

A meeting of the Federal Reserve Board was held in the office of the Federal Reserve Board on Wednesday, December 1, 1926, at 11:00 a.m.

PRESENT: Vice Governor Platt
 Mr. Hamlin
 Mr. Miller
 Mr. James
 Mr. Cunningham
 Mr. Noell, Assistant Secretary
 Mr. McClelland, Assistant Secretary

PRESENT ALSO: Mr. McDougal, Governor of the Federal Reserve Bank of Chicago.
 Mr. Dillard, Controller of Administration of the Federal Reserve Bank of Chicago.
 Mr. Cation, Managing Director of the Detroit Branch of the Federal Reserve Bank of Chicago.
 Members of the Building Committee of the Federal Reserve Bank of Chicago.
 Mr. White, Architect
 Mr. Trowbridge, Consulting Architect

Mr. McDougal referred to the action of the Board on June 21st in approving a maximum expenditure of \$1,217,000 by the Federal Reserve Bank of Chicago for the erection of a building to house the Detroit Branch, of which not to exceed \$600,000 should be for the building proper, and all steps taken by the Federal reserve bank up to that time, and in authorizing the bank to proceed with the preparation of plans and specifications and to advertise for and receive bids, subject to the later formal approval of the Federal Reserve Board. He stated that the Building Committee now wished to present to the Board final plans and specifications for the proposed building which have been approved by the Boards of Directors of the Federal reserve bank and of the branch. He also stated that bids have been received, and requested approval by the Board of the acceptance of the following bids:

12/1/26

-2-

Walbridge Aldinger Company of Detroit, for general construction	\$945,104
Mosler Safe Company, for vault work	96,171
Bankers Electric Protective Association of Boston, for electric protection	5,400

He further stated that if the above bids were accepted the total cost of the building, including architects' fees of \$64,000, would be \$1,110,675, \$585,736 being for the building proper, exclusive of vaults, permanent equipment, furnishings and fixtures, and \$524,939 for vaults, permanent equipment, furnishings and fixtures.

Thereupon ensued a detailed discussion of the plans, specifications and bids submitted by the Committee, during which it was brought out that the proposed cost of the building proper, \$585,736, includes an expenditure of approximately \$140,000 to cover the cost of steel and foundations to support the later possible addition of 16 stories.

Following the discussion, Messrs. McDougal, Dillard, Cation and White left the meeting.

Mr. Trowbridge, who was employed by the Board as consulting architect in connection with the project, stated that the plans and specifications met with his general approval, and that he was prepared to recommend to the Board approval of the acceptance of the bids submitted by the Building Committee. In reply to an inquiry, he stated that the segregation of items entering into the cost of the building proper, as distinguished from those entering into the cost of vaults, permanent equipment, furnishings and fixtures, as set out in the specifications submitted to the Board, is correct in so far as it is reasonably possible to determine.

Following the discussion, Mr. Hamlin submitted and moved adoption

12/1/26

-3-

of the following resolution:

"WHEREAS, by Public Resolution No. 15, 69th Congress, approved April 14, 1926, the Federal Reserve Bank of Chicago was authorized by Congress to enter into contracts for the erection of a building for its Detroit Branch on the site then owned, provided the total amount expended in the erection of said building exclusive of the cost of vaults, permanent equipment, furnishings, and fixtures, shall not exceed the sum of \$600,000, and provided also that the character and type of building to be erected, the amount actually to be expended in the construction of said building and the amount actually to be expended for the vaults, permanent equipment, furnishings and fixtures for said building shall be subject to the approval of the Federal Reserve Board;

"WHEREAS, the Building Committee of the Federal Reserve Bank of Chicago has submitted to the Federal Reserve Board plans and specifications for the erection of a building for its Detroit Branch in accordance with the authority granted by the said Public Resolution No. 15, 69th Congress, and has also submitted bids for the construction of the said building aggregating the amount of \$1,110,675 and these plans, specifications and bids have been approved by the Board of Directors of the Federal Reserve Bank of Chicago;

"WHEREAS, the said aggregate amount of \$1,110,675 consists of (1) the amount of \$524,939 which is to be expended for vaults, permanent equipment, furnishings and fixtures for said building, and (2) the amount of \$585,736 which is to be expended for the erection of the building proper, which latter amount - \$585,736 - includes an item of approximately \$114,000 for steel and foundations to support the possible addition of several stories at some later date;

"WHEREAS, the amount of \$585,736, which is to be expended in the erection of said building exclusive of the cost of the vaults, permanent equipment, furnishings and fixtures is less than the sum of \$600,000, the maximum amount authorized by said Public Resolution No. 15, 69th Congress;

"WHEREAS, Mr. A. B. Trowbridge, who was employed by the Federal Reserve Board as consulting architect in this project, has advised the Board that in his opinion the segregation of items entering into the cost of the building proper as distinguished from those entering into the cost of the vaults, permanent equipment, furnishings and fixtures, as set out in the said specifications submitted by the Building Committee of the Federal Reserve Bank of Chicago, is correct in so far as it is reasonably possible to determine;

"THEREFORE, BE IT RESOLVED, That (1) the said plans and specifications submitted by the Building Committee of the Federal Reserve Bank of Chicago, (2) the amount of \$585,736 actually to be expended in the construction of said building exclusive of the cost of the vaults, permanent equipment, furnishings and fixtures, and

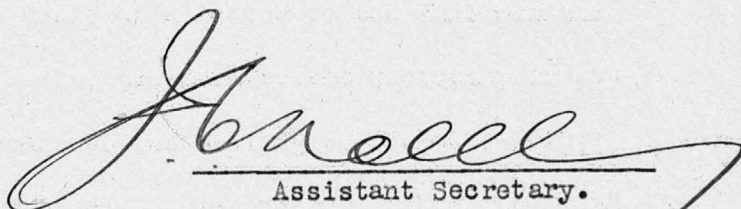
12/1/26

-4-

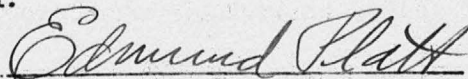
"(3) the amount of \$524,939, actually to be expended for the vaults, permanent equipment, furnishings and fixtures, for said building be and they are hereby approved by the Federal Reserve Board and the Federal Reserve Bank of Chicago is therefore authorized to proceed with the erection of said building in accordance with the plans and specifications and bids herein approved."

Mr. Hamlin's motion being put by the Chair was unanimously carried.

The meeting adjourned at 12:15 p.m.


Assistant Secretary.

Approved:


Vice-Governor.