



CHEMICAL MANUFACTURERS ASSOCIATION

November 23, 1981

Dear Vinyl Chloride Program Panel Member,

A meeting of the Vinyl Chloride Panel is scheduled for December 16, 1981 at 9:00A.M. in CMA headquarters, Board Conference Room B. This is an important meeting that I urge you to attend.

For the past several months, CMA staff have attempted to negotiate a contract with Environmental Health Associates (EHA) to conduct an update of a vinyl chloride epidemiology study. To date we have been unsuccessful in writing a contract that will satisfy EHA's requirements and, from CMA's viewpoint, protect the needs and financial interest of those companies supporting the study.

This past summer we thought an agreement was reached and CMA executed the contract. EHA responded with an amendment to the contract that we did not find acceptable and the situation is stalemated once again. At this point, CMA needs input from Panel members regarding the extent to which EHA's terms are acceptable, or unacceptable, to the sponsoring companies.

The contract and amendment are enclosed for your review. A memorandum written by Mr. Pat Joyce, CMA legal counsel, on the status of the negotiations is also included.

I look forward to meeting with you on December 16. Would you please indicate your attendance on the attached form and return it to me as soon as possible.

Sincerely yours,

Carol R. Stack, Ph.D.
Administrator
Vinyl Chloride Program

Enclosures

/seh

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Subject to Protective Order in
Ross v. Conoco, Inc., No. 90-4837
14th Judicial District Court.
Calcasieu Parish, Louisiana

CMA 006299

CMA
Notice of Meeting
of the
Vinyl Chloride Program Panel

Date: December 16, 1981

Time: 9:00 A.M.

Place: CMA Offices
2501 M Street, N.W.
Washington, D.C. 20037

☐

I will attend the meeting.

☐

I will not be able to attend the meeting.

(Name)

(Company)

Return return this form to Dr. Carol Stack at the address shown above.

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CMA 006300

AMENDMENT TO AGREEMENT

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Rice v. Conoco, Inc., No. 90-4837
14th Judicial District Court
Calcasieu Parish, Louisiana

ENVIRONMENTAL HEALTH ASSOCIATES, INC. (hereinafter "the Contractor") and CHEMICAL MANUFACTURERS ASSOCIATION, INC. (hereinafter "CMA"), hereby amend their Agreement for the Update of the Epidemiological Study of Vinyl Chloride Workers (CMA Reference No. VC 9.0 Epi-EHA) by amending and restating Paragraphs 24 and 25 thereof to read as follows:

24. The Contractor's Estimated Cost for this project is \$205,207 which consists of \$11,495 for Tasks 1 through 5 of Phase I (which have been completed at the initiation of this Agreement); \$63,567 for Tasks 6 through 8 of Phase I; and \$130,145 for Tasks 1 through 6 of Phase II. The aforementioned Estimated Costs are itemized by tasks in Exhibit A and a Ceiling Cost is indicated for each task.

The Scope of Work set forth in Contractor's proposal will be performed within the total Ceiling Cost of \$263,230. However, if the Contractor determines that its projected actual costs for the entire project, calculated at the labor rates set forth in the proposal, will exceed the total Ceiling Costs for the project by more than 30%, CMA agrees to review the Contractor's itemized projected cost overruns. CMA shall not unreasonably and without good cause refuse to compensate the Contractor for that portion of those previously unforeseen expenses which are more than 30% in excess of the ceiling costs.

In the unlikely event of a dispute over cost overruns, the Contractor shall not delay completion of the Scope of Work pending resolution of the negotiations, provided that CMA agrees to reimburse Contractor for any costs incurred in continuing performance of this Agreement pending such resolution.

In the event that (i) the Contractor is unable to complete the Scope of Work because of circumstances beyond its control (including, without limitation, a material lack of available data or a material delay or failure to perform on the part of CMA or a study plant) or (ii) CMA determines for any reason that it will not compensate the Contractor for that portion of its costs which are more than 30% in excess of the Ceiling Costs; then the Contractor may terminate the Agreement in the manner provided in Paragraph 28.

For performance of this Agreement by the Contractor, CMA shall make payments to the Contractor as follows:

Initial Payment

- a) Upon execution of this Agreement by both parties \$55,000.

Interim Payments

- b) Upon receipt of each quarterly report described in Paragraph 16, quarterly payments in the amount stated in Attachment A (Payment Schedule) (adjusted as provided below) until such time as the total amount paid by CMA (including the initial payment) shall reach the lessor of (i) 85% of the Contractor's total costs, or (ii) \$223,000.

Final Payment

- c) Upon receipt of the Final Report by CMA as defined in Paragraph 26 accompanied by a detailed accounting of materials and services purchased, and time expended for the total project, a sum in the amount of \$15,207, subject to adjustments as provided herein.

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Interim payments called for by the Payment Schedule shall be adjusted upward by an amount equal to the difference (if any) between (i) 85% of the Contractor's total costs through the quarter to which the interim payment relates and (ii) the total of all payments previously made by CMA and the scheduled interim payment for such quarter.

If the actual costs at the completion of the project are less than the Estimated Costs of \$205,207, the Contractor shall deduct the difference between the actual costs and \$205,207, and credit CMA for that difference in the final invoice.

25. Within 60 days of the completion date defined in the Work, the Contractor will provide to CMA one unbound original and 25 copies of its draft final report. This draft final report will describe all work performed, record essential data and discuss results and conclusions in a manner customary in similar reports.

The Contractor's scientific conclusions and professional judgments arising out of performance of the Work shall be the responsibility of the Contractor and shall not be subject to CMA control. However, CMA shall have the right to review such judgments and conclusions prior to preparation of the final report for the purpose of proposing clarifications, and making format and editing comments, but not for the purpose of substituting CMA's opinion for that of the Contractor.

DATED: October 15, 1981.

ENVIRONMENTAL HEALTH ASSOCIATES, INC.

By Richard L. Davis
Vice President and Treasurer

CHEMICAL MANUFACTURERS ASSOCIATION, INC.

By _____
Vice President and Treasurer

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CMA 006303