



directing council

PAN AMERICAN
HEALTH
ORGANIZATION

XIV Meeting

regional committee

WORLD
HEALTH
ORGANIZATION

XV Meeting



Washington, D. C.
September 1963

Draft Agenda Item 17

CD14/15 (Eng.)
5 August 1963
ORIGINAL: ENGLISH

REPORT ON BUILDINGS AND INSTALLATIONS FOR HEADQUARTERS

The Director has the honor to present to the XIV Meeting of the Directing Council a progress report on the program for the construction of the permanent Headquarters building of the Pan American Health Organization.

The developments during the period September 1962 - April 1963, from the date of the XVI Pan American Sanitary Conference to that of the 48th Meeting of the Executive Committee are reflected in the report of the Director to that Meeting of the Executive Committee and the reports of the several meetings of the Permanent Subcommittee on Buildings and Installations (Document CE48/7 - Annex), attached hereto. At the 48th Meeting of the Executive Committee detailed oral reports were rendered by a representative of the Pan American Health Organization and by the Chairman of the Permanent Subcommittee on Buildings and Installations. Reference was made to the resolution of the matter of financing by the grant of an additional \$1,250,000 by the W. K. Kellogg Foundation, bringing the total granted by the Foundation to \$5,000,000. Review was made of the status of the preparation of the final drawings and an appreciation given of the estimate time for completion of various elements of the planning and construction activity.

After a considerable discussion on this matter, the Executive Committee passed the following:

RESOLUTION XVI

"The Executive Committee,

Having considered the reports of the Permanent Subcommittee on Buildings and Installations and of the Director on the progress of the building program;

Noting that construction will soon commence; and

Noting the generous additional grant of \$1,250,000 by the W. K. Kellogg Foundation, which brought its total grant up to \$5,000,000,

RESOLVES:

1. To express its thanks to the W. K. Kellogg Foundation for its continuing interest in and support of the program of international health in the Americas.
2. To express its thanks for the work of the Permanent Subcommittee on Buildings and Installations.
3. To approve the steps taken to date by the Director and the Permanent Subcommittee with respect to the new Headquarters building.
4. To transmit the reports of the Subcommittee and of the Director to the XIV Meeting of the Directing Council."

At this meeting of the Executive Committee, discussion was also held on the matter of the sale of the property of the Pan American Health Organization at 1501 and 1515 New Hampshire Avenue, N. W. It will be recalled that the funds to be obtained from such action will be employed, in part, to finance the construction of the new Headquarters building. The resolution adopted at the Executive Committee meeting authorizing the Director to take action for the sale of the property is as follows:

RESOLUTION XVII

"RESOLUTION AUTHORIZING SALE OF PROPERTY KNOWN FOR PURPOSES OF ASSESSMENT AND TAXATION AS LOTS 800 AND X IN SQUARE 136 IN THE CITY OF WASHINGTON, DISTRICT OF COLUMBIA, IMPROVED BY PREMISES 1501 AND 1515 NEW HAMPSHIRE AVENUE, NORTHWEST

The Executive Committee,

Whereas the Pan American Health Organization is acquiring a new site for a permanent Headquarters building in the District of Columbia and will consequently have no further need for its present Headquarters site after such new site is available for occupancy,

RESOLVES:

1. That Dr. Abraham Horwitz, the Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to contract with any responsible purchaser or purchasers for the sale of the present Headquarters site of the Pan American Health Organization, being the property known for purpose of assessment and taxation as Lots 800 and 31 in Square 136 in the City of Washington, District of Columbia, improved by premises known as and numbered 1501 and 1515 New Hampshire Avenue, Northwest, for the best possible price obtainable on the open market.

2. That the aforesaid contracts shall reserve the right of possession to the seller until the Pan American Health Organization shall have moved to its new Headquarters site.

3. That Dr. Abraham Horwitz, the Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to execute the requisite deed, or deeds, in the name of the Pan American Sanitary Bureau and is hereby appointed its true and lawful attorney in fact to acknowledge and deliver the same as its act and deed, and Dr. John C. Cutler, the Deputy Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to attest the same."

In the period since the 48th Meeting of the Executive Committee, the final drawings were completed, the detailed specifications were published, and the invitations to bid on an open competition for the construction of the building were announced in the press and carried in other publications. The invitations were published beginning 11 July and the date for the submission of bids is 8 August. It is estimated that it will be possible to award the construction contract by 15 August. Under the specifications, the contractor winning the award must begin work on the project within 10 days of award of contract. The conditions of contract call for completion of the building within 580 days. Under this arrangement, the new Headquarters building should be ready for occupancy in April 1965.

A further report of progress will be made in an addendum to this document issued after the award of contract.

Annex I: Document CE48/7

Annex II: Report of the Meeting of the Permanent Subcommittee on Buildings and Installations, held on 8 July 1963.

*executive committee of
the directing council*

PAN AMERICAN
HEALTH
ORGANIZATION

*working party of
the regional committee*

WORLD
HEALTH
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48th Meeting
Washington, D. C.
April 1963

Draft Agenda Item 11

CE48/7 (Eng.)
23 March 1963
ORIGINAL: ENGLISH

REPORT ON BUILDINGS AND INSTALLATIONS FOR HEADQUARTERS

The Director has the honor to present to the 48th Executive Committee a progress report on the program for the construction of the permanent Headquarters building of the Pan American Health Organization.

Developments during the period September 1962-April 1963 are reflected in the several reports of meetings of the Permanent Subcommittee on Buildings and Installations attached hereto as Annex.

In accordance with Resolution XXI of the XVI Pan American Sanitary Conference, a formal request was made by the Director to the W. K. Kellogg Foundation for an additional financial contribution in order to meet the revised cost estimates for the new Headquarters building. By letter dated 25 September 1962, the W. K. Kellogg Foundation advised the Director that his request for additional funds had been favorably received and that the original loan of \$3,750,000 had been increased by \$1,250,000 for a total loan of \$5,000,000 to be used for the construction of the new Headquarters building.

Pursuant to the above-mentioned resolution, the Director, then, instructed the architects to undertake immediately the final plan and specifications for the new Headquarters building so that bids could be secured and contracts awarded for construction of the building.

The Director wishes to report that work is well under way on the preparation of the final plans and specifications and completion is expected by 1 June 1963. On the basis of this target date, the time schedule calls for invitations to bid and award of contracts to be accomplished by early July and beginning of construction by 15 July. The structural framework is estimated to be finished by December 1963, completion of the secretariat building by 1 February 1965, and completion of full construction by March-April 1965. Efforts will be made to complete the secretariat building first for early occupancy.

During the past month, the professional services of H. A. Sloane Associates of New York City were obtained for a final review and analysis of construction costs to determine the sufficiency of available resources. Report will be made on the findings of Sloane Associates.

As the Committee knows it has been our intention to sell our buildings on New Hampshire Avenue and place the proceeds of the sale in the Building Fund. Working with the Subcommittee on Buildings and Installations and with advice of professional real estate appraisers, we expect to put the property on sale next year. The property is in a choice area with rising values and it is expected the Bureau will benefit considerably due to these favorable factors.

In order that we may proceed with necessary preparations for the sale, the Director, under District of Columbia regulations, must be specifically authorized to enter into negotiation for the completion of the sale. Therefore the resolution which follows is intended to meet these requirements of the District of Columbia.

RESOLUTION AUTHORIZING SALE OF PROPERTY KNOWN FOR PURPOSES OF
ASSESSMENT AND TAXATION AS LOTS 800 AND 31 IN SQUARE 136 IN
THE CITY OF WASHINGTON, DISTRICT OF COLUMBIA, IMPROVED BY
PREMISES 1501 AND 1515 NEW HAMPSHIRE AVENUE, NORTHWEST

WHEREAS:

The Pan American Health Organization is acquiring a new site for a permanent Headquarters building in the District of Columbia and will consequently have no further need for its present Headquarters site after such new site is available for occupancy,

THE EXECUTIVE COMMITTEE,

RESOLVES:

1. That Dr. Abraham Horwitz, the Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to contract with any responsible purchaser or purchasers for the sale of the present Headquarters site of the Pan American Health Organization, being the property known for purposes of assessment and taxation as Lots 800 and 31 in Square 136 in the City of Washington, District of Columbia, improved by premises known as and numbered 1501 and 1515 New Hampshire Avenue, Northwest, for the best possible price obtainable on the open market.

2. That the aforesaid contracts, shall reserve the right of possession to the seller until the Pan American Health Organization shall have moved to its new Headquarters site.

