made the reports and paid the contributions required by the District of Columbia Unemployment Compensation Act, approved August 28, 1935 (Public No. 386, 74th Congress).

Articles 17 and 18. - Labor Standards.

1. RATE OF WAGES.—This stipulation 1, shall apply if the contract is in excess of \$2,000 in amount.

(a) All mechanics and laborers employed or working upon the site of the work, will be paid unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account [except such payroll deductions as are permitted by the Anti-Kickback Regulations (29 C. F. R. Part 3)], the full amounts due at time of payment computed at wage rates not less than those contained in the wage determination decision of the Secretary of Labor which is attached

EXHIBIT 4—Continued

hereto and made a part hereof, regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics; and the wage determination decision shall be posted by the contractor at the site of the work in a prominent place where it can be easily seen by the workers.

(b) The Contracting Officer may withhold or cause to be withheld from the contractor so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the contractor or any subcontractor on the work the full amount of wages required by the contract. In the event of failure to pay any laborer or mechanic employed or working on the site of the work, all or part of the wages required by the contract, the District of Columbia may, after written notice to the contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds until such violations have ceased, and also in such event the Contracting Officer, after written notice to the contractor, may terminate the contractor's right to proceed with the work or such part of the work as to which there has been a failure to pay said required wages and prosecute the work to completion by contract or otherwise, and the contractor and his sureties shall be liable to the District for any excess costs occasioned the District thereby.

2. PAYROLL RECORDS AND PAYROLLS.—(a) Payroll records will be maintained during the course of the work and preserved for a period of three years thereafter for all laborers and mechanics working at the site of the work. Such records will contain the name and address of each such employee, his correct classification, rate of pay, daily and weekly number of hours worked, deductions made and actual wages paid.

(b) The contractor will submit weekly a certified copy of all payrolls to the Contracting Officer. The certification will affirm that the payrolls are correct and complete, that the wage rates contained therein are not less than those determined by the Secretary of Labor and that the classifications set forth for each laborer or mechanic conform with the work he performed. The contractor will make his employment records available for inspection by authorized representatives of the District of Columbia and the Department of Labor, and will permit such representatives to interview employees during working hours on the job.

(3) APPRENTICES.—Apprentices will be permitted to work only under a bona fide apprenticeship program registered with a State Apprenticeship Council which is recognized by the Federal Committee on Apprenticeship, U. S. Department of Labor; or if no such recognized Council exists in a State, under a program registered with the Bureau of Apprenticeship, U. S. Department of Labor.

EXHIBIT 4—Continued

(4) **NONREBATE OF WAGES.**—The contractor will comply with the regulations (copy of which is attached) of the Secretary of Labor made pursuant to the Anti-Kickback Act of June 13, 1934, 48 Stat. 948; 62 Stat. 740, 63 Stat. 108; 18 U. S. C. 874, 40 U. S. C. 276 b, c, and any amendments or modifications thereof, will cause appropriate provisions to be inserted in subcontracts to insure compliance therewith by all subcontractors subject thereto, and will be responsible for the submission of affidavits required of subcontractors thereunder except as the Secretary of Labor may specifically provide for reasonable limitations, variations, tolerances and exemptions from the requirements thereof.

(5) **SUBCONTRACT STIPULATIONS.**—The contractor will insert in each of his subcontracts the provisions set forth in stipulations (1), (2), (3), (4), (5) and (6) hereof, and such other stipulations as the District of Columbia may by appropriate instructions require.

(6) **BREACH OF STIPULATIONS.**—A breach of stipulations (1) through (5) may be grounds for termination of the contract.

Article 19. Domestic Preference.—In the performance of the work covered by this contract the contractor, subcontractors, material men or suppliers, shall use only such unmanufactured articles, materials, and supplies as have been mined or produced in the United States, and only such manufactured articles, materials, and supplies as have been manufactured in the United States substantially all from articles, materials, or supplies mined, produced, or manufactured, as the case may be, in the United States. The foregoing provision shall not apply to such articles, materials, or supplies of the class or kind to be used or such articles, materials, or supplies from which they are manufactured, as are not mined, produced, or manufactured, as the case may be, in the United States in sufficient and reasonably available commercial quantities and of a satisfactory quality, or to such articles, materials, or supplies as may be excepted by the head of the department under the proviso of title III, section 3, of the act approved March 3, 1933, 47 Stat. 1520 (U. S. Code, title 41, sec. 10b), as amended.

EXHIBIT 4—Continued

ARTICLE 20. ADDITIONAL SECURITY.- Should any surety upon any bond furnished in connection with this contract become unacceptable to the District, or if any such surety shall fail to furnish reports as to his financial condition from time to time as requested by the District or Federal Governments, the contractor must promptly furnish such additional security as may be required from time to time to protect the interests of the District or of persons supplying labor or materials in the prosecution of the work contemplated by the contract: PROVIDED, That upon the failure of the contractor to furnish such additional security within ten (10) days after written notice so to do, all payments under this contract will be withheld until such additional security is furnished.

ARTICLE 21. PATENTS.- The contractor shall hold and save the District, its officers, agents, servants, and employees, harmless from liability of any nature or kind, including costs and expenses, for or on account of any patented or unpatented invention, article, process, or appliance, manufactured or used in the performance of this contract, including their use by the District, unless otherwise specifically stipulated in this contract.

ARTICLE 22. APPOINTMENT OF ATTORNEY.- (a) The contractor does hereby irrevocably designate and appoint the Clerk of the Municipal Court for the District of Columbia and his successors in office as the true and lawful attorney of the contractor for the purpose of receiving service of all notices and processes issued by any court in the District of Columbia, as well as service of all pleadings and other papers, in relation to any action or legal proceedings arising out of or pertaining to this contract or the work required or performed hereunder.

(b) The contractor expressly agrees that the validity of any service upon the said Clerk as herein authorized shall not be affected either by the fact that the contractor was personally within the District of Columbia and otherwise subject to personal service at the time of such service upon the said Clerk or by the fact that the contractor failed to receive a copy of such process, notice, pleading or other paper so served upon the said Clerk provided the said Clerk shall have deposited in the United States mail, registered and postage prepaid, a copy of such process, notice, pleading or other paper addressed to the contractor at the address stated in this contract.

ARTICLE 23. DEFINITIONS.- Whenever used in this contract, including all documents forming a part hereof, the word "Commissioners" shall mean the "Board of Commissioners of the District of Columbia" and the term "contracting officer" shall mean the officer executing this contract on behalf of the District of Columbia and shall include his duly appointed successor and his authorized representative.

ARTICLE 24. ALTERATIONS.- The following changes were made in this contract before it was signed by the parties hereto:

EXHIBIT 4—Continued

ARTICLE 24. ALTERATIONS.- (Continued)

- (a) On cover page (page 1)

In lieu of "By the District of Columbia, a municipal corporation, hereinafter called the District..!"

Substitute "By the District of Columbia Armory Board, hereinafter called the Board..."

Article 4. Changes,

- (b) Page 3, Article 3. Changes, Line 8,
- ~~and~~
- Page 4, Line 2

In lieu of "Five Thousand Dollars"

Substitute "Twenty-Five Thousand Dollars"

- (c) In all articles where the words "Commissioners" not followed by "of the District of Columbia" and/or "District" and/or "District's" are used, substitute therefor the word "Board" or "Board's" as appropriate.

Article 9,

- (d) On page 6, Line 24, and on Page 7, Article 15, Line 4

Insert "District of Columbia" before "Contract Appeals Board"

- (e) On page 7, Article 14

Delete last seven lines and substitute the following:

bia or members of the Armory Board shall be personally interested, as well as all contracts made by the Board of Commissioners of the District of Columbia or the District of Columbia Armory Board in which any member of either Board shall be personally interested, shall be void, and no payments shall be made on any of such contracts by the Armory Board or by any officer thereof, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

- (f) On Page 9, Articles 17 and 18, Subpara 1(b) Line 7, and Subpara 2(b), Line 8, and Page 10, Subpara (5), Line 3

In lieu of "District of Columbia"

Substitute "Board"

- (g) On Page 11, Article 20 Line 5

In lieu of "Federal Governments..."

Substitute "Federal Government..."

CHANGE MADE PRIOR TO
EXECUTION OF CONTRACT

CHANGE MADE PRIOR TO
EXECUTION OF CONTRACT

EXHIBIT 4—Continued

ARTICLE 24. ALTERATIONS.- (Continued)

- (h) On Page 11, Delete Article 23 in its entirety and substitute the following:

ARTICLE 23. DEFINITIONS. Whenever used in this contract, including all documents forming a part hereof, the word "Board" shall mean the "District of Columbia Armory Board", and the term "contracting officer" shall mean the officer designated by the Board to direct this contract and shall include his duly appointed successor and his authorized representative.

EXHIBIT 4—Continued

IN WITNESS WHEREOF, the parties hereto have executed this contract under their several seals as of the day and year first above written.

Witness:

S/ LOUIS P. ROBBINS
As to Contracting Officer

By S/ J. P. BLASER
Contracting Officer

Signed and sealed in the presence of:

DISTRICT OF COLUMBIA ARMORY BOARD

S/ CHESTER H. GRAY
329 DISTRICT BUILDING
(Address)

By S/ FLOYD D. AKERS
CHAIRMAN

S/ CHESTER H. GRAY
(Address)

S/ ROBERT E. McLAUGHLIN
MEMBER

S/ CHESTER H. GRAY
(Address)

S/ W. H. ABENDROTH
MEMBER

Attest:

McCLOSKEY & CO.

S/ J. DRESS PANNELL
Secretary

1620 W. Thompson St.,
Philadelphia 21, Pa.

(Corporate Seal)

By S/ T. D. McCLOSKEY
Title: VICE PRESIDENT

EXHIBIT 5a

SEE ADDENDUM #2

SEE ADDENDUM #3

SEE ADDENDUM #4

SPECIAL CONDITIONS

1. SCOPE: The work consists of furnishing all plant, labor and materials and performing the work for the construction of the D.C. Stadium, 22nd and East Capital Streets, Washington, D.C. in accordance with:

Documents listed under "Content and Index:
Documents set forth in "Note" at bottom of Invitation for Bids; and
Drawings listed below

2. CONTRACT DRAWINGS: Identified as D.C. Stadium and by drawing numbers set forth below:

<u>Drawing No.</u>	<u>Description</u>	<u>Sheets</u>
	Title Sheet	1
	Index Sheets	2
7000-L0 through L10	Layout Drawings	11
7000-A1 through A72	Architectural Drawings	72
7000-SF1 through SF10	Foundation Drawings	10
7000-S1 through S67	Structural Drawings	67
7000-M0 through M60	Mechanical Drawings	61
7000-E1 through E24	Electrical Drawings - Power	24
7000-E101 through E121 and E130 through E150	Electrical Drawings - Lighting	41
7000-E201 through E208	Electrical Drawings - Communications	8
	Total	297

Note: Test boring Reports shown on drawing 7000-L-0 included in each set of contract drawings, are for the contractor's information only. Contracting Officer does not assume any responsibility for the accuracy of this information. Test Boring samples are available for inspection at the District of Columbia Armory.

3. MANNER OF AWARD: An award will be made for lump sum to one bidder.
4. TIME FOR COMPLETION: Work shall be commenced on dates specified in written Notice to Proceed (which will be issued by Contracting Officer) and shall be substantially completed with playing field, including baseball diamond, spectator seating, public toilet rooms, team rooms, and all lighting, ready for use by April 14, 1961, and shall be all complete by September 14, 1961.
5. LIQUIDATED DAMAGES: Contractor shall pay to the District of Columbia Armory Board the sum of Two Hundred Dollars (\$200.00) as fixed, agreed and liquidated damages for each calendar day of delay in completion of contract, subject to provisions of Article 9 of Contract.

SEE ADDENDUM #3

SEE ADDENDUM #3

EXHIBIT 5b

COPY

WESTERN UNION TELEGRAM

T2464-101-59 Dept. Buildings & Grounds,
300 Ind. Ave., N.W., Washington 1, D.C.

May 2, 1960

ADDENDUM NO. 2 TO SPECIFICATIONS FOR D.C. STADIUM
CHANGE BID OPENING DATE FROM MAY 18, 1960 TO JUNE 1, 1960 AND
PARAGRAPH 4, SPECIAL CONDITIONS CHANGE APRIL 14, 1961 DATE
FOR SUBSTANTIAL COMPLETION TO SEPTEMBER 14, 1961 AND FULL
COMPLETION DATE TO MARCH 15, 1962.

s/ J.A. BLASER
CONTRACTING OFFICER FOR
D.C. ARMORY BOARD

COPY

EXHIBIT 5c

XXXXXXXXXXXX Francis J. Kane

File No. 1.1-1514

August 3, 1962

McCloskey & Co.
1620 Thompson St.
Philadelphia 21, Pa.

Re: Contract A. B. F. C. No. 1
Construction of D. C. Stadium
Subj: Time Extension

Gentlemen:

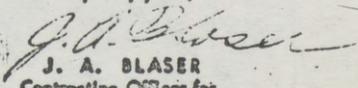
Reference is made to Articles 3 and 9 of your Contract A. B. F. C. No. 1 dated July 7, 1960 for Construction of the D. C. Stadium, to your letter dated June 25, 1962, and other letters and discussions relative to delays in the substantial completion and final completion of work under the referenced contract.

It has been determined that in view of delays in progress of construction as a result of abnormally severe weather, it is necessary in accordance with Article 9 that said contract be modified as follows:

The period of time in which construction of the stadium is to be substantially completed, including playing field, adequate public toilets, team rooms, and lighting, shall be extended from September 14, 1961 to October 9, 1961; and the time for completion of all work under the contract shall be extended from March 15, 1962 to April 9, 1962.

All other terms and conditions of said contract, as it heretofore may have been modified, shall be and remain the same.

Very truly yours,


J. A. BLASER
Contracting Officer for
D. C. Armory Board

WAC/JAB:m

cc: Mr. DeMoss
Mr. Bergman (2)
Accounting Office
Corporation Counsel
Mr. Herzberg

APPEAL FILE NO. 1.2

EXHIBIT 6a

GOVERNMENT OF THE DISTRICT OF COLUMBIA
VOUCHER FOR MISCELLANEOUS PAYMENTS
 MEMORANDUM COPY

SEE INSTRUCTIONS ON REVERSE SIDE OF FORM NO. DC-106

ALLOTMENT	LIN.	ACT.	OBJECT	AMOUNT PAID	ORDER OR MER NO.	AUDIT NO.
0420			STADIUM FUND, D. C. Armory Board	\$192,690.00	00/2173	
NAME AND ADDRESS:				GOV'T B/L NO.:	CONTRACT NO.:	DATE VOUCHER PREPARED
M. Mackay & Co. 1629 Thompson Street Philadelphia 21, Penna.					A.P.C. No. 1	8/29/60
DEPARTMENT OR OFFICE:				DISCOUNT TERMS:	DATE OF ORDER:	PAYEE'S ACCOUNT NO.:
Armory Board (Construction Fund)				ADDITIONAL STATEMENTS BY DEPARTMENT IF NECESSARY:		
REMARKS:						
<input type="checkbox"/> PARTIAL <input checked="" type="checkbox"/> FINAL						

Date of delivery Service	Item or Identification	Articles or Services	Quantity	Unit Price		Amount
				Cost	Per	
		See attached invoice - - - - -				\$192,690.00
<p><i>Partial Payment No. 1</i></p>						

30 8. 8. 30 60

CHECK IDENTIFICATION

8/29/60 Manager, D.C. Armory Board

TOTAL	192,690.00
Differences:	
ADJUSTED TOTAL	192,690.00

EXHIBIT 6b

File No. 1.4-43

August 26, 1960

To: Manager, D. C. Armory Board

Subject: Contract A. B. F. C. No. 1 - Construction of D. C. Stadium
Partial Payment No. 1

Enclosed herewith is a request in triplicate for partial payment from McCloskey & Co., construction contractor, for services rendered in connection with the construction of the D. C. Stadium.

Payment in the amount of \$192,690.00 is approved.

W. A. CURTIS
Alternate Contracting Officer
for D. C. Armory Board

Enclosure as stated

cc: Mr. Herzberg w/enc.

WAC:m

EXHIBIT 6c

DAHL - EWIN - OSBORN

ARCHITECTS AND ENGINEERS

5104 MACARTHUR BLVD.

WASHINGTON 16, D. C.

EMERSON 3-1704

August 23, 1960

7000

EDRGE L. DAHL
DALLAS, TEXAS
WIN ENGINEERING ASSOCIATES
WASHINGTON, D. C.
THE OSBORN COMPANY
CLEVELAND, OHIO

ASSOCIATED FOR D. C. STADIUM
REFER REPLY TO
The Osborn Company
7016 Euclid Avenue
Cleveland 3, Ohio

Mr. J. A. Blaser
Contracting Officer for
D. C. Armory Board
Government of the District of Columbia
300 Indiana Avenue, N.W.
Washington 1, D. C.

Dear Mr. Blaser:

I am returning a copy of request for payment from McCloskey
and Company as forwarded with your letter of August 12, 1960.

I have checked the items as listed and discussed them with
Mr. Staker, Project Inspector and recommend approval of this
payment request.

Very truly yours,

Noble W. Herzberg

Noble W. Herzberg
Project Manager

nwh:mh

Encl.

EXHIBIT 6d

File No. 1.4-39

August 12, 1960

Mr. Noble Herzberg
Project Manager
Dahl-Ewin-Ozborn
7016 Euclid Avenue
Cleveland 3, Ohio

Re: Contract A. B. F. C. No. 1
Construction of
D. C. Stadium
Subj: Partial Payment No. 1

Dear Mr. Herzberg:

Enclosed is a copy of McCloskey & Co's. first partial payment request for construction of D. C. Stadium. It is requested this pay estimate be reviewed and your recommendations of payment be furnished to the Contracting Officer.

By a carbon copy of this letter, I have taken the liberty of asking Mr. Staker to initiate a field check so that during your projected August 16th visit to Washington Contracting Officer approving action may be taken on this request and processing thereof initiated. Since this office must process three copies, it is requested that you return the copy provided you with your recommendations for payment.

Very truly yours,

J. A. BLASER
Contracting Officer for
D. C. Armory Board

Enclosure as stated

cc: Mr. Staker w/enc.

SUSPENSE

JAB:m
WAC

EXHIBIT 6e

McCloskey & Co.

BUILDERS

1620 THOMPSON STREET

PHILADELPHIA 21

PLEASE ADDRESS REPLY TO

F. K. Colborn, Jr.

August 9, 1960

CONTRACT NO. 403-60

Mr. J. A. Blaser
D. C. Armory Sec.
2001 E. Capitol St.
Washington 3, D. C.

