

CHAPTER 5

Setting Up Shop April–October 1979

It's not exactly an invasion, but the Americans have landed, formed a beachhead in Tel Aviv and are fanning out in the Negev.

*Jerusalem Post*¹

Only a child of the twentieth century could like Tel Aviv. Unlike so much of Israel, where the biblical past was ubiquitous, Tel Aviv was thoroughly modern. In 1909 a group of Jewish pioneers had started the settlement on the seaside dunes north of ancient Jaffa with its overwhelmingly Arab population. They chose the unintentionally ironic name of Tel Aviv or hill of spring for their community atop the mounds of sand. Seventy years later, nearly one-half million people lived there in a metropolis that sprawled in every direction except westward into the Mediterranean. Buses and trucks and the automobiles that darted between them turned a downtown stroll into a noisy and perilous adventure. Exhaust fumes spread a blue film overhead, sometimes to be swept away by the sea breeze, sometimes to cling through the steamy night. With none of the charm of older cities and most of the problems of bigger ones, Israel's largest city was a good advertisement for air conditioning.

Colonel Gilkey arrived in April. He had little in hand except orders that had established the Near East Project Office as "a major subordinate organization of the North Atlantic Division," as of 26 March 1979.² The American embassy could be expected to provide some assistance with communications and temporary work space. Otherwise there was little to go on. Gilkey needed money and people, as well as places where they could work and live. Like Tel Aviv's founders, he would build from scratch.

Much uncertainty remained regarding the nature of the design program. During the previous autumn, agreement had been reached in General Johnson's office at North Atlantic Division on at least one basic concept. Ozzie Hewitt had sketched on a legal



Colonel Gilkey, the first project manager

pad his proposal for design by the construction contractor, which he thought offered the only way to meet the project deadline. Johnson, Frank Pagano, and Al Vinitzky had agreed, and Fred McNeely had endorsed the idea, which became the basis for the "Blue Book" design proposal. But agreement on this concept was only the beginning. Establishment of a viable Tel Aviv design organization, which had not been contemplated in the earliest plans, awaited answers to many other questions.³

The Americans did understand the Israeli force structure and design philosophy. From the early 1950s, Israel

had built its air force around multiple-purpose fighter-bombers. Its missions, which changed little over the years, gave first priority to air superiority and then to tactical and reconnaissance support of ground forces. Israel's bases had to be ready for combat. The air force refueled and rearmed its aircraft with lightning speed and put them back in the air, compensating for the relatively small number of planes and pilots. Air base criteria were more exacting than were American standards, especially in the areas of pavement, power generation, and fuel supply. The Sinai bases, which were models for the new ones, contained dispersed, decentralized facilities. They also included redundant pavement and utility systems and made possible the rapid dispatch of aircraft into action. As General Hartung noted, "You can almost say that these are land-based aircraft carriers."⁴

As soon as the Americans arrived in Tel Aviv, they set out to answer numerous questions about the design program and the Israeli way of doing business. Of primary importance was a clear delineation of responsibility for design and for the construction that would follow. The American position remained the one stated by General Graves in March: "Once the design is agreed upon, then our view is that the U.S. must have the primary voice in executing that design." Also the amount of replication of Sinai facilities that the program would entail needed to be determined. Because repli-

cation involved adapting extant designs to the sites rather than design itself, clarification of the extent to which structures would be copied was a prerequisite for defining the scope of the entire project. Design standards were also important. In many cases, the Israelis used American design standards; others were either British or Israeli. Gilkey needed a full list. He also needed more data about the climate, geology, and topography of the sites; the proximity of potential quarries and wells; and the layouts of the national utility and transportation systems. For the bases themselves, he wanted master plans and facility lists, guide specifications for design, and drawings of structures that would be replicated. Even more important was a list of facilities needed for initial operating capability and a schedule for completion of design by the Israeli Air Force.⁵

Much of the early concern centered on timely design of the aircraft shelters. These structures, important to the dispersal and protection of aircraft at the bases, represented a large part of construction. Each base included ten complexes of six shelters each. In addition to the protective shells themselves, the complexes contained ancillary facilities and structures, among them electrical systems and storage for explosives. Their mechanical systems included compressed air, fuel distribution, fire protection, potable water, and sewage. When the project started, the Israeli Air Force was evaluating choices for these structures. Manuel M. Schechet, a consultant to the project who had just retired from the North Atlantic Division as chief of the engineering division, saw the potential for delay in July 1979. He warned that the schedule called for prompt decisions from the Israelis on the types of structural frame, doors, and exhaust systems. To minimize delays, he urged the Corps to be ready to augment design staffs with consultants well versed in shelter design.⁶

Gilkey and Hartung began work to determine what the Israelis had done, where they were going, and what they wanted of the Americans. The Israeli Air Force had done a great deal since the March negotiations. Gilkey reported that thirty to forty Israeli firms already were designing facilities, and drawings were well under way. The contracts and the construction organizations had been developed under the assumption that elements of the consortia would do much of the design, although there had been some early signs that the Israelis wanted a major part. General Lapidot had said in October that they intended to design the bases themselves. By the end of April it was clear that the Israelis preferred to use their own architect-engineer firms for the actual drawings. They wanted the American contractors to coordinate the effort.⁷