3. That Dr. Abraham Horwitz, the Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to execute the requisite deed, or deeds, in the name of the Pan American Sanitary Bureau and is hereby appointed its true and lawful attorney in fact to acknowledge and deliver the same as its act and deed, and Dr. John C. Cutler, the Deputy Director of the Pan American Sanitary Bureau, or his successor, or successors, in office, is hereby authorized to attest the same.

Annexes: I, II and III

16 October 1962

PAN AMERICAN HEALTH ORGANIZATION

Report of the Meeting of the Permanent Subcommittee
on Buildings and Installations

The Permanent Subcommittee on Buildings and Installations met at
3:00 p.m., Wednesday, 10 October 1962.

Present:

Mr. James R. Wachob, Chairman (USA)
Mrs. Lillian O'Connell de Alurralde (Argentina)
Mr. Olegario Russi (Chile)

The Subcommittee was assisted by:

Dr. Abraham Horwitz, Director, PASB
Dr. Stuart Portner, Chief of Administration, PASB
Mr. Eugene J. Settino, Chief, General Services, PASB

The meeting was called to hear a report from the Director of the Bureau on the current financial status for the construction of the new Headquarters building.

Dr. Horwitz (Director, PASB), in his opening remarks to the members of the Subcommittee, referred to the success of the recent XVI Pan American Sanitary Conference, at which meeting, a detailed progress report on the program for the construction of the permanent Headquarters building had been presented.

On the basis of this report, which included detailed cost estimates, the XVI Pan American Sanitary Conference authorized the Director of the Bureau to seek the additional funds necessary to cover the total cost of construction, and established the basis for further action in Resolution XXI which was read by Dr. Portner. The text of the resolution is as follows:

RESOLUTION XXI

REPORT ON BUILDINGS AND INSTALLATIONS FOR HEADQUARTERS

THE XVI PAN AMERICAN SANITARY CONFERENCE,

Having considered the reports of the 46th Meeting of the Executive Committee, of the Permanent Subcommittee on Buildings and Installations, and of the Director of the Pan American Sanitary Bureau on the progress made to date in planning for the construction of the new Headquarters building of the Pan American Sanitary Bureau;

Bearing in mind that the preliminary plans for the building have been completed and that these plans have been approved by the National Capital Planning Commission and the Commission on Fine Arts in Washington, D. C.; and

Noting also that additional financing is necessary in order to meet the revised cost estimates for the new Headquarters building,

RESOLVES:

1. To authorize the Director to request the necessary additional financing from the W. K. Kellogg Foundation or from another foundation on the same basis as the previous arrangements.

2. To authorize the Director to instruct the architects to undertake immediately the final plans and specifications for the new Headquarters building.

3. To authorize the Director, on completion of the final plans and specifications, to secure bids and award contracts for the construction of the building, provided the necessary financing has been assured.

4. To express its thanks to the members of the Permanent Subcommittee on Buildings and Installations, the Director, and the staff of the PASB for their efforts to date for the construction of the new Headquarters building and to request them to continue these efforts so that construction may be expedited and the building occupied at an early date.

(Approved at the eighth plenary session,
1 September 1962)

In accordance with the resolution, a formal request was made by the Director to the W. K. Kellogg Foundation for a contribution of \$1,250,000 additional to the \$3,750,000 already given for the construction of the new Headquarters building of the Pan American Health Organization in Washington, D.C.

The Director was very happy to inform the members of the Subcommittee that he had received a letter dated 25 September 1962 from the W. K. Kellogg Foundation advising him that his request for additional funds had been favorably received and that the grant had been increased to \$5,000,000. The conditions remain the same as for the first grant, namely, that the Organization undertakes to repay the amount mentioned by investing in programs a sum (\$250,000) each year from its Special Health Promotion Fund.

Mr. Wachob (United States of America) thanked the Director for his report and then asked the members if they had any questions or comments regarding the subject.

In succession, the representatives from Argentina, Chile and the United States of America expressed appreciation for the great generosity of the W. K. Kellogg Foundation, and in addition voiced their sincere thanks and commendation to the Director and his staff, for their efforts in solving the financial situation.

At the request of the Chairman, Dr. Portner then proceeded to inform the members of the Subcommittee of the current status of the building program. The architects are busily engaged in the preparation of the final plans and specifications. An estimated target date for completion of this phase of the project is February 1963, with solicitation of construction bids immediately following and with hopeful expectation of the beginning of excavation by the end of March 1963. On the basis of this schedule, completion of construction might be possible by the end of October 1964.

Dr. Portner informed the members that, at a recent meeting, the Fine Arts Commission gave its final approval to a few minor design changes on the building. Therefore, all preliminary clearances have now been obtained. He mentioned briefly the matter of adjacent projects now underway such as, the Columbia Plaza Project and the new bridge approaches and indicated that throughout the course of the next two or three years much development of the entire immediate area will be evident.

In response to the question of furnishings for the building, Dr. Portner indicated that the Bureau will attempt to use most of the basic staff furniture now owned making it necessary to consider only the special areas, such as the meeting rooms and executive quarters.

He reminded the members, that a very provisional cost estimate is already included of more than \$400,000 had been mentioned for the special tables, chairs, draperies, electronic equipment, etc., required for the main conference chamber and other meeting rooms. He thought that more definitive estimates would be available before the end of 1962.

Upon request from the chair for closing comments, the Director indicated his desire, if the schedule permits, to have the ceremony for the laying of the building corner stone during the time of the Executive Committee Meeting in April 1963.

The Director also reiterated his position as to the extremely valuable work of the Subcommittee and his wish to continue to avail himself of its assistance, especially in the days ahead during construction bidding and with construction soon to start.

The Chairman recommended that as a minimum, the Subcommittee be convened once a month for progress reports on the building program and as often as necessary for consideration of special items.

This was unanimously agreed to and the next meeting was tentatively scheduled for 3:00 p.m., 15 November 1962.

The meeting was adjourned.

29 November 1962

PAN AMERICAN HEALTH ORGANIZATION

Report of the Meeting of the Permanent Subcommittee
on Buildings and Installations

The Permanent Subcommittee on Buildings and Installations met
at 3:00 p.m., Tuesday, 20 November 1962.

Present:

Mr. James R. Wachob, Chairman (USA)
Mrs. Lilian O'Connell de Alurralde (Argentina)

The Committee was assisted by:

Dr. Abraham Horwitz, Director, PASB
Dr. Stuart Portner, Chief of Administration, PASB
Mr. Earl D. Brooks, Chief, Management and Personnel Branch, PASB
Mr. Eugene J. Settino, Chief, Services and Supply, PASB

The meeting was called to hear a progress report on the program for
the construction of the permanent Headquarters building of the Pan American
Health Organization.

The meeting was called to order by the Chairman, Mr. Wachob, who
asked to review the latest developments in the building program. The Chairman
informed the group that Mr. Russi was ill and therefore could not attend the
meeting.

Dr. Portner reported that the work of the architects was proceeding
on schedule. It was expected the work would be completed by January-February
and the start of the building would be in March. He also mentioned the fact
that the present property had been appraised by a group of 3 professional
appraisers and that although the final report had not been received, he had
been informed that the valuation of the property would be \$1,000,000 or
somewhat more. He reminded the group that in its estimate of income, the
secretariat used the figure of \$750,000. If any increase over this figure
was realized, it would be a great help in meeting the cost of such expenditures
as the electronic equipment, special chairs and tables for the Conference Room
and would reduce the amount which Member Governments would be requested to
contribute to the regular budget for the purchase of these items.

Mr. Brooks informed the Committee that the Washington Club desired a small amount of property belonging to PAHO in order to comply with the licensing requirements of the District of Columbia in building a fire escape. This would involve approximately 6 inches of land along the property line between PAHO and the Washington Club which the appraisers recommend be conveyed to the Washington Club by outright sale. Dr. Portner recommended that a report on this subject be made to the Committee at its next meeting.

Dr. Portner again reported on the Director's desire to have the cornerstone laying ceremony at the time of the Ministers of Health meeting. However this will be discussed at a later date when detailed plans have been formalized.

The Chairman suggested that the secretariat, in cooperation with the architect draw up a list of needs for the building that might be met by donations from Member Governments. He mentioned especially that this should be done before the architect's plans had reached the stage that would require structural changes in the building in order to receive gifts from Governments. Dr. Portner agreed with this suggestion and indicated that at the January meeting if the Committee so desired, he would have Mr. Fresnedo Siri present to discuss this point. The Committee agreed that it would be most helpful to have him present.

After the Committee decided that its next meeting would be held on Tuesday, 8 January 1963, at 3:00 p.m., the meeting was adjourned.

8 February 1963

PAN AMERICAN HEALTH ORGANIZATION

Report of the Meeting of the Permanent Subcommittee
on Buildings and Installations

The Permanent Subcommittee on Buildings and Installations met at
3:00 p.m., Monday, 28 January 1963.

