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[redacted] /m
DDP/PG/CA
16 February 196
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MEMORANDUM OF CONVERSATION

SUBJECT: Project WUDEPOT
Informal Discussion with [redacted] IG Office

(DDP/PG/CA)

1. The purpose of this discussion was to review some of the considerations which have come out of the IG examination of the activities of DO Division, and more specifically, the current situation with respect to WUDEPOT.
2. It is the intent of [redacted] to discuss this problem with [redacted] before developing a formal position for incorporation in the ultimate IG over-all report on the DO Division.
3. Of more immediate concern, [redacted] is apprehensive about the current status of WUDEPOT. He points out that:
 - a. The entire activity is currently in a state of limbo.
 - b. A personnel morale problem of considerable gravity is developing.
 - c. This is a relatively expensive operation. When you superimpose staff and related costs on top of the actual funds authorized for the project, he estimates that the annual total cost of WUDEPOT is approximately \$685,000. This figure

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takes into account 48 staff or military detail positions, 21 staff vehicles and one helio aircraft which do not show up in the project. There are included 2 medic personnel on detail, approximately 39 DOB staff (including military personnel) and 7 contract types. These constitute the sum total of 48.

4. Simultaneously, the IG Office is also conducting a review of the activities of SOD. It is inevitable that these two IG teams will find it necessary to equate the IUJEWEL, IUBEE and WUDEPOT projects into some kind of related perspective.

5. The normal bureaucratic process of IG review and finished report may involve a considerable period of time. In the interim the need for a concert of opinion and firm recommendations on the future status of WUDEPOT assumes a higher priority from day to day.

6. [redacted] (IG office) and the undersigned (who has been reviewing this situation on behalf of the ADD/P) are in agreement that the deteriorating situation of WUDEPOT should not be permitted to await final, formal IG reports. It was also agreed that responsibility for the preparation of staff-type recommendations relevant to the total problem of C. S. cold war contingencies and capabilities would appear to reside in SOD.

7. It has become obvious that through the absence of more positive guidance, the WUDEPOT personnel have found themselves adrift within a

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situation wherein the concept of requirements upon which the project has been historically predicated has become obsolete, and the new concepts of C. S. contingency requirements upon which they might become reoriented have not become sufficiently firm to realign the activity.

8. In summary:

a. The War Plans Staff has initiated such action as was appropriate and necessary to establish a new frame of reference with respect to the Agency responsibilities for JCS requirements. It would be unrealistic to anticipate an early formal resolution of the Agency - DoD relationship to prevail on this part of the problem.

b. There have been a number of discussions between representatives of SOD and WUDEPOT (some of which included representation from DDP/PG) in an endeavor to develop an acceptable solution to the WUDEPOT problem. However, it is also to be noted that during this period priority attention has been given to the expansion of Project IUJEWEL while, in effect, resolution of the WUDEPOT problems has been dragged to one side.

c. It is evident that some immediate decisions are required to either

- (1) revitalize WUDEPOT (give it a new charter, direction and clearly defined responsibilities);

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- (2) effect objective utilization or integration of WUDEPOT salvageable assets with related SOD activities; or
- (3) liquidate the WUDEPOT complex.

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