Although this was a far cry from the American expectation that the contractors would do most of the design, coordinating the

work of the Israeli firms was no small task. Standard Israeli practice called for numerous small firms doing specialized portions of designs. One architect did a building's outer shell while a consultant designed the electrical system and another developed mechanical systems. Charles R. Thomas, chief of Gilkey's engineering division after his arrival in July, was surprised by this approach and likened the coordination effort to "trying to throw a lasso on a school of minnows." The Israelis also wanted to do most of the site investigations and laboratory analysis, but accepted organization of these activities under the prime contractors.⁸

Overall, the project seemed to be off to a good start. Hartung and Gilkey met Moshe Bar-Tov, the newly promoted brigadier general who was Hartung's counterpart as the Ministry of Defense's program manager. The agreement between the United States and Israel made no provision for such a participant, but there he was, and no one seemed to mind. At forty, Bar-Tov was younger than Hartung and Gilkey. A career navigator who had been wounded in action in 1973 and held a master's degree in business administration from the Massachusetts Institute of Technology, Bar-Tov was only slightly taller than the Americans. However, with his erect bearing and booming voice, he seemed to tower over both of them. All three smoked innumerable cigarettes, and their meetings generated clouds of smoke. Hartung took an immediate liking to Bar-Tov and characterized him as "a winner."⁹

Bar-Tov's priorities did not correspond with those of the Americans. Throughout the life of the job, he appeared preoccupied, sometimes even obsessed, with economy. He railed at the profligacy of the Corps of Engineers and its indifference to the public trust. He believed much of what the Corps did represented waste and featherbedding and insisted on the importance of watching costs from the outset. Referring to the surfeit of clerical workers in the Near East Project Office during its first days, he complained about people who had been paid to read Sears catalogs. Early errors created unrecoverable waste.¹⁰ They also made lasting impressions.

There were other indications of potential conflict. The Israelis wanted to alter some design concepts. After members of the Knesset questioned the importation of all project materials, the Ministry of Defense also broached the possibility of buying more Israeli goods and services. In addition, the Israelis had concerns about potential prime contractors that did business with countries that did not recognize Israel and wanted to screen the selection lists. Nevertheless, management seemed harmonious and development of a plan of work was under way. Hartung summed it up: "All team members are first rate. Lots of work being accomplished."¹¹

Formation of contractor organizations began while much remained unclear. The structures of the construction consortia reflected the basic decision to place the design function under prime contractors, but diverged from there. Negev Airbase Constructors handled design through a component of the joint venture, Louis Berger International. Air Base Constructors let a subcontract with Tippetts-Abbett-McCarthy-Stratton, which became known on the project as Air Base Consultants. The third contractor, Management Support Associates, anticipated a major role in design and built its organization with that in mind. The Corps of Engineers intended to maintain only a small work force in Israel and needed help in reviewing and controlling production of drawings. Management Support Associates expected to do much of this. One of its six major divisions in Tel Aviv, the Technical and Construction Management Support Directorate, reflected that expectation.¹²

The contractor selection process was still incomplete when Gilkey realized how much uncertainty remained about design. On 30 April he told Johnson that the Israelis proposed numerous changes to the Sinai base designs. Relying on a decade of experience, they altered the configuration of the airfields, adding high-speed turnouts and taxiways to the plans. Five days later, Gilkey reported a changed situation. The Israelis renewed interest in replication, and a basis for agreement on the scope of work seemed assured. Gilkey knew that such concurrence was essential and hoped to have it in a week. "The big effort," he said, "is to try and get the scope nailed down."¹³

By mid-May identification of the specific scope of work was virtually complete. Of 105 construction items at each base, about 70 involved replication. For these, constructors needed as-built designs and adaptations for the sites. Fifteen facilities required minor changes, for which criteria were available. The rest, which needed new designs, included a number that were peculiar to each site, among them drainage structures, utilities, and pavements. No final decision had been made on aircraft shelters, but Hartung expected that this question would not delay work. Overall, the design effort for the American joint ventures appeared smaller than originally expected.¹⁴

The Corps and its contractors divided the design tasks among themselves, essentially assigning operational aspects to the construction contractors and centralized review to Gilkey's office with the help of Management Support Associates. For example, the constructors established specifications for each building and prepared cost estimates and shop drawings. The Corps and the sup-

port contractor reviewed and approved these. The agreement did not provide for Ministry of Defense involvement in the process.¹⁵

As uncertainty about the nature of the work began to fade, Gilkey faced two essential tasks. The Near East Project Office needed an element that managed design. It also required procedures and guidelines for its work. Both began to emerge from the analysis Schechet provided during the summer. From the outset, he urged Gilkey to fix clear areas of responsibility for each contractor and to simplify procedures and functions. As to the project itself, he divided it into three phases—pre-design, design, and construction. Each presented different problems and opportunities for design management. In the pre-design phase, Schechet emphasized three areas. The first was early development of firm criteria and scope to prevent expensive changes and delays later. Next he expressed concern about the translations of Israeli drawings from Hebrew to English, the quality of which varied. He also feared that differences between Israeli and American methods of presentation might cause misinterpretations in the field. Finally, he urged preparation of project specifications based on Corps of Engineers guide specifications, modified as needed by Israeli standards.¹⁶