Present:

Mr. James R. Wachob, Chairman (USA)
Mrs. Lilian O'Connell de Alurralde (Argentina)
Mr. Olegario Russi (Chile)

The Subcommittee was assisted by:

Dr. Stuart Portner, Chief of Administration, PASB
Mr. Earl D. Brooks, Chief, Management and Personnel Branch, PASB
Mr. Eugene J. Settino, Chief, Services and Supply, PASB
Mr. Louis D. Justement, Architect
Mr. Roman Fresnedo Siri, Architect

The meeting was called to hear a progress report on the program
for the construction of the permanent Headquarters building of the Pan
Pan American Health Organization.

The meeting was called to order by the Chairman, Mr. Wachob, who
stated the purpose of the meeting and called upon Dr. Portner to report
to the Committee and to point up those matters requiring Committee decision.

Dr. Portner in his opening remarks to the members of the Subcommittee
indicated that the matters of interest for discussion would be 1) report of
estimated time schedule for construction of the new Headquarters building
and other items pertaining thereto, 2) report on the present space situation,
and 3) progress of the program for the sale of the Headquarters' buildings
owned by the Organization.

Dr. Portner informed the members that the architects were engaged
in the final stages of preparing the detailed plans and specifications
for the new building and that almost daily contact existed between members
of the secretariat and the architects to resolve any related problems as
they arose. He then asked Mr. Justement, architect, to apprise the members
of the work status of the building program.

Mr. Justement indicated that, at that moment, a realistic target date for completion of all the detailed plans would be 1 May. A request for building permits would follow. It was expected that the excavating permit would be granted within 30 days, followed by other permits as the construction work progressed. The time schedule called for invitations to bid and award of contracts to be accomplished by early June and beginning of construction by 15 June. The structural framework was estimated to be finished by November 1963, and completion of full construction by February-March 1965. Efforts would be made to complete the Secretariat building first, by January 1965, with the Conference Chamber completed immediately thereafter.

Dr. Portner then went on to inform the members that considerable work has been accomplished in the past couple of months, in consultation with the architects, with respect to the study of various methods of office and other space assignments and the many details in connection with the facilities of the Conference Chamber and Meeting Room. A problem of "wind stress" affecting the structural plans of the building was satisfactorily resolved by the architects, which resulted in some adjustment to the design of the building structure but not to the basic design.

Dr. Portner informed the members that at a meeting with the Fine Arts Commission the previous week, a secretariat proposal to install at the third level of the building a series of plaques representing the seals of the Member Governments, which was in keeping with the Commission's desire to retain individualization of the external elements of the building, was highly lauded by the Commission and unanimously approved.

Continuing, Dr. Portner spoke of the financial aspect of the program and indicated that, at that point, construction cost estimates appeared to be within the financial ceiling. However, apart from the actual constructions costs, there still remained the requirement to meet the cost of electronic equipment, special furnishings, etc., which would have to be financed under the regular budget of the Organization. A possible aid in this connection would be the realization of monies from the sale of the present property in excess of the amount previously estimated.

At Dr. Portner's request, Mr. Brooks informed the members with respect to the professional valuation of the property estimated at \$75. per sq. ft., and the sale program that he recommended be initiated soon with the approval of the Committee. A brochure was being developed for submission to prospective buyers. Present plans were to invite all interested bidders on an open market basis, but it was mentioned that some advisers had suggested making the property available only to a limited group of brokers.

This matter was discussed in detail, as was the preparation of a brochure to be used in the sale process. It was agreed that the Committee would decide on this matter at the next meeting.

Dr. Portner then spoke of the current space problem. He reviewed the details pertaining to the space which the Bureau occupied at four separate locations. Usable office space at the present time was approximately 28,000 sq. ft., which related to present staff, averaging approximately 100 sq. ft. per person. This average would be reduced considerably with an anticipated increase in employment for the present year and for 1964. At the present time, consideration must be given to the space requirements for Mental Health, Statistical, and other research programs for a total of some 13 additional posts. About 2,000 sq. ft., sufficient to accommodate the above increase was currently available and negotiations were in progress for leasing 1424 - 16th Street, N. W., (in a building already partially occupied by PAHO) at a cost of \$10,000 per year. This action was advisable to avoid the acquisition of still another location at a later date and with it the related problems of messenger and other services to a fifth facility.

Increases in personnel in other work areas would require additional space. The gross need for space for an estimated 29 persons in the next two years was approximately 4,000 sq. ft. requiring a total outlay of funds of approximately \$40,000 for the two year period. This included the posts and space noted in the previous paragraph.

Dr. Portner also informed the members that a private dwelling next door to the Organization's property at 1515 New Hampshire Avenue, N. W., was on the market and available for purchase. The availability of this property had been brought to the Committee's attention because in purchasing the building, the Organization, while meeting part of its space needs, would at the same time be acquiring an equity in a property which, when added to the Organization's present holdings, might be expected to increase in value. The building had not been inspected thoroughly and most likely would have some drawbacks with respect to usable office space. The asking price was approximately \$90,000, but it might be purchased at a lower price.

On the point of Committee consideration of this matter, the Chairman expressed the opinion that the terms of reference of the Committee included review and study of such a matter for recommendation to the Governing Bodies. The Members from Argentina and Chile were in agreement and the Chairman requested that the subject be fully discussed at the next Committee meeting. A staff paper summarizing all details pertaining to the subject such as space requirements, renovation costs, advantages of purchase versus rental, etc., would be prepared and transmitted to the members by February 1, if possible.

The Chairman then requested the latest information on the matter of the proposed sale of a small amount of Organization owned property to the Washington Club for its use in installing a new exit.

Mr. Brooks reviewed the current developments in the case and indicated that in accordance with local laws, a resolution must be passed by the Governing Bodies of the Organization before the sale could be effected. Detailed information would be presented to the Committee for its review and study and for its recommendation to the Executive Committee.

Discussion then ensued on the subject of gifts which Member Governments might be invited to donate to the new building. The Chairman indicated that the Executive Branch of his Government traditionally refrained from requesting the appropriation of funds for gifts of this nature and that, even if such a request should be made in this case, it was unlikely that the gift would become available before completion of the new building.

Dr. Portner spoke to this point and indicated that, in view of the time schedule for construction of the building, it might be well to consider donations on a post-construction basis. Mr. Siri suggested that Member Government donations might take the form of tapestries or similar wall decorations for the meeting rooms.

It was the consensus of the Committee that the matter of inviting gifts from Member Governments should be discussed at a later meeting.

Dr. Portner then announced that arrangements were underway for the Ministers of Health Meeting, which would be held in Washington beginning 15 April 1963. He also indicated that, since steps were being taken to have the building site cleared by 1 March, a ground breaking ceremony at the time of that meeting would seem to be most appropriate. Detailed plans for the ceremony would be developed and presented to the Committee for its review.

The Committee then decided that its next meeting would be held on Monday, 25 February 1963.

The meeting was adjourned.

PAN AMERICAN HEALTH ORGANIZATION

Report of the Meeting of the Permanent Subcommittee
on Buildings and Installations

The Permanent Subcommittee on Buildings and Installations met
at 3:30 p.m., Monday, 8 July 1963.

Present:

Mr. Carter Hills, Chairman (USA)
Mrs. Lilian O'Connell de Alurralde (Argentina)
Mr. Olegario Russi (Chile)

The Subcommittee was assisted by:

Dr. John C. Cutler, Deputy Director (PASB)
Dr. Stuart Portner, Chief of Administration (PASB)
Mr. Earl D. Brooks, Chief, Management and Personnel (PASB)
Mr. Eugene J. Settino, Chief, Services and Supply (PASB)
Mr. Louis D. Justement (Architect)
Mr. James Callmer (Architect)

The meeting was called to order by the Chairman, Mr. Hills, who stated that the purpose of the meeting was to hear a progress report on the program for the construction of the permanent Headquarters building of the Pan American Health Organization, and would include discussion on the matters of design, financing and methods of bid invitations. The Chairman then called upon Dr. Portner to report to the Committee.

Dr. Portner in his opening remarks to the Members of the Subcommittee announced that the final plans and specifications were completed and that hopefully the Organization now could move forward to the next phase of the building program.

Dr. Portner spoke in considerable detail on the chronology of events, which covered a span of over three years, beginning in March of 1960, when U. S. Public Law 86-395 was passed which authorized the appropriation of funds to purchase the land to be donated to the PAHO for its Headquarters building. In succession, a professional architectural adviser was appointed to plan the architectural competition, the international competition got underway in February of 1961, financial assistance was received in the form of a grant from the W. K. Kellogg Foundation, selection of the winning design took place in September 1961. Dr. Portner continued his review through the receipt of additional financial assistance from the Kellogg Foundation, approvals by both the National Capitol Planning Commission and the Fine Arts Commission of designs of the building to the present date of completion of the detailed drawings.

