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SEP 20 1983

Brown & Root, Inc.

A Halliburton Company

Owen L. Campbell
Vice President

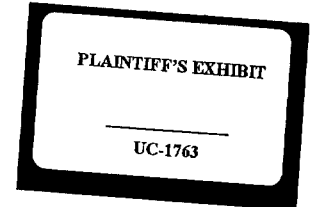
Post Office Box Three, Houston, Texas 77001
UNION CARBIDE
DANBURY OFFICE

(713) 676-5273



September 15, 1983

Union Carbide Corporation
Old Ridgebury Road
Danbury, Connecticut 06817



Attention: Mr. B. F. Brittain
Contracting Purchasing Agent

Subject: Maintenance Services Contract No. 100-87860 — 526
Maintenance Services Contract No. 306-281000-4

Gentlemen:

As a follow-up to our recent discussion, we are pleased to submit for your consideration some changes we recommend to be made to our maintenance contracts currently in effect. We are aware that the contract for our work at your Star Plant was negotiated separately from the other contract for our work at Seadrift, Brownsville and Linde Deer Park. Other than the differences in fee structure, there is a difference in the insurance requirements set by Union Carbide Corporation for the two contracts. Both parties recognize the resulting inequities in those current contracts.

We have studied the basic matters involved, and we offer the following proposals for your review, and which we feel will permit you to revise the contract language to be identical for all four plant sites and in one all-inclusive contract if you desire. We are proposing identical terms also to apply to all plant locations, except for the wage rate schedules which must apply to each respective geographical location. Specifically, we propose:

- Item 1. Change the Applicable Percentage Fee in Article III (of both contracts) to become 19.8% for all plant locations.
- Item 2. Change the Payment Article (Star Contract) to provide that Brown & Root's cost of Employee Benefits is included in the Fee.
- Item 3. Change the provisions of Exhibit "A" (Star Contract) to require Brown & Root to furnish the same insurances as presently required under the other contract, and change the Payment Article to the language presently in the contract for Seadrift, Brownsville and Deer Park.

BRF 0116



Union Carbide Corporation
Old Ridgebury Road
Danbury, Connecticut 06817

Attention: Mr. B. F. Brittain
Contracting Purchasing Agent

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September 15, 1983

- Item 4. Change the Payment Article of the contract for Seadrift and Brownsville to provide all supervisors as reimbursable labor cost. For this purpose, we are enclosing revised Schedules of Wage Rates and Salary Ranges for the Seadrift and Brownsville Plants incorporating the salary ranges for Job Superintendents at those locations.

Additionally, we propose that the wage rate structure at the Star Plant be changed to add the classifications of Maintenance Mechanic-A and Maintenance Mechanic-B and that the rate range for the Helper classification be lowered at the upper end of the range. We will put forth our best efforts to hire entry level craftsmen and also temporary personnel for shutdowns and other work in the lower Maintenance Mechanic classifications, and in this manner we feel that the average labor rate for the Plant will be lowered. I am enclosing a revised Schedule of Wage Rates to demonstrate this proposed change.

Also, we recommend that the new contract include provisions for "Safety & Health" in the language to which Brown & Root agreed and transmitted to you by my letter dated December 17, 1982. For reference, I am enclosing a copy herewith. We can implement the provisions of that agreement by establishing mutually acceptable procedures at each applicable plant.

I believe the above proposals cover the fundamentals we have discussed, and I trust that in concept they are acceptable to Union Carbide Corporation. Following your review of the above, we will be pleased to discuss any of the details on which you may have questions or provide information on other specifics we may have not included. Also, we are available to assist in revising the appropriate contract language. We share your interest in accomplishing the mutual objective of both parties to achieve uniformity of contract terms and other provisions.

Very truly yours,

Owen L. Campbell

OLC/lrd

Enclosures

BRF 0117

EXHIBIT "B"

Contract No. 100-87860

Page 1 of 4

WAGE RATES

UNION CARBIDE CORPORATION
COATINGS MATERIALS DIVISION
BROWNSVILLE, TEXAS
JOB NUMBER 34-4109

EFFECTIVE MARCH, 1982

	<u>PER HOUR</u>
<u>FIRST CLASS MAINTENANCE MECHANIC</u>	\$13.09
<u>MAINTENANCE TECHNICIAN</u>	10.55 - 13.09
<u>PLANNER/SCHEDULER</u>	9.63 - 13.24
<u>MECHANIC HELPERS</u>	6.99 - 10.55
<u>WAREHOUSEMAN</u>	6.99 - 10.55
<u>UTILITY MAN</u>	6.33 - 7.51
<u>LABORERS</u>	5.61 - 6.78
<u>JANITORS</u>	5.93 - 6.78
<u>FOREMAN</u>	0.35 - 0.85 Above Journeyman
<u>GENERAL FOREMAN</u>	1.00 - 1.25 Above Journeyman
<u>CHIEF CLERK</u>	7.51 - 13.09
<u>GENERAL CLERK</u>	6.39 - 10.20
<u>GENERAL TYPISTS</u>	5.90 - 7.10
<u>ENGINEERING DRAFTSMEN</u>	7.12 - 14.73
<u>AREA MAINTENANCE GENERAL FOREMEN</u>	Per Month 2,450 - 2,900
<u>AREA SUPERINTENDENT</u>	Per Month 2,500 - 3,500
<u>*JOB SUPERINTENDENT</u>	Per Month 3,000 - 3,800

Differential pay for permanent shift work will be in accordance with Union Carbide Corporation policy for the Brownsville Plant.