Engineers on programs of this size routinely created guide specifications that blended program needs with Corps guidelines. The Safeguard antiballistic missile program and the work in Saudi Arabia both had begun with program-oriented guide specifications. The development of a set of Negev Outline Specifications, combining Israeli and American standards, began in mid-June, anticipating Schechet's first report. An early start was essential because this important pre-design task might take considerable time. Schechet, who envisioned a substantial design role for Management Support Associates, wanted the management support contractor to do the work. However, Pagano in New York thought the construction contractors, who already complained that Management Support Associates was taking over their responsibilities, would object. Air Base Constructors wound up with the bulk of the job, but General Manager Fred Butler was not pleased. "People have come to regard this item as our contract responsibility," he wrote, "when in reality, it is not." According to Butler, "The only reason the job ended up with us is that we demonstrated a certain ability to perform it when others did not."¹⁷

Schechet expected plans to evolve from these outline specifications and Israeli drawings. So he recognized that the actual design segment of the project would require close coordination with the Israeli firms that produced the drawings. Cooperation was essential for avoidance of expensive changes in plans, for compliance

with the tight schedule, and for integration of plans with the contractors' equipment and methods. During construction, he foresaw a declining engineering effort with reviews and changes based on field needs. The important actions came early, and he chafed at the slow development of an organization and procedures. Some of the delays were beyond project control. Congress was slow voting the money, suitable work space in Tel Aviv proved hard to find, and people on temporary duty left for home after only a few weeks on the job, taking their knowledge and experience with them.¹⁸

Then things began looking up. Confusion about the nature of the design function faded as Israeli firms prepared the basic drawings and the Americans adapted them to the sites. Moreover, the project was about to get its full-time manager back. Gilkey, who had gone home for his wife, had been delayed for a month recuperating from injuries received in an automobile accident. Carl Damico had served in his stead but lacked the staff and authority to negotiate arrangements with Bar-Tov while directing the activities of the contractors.¹⁹

An engineering organization was taking shape in the Near East Project Office. To a large degree the structure followed Schechet's plan calling for a division chief, a project engineer for each site, and a technical branch consisting of two engineers in each discipline. The technical engineering branch under Thomas' deputy, Edgar N. Moon, included two teams, one for each base. Both had engineers in seven specialties—civil, soils, estimating, structural, mechanical, electrical, and environmental—and an architect. Schechet advised against permanent teams at the sites because the contractors intended to carry out their design work in Tel Aviv. Thomas, whose experience included the National Aeronautical and Space Administration's vertical assembly building at Cape Canaveral, radar sites for the antiballistic missile program, and King Khalid Military City in Saudi Arabia, ignored this recommendation. He had used liaison offices at job sites in Saudi Arabia while assistant chief of engineering for Mediterranean Division in 1975. The liaison teams lacked environmental engineers and architects, but otherwise matched the Tel Aviv organization. Thomas recruited Gene Mahoney and Richard Huggins, both of whom he knew from previous assignments, to lead the teams at Ramon and Ovda, respectively. He also added an estimating branch under Billy Kellum, an architect he knew from the Canaveral project. This branch made projections of costs under different circumstances and validated anticipated costs of final designs.²⁰

In August, while Butler's people still worked on the draft outline specifications, the Corps set up review and approval proce-

dures. After examining each draft section, Corps and Management Support Associates engineers would discuss their comments with representatives of the construction contractors who worked in the same disciplines, among them civil, electrical, and mechanical. Formal transmission of comments back to the drafters would follow. Next would come revisions, another check, and final approval. While establishing these procedures, the Corps' engineering division split the specifications into eight categories. Each became a project specification package for a group of related facilities. One grouping included all horizontal civil features—runways, taxiways, aprons, roads, and drainage systems.²¹ Another included the shelter complexes. Ultimately, this organization formed the basis for dividing the work at each base into eight construction packages, which in turn were subdivided into work packages. For example, one construction package included all horizontal construction—site preparation, roads, runways, and taxiways—broken into twenty-four component work packages.²²

The decision regarding aircraft shelters was the Ministry of Defense's last major design choice. During August, the ministry cut the alternatives to two and sent them to the contractors for cost estimates. A month later, the Israelis settled on a concrete shell, backfilled with earth and buried underground. The shell consisted of precast wall panels that were reinforced with steel and topped by a massive reinforced arched roof that was poured in place over a large portable steel frame. Each hangar had blast doors in front and an exhaust flume in the rear. After selection of this basic design and translation of the documents, the contractors began to receive the drawings for site adaptation.²³

The Americans were unfamiliar with this approach to shelter construction. American bases usually had free-standing shelters with concrete walls formed and poured in place and topped by concrete over corrugated steel. The Israeli method caused some unease and resistance, partly due to its very novelty and partly because of uncertainty about the strength of shelters constructed in such a way. Gradually, the Corps and its contractors came to accept the Israeli approach.²⁴

With the first drafts of the nearly 150 sections of design drawings completed in August, reviews and revisions continued well into the autumn. A mid-September completion date went by, while all five typists working for Butler's design subcontractor and as many engineers and specification writers revised drafts. Finally, in early November the packages were finished.²⁵

Just as important to the future of the design effort was development of a standard operating procedure. Thomas and Moon spent three weeks during September and October on this framework.