Dr. Portner spoke of the two major problems, which confronted the Organization during this period: the restriction as to the height of the building, which involved many meetings over a period of months with representatives of the U. S. Government and other local governing bodies, and the matter of adequate financing of the construction of the building, which was not resolved until August 1962.

On the matter of finances, Dr. Portner informed the Members of the Subcommittee that, at the present time, based on detailed cost estimates prepared by the Organization's professional estimator, the H. A. Sloane Associates, it appears that sufficient funds are available for the construction of the building. He recapitulated the various items included in the estimates prepared by Sloane Associates and noted that this last estimate, based on almost 90 per cent of the completed final drawings, is more precise and accurate than the first estimate and points to the sufficiency of funds currently available for construction. However, Dr. Portner reminded the Members of the Subcommittee that any delay in the construction program might well result in rising costs and consequent change in the financial picture.

Dr. Portner indicated that, if the cost estimates hold true, sufficient funds will be available to cover such items as the electronic equipment for the meeting rooms and that this and other matters such as gifts from Member Governments would be discussed at future meetings of the Subcommittee.

The Chairman thanked Dr. Portner for his informative and detailed review of the cost estimates and requested further amplification of the Sloane Associates estimate with particular reference to possible rising costs over the two year period for construction.

Dr. Portner in reply indicated that a 5 per cent contingency for this purpose is included in the estimate. This contingency is the normal amount employed in such cost estimates and should prove ample, under present conditions. He concluded that the estimates have had a most penetrating review from one of the best and most reputable firms in the field of estimating building construction costs.

Dr. Portner offered a revised estimate of schedule of building activity as follows: issue of invitation of bids during week of 8 July; 8 August 1963 - review and adjudication of bids; 15 August 1963 - award of building contract; 1 September 1963 - beginning of excavation; March 1965 - completion of construction; March-April 1965 - occupancy of Headquarters building.

Dr. Portner then went on to inform the Members that considerable thought had been given in consultation with the architects on the method of securing bids for the construction of the building. He referred to Resolution XXI of the XVI Pan American Sanitary Conference and cited the provisions thereof, which gave a mandate to the Director to proceed "... on completion of the final plans and specifications, to secure bids and award contracts for the construction of the building" and emphasized in order that "... construction may be expedited and the building occupied at an early date." Almost a year had elapsed in completing drawings and preparing the specifications. He also mentioned the need for the award of the construction contract so that the W. K. Kellogg Foundation could make its grant to the Bureau without further delay.

Dr. Portner described the three principal methods of inviting bids as 1) negotiation with a single firm, 2) limited competition, and 3) open competition. He explained in some detail the manner in which bids are invited in the U. S. market and he noted the recommendation of the architects to have a limited competition of six to eight local firms.

There ensued a general discussion on the merits of each plan, with review of the positive and negative aspects of each type of bidding. Following a close examination of the reasons put forward for favoring a restricted list of bidding, the Chairman summarized the situation as viewed by the Members of the Subcommittee, and requested the Secretariat to review more precisely the extension of time required to permit inviting bids on the basis of open competition, before a decision was taken by the Director. At the conclusion of the discussion, the Chairman indicated the interest of the Members of the Subcommittee in the selection of a reliable and experienced contractor familiar with the local requirements for construction and expressed the hope that the members of the Subcommittee would attend, on 8 August 1963, for the opening of the bids, and looked forward to the prompt initiation of construction pursuant to the wishes of the XVI Pan American Sanitary Conference expressed in Resolution XXI.^{1/}

^{1/} On July 11, 1963 and for several days thereafter invitations to bid on the construction of the new Headquarters building of the Pan American Health Organization were published in the Washington Post and Washington Evening Star. The notice on the invitation also was carried in The Dodge Report, and The Blue Report, construction trade publications.

directing council



PAN AMERICAN
HEALTH
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XIV Meeting

Washington, D. C.
September 1963

regional committee

WORLD
HEALTH
ORGANIZATION

XV Meeting



Draft Agenda Item 17

CD14/15 (Eng.)
ADDENDUM I
26 August 1963
ORIGINAL: ENGLISH

REPORT ON BUILDINGS AND INSTALLATIONS FOR HEADQUARTERS

The Director has the honor to present to the XIV Meeting of the Directing Council an addendum to the report of progress (Document CD14/15 of 5 August 1963) on the program for the construction of the permanent Headquarters building of the Pan American Health Organization.

The Director is happy to report the certification of the final drawings for the Headquarters building by the authorities of the District of Columbia; the transfer of title to the property, Square 59, bound by E Street, Virginia Avenue, 23rd and 22nd Street, Washington, D.C.; and the award of contract to The American Construction Company, Inc., of Washington, the low bidder in an open competition for the construction of the building. The base bid of the winning bidder was \$4,508,000; with 3 proposed alternates, the low bid was \$4,575,000. This total does not include the cost of furnishings, equipment, and other supplies for the 4 meeting rooms of the building, interior decoration, architectural, legal, test boring and other fees, and any extras required during the course of construction. There is attached hereto Minutes of 5 Meetings relating to the Opening of Bids and Award of Contract (Annex I) and Comparative Bids (Annex II).

Work was started on the construction project on 21 August 1963 with the initiation of demolition. The construction period is 580 days, with an estimated completion date of 18 March 1965.

Annex I : Minutes of Meetings
Annex II : Comparative Bids

CD14/15 (Eng.)
ADDENDUM I
ANNEX I

MINUTES OF FIVE MEETINGS RELATING TO THE
OPENING OF BIDS AND AWARD OF CONTRACT

NEW HEADQUARTERS BUILDING
For the
PAN AMERICAN HEALTH ORGANIZATION

Bid Opening - 4 P.M. August 8, 1963 - Washington, D. C.

At a closed meeting shortly before the opening of the bids, the Director greeted those present. Included in the group were Mr. Carter Hills, U. S. State Department and Chairman of the Permanent Subcommittee on Buildings and Installations, Mr. James C. Wilkes and Mr. Charles Wilkes, legal advisors, Mr. Louis Justement, Architect and members of the secretariat.

The Director requested Mr. James C. Wilkes to address the group with respect to the procedure which would be followed during the bid opening.

Mr. Wilkes advised those present that the opening of the bids would follow the rules and procedures as set forth by the American Institute of Architects. He detailed the procedure, noted that this opening was the result of a public competition announced in the press and trade journals, and concluded by declaring that the interested contractors submitting bids by the established deadline would be invited to attend an open meeting, at which time each separate bid would be read aloud and tabulated for the information of all parties. Mr. Wilkes took the opportunity to remark about the monumental type of building envisioned by the architect for the Headquarters building of the Organization, which in his estimation would be a center of utmost attraction in an area which is contemplated will be in the next ten years the most attractive neighborhood in the District of Columbia. In proximity to the Headquarters building will be such projects as the Columbia Plaza, the redevelopment of the Foggy Bottom area, including the Cultural Center and expansion of the George Washington University.

At the specified hour of 4 P.M., the contractors were invited to the bid opening, which was conducted by Mr. Justement.

Detailed tabulation of the bids received from nine (9) contractors is shown on the schedule in Annex II. The low base bid was the American Construction Co., Inc.

After the bid opening and the departure of the contractors, a general discussion led by the Director took place on the merits of the bids.

A rapid review was made of the bids. Mr. Justement analyzed the alternatives and the total bids.

Considerable stress was placed by all present on the importance of additional investigation and research as to the performance record and financial stability of the lowest three bidders. These bids as shown on the attached tabulation were very close and dependent on the choice of alternatives, any of the three low base bidders could be the low total bid.

Discussion also ensued on the need for reviewing carefully and checking performance of the subcontractors, especially from the contractor who was the low base bid. It was decided that, if the contractor wished to do so, with no commitment on the part of the Organization, he could submit his list of subcontractors immediately.

Mr. Justement advised the group that he is making every effort to secure approval of the final plans and drawings and the specifications from the District of Columbia authorities and certification to proceed with construction of the building. It was agreed that everything possible should be done to secure the necessary approvals before the construction contract is signed.

After some additional discussion of various facets of the building project, a meeting was scheduled for 4 P.M., Friday, August 9, 1963, at which time the group would consider the architects definitive recommendations, with particular reference to the alternatives. Mr. Justement would recapitulate the low bids, including those alternatives he would recommend with a detailed explanation of each alternative. At this meeting, information to be obtained by Mr. Wilkes on the credit standing of the contractor submitting the lowest basic bid would be discussed, and Dr. Portner would report on the performance record on previous construction projects.