RE: D. C. STADIUM - C-403-60
REQUISITION NO. 1

Dear Sir:

We request payment for work performed at the above project for the period July 14, 1960 to July 31, 1960 inclusive, detailed as follows:

No.	Item	% Complete	Amount Payable
1	Bond	100%	\$100,000.00
	Excavation	10%	57,500.00

Material Stored on Site

H. Beam Piles 15,094 L.F. @ \$3.75/	56,600.00
L.F.	\$214,100.00
Less 10%	<u>21,410.00</u>

Total Amount Due This Payment \$192,690.00

I certify that all items of work and material shown in the requisition are correct to the best of my knowledge and belief.

Very truly yours,

McCLOSKEY & COMPANY

APPROVED FOR PAYMENT:

F. K. Colborn, Jr.
Project Manager

FE:sc
Orig. & 3 copies
cc: T. D. McCloskey
Accounting dept.

F. K. Colborn, Jr.
Alternate Contracting Officer for
D. C. Armory Board

8-26-60
Date

EXHIBIT 6f

DISTRICT OF COLUMBIA ARMORY BOARD

2001 EAST CAPITOL STREET

WASHINGTON 3, D. C.

PAYMENT REQUEST FOR WORK PERFORMED

D. C. Stadium		June 30, 1961	A.B.F.C. #1	McCLOSKEY & CO.	
Project Name		Period Ending	Contract Number	Contractor	
ITEM	CONTRACT AMOUNT	% LAST REPORT	% THIS REPORT	VALUE	MATERIAL ON SITE
1. Bond	\$ 100,000.	100.	100.	\$ 100,000.	\$
2. Excavation	575,000.	89.	90.	517,500.	
3. Formwork	1,710,000.	84.	90.	1,566,000.	87,000.
4. Reinforcing Steel	1,392,000.	83.	89.	1,244,280.	123,000.
5. Concrete Work	900,000.	78.	86.	774,000. 792,000.	
6. Structural Steel and Trackwork	3,400,000.	57.6	77.2	2,624,800.	171,550.
7. Masonry	550,000.	30.	40.	220,000.	12,000.
8. Precast Concrete	500,000.	10.	30.	150,000.	
9. Cut Granite	270,000.	10.	20.	54,000.	35,000.
10. Pre-Cast Mosaic Facing	55,000.	65.	65.	46,750.	1,000.
1. Misc. Iron and Metal Work	283,000.	40.	45.	127,350.	21,000.
2. Aluminum Windows	75,000.	0	10.	7,500.	39,000.
3. Aluminum Fins and Grills	275,000.	0.5	0.6	1,650.	5,000.
4. Ornamental Metal and Aluminum Work	21,000.				2,000.
5. Glass, Glazing and Aluminum Doors	52,000.				
6. Plastering and Acoustical Work	102,000.	6.	15.	15,300.	
17. Tile Work	11,000.				
18. Hollow Metal Work	41,000.	10.	15.	6,150.	19,500.
19. Rolling Screens - Grills	65,000.	5.	5.	3,250.	9,000.
20. Millwork and Erection	95,000.	0	1.	950.	
21. Overhead Wood Doors	1,000.				
22. Window Doors	2,000.				
	\$ 3,000.			\$ 11,100.	\$

EXHIBIT 6f—Continued

PAYMENT REQUEST FOR WORK PERFORMED

D. C. Stadium		June 30, 1961	A.B.F.C. #1		McCLOSKEY & CO.	
Project Name		Period Ending	Contract Number		Contractor	
ITEM	CONTRACT AMOUNT	% LAST REPORT	% THIS REPORT	VALUE	MATERIAL ON SITE	
Brought Forward	\$ 10,512,000.			\$ 7,457,420.	\$ 531,922	
23. Metal Toilet Partitions	24,000.				20,000	
24. Toilet Accessories	4,000.					
Movable Metal Partitions	8,000.					
25. Turnstiles	21,000.					
27. Hardware	16,000.	0	5.	800.	15,200	
28. Roofing and Insulation	120,000.	3.	11.	13,200.	8,100	
29. Painting and Wall Covering	200,000.	0	4.	8,000.	2,500	
30. Elevators	93,000.	15.	25.	23,250.		
31. Temporary Seating	120,000.					
32. Auto-Transitube System	75,000.	58.	65.	48,750.	16,000	
33. Trash Chute	2,000.	75.	75.	1,500.	100	
34. Steel Lockers	1,000.					
35. Metal Roof Deck	42,000.	5.	59.	21,000.	18,500	
36. Signs	3,000.					
37. Bituminous Paving	18,000.	15.	15.	2,700.		
38. Seeding	20,000.					
39. Chain Link Fence	11,000.					
40. Flag Poles	6,000.					100
41. Composition Flooring	9,000.					
42. Vault Doors	1,000.					900
43. Mechanical Work:	1,000,000.	45.2	59.7	547,500.	221,500	
44. Electrical Work	500,000.	25.0	33.3	166,500.	50,000	
TOTALS	\$ 12,166,000.			\$ 2,166,100.	\$ 1,112,052	

28-58A

EXHIBIT 6f—Continued

DISTRICT OF COLUMBIA ARMORY BOARD
2001 East Capitol Street
Washington 3, D.C.

PAYMENT REQUEST FOR WORK PERFORMED

<u>D. C. Stadium</u> <u>Project Name</u>	<u>June 30, 1951</u> <u>Period Ending</u>	<u>A.P.C. #1</u> <u>Contract No.</u>	<u>McCLASKEY & CO.</u> <u>Contractor</u>		
<u>ITEM</u>	<u>CONTRACT</u> <u>AMOUNT</u>	<u>%</u> <u>Prev</u>	<u>%</u> <u>This</u>	<u>VALUE</u>	<u>PAID</u> <u>ON SITE</u>
Brought Forward	\$13,186,000.00			8,391,550.00 8,391,550.00	\$1,142.8
45. H. Piling 214,520 L.F. @4.95	1,062,171.00	100	100	1,062,171.00	
46. AH. #1 Floodlighting	65,000.00				
Contract Totals	\$14,313,171.00			9,453,751.00 9,453,751.00	\$1,142.8
Change Order Totals	578,248.50			251,678.13	48.7
GRAND TOTALS	\$14,891,419.50			9,705,429.13 9,706,429.13	\$1,191.5

EXHIBIT 7

CHANGE ORDERS ISSUED - A.B.F.C. NO. 1

<u>No.</u>	<u>Description</u>	<u>Date Issued</u>	<u>Amount</u>	<u>COR No.</u>
1	Membrane Waterproofing - exterior concrete walls below grade.	12-30-60	9,529.30	1
2	6" Bypass at the water meter	1-5-61	2,461.24	5
3	Relocation of storm sewers	1-5-61	70,594.57	7
4	Concourse and trench drains with secured gratings	1-31-61	1,979.42	4
5	Electrical changes-football and baseball press boxes, 14 toilet rooms	1-31-61	31,477.86	6R
6	59 Additional toilet partitions	2-7-61	7,388.60	9
7	Remove existing grade beam and replace with new grade beam to accommodate 30" sewer pipe	2-7-61	320.84	11
8	Add 6" perforated and corrugated metal drain lines along sides of tunnel entrance walls, connect to manhole #23 with 6" vitrified clay pipe	2-7-61	754.55	3
9	Supports for main scoreboard - SSK 11	2-7-61	9,192.80	14R
10	Concrete support slabs-trench drains at level #2	2-7-61	1,570.56	15
11	Lawn sprinkler system	3-2-61	17,383.34	23
12	Washers & dryers in team rooms	3-2-61	7,794.75	26R
13	Raise pile cap elevations in area designated as future bowling alley, add 2 pile caps	3-9-61	-1,679.00	12
14	Hardware for doors Nos. 214 and 243	3-9-61	257.76	21
15	Substitute 16oz. copper reglet, eliminate dipping exposed copper flashing	3-10-61	-586.00	36
16	Installation of 75 lockers in auxiliary team rooms	3-9-61	13,066.76	31
17	Additional window wall- 7000 A-52A	3-10-61	3,430.70	47
18	Relocation of vent stack, add. of cold water connections for concessions at level 2, and add. two toilet rooms for commissary office at level 1	3-16-61	6,822.11	24

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
19	Installation of 14 lockers and 2 wood benches for Groundskeepers in room 149, w/padlock attachment	3-16-61	582.70	22
20	Change beam G80 from 18" x 30" to 28" x 19" and furnish and install add. reinforcing steel required	3-17-61	153.20	38
21	Changes in telephone outlets & cabinets, location of convenience outlets, show detailed connection requirements for exhaust fans and thermostats	4-3-61	No change	29
22	Dwg. 7000-E3, making line diagram for transformers and lighting panels agree with plan layout	4-4-61	No change	30
23	Labor and materials to add waterseal pump and tank at sewage pumping station, conceal certain piping	4-4-61	706.94	32
24	Incinerator foundation and incinerator room found.	4-4-61	6,470.30	35
25	Revisions to wet and dry wells at sewage pumping station	4-4-61	No change	39
26	Installation of fire alarm system	4-10-61	39,202.38	40
27	Change in roof for press box, add through wall flashing under granite coping at exterior perimeter of roof and at the parapet wall around traffic deck on level 4	4-13-61	2,103.56	28R
28	42 zurn type Z-540 concourse and truck aisle drains	4-17-61	- 444.78	33
29	Change opening in concourse roof, and provide new structural steel support beam	4-18-61	192.49	49
30	Relocate openings in floor of equipment room, and reinforce ventilating duct openings	4-25-61	206.56	55
31	Provide keyed joint-SSK12, locate slab openings on level 2-SSK 13, change opening for boiler stack on level 5 - SSK 17.	4-25-61	No change	57
32	Change gage of aluminum trash chutes from 16 to 11	4-25-61	471.60	51
33	Lighting service for parking facilities	4-26-61	32,900.09	53
34	Lights - storage rooms 525 and 526	4-26-61	352.81	44
35	Power service for water seal pumping unit-ESK 4 & 6	4-27-61	1,925.26	59
36	Lathing and plastering ceiling of fourteen toilet rooms	4-28-61	7,027.74	46
			273,611.81	

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
37	Installation and painting of 1 1/4" smooth welded steel pipe handrails at 54 stairs mezzanine area	4-27-61	1,553.86	25R
38	Install add. framing required for machine room floors for passenger elevators 1,2,3, freight elevator 1, install reinforcing at openings in slabs at levels 2 & 3	4-28-61	2,039.39	48
39	Frame openings and install additional reinforcing and concrete in the beam to support 8" block walls	4-28-61	220.52	50
40	Electrical work for 14 additional toilet rooms	4-28-61	77,035.27	61R
41	Add. drains and ventilating louvers for photographer's gallery, revise fans for public toilet rooms, sprinkler system and louvers for incinerator room, plumbing, heating and ventilation for 14 new toilet rooms	4-28-61	95,388.54	41 & 43R
42	change vent stack sizes, location and connections; change pipe material to copper where runs are less than 45 degrees from horizontal; change location of point of exhaust for ventilation of public toilet rooms; add vent. to concession storage areas, floor drains, service sinks and drinking fountains	5-17-61	119,168.85	10R2
43	Reduce tile row markers from 5,560 to 2,392	5-17-61	-1,600.00	42
44	Roof drain leaders & floor drains connected to storm sewer; openings for piping and ducts in fan room 220 located; clothes dryer vents provided; heating layout for lower deck seating area revised; vent stack revised and drain, vent, and water supply for toilet room 466 be located; gutter drain pipe inlets under expansion joints provided	5-18-61	3,774.58	56
45	Rolling grille doors RG-34 & RG-37 changed in size; rolling door RD-3 changed to grille	5-18-61	382.92	62
46	Wood doors changed from select birch to walnut	5-18-61	215.33	67
47	Add steel rolling door RD-12 at portal opening on level 2; addition of steel channel frames for steel rolling doors RD-6 through RD-12	5-24-61	1,254.19	69
48	Standard D of C manhole frames and covers in lieu of bolted and gasketed covers required by contract	5-18-61	- 174.80	70
49	Structural steel framing to support metal closure panels at end of each canopy at entrance gates A, B, C, D, E, F	5-25-61	1,161.57	71
50	Manual fire alarm reporting station-telephone room	5-25-61	565.81	74

574,574.84

EXHIBIT 7—Continued

<u>No.</u>	<u>Description</u>	<u>Date Issued</u>	<u>Amount</u>	<u>COR No.</u>
51	Concrete equipment pads and additional reinforcing steel in floor slab of equipment room	5-24-61	No change	75
52	Change roof for football press box on second deck from wood to metal	5-31-61	3,320.38	68
53	Change elec. & telph. service manholes to provide dry-well; change elect. service to washers and dryers in team rooms Nos. 106 and 107	5-31-61	330.28	60R
54	Change drainage lines - dwg. 7000 L6	7-10-61	32,207.17	13
55	Hardware for doors for storage rooms, janitor closets, groundskeepers rooms; addition of hardware for 2 new exit doors and doors for 14 new toilet rooms	7-13-61	9,231.38	17
56	Comply with D. C. Code and provide U.L. "B" label doors for storage rooms, janitor closets, groundskeepers' rooms	7-13-61	15,636.72	18
57	Equipment for concession stands, vendor stations, and main commissary:	7-14-61	325,670.39	88R
58	Decking for fill-in stands from plywood to aluminum	7-14-61	129,977.06	76
59	Substitute in stadium club area 18 four foot long type NNA lighting fixtures with dimming ballast	7-25-61	744.05	118
60	Modify high voltage switchgear	7-26-61	No change	91
61	Change type AM fixture to provide rigidity, constructed of aluminum channels, reinforced with aluminum angles	7-28-61	4,843.99	108
62	Connections to sewers for main entrance canopy roof drains	7-31-61	1,569.37	111
63	Hot water radiator in stadium club area to eliminate interference at doorways and back bar constr.; fire protection system for trash and incin. rooms from wet pipe system filled with anti-freeze to dry-pipe system, change method of draining oil from drip pan from oil burners for heating boilers on level 4.	7-28-61	2,137.30	82
64	Omit piping for certain gutter drains at expansion joints	7-31-61	- 903.21	84
65	Install one light fixture type "DD" in Conference room 437, in lieu of type "CC" originally specified.	7-31-61	- 19.05	86

1,099,343.67

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
5	Relocate panel board No. LP-4E3	8-9-61	996.58	110
7	Substitute ceiling type, pendant mounted exit fixtures	8-9-61	38.95	109
7	Substitute unfused disconnect switch in refrigeration compressor starter	8-10-61	196.08	92
9	Lighting for janitor closet room 133-A	8-24-61	156.37	93
10	Furnish necessary materials to perform architectural revisions and to provide complete mechanical and electrical services, including connections required to service concession equipment.	8-30-61	858,977.19	130
11	Concourse lighting on level No. 4, stadium club area	9-7-61	4,316.13	95
12	Revise 36 exit light distribution panels to substitute 15 amp. branch circuits	9-7-61	2,762.86	96
13	Increase size and runs of certain telephone conduits; revise underfloor duct system in office area	9-26-61	3,181.76	87
14	Installation of telephone and microphone outlets, and telephone jacks, with necessary conduit.	11-1-61	9,750.64	103
15	Room 447—roughing in hot and cold water lines and drain with required vent; installing 208 volt service	11-1-61	988.57	101R
16	Power & lighting for main and auxiliary scoreboards	11-8-61	26,681.31	102
17	Relocation & extension of incoming power feeder duct bank	11-13-61	324.58	142
18	Reduce height of 12 type "WW", 22 type "YY" and 8 type "XX" lighting fixtures at entrance canopies	11-20-61	1,044.51	143
19	Provide power source for stadium club auxiliary sound system; locate amplifier; connect microphone outlet	11-27-61	2,830.19	94
20	Revise floodlight distribution panelboard to provide for battery charging equipment, and distribution panel makeup for rooms nos. 200 and 600.	11-28-61	592.91	104R
21	Two receptacles on main scoreboard for automatic field cover and one receptacle for field cover battery charging unit	11-28-61	3,691.88	105
22	Conduit, wiring, and connections for press club room No. 402 and stadium club dining rooms 461-2	11-28-61	865.85	158

2,016,740.03

EXHIBIT 7—Continued

NO.	Description	Date Issued	Amount	COR No.
83	Empty conduit for use of Western Union in press boxes	11-28-61	2,161.29	159
84	Public Address facilities on the field	11-28-61	11,738.95	160
85	Omit steel angles and cover plates at expansion joints	11-28-61	-87.02	27R2
86	Install channel jamba for openings No. FG-1&FG-2, at entrances "B" and "E".	11-28-61	896.80	124
87	Add. telephone outlets in mezzanine boxes	11-28-61	609.86	107
88	Add. expansion joint drainage gutters and leaders	11-28-61	5,557.81	133
89	Provide cable trays and power facilities for television	11-28-61	19,721.37	162
90	Provide emergency "break-glass" shutdown switch located outside the boiler and incinerator rooms	11-28-61	549.45	165R
91	Installation of concrete support slabs, with reinforcing, for trench drains at level No. 5	11-28-61	1,167.78	119
92	Six additional microphone outlets-football press box	11-28-61	4,872.71	106
93	Plaque for stadium	11-28-61	1,087.70	140
94	Officials tunnel to playing field	11-28-61	6,227.86	19R2
95	Three gates in front rail of lower deck	11-28-61	166.49	79
96	Waterproofing the home team dugout	11-28-61	256.39	112
97	Non-skid surface for movable stands	11-28-61	12,874.84	122
98	Install additional bent plates to 10" channels	11-28-61	1,101.02	116
99	Paint clearance heights signs	11-28-61	144.29	127✓
100	Sealing of weep holes and adding vacuum breakers and pump-out lines in field sprinkler system; installation of one inch water line from hydrant station "B"	11-28-61	1,055.36	128
101	Counters and aluminum shutters in commissary money room No. 140M	12-8-61	2,027.04	131
102	Structural support for additional floodlighting transformers	12-8-61	422.09	123
103	Increase height of handrailing	12-20-61	1,901.26	132