Their product, based on experience and their understanding of the program and its approval cycles, established procedures in four areas of the design program. They specified procedures for developing the Negev Outline Specifications, which were already well along in the review process. Beyond that, they delineated the routines for as-builts, which replicated facilities at Eitam or Etzion; for new designs that were not peculiar to a particular site; and for new plans that were. Their procedure for handling drawings of as-builts seemed to amplify on suggestions Schechet had made in June. His notion of the process had been direct and straightforward. Israeli architect-engineer firms passed their drawings to Management Support Associates, which translated and sent them to the constructors for adaptation to the sites. Meanwhile, the Corps of Engineers and the Israeli Air Force conducted simultaneous reviews for technical sufficiency.²⁶

The standard operating procedure added an initial review for deviations from the program scope. Instead of sending drawings directly to the sites, Management Support Associates distributed copies to the Corps' engineering division, both program management offices, and its own reviewers for examination against the scope. After this analysis the diagrams went to the constructors. Except for its role in the initial review, Management Support Associates did administrative tasks and translations, kept track of the process through a documents log, and provided copies of drawings. New designs also were reviewed for conformity with the scope of the program and for technical adequacy. The design-construction contractors monitored progress at the offices of the Israeli firms that made the drawings and adapted the plans to their bases. In all cases, the standard operating procedure warned, "Priority actions by the Corps, MSA, and IAF will frequently be required in order not to delay construction."²⁷

While the government built up its engineering staff in Tel Aviv, the design-construction contractors did likewise. Long-term personnel gradually replaced temporaries. For example, the Air Base Consultants staff grew from eleven at the beginning of September to over twice as many at the end of October. Both contractors had teams in the desert studying the sites, the Negev Outline Specifications neared completion, and the design effort was indeed under way.²⁸

Gilkey was acutely aware that time was limited. Through the spring, he waited anxiously for Congress to provide funds and urged Johnson to speed up hiring. He also had other things to worry about, with elements of all three contractors arriving and the Israeli architect-engineer firms working on parts of the design. Procurement, the bridge between design and construction, was

also troublesome from the beginning. The purchase of materials and equipment required innovative and flexible approaches attuned to changes in the Israeli economy and the transitions of fast-track construction. For many months procurement was a source of frustration and annoyance for the Near East Project Office, the constructors, and the Israelis. Some claimed to have seen the problem coming. Thomas later observed, "Before I decided to take the job, I could have walked in and said, 'long-lead items and procurement are going to be a real problem. Now what are the other problems?'"²⁹ That this was no surprise provided little comfort.

Initially both construction consortia seemed eager to buy their materials and equipment as soon as possible. In June 1979 Negev Airbase Constructors proposed an early start on a deferred-payment basis. The contractor hoped to have its equipment bought and on board ships for delivery in Israel in late July or early August. Air Base Constructors also started to order machinery and vehicles in midsummer. The Corps of Engineers shared their desire for a quick start but had trouble finding enough capable people to manage procurement. The lack of talent was immediately apparent. North Atlantic had no one experienced with buying heavy construction equipment, so Johnson went outside for help. Management Support Associates hired broker Michael A. Zinman as a consultant on a part-time hourly basis.³⁰

Zinman oversaw the acquisition of heavy equipment by the construction consortia. General Johnson insisted that both contractors get three bids and accept the cheapest one. Both wanted Caterpillar, and neither was pleased when Fiat-Allis came in lowest. One corporate executive said that Fiat was an acronym for "fix it again, Tony." The same opinion prevailed in the Corps of Engineers. McNeely said, "We all thought JJ was crazier than hell when he went with Fiat-Allis." However, inquiries to users showed that Fiat equipment had good "RAM characteristics," that is, it was reliable, remained available, and was maintainable. Johnson held firm, and Fiat-Allis won the contract.³¹

Well into the fall this shortage of procurement experts persisted. Zinman stayed on into 1980, when he became involved in litigation with Air Base Constructors over a finder's fee he claimed for locating some 63-ton dump trucks for Ramon.³² Even before he left, the support office in New York complained to North Atlantic Division that it lacked purchasing specialists. They had one qualified person, but under pressure from Gilkey sent him to Tel Aviv. For his part, Gilkey pleaded to North Atlantic that he was in "dire need" of temporary help.³³

In a September 1979 introduction to the intricacies of fast-track procurement, Hartung explained to Bar-Tov how the system should work. The principal objective was to get supplies and services of acceptable quality within the delivery schedule at the lowest price. The process had to be carried out in a fair and competitive atmosphere. Before completion and approval of contractor procurement system plans, the consent of the respective contracting officers was required for several kinds of transactions, notably subcontracts over \$25,000 and acquisition of industrial facilities. The government controlled the process and treated it as sequential tasks rather than as receiving completed facilities or usable construction items. Materials and equipment had to be ordered ahead of time, so procurement tasks tended to occur early and needed prompt commitments of funds. While buying early might seem expensive, Hartung explained, the early purchases would reduce the number of hasty purchases later.³⁴