The meeting was adjourned.

(For comparative bids, see Annex II)

NEW HEADQUARTERS BUILDING
for the
PAN AMERICAN HEALTH ORGANIZATION

Meeting: 4 p.m. Friday, 9 August 1963

Present: Dr. Abraham Horwitz, Director, PASB
Dr. John C. Cutler, Deputy Director, PASB
Dr. Victor A. Sutter, Assistant Director, PASB
Dr. Stuart Portner, Chief of Administration, PASB
Mr. Clarence H. Moore, Chief, Budget and Finance, PASB
Mr. Earl D. Brooks, Chief, Management and Personnel, PASB
Mr. E. J. Settino, Chief, Services and Supply, PASB
Mr. James C. Wilkes, Legal Advisor
Mr. Charles Wilkes, Legal Advisor
Mr. Louis Justement, Architect

Mr. Carter Hills, U. S. State Department and Chairman,
Permanent Subcommittee on Buildings and Installations

The meeting was opened by the Director, who stated that the purpose of the meeting was to hear the recommendations of the architect with respect to acceptance or rejection of certain alternatives of construction introduced in the invitation to bid and to discuss the findings with respect to the financial stability and performance record of the contractor submitting the lowest bid.

At the request of the Director, Mr. Louis Justement, Architect, presented his analysis and recommendations of the alternatives and explained in detail the meaning and relation of each to the overall construction project. Briefly, the alternatives either accepted or rejected are as follows:

Recommendations of the Architect

Alternate No. 1, Fountains for reflecting pools

Should be accepted only if necessary to meet budget requirements.

REJECT

Alternate No. 2, Traversing vertical blinds will be more satisfactory than fixed position blinds and should be used if possible.

ACCEPT

Alternate No. 3, Acoustic plaster. The saving for using gypsum plaster is so small that rejection of alternate was recommended.

REJECT

Alternate No. 4, Quarry-Text Panels had been suggested as an alternate which would give substantially the same appearance as the architectural concrete at a probable saving. Since actual prices submitted exceed the base bid, however, recommend rejection of this alternate.

REJECT

Alternate No. 5, West-Tension Doors are a better type of doors than those specified under base bid; but did not wish to specify them exclusively and used the alternate method in order to permit competition.

ACCEPT

Alternate No. 6, Architectural Concrete Finish. The matte finish specified under this alternate was to be used only in the event the bids ran high. Recommend rejection.

REJECT

Alternate No. 7, Schokbeton. The use of Schokbeton in lieu of architectural concrete was considered as a possibility in the event bids ran high, and also for the purpose of securing more effective competition among the suppliers of architectural concrete. It has served the purpose of providing competition and since acceptance is not required for budget reasons recommended rejection of this alternate.

REJECT

Alternate No. 8. This alternate was proposed at the request of the structural engineers in order to meet building code requirements.

ACCEPT

After some discussion on the subject, all present agreed with the architect's recommendations.

The Director then requested Mr. James C. Wilkes, Legal Advisor, to inform the group of his findings with respect to the credit standing of the low bidder. Mr. Wilkes presented written reports received from Dun and Bradstreet and Stone's Mercantile Agency Inc., as well as a summary report of his conversations with the National Capital Bank of Washington, the National Savings and Trust Company of Washington and the architectural firms of Clas and Riggs and Chatelain, Gauger and Nolan.

It was declared that the financial stability and credit rating of the low bidder was excellent in all respects and it was so noted.

Dr. Portner then read a statement of his findings as to the performance record of the low bidder on previous construction projects undertaken by that firm. Contact was made with the International Bank for Reconstruction and Development, the U.S. Capitol and the Columbia Hospital for Women. A check with Navy Research and Casualty Hospital proved to no avail, as persons familiar with the construction at these locations were on leave. Information received from the three sources mentioned above indicated without qualification an excellent performance record on the part of the low bidder and that the firm was considered extremely reputable in all of its dealings in connection with the respective projects.

On the basis of the favorable reports as to credit and performance, together with the recommendations on the construction alternatives, it was established that the low bidder of record is the American Construction Co., Inc. computed as follows from the three lowest of nine bids received:

	<u>American Const. Co.</u>	<u>Nebel Co.</u>	<u>Hyman Const. Co.</u>
Basic Bid	\$4,508,000	\$4,579,500	\$4,659,000
Alternate No. 2	+ 28,000	+ 26,000	+ 25,000
Alternate No. 5	+ 4,000	+ 8,500	+ 6,000
Alternate No. 8	+ 35,000	+ 35,500	+ 33,000
Total:	<u>\$4,575,000</u>	<u>\$4,649,500</u>	<u>\$4,723,000</u>

For complete information, all nine bids, both basic and with acceptance of alternatives No. 2, 5 and 8, are shown below:

Order of Bids, on base bid only

1. American Construction Co., Inc.	\$4,508,000
2. Joseph F. Nebel Co.	4,579,500
3. Geo. Hyman Construction Co.	4,659,000
4. John A. Volpe Construction Co.	4,679,000
5. Victor R. Beauchamp, Inc.	4,687,119
6. Baltimore Contractors	4,868,600
7. Irons and Reynolds	4,874,000
8. Chas H. Tompkins Co.	4,882,000
9. Arthur Venneri Co.	4,958,000

Order of Bids based upon Base Bid plus acceptance of
 Alternates 2, 5 and 8 only

1. American Construction Co.	\$4,575,000
2. Jos. Nebel Co.	4,649,500
3. Hyman Construction Co.	4,723,000
4. Victor Beauchamp, Inc.	4,739,119
5. John A. Volpe Construction Co.	4,755,000
6. Irons and Reynolds	4,937,750
7. Baltimore Contractors	4,951,600
8. Chas. H. Tompkins Co.	4,958,000
9. Arthur Venneri Co.	5,008,000

Discussion then followed on the matter of the low bidder submitting his list of subcontractors for owner approval, as required in the specifications for bidding. The American Construction Company was contacted and requested to present its list of subcontractors at 3 p.m. Monday, 12 August 1963 for review and consideration.

The matter of approval of the plans and specifications by the District of Columbia authorities was then discussed and the architect reported that at the present time he had a list of some 60 items, of which only two or three required additional work and solution. He was of the opinion that all items would be resolved and approvals obtained before the end of the coming week. In the ensuing discussion, it was agreed as important to secure the changes required by the District of Columbia so that one change order could be prepared and discussed with the contractor prior to the signing of the contract. Every effort will be directed by the architect to this purpose.

The Director then expressed his desire that the W. K. Kellogg Foundation be informed as soon as possible of the current status of the building program.

The meeting was adjourned.

NEW HEADQUARTERS BUILDING
For the
PAN AMERICAN HEALTH ORGANIZATION

Meeting: 3 P.M. Monday, 12 August 1963

Present: Dr. Stuart Portner, Chief of Administration, PASB
Mr. Earl D. Brooks, Chief Management and Personnel Branch, PASB
Mr. E. J. Settino, Chief, Services and Supply, PASB
Mr. James C. Wilkes, Legal Adviser
Mr. Charles Wilkes, Legal Adviser
Mr. Louis Justement, Architect
Mr. James Callmer, Architect

Mr. William Finglass, President, American Construction Co., Inc.

Dr. Stuart Portner, Chief of Administration, PASB, opened the meeting, which was called for the purpose of reviewing and considering the list of subcontractors submitted by the low bidder, The American Construction Co., Inc., under the rules of the 4-hour Bid Plan of the Washington Metropolitan Area Construction Practices Board.

At the request of Dr. Portner, Mr. William Finglass, President of The American Construction Co., Inc., presented the list of subcontractors (copy attached) for review and discussion. Mr. Finglas stated that, under the 4-hour Bid Plan, the general contractor is required to list the low bidders although, in the final summation, such subcontractors may not be acceptable to the owner for one reason or another.

Considerable discussion then followed with respect to the competence of the individual subcontractors in their respective fields of work. For the most part, the subcontractors listed were well known by the architects and the general contractor and were considered reputable and of good standing in performance. A few, namely, those listed for structural steel, exterior stonework, interior marble, painting and finishing required further investigation either on the part of the architects and the general contractor or both, before definitive recommendation could be made. In addition, it was noted that careful consideration should be given to the selection of the elevator subcontractor to ensure maintenance and service of the best quality after the building is occupied. With respect to the architectural metal work, the architects expressed the desire to have further details on the bid submitted by Southern Plate Glass Co. and Gichner Iron Works to determine the extent of the work to be performed by each company.