2,091,193.37

EXHIBIT 7—Continued

<u>No.</u>	<u>Description</u>	<u>Date Issued</u>	<u>Amount</u>	<u>COR No.</u>
104	Replace tempered plate glass with glass having speaker's openings in the ticket booths and cut speaker openings in the plate glass in the ticket office windows.	12-21-61	977.19	141
105	Installation of 4 mil thickness polyethylene vapor seal with 6" lapped joints under the slab in team room areas Nos. 1 and 2 and 2A	12-21-61	1,055.82	100
106	Relocate gate signs to faces of canopies and provide spotlight illumination for the signs.	12-21-61	1,386.12	145
107	Revise sidewalks in kidney-shaped area	12-21-61	543.69	114
108	Provide a personnel door in rolling steel door RD-1	12-22-61	305.23	138
109	Door to Box M-6	12-22-61	64.37	144
110	Provide electrical facilities for bar and back bar	12-27-61	659.15	174
111	Conduits extended at major and minor entrances for lighting of gate signs	12-27-61	572.20	90R
112	Lighting for 3 passenger elevator pits and one porcelain outlet in 4 elevator shafts above level 3	1-2-62	4,228.76	52
113	Install 82 transformer fence post piers on main roof	1-2-62	2,623.84	58
114	Eliminate counters in special box areas on mezzanine level	1-2-62	-1,825.00	83
115	Reduce number of concourse signs indicating seating sections locations	1-2-62	- 450.72	89
116	Additional concrete beams at fifth level	1-2-62	18,090.88	113
117	Security fence above lower ramp spandrel beams on the outside perimeter of the stadium	1-2-62	7,033.99	139
118	Aluminum railing in the special box areas	1-2-62	4,717.08	146
119	Rehabilitate twelve players benches	1-2-62	405.11	148
120	Push button control panel and conduit for stadium parking lot lighting	1-2-62	1,051.25	173
121	Asbestos cement board on inside of bulkhead over concession counters	1-10-62	3,632.35	151
122	Additional aluminum flagpole	1-11-62	559.17	147

2,136,823.85

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
123	Decrease height of field flagpole	1-29-62	337.18	188
124	Insulation of pipe and duct work	1-29-62	11,244.40	80
125	Sheet metal condensate drip pans under exposed drain piping in main switchgear room	1-29-62	511.78	170
126	Construction of two ramps with steps from mezzanine level to Level No. 4	1-31-62	1,798.74	98
127	Flexible connector "jumper" in bus duct	1-31-62	4,338.09	78
128	Increase size of steam generator in room 161a	2-1-62	1,029.90	120
129	Installation of lighting and receptacle in room 202, home plate substation.	2-1-62	1,499.61	85
130	1/8" thick vinyl asbestos tile in rooms 430, 433, 437	2-15-62	587.94	189
131	Painting of identifying numbers and letters on removable stand deck plate	2-15-62	1,082.71	190
132	Installation of two incinerators and 1 boiler stack	2-16-62	73,892.16	152
133	Closure walls for exposed piping on levels 2 & 3, and hollow metal door to room 108a	2-16-62	769.91	54R
134	Ceramic tile wainscot and vinyl asbestos floor tile in rooms 481, 482 & 209; increase height of interior masonry partitions; increase height of plastering on walls in room 433.	2-16-62	4,674.90	72
135	Painting of 14 additional toilet rooms; ramp enclosures at level 2; and football press box at mezzanine level	2-26-62	18,118.79	34
136	Floor covering in team and officials' rooms & passage-ways in the area of the team rooms	2-26-62	17,897.14	168R
137	Plastic coating in entrance and exit areas to public toilet rooms	3-5-62	11,848.19	126
138	Provide higher windows in added football press box; provide 16 mirrors in 14 added toilet rooms and 8 glass shelves in added women's toilet rooms; substitute aluminum frames for divider windows in press boxes	3-5-62	14,974.59	65
139	1/8" vinyl asbestos floor tile in all areas indicated to receive this tile	3-5-62	6,146.55	73
140	Eliminate all railing along slope in center of all ramps	3-7-62	-13,264.00	81
			2,214,312.42	

EXHIBIT 7—Continued

<u>No.</u>	<u>Description</u>	<u>Date Issued</u>	<u>Amount</u>	<u>COR No.</u>
141	Installation of key-operated selector switch controllers complete with overload coils & heaters as required for motor starters, in fifty public toilet heating and ventilating control panels	3-12-62	3,740.20	77
142	Two complete sets of goal posts	3-12-62	3,892.97	150
143	Reinforce six main steel frames supporting the photographers' gallery at baseball-football press boxes	3-30-62	36,697.74	161
144	Revised doors and hardware to conform to D.C. Code	4-2-62	-41.00	66
145	Painted wood shelves in lieu of plate glass in 23 public women's toilet rooms	4-2-62	-294.40	164
146	Paper towel holders for Food Handling Areas	4-3-62	1,008.35	153
147	Extend football press box from column line 13 to 15	4-3-62	1,998.83	137
148	Fabric covered plywood end closure	4-3-62	88.79	201
149	Additional structural steel to support auxiliary scoreboards	4-3-62	6,050.07	121
150	Additional masonry work for 14 add. toilet rooms	4-9-62	58,521.29	166
151	Electric service for steam boilers in team room #2	4-13-62	991.14	183
152	Mirrors in team room areas	4-16-62	128.19	214
153	Eliminate glass and glazing at front enclosure of mezzanine seating area; remove sash and store on level 1	4-20-62	-9,555.00	129
154	Concrete block screen wall at E. Capitol entrance	4-25-62	2,430.74	175R
155	Miscellaneous iron work	4-25-62	13,929.25	63
156	Bandstand facilities; seating in removable dugout; opening for players' tunnel in fill-in stand	4-25-62	6,225.61	134
157	Additional steel in the frame of movable stands	4-25-62	12,347.64	163
158	Door pulls for doors 403, 417, 436, 436A, 438A	4-25-62	73.45	185
159	Increase slab openings for incinerator stack	4-25-62	416.67	154
160	Additional steps in mezzanine seating area	4-25-62	213.35	149

-2,433,176.31

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
161	Thermostat guards in public toilet rooms	5-3-62	250.00	178
162	Install additional louver in wall of Room No. 138	5-3-62	346.40	172
163	Revision of partitions, Rooms 446 and 448	5-3-62	- 132.32	176
164	Relocation of fire alarm and annunciator, Room 410	5-3-62	2,563.43	205
165	Provide exit for Room 416	5-3-62	1,832.26	156R
166	Delete 23 frankfurter cookers and hot chocolate warmers	5-4-62	- 6,500.00	177
167	Two halyards for flag poles in lieu of existing ones; and 208 volt service, Room 447	5-7-62	140.78	181
168	Install advertising sign receptacles in concourse areas	5-7-62	8,924.75	207
169	Provide wire mesh screens for windows in Room 140D	5-9-62	419.54	184
170	Receptacles in concession area, sketch ESK-41	5-9-62	2,553.27	202
171	Substitute #2 oil burning ignition system for boiler pilots in lieu of specified propane gas. Credit for oil used in testing boilers.	5-9-62	1,497.19	171 & 216
172	Relocation of alarm bell system for switchgear room and sewage ejector pumps to room 410	5-9-62	2,561.92	206
173	Additional telephone pay stations	5-9-62	10,669.63	204
174	Relocate two telephone jacks and one microphone outlet in box M-10	5-9-62	316.77	187
175	Electrical and heating revisions in machine room for freight elevator No. 1	5-9-62	1,024.91	200
176	Provide housing for automatic field cover, modify out-field fence	5-14-62	11,023.12	117R2
177	Install empty conduit and pull boxes to "tie-in" wire service system, football press box	5-14-62	674.92	197
178	Enclosure for entrance cable tray	5-14-62	677.61	182
179	Provide additional lavatories for team rooms	5-14-62	3,846.77	193
180	Install kitchen and bar equipment for Press Club	5-15-62	34,433.01	192

2,570,300.27

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
181	Provide additional handrail and curb, levels 3 and 5	5-15-62	521.93	157
182	Install sump pump in sewage ejector pit, Room 156	5-28-62	814.18	194
183	Install hand sink in boiler room	5-28-62	743.37	203
184	Lower field hydrants	5-28-62	1,755.02	208
185	Provide additional Western Union teletype facilities	5-28-62	1,172.58	217
186	Provide additional playing field drains	5-28-62	861.43	195
187	Change finish of walls in Room 443	5-28-62	- 122.40	186
188	Change lighting fixtures, lower deck seating area, and add lighting fixtures over ramp entrance from level 4 to press boxes	5-28-62	- 935.00	199
189	Install 12 additional gate signs	5-28-62	480.00	196R
190	Overtime work	5-29-62	47,250.67	180R
191	Install canvas closure in front of door opening RD-3, level 1	6-5-62	236.19	210
192	Delete electric heating from lower level of upper football press box	6-5-62	- 780.90	212
193	Delete Anti-Freeze solution for under-seat heating	6-5-62	- 1,556.00	211
194	Plasti-tile in concession sales areas	6-6-62	56,024.03	125R
195	Change quantity of accessory fixtures in various toilet rooms	6-6-62	8,475.24	167
196	Repair heating coils	6-7-6	693.69	237
197	Deletion of Clearance Signs	6-14-62	- 144.29	245
198	Deletion of playing field features	6-19-62	- 2,041.00	198R
199	Metal beading for counter tops	6-19-62	1,014.50	231
200	Provide door signs for added toilet rooms	6-19-62	531.82	215
201	Exit Sign Revisions	6-19-62	1,126.55	227

EXHIBIT 7—Continued

No.	Description	Date Issued	Amount	COR No.
202	Relocate rolling steel doors RD-4 and RD-5	6-19-62	242.55	213R
203	Combination starters for pneumatic tube system	6-19-62	68.50	99
204	Additional access door to steam room No. 172	6-19-62	747.62	218
205	Fabrication of service bars in stadium club lounge and press club	6-20-62	175.00	228
206	Aluminum closure for vertical electrical cable rack	6-20-62	344.07	230
207	Additional valves in water line near column 36	6-20-62	99.06	219
208	Install hooks for hanging fire extinguishers	6-20-62	463.91	221
209	Modifications to main ticket office	6-20-62	5,172.71	232
210	Partition with a door in corridor No. 426	6-20-62	420.22	226
211	Remove partition from between rooms 445 and 447	6-20-62	50.00	209
212	Revision of foul poles	6-20-62	424.81	223
213	Drip pans for waste water drain lines	6-20-62	20,847.67	229
214	Cover on roof of removable dugout	6-21-62	1,296.47	220
215	Upper press box revisions	6-21-62	2,811.48	234
216	Modifications to mezzanine level	6-21-62	10,685.70	233
217	Roofing and Sheet Metal Work	6-22-62	26,500.26	169
218	Additional hand railing	6-27-62	999.17	239
219	Change beam sizes of incinerator foundation	6-27-62	162.47	247
220	Delete 9" PVC waterstop in foundation wall	6-27-62	1,725.00	249
221	Revise wall finish in room No. 434	6-27-62	156.80	243
222	Delete certain items from stadium club kitchen	6-27-62	2,906.00	222
223	Partial closure panels at portals	6-27-62	1,436.03	240
224	Cleanup after six football games	6-27-62	8,424.88	242
225	Revision to level of concourse; revision to masonry wall	6-27-62	8,980.00	224

2,711,626.66

EXHIBIT 7—Continued

<u>No.</u>	<u>Description</u>	<u>Date Issued</u>	<u>Amount</u>	<u>COR No.</u>
226	Additional access panels to gain access to plumbing and ventilating equipment	6-27-62	1,969.09	241
227	Lower Press Box modifications	6-28-62	20,944.66	235
228	Architectural changes, sketches ASK-15A, ASK-16A, ASK-AR1	6-29-62	72,868.96	244
	Carpentry and millwork, ADR 1 - 8	6-29-62	62,950.56	246
	Revise details of concrete construction, SDR-1 thru 15	6-29-62	113,849.95	236
231	Omit five (5) sprinkler heads and piping	7-30-62	- 300.00	250
232	Additional expansion joints in walls of officials' room and home team room and ceilings of toilet rooms	8-3-62	1,760.84	251
233	Delete four feet of sod adjacent to peripheral walk	9-19-62	- 450.00	253
234	Provide high gloss enamel finish for ceilings in concession sales areas	9-26-62	489.40	252
235	Provide a satisfactory watertight surface on the observation platform over the main entrance and the ticket selling offices	10-22-62	1,500.00	254
236	Deletion of tempered plate glass and plastic overlay for countertops	2-26-63	- 423.40	--

NET Total 2,986,796.12

Original bids provided for an estimated quantity of piling of 201,250 lineal feet at a unit price (McCloskey's price bid was \$4.95 per ft. or a total for piling of \$996,187.50 included in total of \$14,247,187.50)

Actual footage of piling driven was 214,580 for an increase of 13,330 lineal feet

Actual cost increase for piling under terms of basic contract - 13,330 x \$4.95

65,983.50

Total increase in lump sum bid

3,052,780.22

Less reimbursement by Park Service

33,952.14

Net Total Increase

\$3,018,828.08

EXHIBIT 7a

MINUTES OF THE MEETING
of the
DISTRICT OF COLUMBIA ARMORY BOARD

August 30, 1957

A meeting of the District of Columbia Armory Board was held in the office of Commissioner McLaughlin at the District Building at ten o'clock, Friday morning, August 30, 1957.

Those present at the meeting were:

Mr. George F. Shea, Chairman
Commissioner R. E. McLaughlin

Major General W.H. Abendroth
Mr. Arthur J. Bergman
Mr. Frank D. Hays

* * * * *

It was further agreed that Mr. William N. McLeod, Jr., whom Congressman Harris has designated as his representative in Stadium matters during his absence (Mr. Harris') from Washington, be made a member of the 'advisory committee'.

* * * * *

EXHIBIT 7b

MINUTES OF THE MEETING
of the
DISTRICT OF COLUMBIA ARMORY BOARD

October 2, 1957

A meeting of the District of Columbia Armory Board was held at 9:30 o'clock Wednesday morning, October 2, 1957, at the District Building in the Board Room.

Those present at the meeting were:

Mr. George F. Shea, Chairman
Major General W. H. Abendroth

Mr. Arthur J. Bergman
Mr. Frank D. Hays

The Chairman called the meeting to order and announced that due to unforeseen circumstances, Commissioner McLaughlin would be unable to attend the meeting, but had given General Abendroth the right to cast his vote.

Chairman Shea then told the members that the first business to come before the meeting was the matter of appointing members to the Advisory Committee to the District of Columbia Armory Board for the Selection of a Consultant. A list of the candidates for membership in this committee was given to the members, and, after some discussion, the following resolution was adopted unanimously:

" WHEREAS on September 7, 1957, Public Law 85-300 (71 Stat. 619) was enacted, and

WHEREAS the Housing and Home Finance Agency had approved the application of the District of Columbia Armory Board for an advance of \$35,000.00, subject to the enactment of this statute, "to aid in financing the cost of engineering and architectural surveys, designs, plans, working drawings, specifications, financing or other action, preliminary to and in preparation for the construction of a Stadium" on the East Capitol Street site in the District of Columbia, and

WHEREAS the District of Columbia Armory Board has decided to appoint an Advisory Committee to consult with it concerning the selection of a consultant to perform said survey, now therefore it is

RESOLVED:

(1) that the following advisory committee be and hereby is appointed:

EXHIBIT 7b—Continued

Minutes of the Meeting
October 2, 1957

Page 2

ADVISORY COMMITTEE TO THE D. C. ARMORY BOARD
for the
SELECTION OF A CONSULTANT
in connection with the proposed District of Columbia
Stadium

Chairman: Arthur J. Bergman
Floyd A. Akers
Leo A. Casey
Francis J. Kane
William N. McLeod, Jr.
John A. Reilly
Fred A. Smith
Colonel A. C. Welling

(2) that this Committee is hereby authorized to examine the applications of the various consultants who have heretofore or who may file their requests for consideration with the Armory Board, and from such applicants, this Committee is to recommend three (3) to the District of Columbia Armory Board, and

(3) that such recommendations shall include comprehensive reports concerning the abilities and qualifications of each of the three such recommended applicants.

Be it further

RESOLVED: that each member of the District of Columbia Armory Board is ex-officio a member of this Advisory Committee and is hereby authorized to attend any meetings of the Advisory Committee. "

Following a brief discussion, it was unanimously agreed that the Chairman would notify each member of his appointment formally by letter enclosing a copy of the resolution which had just been adopted, and that after these announcements had been received by the appointees, a press release would be given out by Mr. Arthur J. Bergman.

After a discussion of the matter, it was agreed that Major General William H. Abendroth and Mr. Bergman would meet with Colonel A. C. Welling within a few days and work towards perfecting a method of screening the various engineering applicants so that interviews with these organizations could be set up without delay.

EXHIBIT 7b—Continued

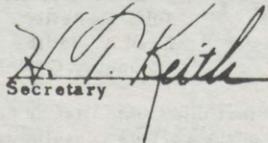
Minutes of the Meeting
October 2, 1957

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There being no further business before the meeting, upon a motion made by Mr. Shea, seconded by General Abendroth and unanimously carried, it was voted to adjourn.

Adjourned.

Respectfully submitted,



Secretary

Approved:



George F. Shea
George F. Shea, Chairman

EXHIBIT 7c

MINUTES OF THE MEETING
of the
DISTRICT OF COLUMBIA ARMORY BOARD

October 13, 1958

A meeting of the District of Columbia Armory Board was held at 9:30 o'clock Monday morning, October 13, 1958, in the office of Commissioner Robert E. McLaughlin.

Those present at the meeting were:

Mr. George F. Shea, Chairman
Commissioner R. E. McLaughlin ✓
Major General W. H. Abendroth

Mr. Arthur J. Bergman
Mr. Floyd Akers

The Chairman called the meeting to order and told the members that he had been given to understand that the Advisory Committee had completed its work and that Mr. Akers, as chairman of the Advisory Committee, was attending this meeting to present to the Armory Board the recommendations of his committee. Mr. Shea then asked Mr. Akers to present the recommendations.

Mr. Akers said that working on this project had been a pleasure and a privilege to all the members of the Committee as well as to himself; and said that all the members who had been appointed had been present at all three meetings held by the committee - on September 24, October 3 and October 9, 1958 - with the exception of Messrs. Reilly and Smith. Mr. Akers said that he had been advised that Mr. Reilly was ill.

"Mr. Bergman has been secretary of the Advisory Committee," Mr. Akers told the Board, "and I have asked him to give you the substance of our findings. Rather than take up a great deal of your time now with the details, the minutes of the three meetings we have held are available to the Armory Board so that complete details of our work are on the record."

Mr. Akers went on to say that in selecting the top candidates for the project, his committee had carefully considered them from the standpoint of experience, financial condition, recommendations and references and their standing in the community as well as their national reputation. "We have sifted these down to three companies," said Mr. Akers, and then turning to Mr. Bergman he said, "Will you give the Board the names and the pertinent information on

EXHIBIT 7c—Continued

Minutes of the Meeting
October 13, 1958

Page 2

these three as well as the names of the other companies we have interviewed."