The first chief of Gilkey's procurement and supply division, Ronald G. Hallmark from the Corps' Walla Walla District had prepared Hartung's little essay on procurement for Bar-Tov. Although Hallmark understood the way the system should operate, he had his hands full. Extremely cautious, he seemed uncomfortable with the job's fast pace. This project was not amenable to a routine approach. The area office at Ovda worried about lack of timely purchase of materials that had to be ordered well in advance, and the contractor at Ramon complained that "our procurement and approval systems are too time consuming."³⁵ Instead of offering help, Hallmark's office lectured them on the "fundamental responsibility to plan actions well enough to assure that 'short fuse' are the exceptions rather than the rule."³⁶

In October 1979 Management Support Associates proposed centralizing procurement for both sites and the headquarters. A coordination group that included all three contractors would manage the program from Tel Aviv. This system would replace the original one, in which each construction contractor bought its own materials under supervision of the procurement and supply branch of the appropriate area office.³⁷ This proposal died quickly in the hands of the Near East Project Office staff. Donald Baer, chief of the construction division, said the coordination group represented "excess control, [would be] cumbersome, and time consuming."³⁸ Hallmark asserted that this drastic change would cause delays and add problems rather than solve them. He "strongly urge[d] that we clearly reject such a major change in the existing system, thus avoiding undue criticism," and suggested "that we pursue our present course, utilizing the value of the learning curve

experience obtained which is resulting in an evolution of improvements.”³⁹ The office, he seems to have meant, was learning slowly and would improve at the same rate. Eighteen months later, looking back on a lost opportunity, Alan Shepherd of Management Support Associates assessed the rejection differently. “Conceptually,” he said, “everyone agrees centralized . . . procurement was the way to go. But,” he asked, “do you give it to a person who is not in the fraternity?”⁴⁰ According to this view, the bureaucracy had closed ranks in defense of its prerogatives.

There were also some unexpected twists in procurement arrangements. The intergovernment agreement had emphasized buying outside of Israel to minimize the project’s effect on the Israeli economy. Construction resources were occupied fully, notably in Iran, where Israeli firms had many projects under way. Then the revolution in Iran caused a dramatic change in Israel’s construction industry. Firms with idle workers and machines asked the government for help in finding markets. Very soon after Gilkey arrived in Tel Aviv, the Israelis began to press for increased procurement activities in Israel. Some Israelis had objected to the agreement from the start.⁴¹ Auditor Naomi Kogon of Bar-Tov’s office, who later married Bory Steinberg, the head of the project office’s planning and coordination office from October 1979 to August 1980, labeled it a “a disaster.”⁴² But the agreement had taken into account the Israeli situation, which was changing all the while. Bar-Tov noted the magnitude of some of the changes: “In all my studies, when I learned about double-digit inflation, I don’t think that all these experts in economy thought that this term would be used for monthly inflation.”⁴³ So, still concerned with accommodating Israel’s economic situation, the program looked for ways to increase local purchases.

Israeli pressure for an expanded role started a month after conclusion of the government-to-government agreement. Gilkey expected that he would have to buy some supplies and materials locally. While at first it had seemed that local purchases might not go far beyond office supplies and some administrative support, in June the Israelis clarified their interest in selling building materials and equipment to the program. Given this area of concern, it was appropriate that the only standard procedure completed during Hallmark’s tenure specified the items that had to be bought in Israel, those that had to be imported, and those that could come from either local or foreign sources.⁴⁴

Along with the expressions of interest in more procurement came the first published claims that Israeli constructors should have been allowed to do the work. In the summer of 1979 the

newspapers began to raise the issue. The papers usually focused on the money wasted in allowing the Americans to do the work. The program tried to adapt to the new situation. The Ministry of Defense still wished to minimize the "negative impact on the Israeli market which is already overheated by excess demand-inflation." So now the goals were twofold, expanded involvement as well as minimal harm to the economy. Before the year ended, the program managers approved a standard procedure that tried to accommodate these apparently conflicting interests. The agreement made purchasing within Israel a joint effort. The procurement office prepared monthly lists of expected solicitations, on which the Israelis based their determinations of acceptable prices. The Israelis decided whether bidders were on the ministry's list of approved vendors as well as whether prices were reasonable.⁴⁵

Gilkey also had to find space for his staff to live and work. Joseph Robbins, a principal in Management Support Associates, arrived in early May with his firm's first contingent. In addition to beginning evaluation of the Israeli design effort and gauging the amount of work involved in translating drawings from Hebrew, Robbins' people started the search for offices and housing. They found temporary space at the LaRomme Hotel, an incomplete luxury hotel along the beach. Meanwhile, they continued to look for permanent quarters, based on Johnson's earlier decision to seek offices and residences in the same place. In Tel Aviv, terrorist acts were unlikely but possible, so such an arrangement would protect his staff, even though the Israelis vetoed his idea of an eight-foot chain-link fence around the facility. Moreover, employees would avoid commuting time. Such a building would cost less than rent for hundreds of apartments and prove easier to administer. Johnson sometimes referred to the home he sought as a "cruise ship," and he would have considered a vessel anchored off shore. However, he mainly had in mind a hotel large enough to provide offices and to house all employees who did not bring their families. Hartung and Bar-Tov were not enthusiastic about the idea, particularly if the hotel remained open to the public. So the solution was to find one that could be taken over completely. The Diplomat on the tourist strip was willing to close but asked about \$4 million per year.⁴⁶