Discussion then took place on the matter of securing approval of the final plans and specifications and certification to proceed with the construction from the District of Columbia authorities. Mr. Justement stated that he felt that all necessary approvals might be granted before the end of the week and that he did not believe any more changes would be requested by the District of Columbia building authorities. It was stressed that the architect should make every effort to secure approval and clearance on the changes to date, so that no delay would be experienced in negotiating and signing the contract.

Mr. Justement then explained the details of the few major changes requested by the District of Columbia authorities, which involved the use of proper incombustible material in two cases and the location of the exit stairway to the roof in another. He also informed those present of the mechanics which would be followed in negotiating additions or subcontractions to the contract with respect to unit prices and allowances for overhead and profit, as stipulated in the specifications for bidding. He estimated that the present list of changes requested by the District of Columbia could result in an increase to the contract cost of from \$20,000 to \$50,000.

After some additional discussion on the matter, Dr. Portner summarized the happenings to date and stressed the importance of adhering to a very strict time schedule for the actions yet to be resolved in order to accomplish the signing of the contract by Friday of this week or next Monday at the latest and to inform the W.K. Kellogg Foundation. He referred to the following items in order of their importance, which must be completed in the coming few days:

- 1) Confirmation and acceptance of subcontractors.
- 2) Receipt of D.C. approvals on changes and certification to proceed.
- 3) Transfer of title or deed to the land to the Organization.
- 4) Termination of parking arrangement on site with U.S. Department of State.
- 5) Negotiation of contract changes with the general contractor.
- 6) Signing of the contract.

A brief discussion then followed on the essential provisions to be included in the contract. Mr. Justement presented a proposed draft of the contract, which will be reviewed by Mr. Wilkes with respect to the legal aspects. Mr. Wilkes proposed that a preliminary review or "dry-run" of the basic contract be scheduled prior to the actual signing ceremony. It was agreed that this would be done at a meeting scheduled for 1:30 p.m. Thursday, 15 August 1963, so that the formal signing of the contract could take place either Friday, 16 August 1963 or Monday, 19 August 1963.

The meeting was adjourned.

Attachment

C O P Y

American Construction Company, Inc.

261 Constitution Ave., N. W. Washington 1, D. C. STERLING 3-7130

August 12, 1963

Justement, Elam, Callmer and Kidd, Architects
2011 K Street, N. W.
Washington, D. C.

Subject: Headquarters Building for the
Pan-American Health Organization

Gentlemen:

In accordance with your request based on the acceptance of Alternates Nos. 2, 5 and 8, the following is a list of sub-contactors who are the apparent low bidders for the subject project:

Concrete
Waterproofing and Dampproofing
Structural Steel
Masonry
Exterior Stonework
Architectural Concrete
Roofing and Sheetmetal
Windows
Carpentry
Millwork
Plastering
(Ceramic Tile
(Terrazzo and Interior Marble
Resilient Flooring
Glazing
Painting and Finishing
Elevator
Mechanical
Electrical

American Construction Co.
Washington Ply-Rite Company
Construction Metal Products Co.
Anchor Masonry Co.
Huber Stone and Neal Lawrence, Inc.
Mabie-Bell Company
Duckworth Roofing Company
Southern Plate Glass Co.
American Construction Co.
Washington Woodworking Co.
Rubino and Farris

Peter Bratti Associates
Printz Floor Co.
Southern Plate Glass Co.
John H. Davis Co.
Haughton Elevator Company
W. G. Cornell Co. of Washington
Harry Alexander Co.

Very truly yours,

AMERICAN CONSTRUCTION COMPANY, INC.

William Finglass

WF:s

NEW HEADQUARTERS BUILDING
For the
PAN AMERICAN HEALTH ORGANIZATION

Meeting: 1:30 p.m. Thursday, 15 August 1963.

Present: Dr. John C. Cutler, Deputy Director, PASB
Dr. Stuart Portner, Chief of Administration, PASB
Mr. Earl D. Brooks, Chief, Management and Personnel, PASB
Mr. E. J. Settino, Chief, Services and Supply, PASB
Mr. James C. Wilkes, Legal Adviser
Mr. Charles Wilkes, Legal Adviser
Mr. Louis Justement, Architect
Mr. James Callmer, Architect
Mr. Fresnedo Siri, Architect
Mr. William Finglass, President, American Construction Co., Inc.
Mr. John Messina, American Construction Co., Inc.

Dr. Stuart Portner, Chief of Administration, PASB, opened the meeting, which was called for the purpose of conducting a preliminary review of the conditions of the basic contract prior to the formal signing thereof by the Director of the PASB and the President of the American Construction Co., Inc., as well as to discuss the progress of other unfinished business, in connection with the building project.

Mr. Justement reported that, with the exception of one, all sub-contracts had been completely investigated and found to be fully satisfactory and recommended their acceptance by the PASB. There remained further checks to be done on the Construction Metal Products Company, low bidder for structural steel.

Investigation to date reveals the company is new, being in business for only five months, although officers of the company are recognized as having been in the business for some time and enjoy a very good background. It was reported by Mr. Finglass that a bid was solicited from this company on the recommendation of another general contractor.

A general discussion followed and it was brought out that a final decision was not imperative at the moment and that further investigation should be made by the architects. Mr. Finglass indicated that his company had received only two bids for structural steel and that the second bid was some \$8,000 higher.

Dr. Portner then requested a report on the progress being made with the District of Columbia authorities. On this point, Mr. Justement stated that all required changes have been made on the plans, both mechanical

and architectural and, at the present moment, are being checked out by the District specialists. He was informed that this will be completed and certification issued momentarily and notice to this effect should be received later today or by tomorrow.

The question then arose on the matter of securing a demolition permit and, after some discussion, it was the consensus of all present that demolition should proceed on the basis of receipt of the certification from the District of Columbia and for the general contractor not to request a specific permit for this purpose. A letter to this effect will be given to the contractor by the architects.

After some discussion regarding additional test borings required by the specifications, Dr. Portner brought up the subject of unit prices for any extras to be undertaken on the job. The American Construction Company submitted pertinent unit cost figures to the architects, which will serve as the basis for computing costs, either as an addition to or subtraction from the basic contract cost. With respect to acceptance or rejection of subcontractors, and the computation of costs in connection therewith, Dr. Portner referred to the pertinent clause in the contract which reads as follows:

"The Owner may request that a sub-contract be awarded to a sub-contractor or supplier other than the one selected and submitted by the Contractor, if this request is made prior to the award of each sub-contract by the contractor. If the Owner's request is accepted by the Contractor the net difference in price, if any, between these two sub-contracts shall be added or deducted from the contract price without being subjected to any addition or deductions for overhead and profit as required by article D-25 of section D, Special Conditions of the Specifications."

Mr. James C. Wilkes, then informed the group that the deed to the property has been executed and, upon receipt of the D. C. certification will be recorded and transfer of title will be delivered to the PASB. He stated that the recording of the deed will involve a fee for the PASB of one-half of one per cent of the cost of the land, or approximately \$5,000, but that action is being taken, given the immunity from taxation of PASB to have this fee waived.

At this point, discussions ensued on the rules of the 4-hour bid plan, with respect to acceptance or rejection of low bid subcontractors, closing of the alley at 22nd and E Streets and progress of work now going on in the immediate vicinity of the PASB building site.

Mr. Finglass then presented his performance bond, which, at the request of Dr. Portner will be analyzed and reviewed by the legal adviser and the architects. A report of their findings will be made at the next meeting.

Dr. Portner then brought up the matter of signing the contract and requested Mr. James C. Wilkes to inform the group regarding the proper procedure to be followed. In accordance with the Constitution of the PASB, signatory authority is vested in the Director only. However, as Mr. Wilkes explained, it would be appropriate, in the legal sense for the Deputy Director to sign and/or initial the architectural plans and construction specifications which are relevant parts of the contract, in behalf of the Organization leaving only the signing of the contract itself to the Director. The formal signing will take place at a meeting sheduled for 2:30 p.m. Friday, 16 August 1963.

The conditions of the contract, written on the standard form prescribed by the American Institute of Architects were reviewed and declared legally appropriate and on this basis, following the procedure described above, two sets of originals of all pertinent documents were signed and/or initialed by Dr. John C. Cutler, on behalf of the PASB and Mr. William Finglass for the American Construction Company.

The meeting was adjourned until 2:30 p.m. tomorrow, at which time the formal signing ceremony will take place.