Mr. Bergman said that twenty-four firms had been interviewed and following these interviews, the Committee classified the firms into four groups or eliminated them from the competition.

Mr. Akers interrupted to assure the Armory Board that to the best knowledge of the Advisory Committee, no firm wishing to be considered had been slighted in the least. "We not only wrote to these various people inviting them to see us, but also telephoned and telegraphed them." Mr. Akers then asked Mr. Bergman to continue with his report.

Mr. Bergman said that the Advisory Committee had selected for their "A" group the following companies:

Dahl, George L., Dallas, Texas - joint venture with
Ewin Engineering Corp., Washington, D. C.

Osborn Engineering Company, Cleveland, Ohio

Praeger-Kavanagh-Waterbury, New York, New York

He said that those companies which had been eliminated from the top "A" group he had just mentioned, had been omitted for definite and good reasons, and Mr. Akers added that in some cases the work-load of a company constituted the reason for eliminating them since work on the Stadium should be commenced within a certain length of time, and while a company might come under the "A" classification, the fact that they would be unable to begin the project at a given time would eliminate them.

Mr. Bergman then passed out to the Board members a copy of a tabulation which had been prepared by Mr. James A. Blaser (who had worked on the Advisory Committee project) and called to their attention the details shown on the tabulation on each of the various architectural-engineering organizations.

Commissioner McLaughlin remarked that he had always been under the impression that Praeger-Kavanagh-Waterbury had designed more stadiums than any other firm in the United States, but that in looking over Mr. Blaser's tabulation, it would appear that this was not a fact. Commissioner McLaughlin said that according to this record, Praeger-Kavanagh-Waterbury actually had only one high school listed to their credit.

EXHIBIT 7c—Continued

Minutes of the Meeting
October 13, 1958

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Mr. Bergman replied that he understood that Praeger-Kavanagh-Waterbury had done a considerable amount of consultation work all over the country but this did not show on Mr. Blaser's chart.

"On the other hand," continued Commissioner McLaughlin, "I see that the Osborn organization has done quite a great deal of stadium building."

Mr. Bergman said that the Advisory Committee were aware of the many stadiums that Osborn had built, and Mr. Shea asked if they had designed them or had built them. Mr. Akers replied that they had done both, - the design and the building of them, but with the assistance of other companies.

Mr. Bergman continued with his report and read from the chart the background, experience and achievements of Ewin Engineering Corporation and Architect George L. Dahl. Mr. Akers said that Amman & Whitney had worked with them on a large project, - along with Mr. Roberts, - the project being the re-facing of the Capitol. "In fact, there are four companies working on this job," said Mr. Akers.

"But they haven't built any stadiums, have they?" asked Mr. Shea.

"No, but as Colonel Welling said at one of our meetings, 'they can build anything'", replied Mr. Akers.

Mr. Shea then asked if the Committee had obtained the financial statements of these companies, and while Mr. Bergman referred to his documents on this subject, Mr. Akers said that roughly Dahl was over 5 million, Osborn was about 3 million, Praeger-Kavanagh-Waterbury was a little short of 1 million and Ewin was about 1/4 million, - but this latter firm had joined with George Dahl. Mr. Akers, in reply to Mr. Shea's question, said these figures represented their working capital.

Mr. Shea then asked Mr. Akers if any of these firms placed more emphasis on either architectural work or engineering, and Mr. Akers said he considered they were about 50/50, "I think Osborn may have a greater balance on engineering; and of course Praeger is probably stronger on engineering since both the Praegers are graduate engineers."

"Did you ask any of them if they would give us leasing plans - if they were selected to do the job - and how much it would be?" asked General Abendroth.

"We will go into that from a standpoint of our interest in this program: - if we set January, 1961 as the deadline date for this to be in operation, in that period of time we have ample time to do what we need... according to this, to start construction on June 1st, 1959. They are figuring between 3 to 3-1/2 months for

EXHIBIT 7c—Continued

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October 13, 1958

for preliminary plans, which would give you the set-up you are talking about," replied Mr. Akers, "Then we allow 1-to 1-1/2 months for discussion of these preliminary plans between the Armory Board and the consulting architect and the prospective tenants... then they will complete the plans so that bidding may start May 1st and close between May 10 or 15. We think you will have a preliminary report in about 90 days."

Mr. Bergman stated that all these people had told the Advisory Committee that they could have it ready in the spring of 1961.

Mr. Shea told the members that Mr. Morris Cafritz had forwarded to him a letter which he (Mr. Cafritz) had received from someone interested in having a 40-unit bowling alley set up in the new stadium for the purpose of having bowling tournaments in the off-seasons between baseball and football.

Commissioner McLaughlin remarked that a signed contract couldn't be executed with anyone until there was something to back it up... the prospectus would have to be available and the bonds sold. Mr. Shea said that it appeared to him that the Armory Board should very soon appoint an Advisory Committee to assist on the underwriting of the bonds, so that an 'if-and-when' arrangement might be made, - that perhaps someone from Treasury should be in on it - and perhaps these two things could be handled simultaneously. The Commissioner asked if any of the recommended firms would be willing to enter into a contract predicated on whether or not the bonds would be sold.

"Yes," replied Mr. Shea, "because the bonds are guaranteed by the Government."

"Do you mean that these people are willing to begin work on this when there might be some 'bugs' in the whole project which would prevent its materialization?" asked Commissioner McLaughlin.

"They are willing to do that," replied Mr. Akers.

"Without any guarantee? they to have no claim against anyone if it doesn't materialize?" persisted the Commissioner.

"That's right," repeated Mr. Akers, "and we will make sure they understand that."

"Would these people come up with preliminary plans, free of charge, with the understanding that when it does materialize, they are 'in'?" asked Mr. Shea.

Both Mr. Akers and Mr. Bergman reassured Mr. Shea that they would do that.

EXHIBIT 7c—Continued

Minutes of the Meeting
October 13, 1958

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Mr. Akers said that he had told each of these companies that this was not a Government project - that it was a "people's project" - eventually it would be owned by the people and that the Armory Board could not look to the Government for money... that the Board would have to sell the bonds. Mr. Shea commented that with current market fluctuations, it would appear that the Board should act quickly on the bond issue project, since the interest rate had apparently changed already.

"Getting back to these three companies," said Mr. Akers, "we have come up with the thought which may or may not be a factor: - we feel that there should be one top man... you can't have three captains... it comes to the point: Which one of these companies should be the captain? Then I think the top company could invite the other companies in if they wished."

"Ewin is the only one with a local office," commented Mr. Shea.

"Any firm that gets this job will have a local office," said General Abendroth.

"That's right," agreed Mr. Akers, "they could all have offices here."

"Is there any merit in this thought," asked Mr. Shea, "since there may be a financial risk we would want the firm well-off financially; also we want to feel that the preliminary plans are good ones. Should we suggest that these three firms (I consider Dahl and Ewin as one unit) get together and elect their own captain?"

"I don't think they would do that," said General Abendroth.

"How many are working at the Capitol?" asked Mr. Shea.

"Four of them," replied Mr. Akers.

"I would be inclined to think that they had elected their own captain," said Mr. Shea, "I would like to see the marriage of the three of them - let them talk it over and if they can't resolve it, they could go back to the Advisory Committee," Mr. Shea continued, "I understand that GSA presents that proposal regularly."

Mr. Akers remarked that he felt the Armory Board would be in a better position if one were selected and that one could invite the others in. General Abendroth asked Mr. Akers if he had a recommendation.

"Osborn has built more stadiums than any other company in the United States," said Mr. Akers, "and we believe any company that has built a string of stadiums must have a system of short-cuts and savings; Dahl is just as strong as the other companies, they have excellent planning for their work and a strong background, however in the Dallas auditorium they have big

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engineers like Amman & Whitney come in to assist them. I do believe that with Dahl's background things will be done - and promptly. We all know Mr. Praeger and we have found that he did most of the work for the Western Europe invasion landing facilities at Normandy. . . .nobody else would tackle the floating pier in New York. . . .Mr. Praeger solved a difficult problem presented during the construction of large hangars wherein he came up with revolving doors. Someone has said that he would put Mr. Praeger anywhere in the world, give him a difficult job and he would do it and do it well.

"We were greatly impressed with Osborn and Dahl, - we would like to recommend that Praeger be assigned the job of inviting Dahl and Osborn to join with him in this program." concluded Mr. Akers.

Mr. Shea asked him if, when he mentioned "Dahl", Mr. Akers meant to include the Ewin Engineering Corporation and Mr. Akers said that he meant Dahl alone, - but if Dahl wished to bring in Ewin that was his preference (referring to Mr. Dahl).

"I think friendships are very important in this thing," went on Mr. Akers, "Praeger-Kavanagh-Waterbury have spent a lot of time and money on this thing. . . .the man has already developed a new program to make this thing operate at practically no expense. . . .this comes out of his past experience. . . he will use a small 1/2 horsepower tractor to move this thing.

"Dahl is going to see that it is carried through on schedule from the standpoint of cost and that we get what we want. . . .Osborn would be advantageous because of their past experience in building so many stadiums and if he has short-cuts they would be helpful."

Mr. Shea asked Mr. Akers if he understood then that Osborn would be the engineer and the other two would be the idea men.

"No," said Mr. Akers, "the other two have just as many and equally as good engineers as Osborn. . . Colonel Welling is an engineer himself and he agrees with this. . . .we expect a committee or an engineer from the D. C. Government to watch this thing and report back to the Armory Board on the progress they are making."

"We have been directed by Congress," said General Abendroth, "to construct a stadium in substantial compliance with the Praeger report, so it would be well to have him in on it."

"It is up to you who you want," said Mr. Akers, "but there are many ramifications here, and people will be pleased if two or three are in on it. In fact, I think two will be necessary. . . .the third may not be necessary."

General Abendroth asked if the Board would instruct the top company to invite others in or leave that preference to the selected firm, and Mr. Shea said that if the Board invited one he thought it should invite three because the one left out usually proves troublesome. Mr. Akers remarked that there are

EXHIBIT 7c—Continued

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ten companies left out already, and Mr. Shea replied that they had been "screened out" as compared to what he was talking about concerning the three recommended firms.

Commissioner McLaughlin said that he would like to get something straightened out in his mind, - that he had been impressed from various meetings of the Armory Board that there was a great deal of criticism of Praeger-Kavanagh-Waterbury, - and such criticism had been expressed when their representatives attended the meetings and when they were absent from the meetings. . . . "In fact, I have been looking forward to the time when we could get off this "thin ice" and get away from Praeger," said the Commissioner, "I think we all felt that way, and began to think that way when the younger people were down here and gave us the impression that if the senior Praeger had said anything at all we shouldn't pay any attention to him. . . ."

"I'll agree to that," said Mr. Shea, "I relied more on Mr. Haenel than on Mr. Praeger."

"Praeger was the only man the Pentagon could rely on," volunteered Mr. Akers.

"His figures varied from day to day with us," said Mr. Shea, "and we felt that his figures weren't solid."

"The engineer can only do what his client asks him to do," replied Mr. Akers, "the architect can throw you out on anything as you go along."

"I had the impression that Capitol Hill was not confident of his figures, either," said Commissioner McLaughlin, "In fact, I understood that a definite figure on the cost was omitted from the 1958 amendments because Capitol Hill felt that the Praeger figures weren't correct."

"I didn't understand it that way at all," said Mr. Akers, "a definite figure was left out so that the Armory Board would have more latitude."

"Mr. Cafritz said it shouldn't cost over six million," interjected Mr. Shea.

"I believe the reason for the change in the Praeger figures was our fault," said General Abendroth, "He gave us an original figure and then we knocked out what we didn't want and then he changed his figures after these items had been eliminated."

"That's true," agreed the Commissioner, "but I had the feeling - and was of the impression that everyone else did - that we were skating on thin ice with Praeger's figures."

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"I never saw it that way," replied Mr. Akers.

"Well, I am referring to the Armory Board meetings," said Commissioner McLaughlin, "and of course you didn't attend them."

"I am frank to admit however," said Mr. Akers, "that Mr. McLeod would like to see Osborn Engineering and Fleischer married. I believe Dahls' background and initiative will be a great asset to this program, - I believe these two would make a great team. Colonel Welling and Mr. McLeod brought this up; but we cannot overlook Praeger-Kavanagh-Waterbury in this thing. To us, they could do the whole job, then we came along to this line of thinking of the combination of several companies."

"The reason we asked Praeger to send down all his substantiating papers was because we had begun to think they didn't have the proper figures," Commissioner McLaughlin continued, "so after having been through all that, I just can't help but be surprised at today's attitude about these people."

Mr. Akers said that the Advisory Committee had considered 24 firms, many of whom had been candidates for the survey project. "We are trying to get the program completed, and they will fit the bill and give us the greatest amount of income."

"I am willing to invite Praeger in now and give him his instructions," said General Abendroth.

"I think if you have Praeger-Kavanagh-Waterbury and another company whom you know to be reliable, that will be okay with me," said the Commissioner.

"I say we should invite three of them in, tell them we want a syndicated job, let them talk it over and let us know what they have decided," said Mr. Shea.

"Is that what GSA does?" Commissioner McLaughlin asked.

"Yes," replied Mr. Shea, "they put them together and tell them they had better get combined if they want the job."

"Of course that relieves the Armory Board of the burden," said Mr. Akers, "they have to get together and come up with the answer. Maybe you would want to instruct Dahl to invite the others."

"Would any of these companies come in as second to Praeger?" said Commissioner McLaughlin.

"Yes," said Mr. Akers, "if Praeger gets it and Dahl comes in, I know Dahl is going to make sure something is accomplished every day... I don't know but what maybe he should be top man...."

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"Why can't we tell all three of them and let them decide among themselves who would be top man?" asked Mr. Shea.

"That is up to you," replied Mr. Akers, "we make the recommendation and you can do whatever you want with it."

Mr. Akers said he thought that Dahl would be the best on planning, and Mr. Shea commented that the planning would be a very important factor.

Commissioner McLaughlin asked, "What about getting Praeger down here and telling him that we are thinking about giving him the primary contract?"

"I believe Praeger should be the "number one" man because of the Stadium Act," remarked General Abendroth.

"With the other two companies in there," said Mr. Akers, "it will meet with approval on Capitol Hill."

"I still believe that all three of them should be in on it," repeated Mr. Shea.

"Why not invite Praeger-Kavanagh-Waterbury and talk informally with them?" General Abendroth asked, "and we could tell them that we think these others should be in on it."

"Why shouldn't we tell all of them at the same time?" asked Mr. Shea.

"I think if we are going to select the "number one" man, we should select him in the beginning," replied General Abendroth.

"I think you have to have a package deal here," said Mr. Bergman, "and you can either select the top man yourself or let them choose their own top man - - - it would be up to the Armory Board to decide which would be the better way."

"Plus the fact that we have three second companies - - - it would help the bond issue," said Mr. Akers, "I think that we should designate one and tell him you want him to invite the others to work with him."

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Mr. Akers said that Praeger and Dahl had worked together, and asked if perhaps the Board would prefer to name Dahl as top man and ask him to invite the others in.

"I think we should ask all three of them," repeated Mr. Shea, "Suppose we notify all three of them, - and at once, - and tell them they have come out of this screening process on top, - that we want them to confer promptly and give us a plan, -tell us who is going to be boss, - who is going to do each section of the project- then we will have something to pass on. I can't imagine why three reasonable men couldn't get together to work on a prestige job like this."

"Do you really need two engineering firms?" asked the Commissioner.

"No, except that as Mr. Akers has pointed out, Osborn should know of some short-cuts - which would be advantageous," replied Mr. Shea.

"We have three points of view here," summarized the Commissioner, "How are we going to select them?"

"We have selected the three, - we put them in your hands to do with as you may wish," said Mr. Akers.

"Can we find out how the four firms working at the Capitol got together?" Mr. Shea asked.

"Why don't we call the Capitol now and find out?" suggested Commissioner McLaughlin.

It was unanimously agreed that this should be done and the Chairman asked Mr. Bergman to get the Capitol architect's office on the telephone.

While waiting for the call to be put through, General Abendroth said that if the Board asked these three companies to select their own 'captain', it would only seem logical to him that Praeger would be selected because of his familiarity with the program, and Mr. Akers agreed. Mr. Shea said that since he was distrustful of Praeger's figures, he would prefer to have Dahl working with Praeger.

"The Advisory Committee is agreeable to a syndicate," reported Mr. Akers, "and, in fact, personally I would recommend it."

Mr. Bergman got Mr. George Stewart, the Capitol architect, on the telephone and Commissioner McLaughlin talked with him. After completing his conversation with Mr. Stewart, Commissioner McLaughlin reported that there had been three different firms working on three different projects at the Capitol; these were under three separate contracts. Mr. Stewart insisted that they choose a coordinator who would be answerable to him... but there were three separate contracts. On the east front project at the Capitol there is only one

EXHIBIT 7c—Continued

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contract, and all are jointly and individually responsible; and they chose their own coordinator, responsible to Mr. Stewart. One fee is set and they divide it among themselves. Once a month they all come in to a meeting with Mr. Stewart and make their reports together. In this instance there is no primary contractor and he has no difficulty with this arrangement."

Mr. Akers remarked, "It resolves itself to this, then, designate all three today - tell them so by letter - tell them to select their own coordinator and to let you know who he is. Let the press know they have been designated. Ask them for a primary report in 90 days. Let the public know that there will be public hearings running about 4 to 5 weeks."

Mr. Akers then said that he had another appointment, - that his work at this meeting had been completed. Mr. Shea again expressed to Mr. Akers and his Advisory Committee, the appreciation of the Armory Board for their assistance in screening these companies and making their recommendations. Mr. Akers then left the meeting.

Upon a motion made by General Abendroth, seconded by Commissioner McLaughlin and unanimously carried, the following resolution was adopted:

RESOLVED: that the three applicants recommended to the Armory Board by the Advisory Committee, namely:

George L. Dahl, joint venture with Ewin Engineering Corp.
Osborn Engineering Company
Praeger-Kavanagh-Waterbury

be notified by letter that they are invited to form a syndicate to design and supervise construction of the D.C. Stadium; and it is further

RESOLVED: that they be instructed to meet with the Armory Board before Friday, October 17, 1958, and report to the Armory Board on that day the name of the coordinator whom they shall elect; it is further

RESOLVED: that they shall submit to the Armory Board within ninety days from October 17, 1958, preliminary plans and specifications in such detail that they may be used as a basis for negotiating leases with potential tenants of the D. C. Stadium; and it is further

RESOLVED: that they shall be notified that the Armory Board will assume no financial responsibility or liability for these preliminary plans and specifications; and that the Armory Board will assume no financial responsibility or liability in the event it is not able to float a bond issue in an amount which will enable the Armory Board to construct the Stadium.