Bar-Tov had an interest in the choice because of an agreement to place his office alongside those of Hartung and Gilkey. Bar-Tov considered the Diplomat too pretentious and the potential source of press criticism. He also wanted project management located near the Israeli Air Force headquarters in a newer section of the city away from the beach. So, while the Americans studied hotel costs and discussed the problem with New York, Bar-Tov arranged



IBM Building in Tel Aviv

the lease of four floors of the IBM Building, a three-sided tower whose upper floors provided spectacular views of the city and the sea. More important, IBM was across the street from the offices of the Israeli Air Force. Desperately in need of permanent office space, the Americans acceded to Bar-Tov's action. Gilkey was not pleased and understood the precedent that was involved: "We cannot let him [Bar-Tov] get into the position where he's approving anything that we do either on a temporary or permanent beddown." Still, IBM did provide a place to work. "We're in business," Damico told New York. "We now own the

IBM Building. For the price we're paying for it, I thought we bought it," he added ruefully, with an eye on the \$609,000 first-year price tag.⁴⁷

The IBM Building represented only a partial solution to the need for office space. Four floors of the tower were crammed full with program management offices, Gilkey's staff, and the design-construction contractors. Damico expected that this contingent would soon overflow these offices. The gradual movement of the offices from the LaRomme during July validated his judgment. The project still needed a hotel, but the emphasis was changing. With management at the IBM Building, it became clear that engineering activities should be centered there also. The hotel was for living space and administrative staff functions, including personnel, security, communications, and transportation. Along with Gilkey's office, engineering, construction, and resource management would remain. The project's focal point would still be the IBM Building.⁴⁸

Meanwhile, Management Support Associates continued negotiations for the Diplomat. As talks proceeded, other hotels offered better prices. The best came from David Taic, owner of the 327-room Forum Palace. A little north of the tourist center but on the beach, the hotel had once been the Tel Aviv Sheraton. Older than the others, in need of cosmetic repair, and beset with poorly func-

tioning mechanical systems, the Palace belied its name. Still, it had advantages, among them twenty more rooms than the Diplomat and large first-floor public areas that could be converted to offices. It also was more desirable from a security standpoint. A road ran under the Diplomat, making it something of a risk, while the Palace sat farther from the street and had a large enclosed parking lot. Moreover, the same problems that gave the Palace a run-down air made it more attractive from a public relations standpoint: everyone wanted to avoid unnecessarily lavish quarters. With a three-year \$3 million lease and an annual operating cost of about \$2 million, the choice seemed sound. After a cursory evaluation of the building's condition, Management Support Associates signed a lease on 1 August 1979. The project was in the hotel business.⁴⁹

The transition to government offices and billeting was not easy. Occupants were forced to move, and travel agents were told to cancel bookings. Then former employees of the hotel, angered by their abrupt dismissal, occupied the building. They refused to allow Israeli Hospitality Services, the subsidiary of the Dan Hotel Corporation that won the subcontract for operations and management, to take possession. In need of a quick resolution, Management Support Associates encouraged Dan to negotiate with the strikers. The agreement saved ninety-five jobs and raised the cost of the subcontract by about 10 percent. The Near East Project Office moved into the hotel at the beginning of September. General Johnson had his cruise ship.⁵⁰

