cc: G. F. Kirby
G. S. Roberts
bcc CED



Mr. B. B. Turner — New York

A. C. Burdick, Jr. — Baton Rouge

Continuing Contracts for 1963 — December 27, 1962

This is to request authority to sign the following two contracts for renewal in 1963.

Drafting and Design Contract - Barnard and Burk

This contract is to furnish sufficient manpower of specified qualifications to supplement the General Engineering manpower. The contract cost per man-year is approximately $11,000. Should Ethyl employ equivalent personnel in lieu of continuing this contract, a book cost of $12,300 (or an incremental cost of $9,500) would result. The 1962 fluctuation of contract manpower between 4 and 24 justifies the unit cost of contract over incremental Ethyl cost. Similar fluctuation in contract manpower is expected in 1963.

The 1963 Engineering Department budget allows for 12 man-years of contract work at an estimated cost of $132,000. This figure is subject to considerable variation depending upon approval to definitively engineer some major construction projects.

The proposed contract will include a 50% fee on straight-time salaries as in previous years. The fee on straight-time salary rate for overtime hours worked will be increased from 25% to 50%. Overtime represents a minor portion of the contract costs since it has been controlled to the minimum level consistent with construction schedule demands.

Concrete Testing Laboratory Services

Bids have been taken for 1963 concrete inspection and testing services for the Baton Rouge plant from Pittsburgh Testing Laboratory and Shilstone Testing Laboratory. It is proposed to renew the contract with Shilstone. Both laboratories

are quoting the same unit costs which are approximately 20% higher than the 1962 unit prices. Shilstone continued to provide good service in 1962. The amount of the contract is indeterminant but it is estimated that it will be approximately $2500. The cost for services provided by this contract is normally charged to the projects using the concrete.

A. C. Burdick, Jr.

CED/mew