NEW HEADQUARTERS BUILDING
For the
PAN AMERICAN HEALTH ORGANIZATION

Meeting: 2:30 p.m. Friday, 16 August 1963

Present: Dr. Abraham Horwitz, Director, PASB
Dr. John C. Cutler, Deputy Director, PASB
Dr. Victor A. Sutter, Assistant Director, PASB
Dr. Stuart Portner, Chief of Administration, PASB
Mr. Clarence H. Moore, Chief, Budget and Finance, PASB
Mr. Earl D. Brooks, Chief, Management and Personnel, PASB
Mr. E. J. Settino, Chief, Services and Supply, PASB
Mr. Roberto Rendueles, Chief, Public Information Officer, PASB
Mr. James C. Wilkes, Legal Adviser
Mr. Charles Wilkes, Legal Adviser
Mr. Fresnedo Siri, Architect
Mr. Louis Justement, Architect
Mr. James Callmer, Architect

Mr. William Finglass, President, American Construction Co., Inc.
Mr. John Messina, American Construction Co., Inc.

Mr. Carter Hills, U.S. State Department and Chairman,
Permanent Subcommittee on Buildings and Installations

At a brief ceremony this date, the formal signing of the contract for the construction of the Permanent Headquarters Building for the Pan American Health Organization took place.

Dr. Abraham Horwitz, Director of the Pan American Sanitary Bureau and Mr. William Finglass, President of the American Construction Company, Inc., were the signatories.

(Copy of contract attached hereto)

THE STANDARD FORM OF AGREEMENT BETWEEN CONTRACTOR AND OWNER FOR CONSTRUCTION OF BUILDINGS



*Issued by The American Institute of Architects
for use when a Stipulated Sum Forms the Basis of Payment*

Approved by THE ASSOCIATED GENERAL CONTRACTORS OF AMERICA; THE CONTRACTING PLASTERERS' AND LATHERS' INTERNATIONAL ASSOCIATION; COUNCIL OF MECHANICAL SPECIALTY CONTRACTING INDUSTRIES, INC.; THE NATIONAL ASSOCIATION OF ARCHITECTURAL METAL MANUFACTURERS; THE NATIONAL BUILDING GRANITE QUARRIES ASSOCIATION, INC.; THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION; THE PAINTING AND DECORATING CONTRACTORS OF AMERICA, AND THE PRODUCERS COUNCIL, INC.

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This form is to be used only with the standard general conditions of the contract for construction of buildings.

THIS AGREEMENT made the Sixteenth day of August
in the year Nineteen Hundred and Sixty-three by and between
American Construction Company, Inc., 261 Constitution Avenue, N. W.,
Washington 1, D. C.
hereinafter called the Contractor, and Pan American Health Organization, 1501 New
Hampshire Avenue, N. W., Washington, D. C.

..... hereinafter called the Owner,
WITNESSETH, that the Contractor and the Owner for the considerations hereinafter named agree
as follows:

ARTICLE 1. SCOPE OF THE WORK

The Contractor shall furnish all of the materials and perform all of the work shown on the Drawings and de-
scribed in the Specifications entitled Headquarters building for the Pan American
Health Organization, 23rd & E Streets, N. W., Washington, D. C.

(Here insert the caption descriptive of the work as used on the Drawings and in the other Contract Documents)

prepared by Justement, Elam, Callmer & Kidd
acting as and in these Contract Documents entitled the Architect; and shall do everything required by this
Agreement, the General Conditions of the Contract, the Specifications and the Drawings.

ARTICLE 2. TIME OF COMPLETION

The work to be performed under this Contract shall be commenced not later than August 26, 1963

and shall be substantially completed March 18, 1965, and the Contractor shall pay the

(Here insert stipulation as to liquidated damages, if any.)

Owner, as agreed and liquidated damages, the sum of Two Hundred Dollars (\$200.00) for each calendar day beyond the aforesaid specified substantial completion date; provided, however, that should the certification of the completed (final) working drawings by the Director of the District of Columbia Department of Licenses and Inspections, certifying that said drawings are in compliance with the applicable codes administered by said department, be delayed beyond August 26, 1963, the date for substantial completion shall be extended by the number of days from August 26, 1963, to the date that the aforesaid certification is made by the Director of the District of Columbia Department of Licenses and Inspections.

ARTICLE 3. THE CONTRACT SUM

The Owner shall pay the Contractor for the performance of the Contract, subject to additions and deduc-

tions provided therein, in current funds as follows: Four million, five hundred and seventy-five thousand dollars and no cents (\$4,575,000.00), both, as desired in individual cases.) The unit price to be used for additions to or deductions from the work shall be in accordance with article D-26 of the specifications.

Where the drawings are not completed or changed or application of the agreed unit price to the quantity of work performed is shown to create a deficiency in the Owner or the Contractor there shall be an equitable adjustment of the Contract to prevent such a deficiency

AGREEMENT BETWEEN CONTRACTOR AND OWNER.

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ARTICLE 4. PROGRESS PAYMENTS

The Owner shall make payments on account of the Contract as provided therein, as follows:

On or about the twenty-fifth day of each month ninety per cent of the value, based on the Contract prices of labor and materials incorporated in the work and of materials suitably stored at the site thereof or at some other location agreed upon in writing by the parties up to the twentieth day of that month, as estimated by the Architect, less the aggregate of previous payments; and upon substantial completion of the entire work, a sum sufficient to increase the total payments to 95 per cent of the Contract price as modified by the net balance of authorized
(Insert here any provision made for limiting or reducing the amount retained after the work reaches a certain stage of completion.)
additions or deductions thereto.

ARTICLE 5. ACCEPTANCE AND FINAL PAYMENT

Final payment shall be due 30 days after substantial completion of the work provided the work be then fully completed and the contract fully performed.

Upon receipt of written notice that the work is ready for final inspection and acceptance, the Architect shall promptly make such inspection, and when he finds the work acceptable under the Contract and the Contract fully performed he shall promptly issue a final certificate, over his own signature, stating that the work provided for in this Contract has been completed and is accepted by him under the terms and conditions thereof, and that the entire balance found to be due the Contractor, and noted in said final certificate, is due and payable.

Before issuance of final certificate the Contractor shall submit evidence satisfactory to the Architect that all payrolls, material bills, and other indebtedness connected with the work have been paid.

If after the work has been substantially completed, full completion thereof is materially delayed through no fault of the Contractor, and the Architect so certifies, the Owner shall, upon certificate of the Architect, and without terminating the Contract, make payment of the balance due for that portion of the work fully completed and accepted. Such payment shall be made under the terms and conditions governing final payment, except that it shall not constitute a waiver of claims.

AGREEMENT BETWEEN CONTRACTOR AND OWNER.

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ARTICLE 6. THE CONTRACT DOCUMENTS

The General Conditions of the Contract, the Supplementary General Conditions, the Specifications and the Drawings, together with this Agreement, form the Contract, and they are as fully a part of the Contract as if hereto attached or herein repeated. The following is an enumeration of the Specifications and Drawings: Specifications dated July 3, 1963, from Sections A to F, inclusive; and 1 to 42, inclusive; and Drawings A-1 to A-5, inclusive; A-11 to A-30, inclusive; A-41 to A-45, inclusive; A-51 to A-68, inclusive; M-1 to M-33, inclusive; E-1 to E-14, inclusive; and S-1 to S-17, inclusive; as listed on title sheet of drawings dated July 3, 1963 and in Section E of the Specifications.

The specifications and drawings as described above, both dated July 3, 1963, are modified by the following addenda:

Addendum #1, dated July 12, 1963
Addendum #2, dated July 22, 1963
Addendum #3, dated August 1, 1963
Addendum #4, dated August 5, 1963

Alternates #1 (For Reflecting Pool Fountains) #3 (For omission of Acoustic Plaster), #4 (For Quarry-Tex Panels), #6 (For Matte Finish Architectural Concrete) and #7 (For Schokbeton in lieu of Architectural Concrete) are not accepted.

Alternates #2 (For Traversing Vertical Blinds), #5 (For West-Tension Doors) and #8 (For Piles) are accepted.

The figure of \$4,575,000.00 used in Article 3 as the contract sum is, therefore, computed as follows:

Base bid	\$4,508,000.00
Alternate #2	28,000.00
Alternate #5	4,000.00
Alternate #8	<u>35,000.00</u>
Total	\$4,575,000.00

Article 7.

The Owner may request that a sub-contract be awarded to a sub-contractor or supplier other than the one selected and submitted by the Contractor, if this request is made prior to the award of each sub-contract by the Contractor. If the Owner's request is accepted by the Contractor and the net difference in price, if any, between these two sub-contracts shall be added or deducted from the Contract price without being subjected to any additions or deductions for overhead and profit as required by article D-25 of section D, SPECIAL CONDITIONS of the specifications.

IN WITNESS WHEREOF the parties hereto have executed this Agreement, the day and year first above written.