Other classifications not listed above will be furnished upon request at a mutually agreeable rate to be determined at time of placement.

RATES ARE SUBJECT TO PERIODIC REVIEW AND ADJUSTMENT.



WAGE RATES

UNION CARBIDE CORPORATION
POLYOLEFINS DIVISION
SEADRIFT, TEXAS
JOB NUMBER 34-4108
EFFECTIVE MARCH, 1982

	<u>PER HOUR</u>
<u>FIRST CLASS MAINTENANCE MECHANIC</u>	\$13.09
<u>MAINTENANCE TECHNICIAN</u>	10.55 - 13.09
<u>MAINTENANCE PLANNER</u>	9.63 - 13.24
<u>MECHANIC HELPERS</u>	6.99 - 10.55
<u>RAILROAD AND YARDWORK</u>	10.18
Tamping Machine/Trackmobile Operator	
<u>SWITCHMEN</u>	10.63
<u>TRUCK DRIVER</u>	6.99 - 10.85
<u>PRODUCTION WORKER</u>	6.88 - 9.77
Forklift Truck Operator, Bagging Machine Operator, Warehouse Helper, Etc.	
<u>JANITORS</u>	5.93 - 6.78
<u>UTILITY MAN</u>	6.33 - 7.51
Railroad Track Work - Tank & Barge Cleaning Mowing Machines - Etc.	
<u>LABORERS</u>	5.61 - 6.78
<u>SAFETY COORDINATOR</u>	12.03 - 13.66
<u>CHIEF CLERK</u>	7.51 - 13.09
<u>GENERAL CLERK</u>	6.39 - 10.20
<u>FOREMAN</u>	0.35 - 0.85 Above Journeyman
<u>GENERAL FOREMAN</u>	1.00 - 1.25 Above Journeyman
<u>AREA SUPERINTENDENT</u>	Per Month 2,500 - 3,500
* <u>JOB SUPERINTENDENT</u>	Per Month 3,000 - 3,800

Differential pay for permanent shift work will be in accordance with Union Carbide Corporation policy for the Seadrift Plant.

Other classifications not listed above will be furnished upon request at a mutually agreeable rate to be determined at time of placement.

RATES ARE SUBJECT TO PERIODIC REVIEW AND ADJUSTMENT.



Contract No. 306-281000-4
EXHIBIT "B"
*REV. 9/14/83

BGW BGW

UNION CARBIDE CORPORATION
POLYOLEFINS DIVISION
STAR PLANT
TAFT, LOUISIANA
JOB NUMBER 34-4155
EFFECTIVE June 13, 1982

EMPLOYEE CLASSIFICATION HOURLY WAGE RATE

FIRST CLASS MAINTENANCE MECHANIC \$12.96

Includes skilled journeymen craftsmen,
Carpenters, Electricians, Insulators,
Pipefitters, Machinists, Millwrights,
Riggers, Welders, Etc.

*MAINTENANCE MECHANIC - A \$12.06
*MAINTENANCE MECHANIC - B \$11.15
*MAINTENANCE HELPERS 7.43 - 10.25

UTILITY MAN 7.10 - 7.90
Includes truck driver, light equipment
operator, etc.

JANITORS 5.87 - 7.53
WAREHOUSEMAN/STORE ROOM 8.34 - 12.96

LABORERS 6.27 - 7.05
SEMI-SKILLED LABORERS 7.05 - 8.91

CHIEF CLERK, PLANNERS & SCHEDULERS 10.14 - 12.96
GENERAL CLERK 6.47 - 10.14

FOREMAN 0.35 - 0.85
Above first class mechanic

GENERAL FOREMAN 1.00 - 1.25
Above first class mechanic

MONTHLY SALARY

JOB SUPERINTENDENT 2,700 - 3,800 includes vehicle,
fuel, and maintenance

Differential pay for permanent shift work will be in accordance with Union Carbide Corporation policy for the Star Plant.

Other classifications not listed above will be furnished upon request at a mutually agreeable rate to be determined at time of placement.

A one-time travel allowance equivalent to eight straight time hours to the jobsite and eight straight time hours from the jobsite to be paid maintenance personnel transferred from areas remote from plant site for temporary or emergency work.

Rates are subject to periodic review and adjustment in accordance with paragraph (1) of Article VIII of this Contract.

NOTE: Superintendent wages not subject to overtime.





INTERNAL
CORRESPONDENCE

(1) JAK
(2) WWM

UNION CARBIDE CORPORATION OLD RIDGEBURY ROAD, DANBURY, CT 06817
Purchasing & Materials Services Department

To (Name) W. O. Carter-Houston
Division D. Goris-Seadrift
Location B. Mallory-Star
Area W. W. McManus-Brownsville

Date September 21, 1983

Originating Dept. P&MS

Area D-1223

Copy to P. Genty-Seadrift

Subject Brown & Root letter
dated September 15, 1983

Enclosed is a copy of the subject letter with attachments.
I will get in touch.

Very truly yours,

B. F. Brittain/jr

B. F. Brittain

BFB/jr
Enclosure

BRF 0114

RECEIVED

SEP 26 1983

W. W. McMANUS