EXHIBIT 7c—Continued

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The Chairman commented that since the representatives of the press would undoubtedly be outside the meeting room to find out what had happened at the Board's present meeting, -or would be telephoning later in the day for this information, - it would be well for the Board to decide what information should be released to the newspapers. There followed a general discussion about letting the press know what had been accomplished at this meeting and whether or not the names of the three firms should be released to the press.

Mr. Bergman suggested that the names be withheld until the companies actually accepted this assignment, since it might prove embarrassing if the names were given and then one or more of them declined the proposition. It was generally decided, however, that the press should be advised of what the Armory Board had accomplished at this important conference, and that a direct statement should be given to the newspapers to the effect that these three firms were being invited to form a syndicate to prepare plans for and to supervise the construction of the Stadium

Following a brief discussion, it was unanimously decided that the Board should meet with these firms on Thursday, October 16, 1958, at about noon and that the Chairman should telephone these companies immediately following the meeting to so advise them and to also give them ample time to hold their own meeting to determine a coordinator. It was further agreed that Chester Gray, as the Armory Board's legal counsel on Stadium matters, should attend the Thursday meeting.

The Chairman asked if there was any further business to come before the meeting. There was none. Upon a motion made by Commissioner McLaughlin, seconded by General Abendroth and unanimously carried, it was voted to adjourn.

Adjourned.

Respectfully submitted,


Secretary

Approved:

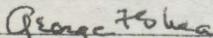

George F. Shea, Chairman

EXHIBIT 7d

MINUTES OF THE MEETING
of the
DISTRICT OF COLUMBIA ARMORY BOARD

July 24, 1958

A meeting of the District of Columbia Armory Board was held at 2:30 o'clock Thursday afternoon, July 24, 1958, in the office of Commissioner Robert E. McLaughlin in the District Building.

Those present at the meeting were:

Mr. George F. Shea, Chairman
Commissioner R. E. McLaughlin
Major General W. H. Abendroth
Mr. Arthur J. Bergman

Mr. Morris Cafritz
Mr. William N. McLeod, Jr. ✓
Mr. Ralph Pittman
Mr. Philip Talbott

The Chairman opened the meeting and stated that as a result of contacting Messrs. Cafritz, McLeod, Pittman and Talbott, he had invited them to attend this meeting so that they might be briefed on the duties of the sub-committee which would assist the Armory Board in negotiating leases with the baseball and football clubs in Washington for the proposed Washington National Stadium.

Mr. Shea told the members that Mr. John Reilly, whom he had endeavored to contact relative to inviting him to serve on this sub-committee, had just recently been discharged from the hospital and was not available.

Upon a motion made by General Abendroth, seconded by Commissioner McLaughlin and unanimously carried, the following resolution was adopted:

WHEREAS the District of Columbia Armory Board has decided to appoint an Advisory Committee to assist the Armory Board in its negotiations of leases for the D. C. Stadium with the professional football club and the Washington American League baseball club, now therefore it is

RESOLVED: that the following Advisory Committee be and hereby is appointed:

Mr. Morris Cafritz
Mr. William N. McLeod, Jr.
Mr. Ralph Pittman
Mr. Philip Talbott

EXHIBIT 7e

MINUTES OF THE MEETING
of the
DISTRICT OF COLUMBIA ARMORY BOARD

September 12, 1959

A meeting of the District of Columbia Armory Board was held at six o'clock Saturday afternoon, September 12, 1959 in the office of the Managing Director for the Armory Board in the National Guard Armory, Washington, D. C.

Those present at the meeting were:

George F. Shea, Chairman
Commissioner Robert E. McLaughlin
Major General W. H. Abendroth

Mr. Arthur J. Bergman

The Chairman called the meeting to order and explained that this meeting had been called so that the Armory Board might formally record its intended procedure relative to engaging a contractor for the construction of the Stadium.

Mr. Shea explained that in an amendment to the Stadium Act of 1957, as amended, the House of Representatives, in HR 8392, had amended the Act so that the Armory Board could enter into a negotiated contract with the Stadium construction contractor if it so desired rather than to advertise for bids and award the construction contract after receiving such bids and determining which bid should be accepted.

" I know that we are all in accord that the Board should advertise for bids on this project," Mr. Shea said, " and that we do not intend to negotiate such a contract; however I believe it would be well for us to formally adopt a resolution to this effect. "

Commissioner McLaughlin and General Abendroth both agreed with the Chairman's point of view and suggestion, and following a brief discussion, upon a motion made by General Abendroth, seconded by Commissioner McLaughlin and unanimously carried, the following resolution was adopted:

EXHIBIT 7e—Continued

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Minutes of the Meeting
September 12, 1959

" It is hereby unanimously

" **RESOLVED:** That irrespective of any language which may appear in any Act, the District of Columbia Armory Board will not negotiate for the construction of the Stadium with any contractor, but in carrying out its authority to construct said Stadium, will advertise for competitive bids in conformity with the intent of the language of the Senate Amendment to HR 8392 as passed by the Senate and as set forth in Senate Report No. 921, as well as with the opinion of the Comptroller General of the United States, dated August 19, 1959, as set forth in said Senate Report No. 921. "

Mr. Bergman suggested that it might be well to have several copies of this resolution made up for distribution to interested parties and the members of the Board unanimously agreed that this should be done.

There being no further business to come before the meeting upon a motion made by Commissioner McLaughlin, seconded by General Abendroth and unanimously carried, it was voted to adjourn.

Adjourned.

Respectfully submitted,

N. T. Keith

Secretary

Approved:

George F. Shea
for George F. Shea, Chairman

EXHIBIT 8

McCloskey & Co.,
Philadelphia, March 26, 1963.

Re: Request for Equitable Adjustment, Acceleration of Work—Contract AFBC
No. 1, Construction of D.C. Stadium.

Mr. J. A. BLASER,
Contracting Officer, D.C. Armory Board,
300 Indiana Avenue NW., Washington 1, D.C.

DEAR MR. BLASER: McCloskey & Co. hereby requests an equitable adjustment of the above-captioned contract pursuant to article 3, "Changes," thereof for the extra costs incurred in accelerating the completion of work.

By a letter dated June 25, 1962, McCloskey & Co. requested an extension of completion dates for the subject contract pursuant to article 9, "Delays—Damages," of the contract. That request set forth specific periods of unusually severe weather which necessitated that work be performed under conditions which resulted in loss of efficiency and unexpected costs. This same letter also set forth specific changes in the work which occasioned the expenditure of additional time for completion of the contract. For these reasons the contractor was entitled, under article 3, "Changes," of the contract, to an extension of time for completion.

By letter dated August 3, 1962, you found that the contractor was entitled to extensions of time for substantial completion and for completion in amounts sufficient to avoid the imposition of liquidated damages. Your decision failed, however, to consider the substance and merits of the contractor's specific claims in regard to extra time necessary to perform changed work and delay due to inclement weather as set forth in the contractor's aforesaid letter of June 25, 1962. A copy of the latter letter is attached hereto as exhibit A.

Work was commenced under the subject contract by an order to proceed dated July 7, 1960. The contract called for substantial completion (viz, completion to the extent necessary for the conduct of baseball games) by April 14, 1961, or within 381 calendar days. Addendum No. 2 to the contract dated May 2, 1960 (issued before construction began), changed the substantial completion date to September 14, 1961 (viz, in time for football instead of baseball). The contractor then had 434 calendar days to obtain substantial completion.

The original amount of the subject contract was \$14,313,171. After the commencement of work, and prior to the substantial completion date of September 14, 1961, the Government issued approximately 260 change orders. The total amount of these change orders produced a net increase in the contract price of approximately \$3,001,000. The largest dollar portion, as well as the largest work portion of these change orders, was related to mechanical installation and electrical work. These change orders increased the original contract price by approximately 28 percent.

From the outset of work under the contract, it was made clear to the contractor that completion of work, at least to the extent necessary for the conduct of football games in the fall of 1961, would be required. The contractor was therefore obliged to accomplish substantial performance by September 14, 1961, notwithstanding the extensions of time to which it was entitled because of the delays caused by the weather and the many changes. In this connection, the contractor accelerated the erection of structural steel as soon after the completion of foundation work as possible. Also, the contractor was obliged to schedule all work with a view to completion within enough time prior to the fixed substantial completion date so as to allow for the installation of seating equipment by another contractor under a separate contract with the Government.

The starting date of the contract and the contemplated scheduling of work indicated that the major portions of foundation concrete and poured-in-place lower deck of the stadium would not be accomplished before the onset of winter weather in 1960. Nevertheless, during the unusually severe winter of 1960, the contractor was required, by the necessary scheduling of work, to pour the major portions of both its foundation and in-place lower deck concrete under most adverse weather conditions. It is a matter of uncontrovertible record that a considerable portion of this work was required to be accomplished under weather conditions which would normally necessitate suspension of operations.

In many instances, full-scale outdoor operations were conducted on the contract in weather which has been memorialized as not only severe and unusual, but unequaled in local history. As an example, the contractor conducted a 6-hour pouring operation on the now memorable Inaugural Day of January 20, 1961. In order to carry on work in such adverse weather, the contractor was forced to incur additional costs to provide access to the site for heavy equipment. The use of such equipment in this weather resulted in increased costs for maintenance not contemplated in the original contract. In addition, the contractor was forced to provide extraordinary means to protect its work, including newly poured concrete, and to provide for the necessary heating and curing. Work conducted during such weather could not be carried on in a normal manner or with normal efficiency. The contractor was therefore forced to employ extra personnel to accomplish such work, a substantial portion of which had to be performed on an overtime basis.

The major change orders which increased the work required under the subject contract are set forth in the June 25, 1962, letter, a copy of which is the attached exhibit A. The contractor would normally have been entitled to additional time under the contract to the extent indicated in exhibit A to accomplish the changed and extra work. However, due to the requirement of the Government that this work, as well as the unchanged contract work, be substantially completed by September 14, 1961, in time for football, the contractor was forced to accomplish this changed and extra work through the employment of additional personnel and equipment and through the use of premium time. No such accelerated work was contemplated in the original contract and the necessity therefore resulted in considerable extra expense to the contractor.

The acceleration of work, particularly necessitating that the contractor incur increased costs for performance during severe and unusual weather and extra costs for the completion of changed and additional work, constitutes a change within the meaning of article 3 of the contract entitling the contractor to an equitable adjustment of the contract price. The contractor is prepared to provide the necessary documentation of its extra costs incurred as a result of the aforementioned required acceleration of the contract work.

The contractor respectfully requests that you issue a change order under article 3 of the contract to cover the aforesaid acceleration. Thereafter, the contractor will be anxious to negotiate the amount of the equitable adjustment to which it is entitled for such change.

Very truly yours,

McCLOSKEY & Co.
By T. D. McCLOSKEY.

EXHIBIT 9

THE DISTRICT OF COLUMBIA ARMORY BOARD

presentation of

THE FINAL CONSTRUCTION REPORT

on the

DISTRICT OF COLUMBIA STADIUM

June 30, 1963

Pursuant to Section 6(b) of the D. C. Stadium Act of 1957 (Public Law No. 85-300), as amended (Public Law No. 85-561 and Public Law No. 86-378), the District of Columbia Armory Board herewith presents the Final Construction Report on the District of Columbia Stadium.

Pursuant to Section 10 of the D. C. Stadium Act of 1957, as amended, annual reports and financial statements on the construction and operation of the District of Columbia Stadium have been submitted by the District of Columbia Armory Board to Congress, beginning with the fiscal year ended June 30, 1958; the Sixth Annual Report (for the fiscal year ended June 30, 1963) having been submitted to Congress on January 31, 1964.

Construction on the Stadium was begun in July of 1960; beneficial occupancy began on October 1, 1961 and completion of construction was accomplished in April of 1962.

This report is submitted in two sections: the first half (Exhibits "A" and "B", with detailed Schedules Nos. 1 through 8 substantiating the two exhibits) reflects the specific cost of each classification; the second half (Exhibits "C" and "D", with detailed Schedules Nos. 9 through 12 substantiating the two exhibits) lists the sources of funds and the application thereof to the construction costs of the Stadium.

CONSTRUCTION OF DISTRICT OF COLUMBIA STADIUM A109

Final Construction Report
District of Columbia Stadium

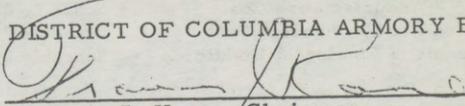
June 30
1963

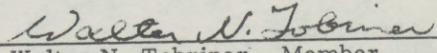
As recorded on Exhibit "C", the bulk of the Stadium funds was derived from the sale of the 4.20% D.C. Stadium Bonds of 1970-79 to the Chase Manhattan Bank, Blyth & Co., Inc., C.J. Devine & Co. and Associates; additional funds were derived by the Board's investment of the Stadium bond proceeds (not immediately needed for construction bills) in United States Treasury notes, bills and bonds from January, 1960 through June, 1963. Other subsequent funds were received from Stadium operation revenues and by a loan from the Armory Board's Working Capital Fund (Armory operation) as authorized by Section 6 (a) of the D. C. Stadium Act.

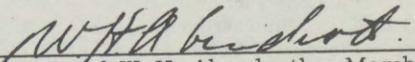
In accordance with Section 10 of the D. C. Stadium Act, as amended, the designated agency of the Board of Commissioners of the District of Columbia certifies the accuracy of the Armory Board's annual financial statements; certification of the attached financial statements has been made in the same manner.

Respectfully submitted,

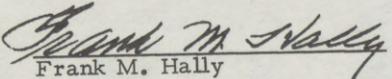
DISTRICT OF COLUMBIA ARMORY BOARD


Francis J. Kane, Chairman


Walter N. Tobriner, Member
(President, D.C. Board of Commissioners)


Major General W.H. Abendroth, Member
(Commanding General, D.C. National Guard)

I certify as to the accuracy
of the Financial Statements
contained in this report:


Frank M. Hally
Internal Audit Officer
District of Columbia

FINAL CONSTRUCTION REPORT

on the

DISTRICT OF COLUMBIA STADIUM

June 30, 1963

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CONSTRUCTION OF DISTRICT OF COLUMBIA STADIUM A111

DISTRICT OF COLUMBIA STADIUM

Statement of Cost of Construction

June 30, 1963

(Exhibit "A")

Preliminary Engineering and Economic Survey (Praeger-Kavanagh-Waterbury)	\$ 27,500.00
Architectural and Engineering (Dahl-Ewin-Osborn) (Schedule 1)	683,868.90
Construction Contract (McCloskey and Company) (Schedule 2)	17,266,015.58
Seating Installation (American Seating Company) (Schedule 3)	634,511.16
Miscellaneous Construction Costs (Schedule 4)	37,950.90
Execution and Administration of Contracts (J. A. Blaser, Contracting Officer) (Schedule 5)	87,498.58
Miscellaneous Administrative Costs (Schedule 6)	<u>29,601.25</u>
Cost of Construction before Net Interest Cost (Exhibit "B")	\$ 18,766,946.37
<u>Add:</u> Net Interest Cost during period of Construction (Schedule 7)	<u>581,486.76</u>
<u>Total Construction Cost: -</u>	<u>\$ 19,348,433.13</u>

NOTE: There are seven cases pending with the D. C. Contract Appeals Board, representing claims by McCloskey & Co., the construction contractor for the Stadium. The total claims amount to \$1,011,868 including two claims with no stated amount. (See Schedule 8.)

A112 CONSTRUCTION OF DISTRICT OF COLUMBIA STADIUM

DISTRICT OF COLUMBIA STADIUM
Comparison of Construction Costs

June 30, 1963

(Exhibit "B")

	Actual Cost - see Exhibit "A"	Estimated Cost - per Prospectus	Actual Over Estimate
<u>Preliminary Engineering & Economic Survey :</u>	\$ 27,500.00	\$ 27,500.00	- 0 -
<u>Construction of the Stadium:</u>			
Basic Construction Cost:	14,247,187.50	14,247,187.50	- 0 -
Other Estimated Costs and Contingencies of Construction	3,691,290.14	2,274,812.50	\$ 1,416,477.64
<u>Engineering and Administrative Costs:</u>			
Planning & Designing of Project	473,890.00	360,000.00	113,890.00
Supervision of Con- struction	180,607.00	140,000.00	40,607.00
Other	146,471.73	70,000.00	76,471.73
 Total:	 <u>\$18,766,946.37</u>	 <u>\$17,119,500.00</u>	 <u>\$ 1,647,446.37</u>

DISTRICT OF COLUMBIA STADIUM

Schedule of Architectural and
Engineering Costs

June 30, 1963

(Schedule 1)

Dahl-Ewin-Osborn

	<u>Planning and Designing</u>	<u>Supervision of Con- struction</u>	<u>Total</u>
<u>Original Contract</u>			
Preliminary plans and drawings -	\$ 80,000.00		
Plans and specifications -	280,000.00		
Supervision of construction -		\$ 135,000.00	
<u>Total Original Contract</u>	<u>\$ 360,000.00</u>	<u>\$ 135,000.00</u>	<u>\$ 495,000.00</u>
<u>Add: Increases by</u>			
Change Orders Nos. 1-9	<u>113,890.00</u>	<u>45,607.00</u>	<u>159,497.00</u>
Total:	<u>\$ 473,890.00</u>	<u>\$ 180,607.00</u>	<u>\$ 654,497.00</u>
<u>Add: Sub-contracted</u>			
Engineering Services for Foundation Investigation			<u>29,371.90</u>
<u>Total Architectural and Engineering Costs</u>			<u>\$ 683,868.90</u>

DISTRICT OF COLUMBIA STADIUM
Schedule of Construction Contract

June 30, 1963

(Schedule 2)

McCloskey & Company

Original Contract - \$ 14,247,187.50

Add: Increases by
Change Orders - \$3,094,282.73

Less: Reimbursement by
National Park
Service for parking
area work - 33,952.14

Total Increases: \$3,060,330.59

Less: Decreases by
Change Orders - 41,502.51

Net Increase by Change Orders:- 3,018,828.08

Net Construction Contract Cost:- \$17,266,015.58

DISTRICT OF COLUMBIA STADIUM

Schedule of Seating Installation Cost

June 30, 1963

(Schedule 3)

American Seating Company

<u>Original Contract</u>		\$ 630,721.85
<u>Add: Increases by Change Orders</u>	\$ 10,007.15	
<u>Less: Decreases by Change Orders</u>	<u>6,217.84</u>	
Net Increase by Change Orders:		<u>3,789.31</u>
<u>Total Cost of Seating Installation;-</u>		<u>\$ 634,511.16</u>