ATTEST:

John C. Cusler
Deputy Director
Pan American Sanitary Bureau
(SEAL)

ATTEST:

Ethel Finglass
Secretary

PAN AMERICAN HEALTH ORGANIZATION
OWNER

By

Dr. Abraham Horwitz
Director, Pan American
Sanitary Bureau

AMERICAN CONSTRUCTION COMPANY, INC.
CONTRACTOR

By

William Finglass
President

I, *John C. Cusler*

Deputy Director of the Pan American Sanitary Bureau,
do hereby certify that the foregoing contract was

AGREEMENT BETWEEN CONTRACTOR AND OWNER. executed in strict conformity with a resolution
1961 Edition / Five pages / Page 5. of the Sixteenth Pan American Sanitary Conference of the
Pan American Health Organization passed at the eighth plenary session on September
1, 1962.

John C. Cusler

CD14/15 (Eng.)
ADDENDUM I
ANNEX II

COMPARATIVE BIDS

CD4/15 (Eng.)
 ADDENDUM I
 ANNEX II

Headquarters Building for the
 P A N A M E R I C A N H E A L T H O R G A N I Z A T I O N
 23rd. and E Streets, N. W., Washington, D. C.

CONTRACTORS	BASE BID	ALT. 1 (Fountains)	ALT. 2 (Blinds)	ALT. 3 (Acoustical Pl)	ALT. 4 (Panels)	ALT. 5 (Doors)	ALT. 6 (Concrete)	ALT. 7 (Shokbeton)	ALT. 8 (Piles)
American Construction Co., Inc.	4,508,000	-74,000	+28,000	-	+ 8,000	+4,000	- 30,000	+ 80,000	+35,000
Baltimore Contractors +12,000 Alt. No. 4 -25,000	4,868,600	-65,000	+30,000	-6,000	+15,000	+8,000	-100,000	-100,000	+45,000
Victor R. Beauchamp, Inc.	4,687,119	-67,000	+21,000	- 300	+18,000	-9,000	-100,000	- 70,000	+40,000
George Hyman Construction Co.	4,659,000	-65,000	+25,000	-	+12,000	+6,000	-100,000	-103,000	+33,000
Irons and Reynolds, Inc.	4,874,000	-62,250	+25,250	- 250	+17,170	+5,050	-100,000	-102,800	+33,450
Joseph F. Nebel Co.	4,579,500	-65,500	+26,000	-6,000	+ 2,600	+8,500	- 90,000	+ 10,200	+35,500
Chas. H. Tompkins Co.	4,882,000	-73,000	+33,000	-1,000	- no bid	+8,000	-100,000	- 18,000	+35,000
Arthur Venneri Co.	4,958,000	-75,000	+ 7,000	- 200	+13,000	+8,000	- 75,000	-165,000	+35,000
John A. Volpe Construction Co.	4,679,000	-60,000	+32,000	-5,000	+20,000	+9,000	- 85,000	+ 21,000	+35,000

Order of Bids, Based upon base bid only.

1. American Construction Co., Inc.	\$4,508,000
2. Joseph F. Nebel Co.	4,579,500
3. Geo. Hyman Construction Co.	4,659,000
4. John A. Volpe Construction Co.	4,679,000
5. Victor R. Beauchamp, Inc.	4,687,100
6. Baltimore Contractors	4,868,600
7. Irons & Reynolds	4,874,000
8. Chas. H. Tompkins Co.	4,882,000
9. Arthur Venneri Co.	4,958,000

Order of Bids based upon Base Bid plus acceptance of
Alternates 2, 5 and 8 only

1. American Construction Co.	4,575,000
2. Jos. Nebel Co.	4,649,500
3. Hyman Construction Co.	4,723,000
4. Victor Beauchamp, Inc.	4,739,119
5. John A. Volpe Construction Co.	4,755,000
6. Irons & Reynolds	4,937,750
7. Baltimore Contractors	4,951,600
8. Chas. H. Tompkins Co.	4,958,000
9. Arthur Venerri Co.	5,008,000

Order of Bids based upon Base Bid plus acceptance of
Alternates 2, 5, 7 and 8 only

1. Hyamn Construction Co.	4,620,000
2. American Construction Co.	4,655,000
3. Jos. Nebel Co.	4,659,700
4. Victor Beauchamp, Inc.	4,669,000
5. John A. Volpe Construction Co.	4,771,000
6. Irons & Reynolds	4,834,950
7. Arthur Venneri Co.	4,843,000
8. Baltimore Contractors	4,851,600
9. Chas. Tompkins Co.	4,940,000

directing council



PAN AMERICAN
HEALTH
ORGANIZATION

regional committee

WORLD
HEALTH
ORGANIZATION



XIV Meeting

Washington, D. C.
September 1963

XV Meeting

Draft Agenda Item 17

CD14/15 (Eng.)
ADDENDUM II
5 September 1963
ORIGINAL: ENGLISH

REPORT ON BUILDINGS AND INSTALLATIONS FOR HEADQUARTERS

The Director has the honor to inform the Directing Council of the receipt of a check of \$5. million from the W. K. Kellogg Foundation to be used in the financing of the construction of the Headquarters building of the Pan American Health Organization and to permit expansion of program activities of the Pan American Health Organization. Attached hereto are copies of letters of 22 August, 1963, from Dr. Emory W. Morris, President, W. K. Kellogg Foundation, forwarding the check and of the Director acknowledging receipt of the generous grant by the Foundation.

Enclosures

W. K. KELLOGG FOUNDATION
BATTLE CREEK, MICHIGAN
49014

EMORY W. MORRIS
PRESIDENT
GENERAL DIRECTOR

August 22, 1963

Dr. Abraham Horwitz
Pan American Health Organization
1501 New Hampshire Avenue, N.W.
Washington 6, D.C.

Dear Dr. Horwitz:

Enclosed is our check in the amount of \$5,000,000, payable to the Pan American Health Organization. This payment is made in full payment of our commitment to the Pan American Health Organization, subject to the conditions contained in our letters of commitment dated May 15, 1961 and September 25, 1962. These funds should be held in a special account designated only for use toward the development of the facility.

We have reviewed the contracts that you have executed for the construction of the Pan American Health Organization facility and feel that you have received very favorable bids from competent contractors. We are delighted with the whole manner in which the bidding was conducted. It appears to me that you are in an excellent financial position now to complete the facility as envisioned. Our funds, plus the building fund reserve and the amount you will receive from the sale of present properties, should adequately meet all obligations.

We have included in this payment the entire obligation of the Foundation, which will provide you the opportunity to invest this money on a short-term basis and thus increase the amount available for the facility and to meet unexpected contingencies. An accounting of the use of these funds by your chief accounting officer should accompany your annual report to the Foundation, in addition to the financial information requested in condition No. 6 of our letter of May 15, 1961.

I do not know if you are planning on making a news release regarding this payment. However, if you are, we would appreciate receiving a copy of same so we can synchronize it with a release that we will want to make in Battle Creek.

Again, we are very happy to participate with the Pan American Health Organization in this worthwhile endeavor, which not only will provide adequate facilities for the Organization but will strengthen the health programs in Latin America through the repayment plan.

Kindest personal regards.

Sincerely yours,



Enclosure
EWM/js



PAN AMERICAN HEALTH ORGANIZATION
Pan American Sanitary Bureau, Regional Office of the
WORLD HEALTH ORGANIZATION

1501 NEW HAMPSHIRE AVENUE, N.W., WASHINGTON 6, D.C. U.S.A.

CABLE ADDRESS: OFSANPAN

C O P Y

23 August 1963

IN REPLY REFER TO: D

Dear Dr. Morris:

This will acknowledge with thanks receipt of the check for \$5,000,000 payable to the Pan American Health Organization under the conditions contained in your letters of May 15, 1961 and September 25, 1962. These funds shall be held in a special account designated only for use in the development of the facilities.

We have moved to invest the money on a short-term basis thereby making it possible to realize on the investment to cover any unexpected contingencies. An accounting of these funds will accompany our report to you in addition to the financial information requested in condition No. 6 in your letter of May 15, 1961.

In keeping with your request our Information Officer communicated with the office of your Information Officer today on the press releases announcing your gift. Attached hereto is a copy of the release and another on the award of contract. Also enclosed are 2 photos taken at the signing of contract.

Once again, may I thank you on behalf of myself, the members of the staff of the Pan American Health Organization, and the peoples of the Americas for all of your sympathetic assistance and guidance in this and in other of our mutual endeavors.

Sincerely yours,

Abraham Horwitz
Director

Dr. Emory W. Morris
President
W. K. Kellogg Foundation
Battle Creek, Michigan

Enclosures