Notes

1. "The Americans Dig In," *Jerusalem Post*, 18 Dec 79.
2. DA, OCE, Permanent Orders 6-1, 29 Mar 79, IABPC, 87/9.
3. Hewitt interview; McNeely interview, Sep 83.
4. Milton, "Mideast Survey," p. 71; Luttwak and Horowitz, *The Israeli Army 1948-1973*, pp. 121-22, 228; Transcript, Meeting with Graves Delegation, 23 Mar 79; Interv, author with Brig Gen Paul T. Hartung, Aug 80, Tel Aviv, Israel.
5. Transcript, Meeting with Graves Delegation, 23 Mar 79; "Corps Mobilizes Quickly on Israeli Airbase Jobs," *ENR* 202 (26 April 1979): 10; Telex, USDAO Tel Aviv (Col Clarence D. Gilkey) to DAEN-MPC, 20 Apr 79, sub: Israeli Air Base Program Development, IABPC, 12/1; Memo, Hewitt, Required Information for Design, NAD PAO files.
6. Construction Package, vol. III, Aircraft Shelter Complex, Encl to Ltr, Col Richard L. Curl to NAC, 15 Oct 79, sub: Project Specifications and Construction Packages, IABPC, 22/1; Ltr, Manuel M. Schechet to NEPO Project Manager, 30 Jun 79, sub: Interim Report No. 1, and 30 Jul 79, No. 2, IABPC, 80/6.
7. Telex, USDAO Tel Aviv (Hartung) to HQ USAF, 23 Apr 79, sub: Israeli Air Base Program Development, Sitrep No. 1, IABPC, 12/1; Telex, USDAO Tel Aviv (Gilkey) to DAEN-MPC, 20 Apr 79; MFR, Hays, 18 Oct 78, IABPC, 1/5; Vinitzky interview.
8. Interv, author with Charles R. Thomas, Aug 80, Tel Aviv, Israel.
9. Telex, NEPO PAO (Eugene Gamble) to U.S. Army Engineer District, Chicago, 22 Apr 80, sub: BG Moshe Bar-Tov Biography, IABPC, 33/1; Interv, author with Paul Cheverie, Aug 86, New York City; Telex, USDAO Tel Aviv (Hartung) to HQ USAF, 23 Apr 79, sub: Israeli Air Base Program Development, Sitrep No. 2; Telex, USDAO Tel Aviv (Gilkey) to DAEN-MPC, 20 Apr 79.
10. Interv, author with Moshe Bar-Tov, May 82, Tel Aviv, Israel; Interv, author with McNeely, Mar 84, Washington, D.C.
11. Telecon transcript 3, 24 Apr 79, IABPC, 10/3.
12. "Israeli Air Bases: Peace Treaty Puts U.S. Constructors on a Desert Fast Track," *ENR* 205 (30 October 1979): 26-27; A. J. Vercruyssen, MSA Situation Rpt, 27 Jul 79, IABPC, 12/4.
13. Telecon transcript 5, 30 Apr 79; Telecon transcript 16, 4 May 79. Both in IABPC, 10/3.
14. Telex, USDAO Tel Aviv (Hartung) to HQ USAF, 14 May 79, sub: Israeli Air Base Program Development, Sitrep No. 4, IABPC, 12/1.
15. Telex, NEPO to NAD, 4 Jun 79, IABPC, 65/1.
16. Ltr, Schechet to NEPO Project Manager, 30 Jun 79, sub: Interim Report No. 1.
17. Telecon transcript 18, 11 Jun 79, IABPC, 10/3; Ltr, Schechet to NEPO Project Manager, 30 Jun 79, sub: Interim Report No. 1, and 30 Jul 79, No. 2; Thomas interview; Fred Butler, ABC Weekly Progress Report, 26 Sep 79, IABPC, 12/13.
18. Ltr, Schechet to NEPO Project Manager, 30 Jun 79, sub: Interim Report No. 1; and 30 Jul 79, No. 2.
19. Ltr, Schechet to NEPO Project Manager, 30 Jul 79, sub: Interim Report No. 2.
20. *Ibid.*, 30 Jun 79, sub: Interim Report No. 1; Thomas interview; MFR, Bar-Tov and Hartung, 26 Dec 79, sub: 20 December 1979 DOD/MOD PMs Meeting, IABPC, 45/4; NEPO, Organization Manual, 15 Sep 79, IABPC, 88/5.

21. MFR, Edgar N. Moon, Acting Chief, Engineering Division, 20 Aug 79, sub: Procedures for Review of Negev Outline Specifications, IABPC, 21/14; Thomas interview.

22. The other seven groups were exterior utility systems; aircraft shelters; housing, dormitories, and community facilities; operations and administration facilities; industrial and maintenance facilities; preengineered structures; and Ovda flood control. Ltr, Curl to Project Manager, NAC, 15 Oct 79, sub: Project Specifications and Construction Packages; Ltr, Col Donald M. O'Shei, COR, to GM, ABC, 15 Oct 79, sub: Project Specifications and Construction Packages, IABPC, 22/1; Ltr, Lt Col Joseph A. Beben, COR, to GM, MSA, 15 Oct 79, sub: Project Specification Packages. All in IABPC, 22/1.

23. NEPO Sitrep 3, 13 Aug 79, IABPC, 12/6; MSA input, NEPO Sitrep 6, 3 Sep 79, IABPC, 12/9.

24. Interv, author with Carl Damico, Nov 88, Baltimore, Md.

25. ABC Weekly Progress Reports, 26 Sep, 12 and 31 Oct, and 12 Nov 79, IABPC, 12/12, 15, 18, and 13/2; Ltr, Curl, COR, to Project Manager, NAC, 24 Sep 79, sub: Progress of Negev Outline Specifications, IABPC, 29/4; Ltr, O'Shei, COR, to GM, ABC, 24 Sep 79, sub: Progress of Negev Outline Specifications, IABPC, 29/4.

26. Thomas interview; SOP 9, Design Development, Review, and Approval, IABPC, 15/9; Ltr, Schechet to NEPO Project Manager, 30 Jun 79, sub: Interim Report No. 1.

27. SOP 9.

28. Ltr, Schechet to NEPO Project Manager, 30 Jul 79, sub: Interim Report No. 2; NEPO Sitrep 6; ABC Weekly Progress Reports, 12, 19, and 26 Sep and 3 and 24 Oct 79, IABPC, 12/11-14, and 17.

29. Telex, USDAO Tel Aviv (Hartung) to HQ USAF, 23 Apr 79, sub: Israeli Air Base Development, Sitrep No. 1; Telex, USDAO Tel Aviv (Gilkey) to DAEN-MPC, 20 Apr 79; Telecon transcript 2, 20 Apr 79; John F. Wall, "Israeli Air Base Project: Construction Miracles in the Desert," *The Military Engineer* 73 (September-October 1981): 329; Thomas interview.