DISTRICT OF COLUMBIA STADIUM
 Schedule of Miscellaneous
 Construction Costs

June 30, 1963

(Schedule 4)

<u>D. C. Department of Sanitary Engineering:</u>	
Water Mains and Fire Hydrants	\$ 21,615.45
<u>Potomac Electric Power Company:</u>	
Electric Service Connections	3,000.00
<u>D. C. Department of Highways & Traffic:</u>	
Fire Alarm System Connections	1,780.78
<u>Miscellaneous Construction Items</u>	<u>13,031.02</u>
Total Miscellaneous Construction Costs:	\$ 39,427.25
<u>Less:</u> Reimbursement by Washington Redskins for miscellaneous work	<u>1,476.35</u>
<u>Net Miscellaneous Construction Costs:-</u>	<u>\$ 37,950.90</u>

CONSTRUCTION OF DISTRICT OF COLUMBIA STADIUM A117

DISTRICT OF COLUMBIA STADIUM

Execution and Administration of
Contracts - - Contracting Officer

June 30, 1963

(Schedule 5)

Services of Contracting Officer and Staff	\$ 63,052.36
Office Expenses	2,908.62
Travel Expenses	2,140.45
Construction Bid Advertisements	1,635.97
Blueprinting and Reproductions	17,440.42
Materials	320.76
	<hr/>
Total Expenses	<u>\$87,498.58</u>

DISTRICT OF COLUMBIA STADIUM
 Schedule of Miscellaneous
 Administrative Costs

June 30, 1963

(Schedule 6)

Payroll Expense	\$	18,184.36
Advertising		4,968.44
Professional Services		2,487.50
Travel Expense		942.27
Miscellaneous Expenses		<u>3,018.68</u>
 <u>Total Miscellaneous</u>		
<u>Administrative Costs:</u>		<u>\$ 29,601.25</u>

DISTRICT OF COLUMBIA STADIUM
Schedule of Net Interest Cost

June 30, 1963

(Schedule 7)

Temporary Stadium Bonds
(May 25, 1959-August 3, 1960)

Interest Expense	\$ 15,842.41
<u>Less: Interest Income Earned</u>	<u>1,679.88</u>

Net Interest Expense on Temporary Bonds: \$ 14,162.53

4.20% Stadium Bonds
(July 7, 1960-Sept. 30, 1961)

Interest Expense	\$ 965,580.00
Amortization of Bond Issuance Cost	3,629.69
Amortization of Premium on sale of Bonds	<u>(1,902.79)</u>
Total:	\$967,306.90

<u>Less:</u>	
Interest Income Earned:	<u>399,982.67</u>

Net Interest Expense on 4.20% Bonds: 567,324.23

Net Interest Cost: \$ 581,486.76

DISTRICT OF COLUMBIA STADIUM

Schedule of Contingent Liabilities

June 30, 1963

(Schedule 8)

Claims of McCloskey & Co. pending with the D.C. Contract Appeals Board are as follows:

CAB # 90	Claim for cost allegedly incurred due to extra pile driving -	\$ 24,362
CAB #103	Claim for time extension - no money involved -	- 0 -
CAB #107	Claim for cost relating to erection of portable stands - No amount stated.	
CAB #124	Claim for cost incurred in connection with moveable stands - No amount stated.	
CAB #161	Claim relating to installation of flexible bus ducts -	19,058
CAB #175	Claim relating to the replacement of a water line -	13,448
CAB #206	Claim relating to acceleration of work -	<u>955,000</u>
	<u>Total:-</u>	<u>\$1,011,868</u>

DISTRICT OF COLUMBIA STADIUM

Statement of Source and Application of Funds
from Inception to June 30, 1963.

June 30, 1963

(Exhibit "C")

Funds Expended for:

Stadium Construction		\$ 18,766,946.37
Interest Paid on 4.20% Bonds (prior to one year after (completion of construction)	\$ 1,679,042.41	
Bond Issuance Cost	58,662.80	1,737,705.21
Equipment and Furnishings		68,691.81
<u>Total Funds Expended:</u>		<u>\$ 20,573,343.39</u>

Funds Provided by 4.20% Stadium Bonds:

4.20% Stadium Bond Issue	\$19,800,000.00	
Accrued Interest Sold	140,910.00	
Premium on Sale of Bonds	31,678.02	
<u>Total Funds Provided by 4.20% Stadium Bonds:-</u>		<u>\$ 19,972,588.02</u>

Funds Provided by Other Sources:

Investment Income (Schedule 9)	\$ 489,665.67	
Loan from Armory Operation		
Working Capital Fund	6,821.13	
Contribution from Stadium Operating Revenues	104,268.57	
<u>Total Funds Provided by Other Sources:-</u>		<u>600,755.37</u>
<u>Total Funds Provided:-</u>		<u>\$ 20,573,343.39</u>

DISTRICT OF COLUMBIA STADIUMSchedule of Funds Available for Construction of
the D. C. Stadium

June 30, 1963

(Exhibit "D")

Provided in Bond Prospectus:

Construction Costs	\$ 16,167,000.00
Engineering and Administrative Costs	570,000.00
Preliminary Engineering & Economic Survey	27,500.00
Other Items and Contingencies	<u>355,000.00</u>

Total Provided by Bonds:- \$ 17,119,500.00

Add: Funds Provided in Bond Prospectus
for Items Other than Construction:

Furnishings & Equipment(Schedule 11) \$	32,808.19
Operation & Maintenance of Stadium for One Year after Completion of Construction	485,000.00
Bond Interest (Schedule 10)	<u>497,204.79</u>
	\$1,015,012.98

Funds Provided by Other Sources:

Premium on Sale of 4.20% Bonds	31,678.02
Investment Income Earned through June 30,1963(Schedule 9)	489,665.67
Loan from Armory Operation - Working Capital Fund -	6,821.13
Contribution from Stadium Operating Revenues -	<u>104,268.57</u>

Total Additional Funds Provided:- 1,647,446.37

Cost of Construction, Exclusive of Net Interest Cost:- \$ 18,766,946.37

DISTRICT OF COLUMBIA STADIUM

Schedule of Interest Income
and
Discount Earned

June 30, 1963

(Schedule 9)

Fiscal Year Ending:

June 30, 1959	Savings Account Interest		\$ 46.44
June 30, 1960	Savings Account Interest	\$ 70.18	
	Investment Income	<u>1,351.35</u>	1,421.53
June 30, 1961	Investment Income		374,488.87
June 30, 1962	Investment Income		103,008.60
June 30, 1963	Investment Income		<u>10,700.23</u>

Total Investment Income
through June 30, 1963:-

\$489,665.67

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DISTRICT OF COLUMBIA STADIUM

Schedule of Bond Interest Expense

June 30, 1963

(Schedule 10)

<u>Funds Provided in Bond Prospectus</u>		
for Interest Payments -		\$2,094,000.00
<u>Add: Accrued Interest Sold on Bond Issuance</u>		<u>140,910.00</u>
<u>Total Funds Available for Bond Interest Expense: -</u>		<u>\$2,234,910.00</u>
<u>Deduct:</u>		
<u>Interest Payments made on Temporary Bonds</u>		
(of \$476,000.00) -		
November 20, 1959	\$1,680.00	
May 10, 1960	1,680.00	
June 15, 1960	9,025.00	
August 13, 1960	<u>3,457.41</u>	\$ 15,842.41
<u>Interest Payments made on 4.20% Stadium Bonds</u>		
(of \$19,800,000.00) -		
December 1, 1960	\$415,800.00	
June 1, 1961	415,800.00	
December 1, 1961	415,800.00	
June 1, 1962	415,800.00	
December 1, 1962	415,800.00	
June 1, 1963	<u>415,800.00</u>	<u>\$2,494,800.00</u>
<u>Total Interest Payments Made: -</u>		<u>\$2,510,642.41</u>
<u>Add: Bond Issuance Cost and</u>		
Handling Charges -		<u>58,662.80</u>
		<u>\$2,569,305.21</u>
<u>Deduct: U.S. Treasury Loan</u>		
(June 1, 1962; June 1, 1963)		<u>831,600.00</u>
<u>Total Funds Expended for Bond Interest Payments:</u>		<u>1,737,705.21</u>
<u>Balance of Funds - Used for Construction Expenses: -</u>		<u>\$ 497,204.79</u>

DISTRICT OF COLUMBIA STADIUM

Schedule of Acquisition
of Miscellaneous Equipment and Furnishings
from inception to

June 30, 1963

	<u>(Schedule 11)</u>
<u>Funds Provided in Bond Prospectus</u>	\$ 101,500.00
<u>Deduct: Cost of Acquisition of</u> <u>Miscellaneous Equipment</u> <u>and Furnishings:</u>	
Fiscal Year Ended June 30, 1960	\$ 401.10
Fiscal Year Ended June 30, 1961	28,808.91
Fiscal Year Ended June 30, 1962	34,960.18
Fiscal Year Ended June 30, 1963	<u>4,521.62</u>
<u>Total Cost (See Schedule 12):</u>	<u>68,691.81</u>
<u>Balance of Funds - Used for Construction Expenses:-</u>	<u>\$ 32,808.19</u>

DISTRICT OF COLUMBIA STADIUM

Schedule of Equipment and Furnishings Purchased
from inception to June 30, 1963

(Schedule 12)

Stadium Equipment:

Tarpaulins & Machine	\$ 40,782.76
Vehicles	4,815.53
Fire Extinguishers	4,748.08
Machine Tools and Miscellaneous Tools	3,228.10
Flags	1,117.13
Miscellaneous Stadium Equipment	<u>8,278.24</u>

<u>Total Stadium Equipment:-</u>	\$ 62,969.84
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Office Furnishings and
Equipment:-5,721.97Total Cost of Stadium Equipment
and Furnishings Purchased:-\$ 68,691.81

EXHIBIT 10

6/18/60
 District of Columbia
 Standard Form No. ED 25
 Revised

PERFORMANCE AND PAYMENT BOND

KNOW ALL MEN BY THESE PRESENTS, That we, McCloskey & Co., a corporation organized and existing under the laws of the State of Delaware, as Principal, and THE AETNA CASUALTY AND SURETY COMPANY, A CONNECTICUT CORPORATION, OF HARTFORD, CONN.
 as surety

are held and firmly bound unto the District of Columbia Armory Board, hereinafter called the Board, in the penal sum of FOURTEEN MILLION TWO HUNDRED FORTY-SEVEN THOUSAND ONE HUNDRED EIGHTY-EIGHT DOLLARS AND NO CENTS (\$14,247,188.00), lawful money of the United States, for the payment of which sum well and truly to be made, we bind ourselves, our heirs, executors, administrators, and successors, jointly and severally, firmly by these presents.

THE CONDITION OF THIS OBLIGATION IS SUCH, That whereas the principal entered into a certain contract, hereto attached, with the Board, dated JULY 7TH, 1960, for CONSTRUCTION OF THE D. C. STADIUM, 22nd and East Capitol Streets, Washington, D. C. (Invitation No. C-60159-B), as more fully set forth in said contract.

NOW, THEREFORE, if the principal shall well and truly perform and fulfill all the undertakings, covenants, terms, conditions, and agreements of said contract during the original term of said contract and any extensions thereof that may be granted by the Board, with or without notice to the surety, and during the life of any guaranty required under the contract, and shall also well and truly perform and fulfill all the undertakings, covenants, terms, conditions and agreements of any and all duly authorized modifications of said contract that may hereafter be made, notice of which modifications to the surety being hereby waived, and shall save harmless and indemnify the Board from any and all claims, delays, suits, costs, charges, damages, counsel fees, judgments, and decrees to which said Board may be subjected at any time, on account of any infringement by said Principal of letters patent or copyrights, unless otherwise specifically stipulated in said contract, or on account of any injuries to persons or damage to property or premises that occur as a result of any act or omission of the principal in connection with the prosecution of the work, and pay the same, and if said contract is for work, material, or supplies, within the meaning of the Act of September 1, 1916 (39 Stat. 676, 688), or for the construction, alteration or re-

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pair of a public building or public work, within the meaning of the Act of July 7, 1932 (47 Stat. 608), shall promptly make payment to all persons supplying the principal with labor and materials in the prosecution of the work provided for in said contract and any such authorized extension or modification thereof, and shall keep the work so performed under said contract in repair for such period as said contract may provide, then this obligation to be void; otherwise to remain in full force and virtue.

IN WITNESS WHEREOF, the above-bounden parties have executed this instrument under their several seals this 7TH day of JULY 1930, the name and corporate seal of each corporate party being hereto affixed and these presents duly signed by its undersigned representative, pursuant to authority of its governing body.

Signed and sealed in the presence of:

S/ CHESTER H. GRAY

S/ CHESTER H. GRAY

S/ CHESTER H. GRAY

(Corporate Seal)

J. DRESS PANNELL
Secretary

(Corporate Seal)

Attest:

S/ W. J. RYAN

DISTRICT OF COLUMBIA
ARMORY BOARD

By S/ FLOYD D. AKERS
CHAIRMAN

S/ ROBERT E. McLAUGHLIN
MEMBER

S/ W. H. ABENDROTH
MEMBER

McCLOSKEY & CO.
1620 W. Thompson St.,
Phila. 21, Pa.
(Address)

By S/ T. D. McCLOSKEY
Title: VICE PRESIDENT

PRINCIPAL

THE AETNA CASUALTY AND SURETY COMPANY
HARTFORD, CONN.
(Address)

By S/ EUGENE FIELDS
ATTORNEY-IN-FACT
SURETY

The rate of premium on this bond is \$ 10 per thousand FIRST 1000
Total amount of premium charged, \$ 73,631.28 6.50 " " NEXT 2,500M
5.25 " " " "
5.00 " " " "
(The above must be filled in by corporate surety)
4.90 " " OVER 7,500,000

Authority of Attorney-in-Fact on file:

S/ WILBUR H. LAWYER
Supv., Bid & Contract Div.,
Procurement Office, D.C.

EXHIBIT 11

SIXTEENTH ANNUAL REPORT
OF THE DISTRICT OF COLUMBIA ARMORY BOARD
FOR THE DISTRICT OF COLUMBIA NATIONAL GUARD ARMORY

June 30, 1963

Report on Activities and Business at the Armory and Recommendations
to Congress for Future Uses and Control.

Pursuant to Section 10 of Public Law No. 605, an Act of June 4, 1948, entitled, "An Act to establish a District of Columbia Armory Board and for other purposes", the Armory Board is making herewith its sixteenth Annual Report in accordance with said Section.

Pursuant to the Act, the Armory Board was created and now consists of three members, Commissioner Walter N. Tobriner, President of the Board of Commissioners of the District of Columbia; Major General W. H. Abendroth, Commanding General of the District of Columbia National Guard; and Mr. Francis J. Kane, Chairman, a Washington businessman; with Mr. Arthur J. Bergman as Manager of the Armory.

The National Guard Armory, located at 2001 East Capitol Street in the Nation's Capital, is utilized primarily for the quartering and training of the Militia of the District of Columbia and secondarily to provide suitable facilities for major athletic events, conventions, concerts, trade shows, banquets, exhibits and many other types of events.

Following is an itemized schedule of activities held at the National Guard Armory during the fiscal year ending June 30, 1963:

1962	<u>August</u>	U.S. Junior Chamber of Commerce - "Teenage Road-e-o"
	<u>September</u>	United Brotherhood of Carpenters & Joiners - Convention
	<u>October</u>	National Assn. of Funeral Directors Exhibition Washington International Horse Show
	<u>November</u>	Kappa Alpha Psi - Dance George Washington University Homecoming Dance Sts. Constantine & Helen Bazaar National Capital Home Furnishings Show National Cultural Center - "A Pageant of the Arts" D.C. Board of Accountancy Examinations
	<u>December</u>	Mecca Temple Patrol No. 10 - Dance Jewel Social Club - Dance Beavers - Dance Youth for Christ
1963	<u>January</u>	Democratic Gala "2nd Anniversary Salute to the President" Omega Psi Phi - Dance Boy Scouts of America - Pot Luck Dinner
	<u>February</u>	Automobile Show Boat & Marine Show Shrine Circus

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<u>March</u>	National Capital Flower & Garden Show National Capital Kennel Club Dog Show National Institute of Dry Cleaners - Trade Show & Convention
<u>April</u>	Cherry Blossom Festival Rod & Custom Car Show Continental Society - Dance Lawanda School of Beauty - Dance Beavers - Dance
<u>May</u>	Mecca Temple Patrol No. 10 - Dance
<u>June</u>	Grand Ole Opry

Attendance at the Armory for the events held during this fiscal year has been estimated at 364,500. The eight annual shows contributed 308,600 attendees, the single events were attended by 31,900 persons and the three conventions brought 24,000 people to the Armory.

Attached hereto are the District of Columbia Armory Board's Financial Statements for the fiscal year ended June 30, 1963. The Statement of Earned Income and Expenditures reflects an excess of earned income over expenses of \$109,254.72. In this fiscal period \$39,291.87 was expended on Capital Improvements and Equipment at the Armory. The total amount expended for these items during the sixteen-year period the Armory Board has been in operation now totals approximately \$500,000.00.

As of June 30, 1963, the Armory Board had a total Working Capital Cash Fund in excess of \$100,000.00 and, pursuant to Section 8 of the Armory Board Act, whereby any amounts in excess of \$100,000.00 at the end of the fiscal year are to be deposited in the General Fund of the District of Columbia Government, arrangements were made to present to the District of Columbia Board of Commissioners a check in the amount of \$64,187.70.

Pursuant to the District of Columbia Stadium Act of 1957, as amended, separate books of account are maintained by the Armory Board for the District of Columbia Stadium operation and these transactions are reflected in the Sixth Annual Report and Financial Statement for the Stadium operation which follows this report on the Armory operation.

The District of Columbia Armory Board recommends that future control of the District of Columbia National Guard Armory be maintained in its present status for the fiscal year ending June 30, 1965.

