

The attached minutes of the meeting of the Board of Governors of the Federal Reserve System on October 21, 1966, which you have previously initialed, have been amended to make certain changes on page 2 suggested by Governor Shepardson.

If you approve the minutes as amended, please initial below.

Chairman Martin

Governor Robertson

Governor Daane

Governor Maisel

The image shows four horizontal lines, each with handwritten initials written over it. The initials are: 'M' for Chairman Martin, 'R' for Governor Robertson, 'D' for Governor Daane, and 'SM' for Governor Maisel. The initials are written in a cursive, handwritten style.

Minutes for October 21, 1966

To: Members of the Board

From: Office of the Secretary

Attached is a copy of the minutes of the Board of Governors of the Federal Reserve System on the above date.

It is not proposed to include a statement with respect to any of the entries in this set of minutes in the record of policy actions required to be maintained pursuant to section 10 of the Federal Reserve Act.

Should you have any question with regard to the minutes, it will be appreciated if you will advise the Secretary's Office. Otherwise, please initial below. If you were present at the meeting, your initials will indicate approval of the minutes. If you were not present, your initials will indicate only that you have seen the minutes.

Chm. Martin	<u>    m    </u>
Gov. Robertson	<u>    R    </u>
Gov. Shepardson	<u>    S    </u>
Gov. Mitchell	<u>    M    </u>
Gov. Daane	<u>    D    </u>
Gov. Maisel	<u>    M    </u>
Gov. Brimmer	<u>    B    </u>

Minutes of the Board of Governors of the Federal Reserve System on Friday, October 21, 1966. The Board met in the office of Chairman Martin at 9:35 a.m.

PRESENT: Mr. Martin, Chairman  
Mr. Robertson, Vice Chairman  
Mr. Shepardson  
Mr. Mitchell  
Mr. Maisel  
Mr. Brimmer

Mr. Kenyon, Assistant Secretary

Denver Branch building. Governor Shepardson related that Chairman Scott of the Federal Reserve Bank of Kansas City had called on the telephone yesterday evening and reported that the Reserve Bank had met with all of the general contractors who submitted bids for the construction of a new Denver Branch building. An explanation was made to the contractors of the changes proposed to be made in the original plans for the building, now consisting only of changes in the vault specifications. After discussion, the contractors expressed the unanimous opinion that the contract should be awarded to the original low bidder, and none indicated a desire to submit a revised bid.

Chairman Scott observed, Governor Shepardson continued, that as an alternative, though not a recommended alternative, the Reserve Bank could draw up revised specifications and allow a certain period of time for the submission of new bids. There was no indication, however, that bids would be submitted by any of the contractors except the original low bidder.

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Governor Shepardson said he had inquired of Chairman Scott what record would be available, and the latter had replied that a minute record of the meeting with the contractors would be provided. There would also be a letter from a member of the group of contractors confirming that in the contractors' opinion the Reserve Bank had followed the appropriate procedure and that the contract should be awarded to the original low bidder.

Governor Shepardson said he had told Chairman Scott that he would inform the latter of the Board's reaction.

In discussion, some of the members of the Board indicated that they believed it would have been preferable if the Reserve Bank had dealt with the contractors individually. The meeting with the contractors having been held, however, with the result reported, there was general agreement that no objection should be interposed to the Reserve Bank's going ahead on the basis contemplated. Governor Brimmer suggested that it might be desirable if the record included a letter from each of the original bidders confirming that an opportunity to submit a revised bid was not desired.

It was understood that Governor Shepardson would inform Chairman Scott of the Board's view and that he would make reference to the suggestion by Governor Brimmer. (Note: A minute record of the meeting with the contractors and a letter signed by all bidders--it proved impractical to get individual letters as suggested by Governor Brimmer--subsequently were received at the Board's offices.)

The meeting then adjourned.

  
Assistant Secretary