



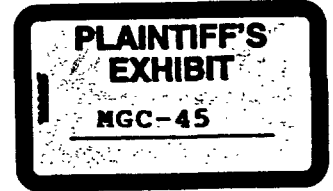
McGraw Construction Company

INCORPORATED

ENGINEERS AND CONSTRUCTORS

P. O. Box 272

MIDDLETOWN, OHIO



Elliott D. Levey

President

F. H. McGraw

Chairman of the Board

March 2, 1960

Armco Steel Corporation
703 Curtis Street
Middletown, Ohio

Attention: Mr. Roger Oakley
Accounting Department, East Works

Dear Sir:

Mr. Reeder has outlined to me in detail the substance of his discussions with you regarding the McGraw engineering contract, which covers our office at Canal Street, Middletown, Ohio.

I understand that Armco wishes to know if we are interested in the possible purchase of the engineering equipment and office furniture which is owned by Armco and used in our Canal Street engineering office.

I understand also that there is a possibility Armco may wish to amend the engineering contract so that it will provide a fixed burden rate per hour for the salaries of the chief engineer, assistant chief engineer, female clerks and janitors; rent, telephone service, heat and light, janitor service and supplies, stationery and supplies, vacation reserve, payroll taxes and insurance and equipment amortization.

If desired by Armco, we will purchase the equipment for the sum of \$7,500.00.

We propose a rate for the burden, which includes all of the charges set out above, as follows:

<u>Engineers per Month</u>	<u>Per Payroll Hour</u>
100 - 125	\$0.95
80 - 100	1.05
60 - 80	1.15
40 - 60	1.25
20 - 40	1.35

McGCon 3024