Respectfully submitted,

DISTRICT OF COLUMBIA ARMORY BOARD

Francis J. Kane, Chairman

Walter N. Tobriner, Member
(President, D.C. Board of Commissioners)

Major General W. H. Abendroth, Member
(Commanding General, D.C. National Guard)

DISTRICT OF COLUMBIA ARMORY BOARD
Statement of Earned Income and Expenditures - Working Capital Fund
Armory Operation
June 30, 1963

(Exhibit "A")

<u>Income</u>			
Rental Income		\$114,394.89	
Work Order Income		305,768.61	
Parking Income		40,928.50	
Food Commissions		34,623.47	
Telephone Commissions		415.52	
Rest Room Machine Commissions		887.58	
Programs & Miscellaneous Income		<u>1,170.00</u>	
Total Earned Income: -			\$498,188.57
<u>Expenditures</u>			
Armory Board Payrolls: -			
Manager	\$11,457.42		
Assistant Manager	6,229.20		
Special Assistant	7,746.00		
Adm. Assistant	6,910.00		
Secretary	5,944.00		
Stenographer	<u>1,561.84</u>	\$39,848.46	
Admin. Staff Overtime Pay	6,675.34		
Payroll Life Insurance Contributions	176.43		
Payroll Health Insurance Contributions	261.26		
Payroll Retirement Contributions	3,462.03		
Annual Leave Increase	2,382.48		
Professional & Secretarial Services	5,489.35		
First-Aid Attendant Services	<u>2,603.50</u>	<u>21,050.39</u>	
Total Salaries & Services: -		60,898.85	
First-Aid Supplies & Expense	186.57		
Office Supplies & Expense	2,681.01		
Postage	460.47		
Telephone & Telegraph	2,279.53		
Newspapers & Periodicals	262.00		
Printing & Stationery	876.44		
Insurance	2,788.62		
Photographs & Framing	1,013.25		
Travel Expenses	201.40		
Promotion Expenses	6,242.65		
Bad Debt Expense	1,221.45		
Advertising Expense	4,153.19		
D.C. National Guard Payments	6,000.00		
Miscellaneous Expenses	<u>156.41</u>	<u>28,522.99</u>	
Total Business Operational Expenses: -		89,421.84	
Depreciation Expense	\$22,926.21		
Armory Repairs and Maintenance	16,022.69		
Armory Supplies & Expenses	19,231.53		
Loss on Fixed Assets Disposition	<u>3,284.50</u>		
Total Armory Operational Expenses: -		61,464.93	
Show Charges (Reimbursable Expenses)		219,378.97	
Parking Expenses		<u>18,668.11</u>	
Total Expenditures: -			<u>388,933.85</u>
Excess of Earned Income over Expenditures: -			<u>\$109,254.72</u>

DISTRICT OF COLUMBIA ARMORY BOARD

Armory Operation - Working Capital Fund

BALANCE SHEET

June 30, 1963

(Exhibit "B")

<u>ASSETS</u>			
<u>Current Assets</u>			
Working Capital Cash Fund (Sched. VII)			\$177,532.84
Accounts Receivable (Sched. V)	\$18,326.86		
Less: Allowance for Bad Debts	<u>1,884.75</u>	16,442.11	
Stadium Construction Fund Receivable		6,821.13	
Stadium Operating Fund Receivable		25,863.59	
Accrued Income		815.50	
Prepaid Insurance		2,615.83	
Prepaid Expense		<u>200.21</u>	
Total Current Assets: -			\$230,291.21
<u>Advance from D.C. Disbursing Officer</u>			
Cash in Bank		\$ 2,500.64	
Petty Cash Fund		500.00	
Reimbursements in Transit		<u>1,999.36</u>	5,000.00
<u>Fixed Capital Assets</u>			
	Cost or Est. Value	Allowance for Depreciation	Book Value
Capital Improvements (Sched. I)	\$349,665.69	\$125,251.82	\$226,413.87
Armory Equipment (Sched. II)	82,333.88	43,193.95	39,139.93
Office Equipment (Sched. III)	35,085.28	16,174.35	18,910.93
Uniforms for Guards	1,506.96	1,506.96	- 0 -
Canteen Improvements & Equipment (Sched. IV)	<u>34,283.21</u>	<u>12,819.94</u>	<u>21,463.27</u>
Totals:	<u>\$502,875.02</u>	<u>\$196,947.02</u>	<u>\$305,928.00</u>
Total Assets: -			<u>\$541,219.21</u>
<u>LIABILITIES AND CAPITAL</u>			
<u>Current Liabilities</u>			
Accounts Payable		\$ 7,968.65	
Accrued Salaries Payable		4,264.35	
Accrued Annual Leave Payable		6,777.66	
Deferred Rental Income		4,250.00	
Excess Funds Payable to General Revenues of the District of Columbia		<u>64,187.70(1)</u>	
Total Current Liabilities: -			\$ 87,448.36
<u>Advance from D.C. Disbursing Officer</u>			
Total Liabilities: -			\$ 92,448.36
<u>Working Capital Fund Surplus</u>			
Total Liabilities and Capital: -			<u>448,770.85</u>
			<u>\$541,219.21</u>

(1) Represents the amount in excess of \$100,000 in the Working Capital Fund as at June 30, 1963 to be transferred to the general revenues of the District of Columbia in accordance with Section 8, Public Law No. 80-605.

DISTRICT OF COLUMBIA ARMORY BOARD

Armory Operation - Working Capital Fund

June 30, 1963

Capital Improvements		(Schedule I)
Cost of Capital Improvements, 1949-1962:		\$318,606.52
Cost of Capital Improvements, 1963:		
Improvement & Paving, East Parking Lot	\$13,330.00	
Improvement Drill Hall electric facilities	1,420.02	
Outside floodlighting equipment	2,373.61	
Lower Level Shop doors installation	252.11	
Steam and Sewage lines for Drill Hall	<u>13,683.43</u>	<u>31,059.17</u>
Cost of Capital Improvements, 1949-1963: -		<u>\$349,665.69</u>

Armory Equipment		(Schedule II)
Cost of Armory Equipment, 1949-1962:		\$ 75,822.27
Cost of Armory Equipment, 1963:		
Cub Tractors (2)	\$ 2,750.00	
Miscellaneous Machine Tools	821.85	
Heavy Machine Tools	1,077.70	
Scaffolding	1,623.50	
Freight Handling Equipment	730.98	
Stage Equipment	780.00	
Fire Extinguishers (6)	124.20	
Work Order Registers (2)	118.80	
Banquet Tables (100)	1,658.25	
Public Address Equipment	2,722.76	
Intercomm. Equipment	<u>654.06</u>	
	<u>\$13,062.10</u>	
Deduct: Expended Equipment	\$6,538.74	
Adjusted Equipment	<u>11.75</u>	<u>6,511.61</u>
Cost of Armory Equipment, 1949-1963: -		<u>\$ 82,333.88</u>

DISTRICT OF COLUMBIA ARMORY BOARD

Armory Operation - Working Capital Fund

June 30, 1963

Office Furniture & Equipment		(Schedule III)
Cost of Office Furniture & Equipment, 1949-1962:		\$32,084.01
Cost of Office Furniture & Equipment, 1963:		
Duplicating Machine		\$1,183.05
Electric Typewriter		486.00
Electric Typewriter	\$ 580.50	
Less: Trade-in Allowance	<u>145.00</u>	435.50
Calculator		517.50
Folding Screens (3)		34.30
Chairs (7) - administrative office		124.10
Chairs (35) - show office		404.25
Storage Cabinets (3)		420.96
Steel File Cabinet		109.27
Table Fans (2)		59.94
		<u>\$3,774.87</u>
Less: Cost of machines traded-in		
Typewriter	\$ 518.00	
Adding Machine	<u>255.60</u>	<u>773.60</u>
		<u>3,001.27</u>
Cost of Office Furniture & Equipment, 1949-1963:		<u>\$35,085.28</u>

Canteen Equipment and Capital Improvements		(Schedule IV)
Cost of Canteen Equipment & Capital Improvements, 1949-1962:		\$35,563.39
Cost of Canteen Equipment & Capital Improvements, 1963:		
<u>Capital Improvements:</u> remodeling electrical and plumbing connections		
		\$1,800.59
<u>Equipment:</u> New Equipment -	\$1,927.00	
Less: Expended Items -	<u>1,100.00</u>	827.00
		<u>\$2,627.59</u>
Less: Improvements & Equipment Expended, 1963 -		<u>3,907.77</u>
Net Decrease:		<u>1,280.18</u>
Cost of Canteen Equipment & Capital Improvements, 1949-1963:		<u>\$34,283.21</u>

DISTRICT OF COLUMBIA ARMORY BOARD

Armory Operation - Working Capital Fund

June 30, 1963

Accounts Receivable		(Schedule V)
Accounts Receivable Incurred Prior to July 1, 1962		
National Council of Negro Women (1955)	\$ 76.10	
Flower and Garden Show (1962)	12.50	
Boat and Marine Show (1962)	<u>120.40</u>	\$ 209.00
Accounts Receivable - Current Year		
National Funeral Directors Association	1,074.80	
Home Furnishings Show	293.05	
Automobile Show	261.00	
Boat and Marine Show	17.50	
Flower and Garden Show	433.00	
Mecca Temple Patrol	.40	
National Institute of Dry Cleaners	14,677.74	
Miscellaneous Receivables	<u>1,360.37</u>	<u>18,117.86</u>
Total Accounts Receivable, June 30, 1963: -		<u>\$18,326.86</u>

Reconciliation of Accounts Receivable (Prior to July 1, 1962)		(Schedule VI)
Accounts Receivable Balance as at July 1, 1962:		\$ 7,179.91
Less: Collections and credits received on these accounts during 1963 fiscal year:		<u>6,970.91</u>
Balance of Accounts Receivable prior to July 1, 1962:		<u>\$ - 209.00</u>

DISTRICT OF COLUMBIA ARMORY BOARD

Armory Operation - Working Capital Fund

June 30, 1963

Reconciliation of Working Capital Cash Fund		(Schedule VII)
<u>Working Capital Cash Fund - July 1, 1962</u>		
Working Capital Cash Fund	\$140,516.43	
Unpaid Encumbrances	14,035.50	
Advance Account	<u>5,000.00</u>	\$159,551.93
<u>Deduct:</u>		
Total of Advance Account		
Cash in bank	\$ 3,644.75	
Petty Cash Fund	500.00	
Reimbursements in transit	<u>855.25</u>	<u>5,000.00</u>
		\$154,551.93
<u>Add:</u>		
Encumbrance (Advance Account)	\$ 5,000.00	
Cash Receipts (1963 Fiscal Year)	<u>484,828.54</u>	<u>489,828.54</u>
		\$644,380.47
<u>Deduct:</u>		
Cash Disbursements (1963 Fiscal Year)		
Armory Operations	\$421,264.76	
Payment to D.C. Government General Fund	<u>45,582.87</u>	<u>466,847.63</u>
<u>Working Capital Cash Fund - as at June 30, 1963: -</u>		\$177,532.84
<u>Deduct:</u>		
Encumbrance (Advance Account)	\$ 5,000.00	
Miscellaneous Encumbrances	27,583.61	
Other Outstanding Obligations	<u>18,446.25</u>	<u>51,029.86</u>
		\$126,502.98
<u>Add:</u>		
Cash on Hand (Advance Account)	\$ 5,000.00	
Advance to D.C. Stadium Operation	<u>32,684.72</u>	<u>37,684.72</u>
<u>Working Capital Cash Fund Balance (Unencumbered)</u>		\$164,187.70
Excess Funds Payable to D.C. Government General Fund: -		<u>64,187.70</u>
<u>Working Capital Cash Fund to be Retained by Armory Board as at June 30, 1963: -</u>		<u>\$100,000.00</u>

EXHIBIT 12

SIXTH ANNUAL REPORT
OF THE DISTRICT OF COLUMBIA ARMORY BOARD
FOR THE DISTRICT OF COLUMBIA STADIUM

June 30, 1963

By authority of the Act of Congress known as the "District of Columbia Stadium Act of 1957", as amended (Public Laws No. 85-300, approved September 7, 1957; No. 85-561, approved July 28, 1958; and No. 86-378, approved September 23, 1959), the District of Columbia Armory Board, created by the Act of Congress entitled, "An Act to establish a District of Columbia Armory Board and for other purposes" (Public Law No. 80,605, approved June 4, 1948), unanimously resolved on June 20, 1960:

"In order to provide the people of the District of Columbia with a stadium suitable for holding athletic events and other activities and events of a nature requiring such a facility, the Board hereby determines to construct a Stadium with a maximum seating capacity of 50,000 on the East Capitol Street site in the District of Columbia (a 180-acre area bounded by Benning Road, Oklahoma Avenue, Kingman Lake, Nineteenth Street and the District of Columbia General Hospital); and thereafter to maintain and operate the same together with the motor vehicle parking lots and areas provided pursuant to the D.C. Stadium Act of 1957 in connection therewith, in accordance with and in order to carry out the purposes of the Stadium Act."

In accordance with Section 4 of the Stadium Act, negotiable bonds were issued by the Board. These bonds are identified as the "4.20% Stadium Bonds of 1970-79" and were issued by the Armory Board in the amount of \$19,800,000 to cover the following estimated costs:

Preliminary engineering & economic surveys		\$ 27,500.
Construction of the Stadium:		
Basic Contract Cost	\$14,247,187.50	
Other Estimated Costs	1,319,812.50	
Construction Contingencies	<u>600,000.00</u>	16,167,000.
Miscellaneous Equipment and Furnishings		101,500.
Engineering & Administration Costs		570,000.
Operation & Maintenance Costs for one year after construction		485,000.
Bond interest payable prior to one year after construction		2,292,000.
Other items and contingencies		<u>157,000.</u>
Total:		<u>\$19,800,000.</u>

Pursuant to Section 10 of the D.C. Stadium Act of 1957, as amended, the Armory Board is herewith making its sixth Annual Report in accordance with said Section. Attached hereto are the Armory Board's financial statements for the fiscal year ended June 30, 1963.

The Armory Board recommends that future control of the District of Columbia Stadium be maintained in its present status for the fiscal year ending June 30, 1965.

Respectfully submitted,

DISTRICT OF COLUMBIA ARMORY BOARD

Francis J. Kane, Chairman

Walter N. Tobriner, Member
(President, D.C. Board of Commissioners)

Major General W. H. Abendroth, Member
(Commanding General, D.C. National Guard)

DISTRICT OF COLUMBIA ARMORY BOARD

Statement of Earned Income and Expenditures
D.C. Stadium Operating Fund

June 30, 1963

(Exhibit "A")

Operating Income:

Rental Income			
Pro-Football, Inc.	\$179,632.01		
The Senators, Inc.	83,225.80		
George Washington University	19,212.68		
Others	<u>19,749.83</u>	\$301,820.32	
Rental Services		23,232.42	
Food Concession Income		141,328.09	
Parking Income		187,189.25	
Advertising Income			
Scoreboard & Clock	\$ 47,000.00		
Display Advertising	<u>4,715.52</u>	51,715.52	
Telephone Commissions		676.14	
Miscellaneous Income		<u>20.00</u>	
Total Operating Income: -			\$705,981.74

Operating Expenses:

<u>Salaries and Services</u>			
	Regular	Overtime	Total
	Payroll	(for Events)	
Manager	\$ 8,493.06	- 0 -	\$ 8,493.06
Asst. Manager	6,229.20	- 0 -	6,229.20
Clerical Staff	9,993.87	2,790.22	12,784.09
Engineering	55,136.68	21,217.07	76,353.75
Electrical	18,118.11	11,913.57	30,031.68
Total Salaries	\$97,970.92	\$35,920.86	\$133,891.78
Annual Leave Expense		3,818.53	
Payroll Retirement Contributions		6,681.07	
Payroll Life Insurance Contributions		333.24	
Payroll Health Insurance Contributions		<u>1,029.98</u>	
			\$145,754.60
Professional & Secretarial Services		3,702.38	
Guard Service		18,960.00	
Janitor Service		<u>916.02</u>	
Total Salaries & Services:			\$169,333.00

<u>Administrative Expenses</u>		
Advertising Expenses	\$ 5,650.62	
Telephone & Telegraph	3,586.08	
Insurance	13,029.60	
Office Supplies & Expense	703.24	
Printing & Stationery	276.21	
Freight	349.20	
Miscellaneous Expenses	<u>5.00</u>	
		23,599.95

Forward: \$192,932.95 \$705,981.74

A140 CONSTRUCTION OF DISTRICT OF COLUMBIA STADIUM

(Exhibit "A"- Page 2)

Brought Forward:		\$192,932.95	\$705,981.74
<u>Operating & Maintenance Expenses</u>			
Ground Rent	\$ 100.00		
Stadium Repairs & Maintenance	10,492.82		
Equipment Repairs & Maintenance	996.80		
Supplies & Expense	15,955.32		
Cleaning Expense	20,360.86		
Grounds Maintenance	67,233.30		
P.A. System Expense	539.50		
Electricity & Water Expense	30,680.61		
Fuel Oil	7,514.07		
Game & Event Expenses	4,273.11		
Seating Conversion Expense	<u>33,750.00</u>	191,896.39	
Parking Expenses		77,752.07	
Loss on Fixed Assets		<u>1,359.37</u>	
Total Operating Expense: -			<u>463,940.78</u>
<u>Net Operating Profit before Interest Charges and Stadium Depreciation Expense:</u>			\$242,040.96
<u>Deduct:</u>			
Net Interest Charges			
Interest on 4.20% Stadium Bonds	\$832,995.96		
Interest on Scoreboard & Clock	20,143.50		
Bond Handling Fees	<u>661.35</u>	\$853,800.81	
Less:			
Interest Income on Investments		<u>10,700.23</u>	
Total Net Interest Charges:			<u>843,100.58</u>
<u>Net Loss before Depreciation on Stadium:</u>			<u>(\$601,059.62)</u>
<u>Deduct:</u>			
Depreciation on Stadium (1)	\$386,948.34		
Depreciation on Furniture (1) and Equipment	<u>47,477.74</u>	434,426.08	
<u>Net Operating Loss - after Interest Charges and Depreciation</u>			<u>(\$1,035,485.70)</u>

(1) Depreciation is a non-cash expense.