30. Telecon transcript 22, 21 Jun 79, IABPC, 10/3; ABC Weekly Progress Reports, 8, 15, 22, and 29 Aug 79, IABPC, 12/6-9; Memo, Richard A. Wilson, MSA, 21 Jun 79, IABPC, 77/4.

31. Johnson interview; McNeely interview, Sep 83.

32. The matter was settled out of court. IABPC, 77/3-6.

33. Telex, NEPO-Rear to NEPO, 7 Nov 79, sub: Procurement Actions at NEPO-Rear, IABPC, 66/1; Telex, NEPO to NAD, 12 Oct 79, sub: Request for TDY Assistance, IABPC, 65/8.

34. Ltr, Hartung to Bar-Tov, 7 Sep 79, sub: Procurement Policy and Procedures, IABPC, 29/4.

35. Procurement & Supply Division, Sitreps, 26 Aug, 2 and 9 Sep 79, IABPC, 12/8-10; OAO, Master Diary, entry for 18 Oct 79, IABPC, 84/1; Butler, ABC Weekly Progress Report, 26 Sep 79, IABPC, 12/13.

36. Three different versions of this letter, drafted by Hallmark's office, went to the three contractors from the respective contracting officers' representatives. Ltrs, Curl to GM, NAC; O'Shei to GM, ABC; and Beben to GM, MSA. All 5 Oct 79, sub: Time Allowed for Submission of Bids, IABPC, 30/1.

37. Interv, author with Alan J. Shepherd, May 82, Tel Aviv, Israel; DF, Donald C. Baer, Chief, Construction Division, to Project Manager, 15 Oct 79, sub: MSA Recommendations on DCC Design and Procurement Process, IABPC, 30/1; DF, Ronald G. Hallmark, Chief, Procurement and Supply Division, to Project Manager, 16 Oct 79, sub: MSA Recommendations on Major Change to Existing Procurement Process, IABPC, 30/1.

38. DF, Baer to Project Manager, 15 Oct 79.
39. DF, Hallmark to Project Manager, 16 Oct 79.
40. Shepherd interview, May 82.
41. Telecon transcript 2, 20 Apr 79; *Jerusalem Post*, 17 Jul 79; Memo, Hartung for Gilbert, 30 Nov 78, sub: Methods of Accomplishing/Managing Israeli Air Base Construction, IABPC, 89/3.
42. Interv, author with Naomi Kogon Steinberg, Dec 81, McLean, Va.
43. Proceedings of Program Press Conference, Tel Aviv, 12 Jun 80 (audio-tape), IABPC, 92/2.
44. Telecon transcript 2, 20 Apr 79; Telex, USDAO, Tel Aviv (Hartung), to HQ USAF, 23 Apr 79, sub: Israeli Air Base Program Development, Sitrep No. 1; Ltr, Yossi Kedem, Economic Adviser, to MOD PM, to Damico, 13 Jun 80, sub: Use of Israeli Sources for Materials, Services, and Equipment, IABPC, 8/7; SOP 10, Procurement Procedures for Purchase of Materials, Equipment, and Services, 9 Nov 79, IABPC, 15/10.
45. *Jerusalem Post*, 17 Jul 79 and 27 May 80; (Tel Aviv) *Ha'aretz*, 25 Sep 81; (Tel Aviv) *Al Hamishmar*, 11 Nov 81; Ltr, Kedem to Damico, 13 Jun 80; SOP 10.
46. Telex, USDAO Tel Aviv (Hartung) to HQ USAF, 14 May 79, sub: Air Base Program Development, Sitrep No. 4; Telecon transcripts 12, 17 May 79, and 15, 31 May 79, IABPC, 10/3; Johnson interview; McNeely interview, Sep 83.
47. Telecon transcripts 14, 29 May 79; 15, 31 May 79; 23, 25 Jun 79; and 24, 28 Jun 79, IABPC, 10/3; Cost Effectiveness of a 350-Room Cruise Ship (with Office Colocated), MSA, Israeli AF Base Management Support Contractor Project Planning Documents and Briefing Book, May 79, IABPC, 89/2; Telex, NEPO to NAD, 25 Jun 79, IABPC, 65/1.
48. Telecon transcripts 19, 14 Jun 79, and 23, 25 Jun 79; NEPO Sitrep No. 1, 30 Jul 79, IABPC, 12/4; NEPO Project Manager, Information Paper: Palace Billeting and Office Facility [Aug 79], Tel Aviv, IABPC, 17/2.
49. Telecon transcripts 23, 25 Jun 79, and 25, 2 Jul 79, IABPC, 10/3; Telex, NEPO (Hugh J. Bartley) to NEPO-Rear (Oswald I. Hewitt), 1 Aug 79, sub: RMO Activities, NEPO, IABPC, 65/4; NAD PAO, Statement on Forum Palace Hotel Lease, 13 Aug 79, IABPC, 12/5; Cheverie interview.
50. Ltr, GM, MSA (Robert I. Barry) to CO (Gilkey), 21 Aug 79, sub: Management and Operation of the Forum Palace Hotel, Request for Approval to Subcontract, IABPC, 21/14; Information Paper: Palace Billeting and Office Facility [Aug 79], Tel Aviv; Lt Col Joseph A. Beben, Sitrep submission, 9 Aug 79, IABPC, 12/6; *Jerusalem Post*, 9 Aug 79.