DISTRICT OF COLUMBIA ARMORY BOARD

Stadium Operating Fund
Balance Sheet

June 30, 1963

(Exhibit "B")

<u>ASSETS</u>			
<u>Current Assets</u>			
Cash			\$ 23,918.83
Accounts Receivable			62,741.95
Prepaid Insurance			<u>4,711.31</u>
Total Current Assets: -			\$ 91,372.09
<u>Fixed Assets</u>			
	<u>Cost</u>	<u>Allowance for Depreciation</u>	<u>Book Value</u>
Scoreboard & Clock	\$412,000.00	\$ 61,800.00	\$350,200.00
Stadium Capital			
Improvements	1,329.41	3.80	1,325.61
Parking Lot Improvements	578.19	11.56	566.63
Stadium Equipment	11,310.59	1,439.85	9,870.74
Office Furniture & Equipment	4,264.70	346.87	3,917.83
Totals:	<u>\$429,482.89</u>	<u>\$ 63,602.08</u>	<u>\$365,880.81</u>
			365,880.81
<u>Other Assets</u>			
Deposit with Mfrs. Mutual Fire Insurance Company			\$ 34,712.00
Total Assets: -			<u>\$ 491,964.90</u>
<u>LIABILITIES AND CAPITAL</u>			
<u>Current Liabilities</u>			
Accounts Payable			\$ 27,430.81
Armory Operation Payable (Working Capital Fund)			25,863.59
Stadium Construction Fund Payable			888,547.34
Accrued Salaries Payable			7,122.25
Accrued Annual Leave Payable			<u>8,153.62</u>
			957,117.61
<u>U.S. Treasury Loan Payable</u>			
4.20% Stadium Bond Interest Payment Loan (1)			831,600.00
<u>Long-Term Liabilities</u>			
Contract Payable - Scoreboard & Clock (2)			344,118.50
			<u>\$2,132,836.11</u>
<u>Capital</u>			
Operating Fund Deficit		\$ 605,385.51	
Net Operating Loss (Exhibit A)		<u>1,035,485.70</u>	<u>(1,640,871.21)</u>
Total Liabilities and Capital: -			<u>\$ 491,964.90</u>

- (1) The U.S. Treasury Loan can be liquidated from District of Columbia Government funds when Stadium funds are not available. Therefore, although this loan appears as a liability of the Stadium Fund, it will not necessarily be repaid from Stadium operating receipts.
- (2) This contract provides for periodic curtailment of the outstanding balance from advertising revenues derived from scoreboard advertising, to the extent such revenues are sufficient.

DISTRICT OF COLUMBIA ARMORY BOARD

Stadium Construction Fund
Balance Sheet

June 30, 1963

(Exhibit "C")

<u>ASSETS</u>			
<u>Current Assets</u>			
Stadium Operating Fund Receivable		\$ 888,547.34	
U.S. Treasury Bills-Investment-(Maturity Value)		<u>150,000.00</u>	\$ 1,038,547.34
<u>Fixed Assets</u>			
	<u>Cost</u>	<u>Allowance For Depreciation</u>	<u>Book Value</u>
Stadium Equipment	\$50,075.06	\$ 6,308.29	\$ 43,766.77
Office Furniture & Equipment	1,279.46	282.80	996.66
	<u>\$51,354.52</u>	<u>\$ 6,591.09</u>	<u>\$ 44,763.43</u>
<u>Capitalized Costs (Stadium)</u>			
Preliminary Planning & Survey		\$ 27,500.00	
Architectural & Engineering		683,868.90	
Stadium Construction		17,266,015.58	
Seating Installation		634,511.16	
Miscellaneous Construction		37,950.90	
Execution & Administration of Contracts		87,498.58	
Miscellaneous Administrative Costs		<u>29,601.25</u>	\$18,766,946.37
Net Interest on 4.20% Bonds			<u>581,486.76</u>
Less:			\$19,348,433.13
Allowance for Depreciation			<u>580,422.51</u>
			18,768,010.62
<u>Deferred Charges: Unamortized Bond Issuance Cost</u>			<u>49,828.40</u>
Total Assets: -			<u>\$19,901,149.79</u>
<u>LIABILITIES</u>			
<u>Current Liabilities</u>			
Accrued Interest Payable (4.20% Stadium Bonds)		\$ 66,990.00	
Armory Operation Payable (Working Capital Fund)		<u>6,821.13</u>	\$ 73,811.13
<u>Long-Term Liabilities</u>			
4.20% Stadium Bonds - Due 1970-79			19,800,000.00
<u>Deferred Credits</u>			
Unamortized Premium on 4.20% Bonds		\$ 26,907.40	
Unamortized Discounts on Investments		<u>431.26</u>	27,338.66
Total Liabilities: -			<u>\$19,901,149.79</u>

Note: There are seven cases pending with the D.C. Contract Appeals Board representing claims by McCloskey & Co., prime construction contractor of the Stadium. The total claims amount to \$1,011,868.00 including two claims with no stated amounts (See Schedule I attached).

DISTRICT OF COLUMBIA ARMORY BOARD

D.C. Stadium Construction Fund

June 30, 1963

Schedule of Claims Pending - Stadium Construction
(Contingent Liabilities) (Schedule I)

The following claims of McCloskey & Company (prime construction contractor) are currently pending with the D.C. Contract Appeals Board:

CAB # 90 - Claim for cost allegedly incurred due to extra pile driving -	\$ 24,362.00
CAB #103 - Claim for time extension. No money involved.	- 0 -
CAB #107 - Claim for costs relating to erection of portable stands - No amount stated.	
CAB #124 - Claim for cost incurred in connection with moveable stands - No amount stated.	
CAB #161 - Claim relating to installation of flexible bus ducts -	19,058.00
CAB #175 - Claim relating to the replacement of a water line -	13,448.00
CAB #206 - Claim relating to acceleration of work -	955,000.00
Total Contingent Liabilities -	<u>\$1,011,868.00</u>

EXHIBIT 13

LAW OFFICES, JAMES FRANCIS REILLY,
Washington, D.C., October 9, 1961.

Hon. ALAN BIBLE,
Chairman, District of Columbia Committee,
U.S. Senate, Washington, D.C.

Hon. JOHN L. McMILLAN,
Chairman, District of Columbia Committee,
U.S. House of Representatives, Washington, D.C.

DEAR MR. CHAIRMAN: I respectfully resign as a member of the District of Columbia Armory Board, effective October 10, 1961.

The sole consideration which prompted me on March 29 of this year to accept your joint appointment as a noncompensated and only appointive member of the Board was the opportunity which such membership would provide for me to perform a public service to the people of the District of Columbia. I attended my first meeting of the Board on April 14 when I was elected Chairman.

While I anticipated that my membership on the Board would consume some of my time, I just did not contemplate the extraordinary amount of time which would be required if I were to responsibly discharge the duties of member-Chairman. Nonetheless, with the patience and understanding of my clients and my family, I determined to try to make the necessary adjustments in my schedule so that I could adequately fulfill the duties of Chairman, at least until the new stadium was dedicated and in operation. To further complicate the situation, in the last 3 months one of my principal clients substantially expanded its operations through the acquisition of another company, resulting in increased demands upon my time by this client.

With the stadium now operative, I feel that I can and must devote my full time to the practice of the law and to my other pressing personal obligations; with the knowledge that for the past few months I have given freely and unstintingly of my time and abilities to the Board in a continuing effort to advance the best interests of the people of the District of Columbia during my service.

A brief report of the Board's activities during my service is attached for your information.

I thank both of you for affording me the opportunity to render a public service in the community and I regret that my personal obligations make it impossible for me to continue to serve on the Board.

With kindest personal regards, I am,

Respectfully and sincerely,

JAMES FRANCIS REILLY.

REPORT OF JAMES FRANCIS REILLY, CHAIRMAN, DISTRICT OF COLUMBIA ARMORY BOARD, APRIL 14, 1961, THROUGH OCTOBER 9, 1961, TO SENATOR ALAN BIBLE, CHAIRMAN, SENATE DISTRICT OF COLUMBIA COMMITTEE, AND CONGRESSMAN JOHN L. McMILLAN, CHAIRMAN, HOUSE DISTRICT OF COLUMBIA COMMITTEE

I was appointed to the Board by Senator Bible and Congressman McMillan as the noncompensated appointive member on March 29, 1961, and took the oath of office on the same day. I attended my first meeting of the Board on April 14, and, in line with precedent, was elected Chairman.

Since April 14, there have been at least 18 Board meetings, each consuming varying lengths of time, many of almost a full day's duration. Also, there have been numerous informal discussions by the Chairman with the other two members, with staff personnel, with representatives of other governmental agencies, and the usual telephone and written communications attendant with the administrative responsibilities of a chairman. In addition to the time consumed in handling these matters, the necessary reading and preparation required to attend to them placed a further burden on my available time.

Pursuant to the congressional directives in section 6(3) of the Armory Board Act and section 5(3) of the Stadium Act, the Board by unanimous action during my tenure of office has adhered undeviatingly to a policy of competitive bidding.

Among the awards made since April 14, under this policy, by unanimous decision were the stadium food and beverage concession to District Sportservice, Inc.; the stadium-armory parking concession to District Parking Management

Co.; the field tarpaulin to Domestic Film Products Corp.; and cleaning of the stadium during the 1961 football season to Public Buildings Maintenance Co.

On October 8, the Board advertised in the Washington newspapers for bids on the public liability, fire, and other insurance covering the armory and the new stadium; and have also sent invitations to bid (the specifications for which were prepared by Lukens, Savage & Washburn of Philadelphia, independent expert insurance advisers retained by the Board on August 11) to all insurance agents and brokers who had previously indicated an interest in bidding for the insurance coverage required by the Board. The bids are to be submitted to the Board on October 27, after which they will be analyzed by Lukens, Savage & Washburn and the award or awards made by the Board to the lowest responsible bidder or bidders in light of such analyses. In the interim period, the Board has arranged for temporary public liability, fire, and other insurance.

After months of negotiations, the Board by unanimous action on September 29 executed an agreement with Senators, Inc., for the use of the new stadium for 10 years, beginning in 1962.

As you are aware, the stadium became operative on Sunday, October 1, with the football contest between the Washington Redskins and the New York Giants before approximately 37,000 persons. This event marked the realization of the objective of the Board, the Congress, and others that the new stadium would become revenue producing at the earliest possible date; and enable the Board to comply with the December 24, 1959, contract between Pro Football, Inc. (Redskins), and the Board, that the stadium should be available for the Redskins' 1961 football season.

On Saturday, October 7, preceding the football contest between George Washington University and Virginia Military Institute, the new stadium was officially dedicated.

As heretofore indicated, all of the actions and decisions of the Board during my tenure of service have been unanimous.

I would be remiss if I did not express my appreciation to my two colleagues, the Honorable Walter N. Tobriner, President of the D.C. Board of Commissioners, and Maj. Gen. William H. Abendroth, commandant of the D.C. National Guard, who by statute hold their Board membership by virtue of their official positions. I commend them and the Board's staff for their individual and collective contributions to the public service during my tenure on the Board.

It has been a privilege to have served, by your joint appointment, as member-Chairman of the Armory Board, and I thank you for this opportunity for public service, and I regret that my personal obligations are such that I just cannot continue to serve on the Board after October 10, 1961.

Respectfully submitted.

JAMES FRANCIS REILLY.

EXHIBIT 14

OCTOBER 30, 1961.

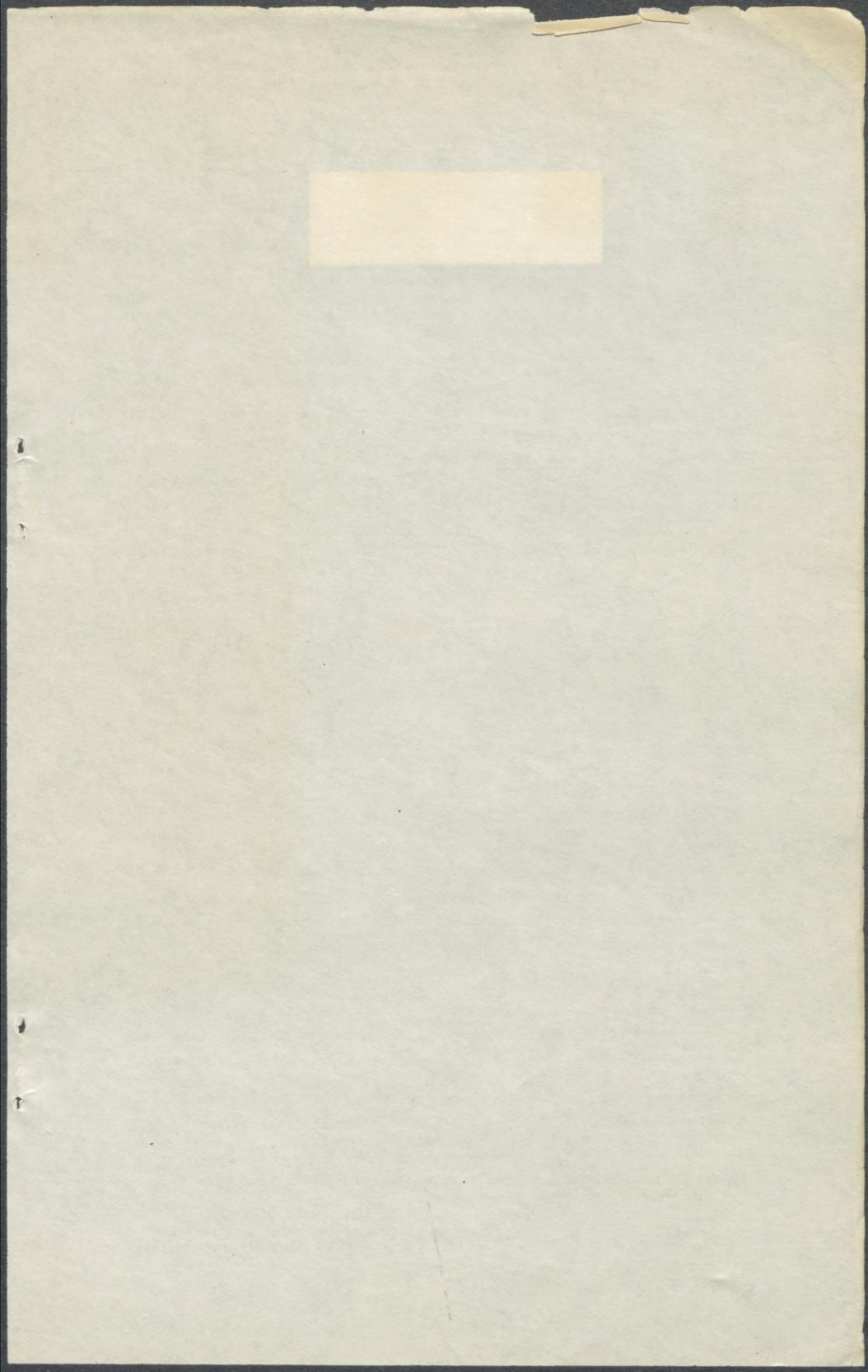
LUKENS, SAVAGE & WASHBURN,
Public Ledger Building, Philadelphia, Pa.
(Attention: Mr. Wyllys Terry, Jr.)

GENTLEMEN: In accordance with our prior arrangement there is enclosed herewith on behalf of the District of Columbia Armory Board 38 bids for the furnishing of insurance on the armory and the District of Columbia Stadium. These are sent to you for evaluation and report as promptly as possible. The bid form provides in paragraph 5 that "announcement of the successful bidder will be made on November 3, 1961, or as soon thereafter as bids received have been evaluated." The enclosed bids are from the following:

Bidder	Company	Insurance coverage
1. M. & N. Agency	Firemen's Mutual Insurance Co. of Providence, R.I.	Fire.
2. M. & N. Agency	Firemen's Mutual Insurance Co. of Providence, R.I.	Fire.
3. M. & N. Agency	Firemen's Mutual Insurance Co. of Providence, R.I.	Fire.
4. M. & N. Agency	Firemen's Mutual Insurance Co. of Providence, R.I.	Fire.
5. The Mutual Insurance Agency, Inc.	Lumbermens Mutual Casualty Co.	Fire.
6. The Mutual Insurance Agency, Inc.	Consolidated Mutual Insurance Co.	} Liability.
	Continental Casualty Co.	
7. L. E. Harris Agency, Inc., and Nationwide Mutual Fire Insurance Co.	Nationwide Mutual Fire Insurance Co. of Columbus, Ohio.	Fire.
8. L. E. Harris Agency, Inc.	Consolidated Mutual Insurance Co. of Brooklyn, N.Y.	Liability.
9. Cafritz Co.	Reliance Insurance Co.	Fire.
10. Cafritz Co.	Reliance Insurance Co.	Liability.
11. Allstate Insurance Co.	Allstate Insurance Co.	Fire.
12. The McLaughlin Co.	The Fireman's Fund Insurance Co.	Fire.
13. The McLaughlin Co.	Consolidated Mutual Insurance Co.	} Liability.
	Home Insurance Co.	
14. Pisani & Waring, Inc.	Lumbermens Mutual Casualty Co.	Fire.
15. Brendler Insurance Agency, Inc.	Firemen's Mutual Insurance Co. of Providence, R.I.	Fire.
16. Brendler Insurance Agency, Inc.	Consolidated Mutual Insurance Co.	} Liability.
17. J. Persay & Co.	Associated Factory Mutuals through Boston Manufacturers Mutual Insurance Company.	
18. J. Persay & Co.	Improved Risk Mutuals through Northwestern Mutual Insurance Company of Seattle.	Fire.
19. Ralph W. Lee & Co.	Granite State Insurance Co.	Fire.
20. Ralph W. Lee & Co.	Granite State Insurance Co.	Liability.
21. Adgate A. Lipscomb and Son	American Motorists Insurance Co.	Fire.
22. Adgate A. Lipscomb and Son	Insurance Company of North America	Liability.
23. Manufacturers Mutual Fire Insurance Co.	Manufacturers Mutual Fire Insurance Co.	Fire.
24. Manufacturers Mutual Fire Insurance Co.	Manufacturers Mutual Fire Insurance Co.	Fire.
25. Manufacturers Mutual Fire Insurance Co.	Manufacturers Mutual Fire Insurance Co.	Fire.
26. Don Reynolds Associates, Inc.	U.S.F. & G.	Fire.
27. Don Reynolds Associates, Inc.	New Hampshire Insurance Company	Fire.
28. Don Reynolds Associates, Inc.	New Hampshire Insurance Company	Liability.
29. Don Reynolds Associates, Inc.	Northwestern Mutual Insurance Company of Seattle, Wash.	Fire.
30. J. Blaise deSibour & Co.	Lumbermens Mutual Casualty Co.	Fire.
31. Robert P. DeOrsey, Inc.	Aetna Casualty and Surety Co.	Fire.
32. Robert P. DeOrsey, Inc.	Aetna Casualty and Surety Co.	Liability.
33. Insurance Associates, Inc.	National Surety Corp.	Fire.
34. National Insurance Underwriters, Incorporated.	Consolidated Mutual Insurance Co.	Liability.
35. Arkwright Mutual Insurance Co.	Arkwright Mutual Insurance Co.	Fire.
36. Joseph W. Bow	Fireman's Fund Insurance Co.	Fire.
37. Alton Insurance Agency, Inc.	Consolidated Mutual Insurance Co.	} Liability.
	Philadelphia Manufacturers Mutual Insurance Co.	
38. Alton Insurance Agency, Inc.	Philadelphia Manufacturers Mutual Insurance Co.	Fire.

Please let me hear from you as soon as you can. With all good wishes.
Sincerely,

MILTON D. KORMAN,
Principal Assistant Corporation Counsel,
District of Columbia.





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