



"The One to Call On"

Procurement Operations

June 26, 1996

Ms. Lynn A. Arneson
Dames & Moore
13750 U.S. 281 North, Suite 200
San Antonio, Texas 78238

Dear Ms. Arneson:

Re: Request For Proposal No. 96-261-RH for asbestos consulting services.

In our daily operations, the drilling of holes in non-friable asbestos containing floor tile by a licensed asbestos contractor is required for the placement of equipment floor anchors. This procedure is expensive and requires an extensive amount of lead time to arrange and perform. We are considering alternatives to the present method, including submission of a request for waiver to the appropriate regulatory bodies. One method being considered is the Lead Particle Entrapment Compound (LEPEC) Method. LEPEC is a cream-like substance, that should trap any asbestos fibers that may become airborne during the drilling operation. (An excerpt from the LEPEC Method is provided as Attachment A.)

We see the objective of this project as to be the investigation of the following:

1. Can/should the LEPEC Method be utilized (possibly with a regulatory waiver) to perform the drilling of non-friable asbestos floor tile without utilizing licensed asbestos contractor?
2. Is there some other alternative method, regulatory relief or positioning that would provide SWBT with the desired legal protection while being timely, safe and low cost?

006537

Please provide your Proposal as follows:

1. Address the Preliminary Scope Items and Questions in Attachment B.
2. Indicate if the Preliminary Scope which includes the LEPEC Method, is in your opinion, a legal option and a course of action that SWBT should pursue to address the issue. If you are in agreement with this course of action, please expand upon it to complete the Project Scope of Services as you would perform them with a timeline for completion.
3. At your option, identify an Alternative Course Of Action Proposal that would result in a safe, legal, timely and low cost method to handle the issue and a timeline for completion.
4. Provide your pricing as all-inclusive. SWBT will contract directly with a licensed asbestos abatement contractor to perform the drilling. Separate your pricing as:
 - a. Item 1&2 Pricing
 - b. Item 3 Pricing, and
 - c. Travel expenses if any.
 - d. Alternative Course Of Action Proposal Pricing.
5. Identify a person to receive any questions regarding your Proposal.

Arrangements are being made to determine a location and date to perform a trial of the procedure. We anticipate it to be performed in a SWBT building in the San Antonio, Texas area and to occur July 9, 1996.

Please provide your Proposal no later than 2:00 p.m. (CST) on July 1 , 1996 and only to:

Southwestern Bell Telephone Company
Three Bell Plaza, Room 1903
Dallas, Texas 75202
RFP No. 96-261-RH
Attn.: Raymond Hernandez

If required, your Proposal may be faxed to the above address on (214) 484-3181.

005538

SWBT complies with Equal Employment Opportunity laws, orders and regulations in the conduct of its activities. In doing so, SWBT is required to be assured that those with whom it has business dealings are also in compliance with these requirements. Your acceptance of the SWBT Nondiscrimination Compliance Agreement will be required if your firm is to perform the Services.

Southwestern Bell Telephone Company shall not be obligated to explain the results of the selection process to any Company. No specific details of the selection study or decision will be given, nor will information be given regarding another vendor's Proposal. Information such as the successful Vendor's name, price, terms and conditions and all data pertinent to the negotiation are considered private information and shall not be provided to the unsuccessful vendors. If your firm is selected to perform the Services, the terms and conditions of any existing Agreement between our firms will be utilized for the services, if none exist, your acceptance of the SWBT's Standard Terms & Conditions will be required. Information provided in this RFP is considered by SWBT to be Confidential Information, should be treated as such. The Vendor will return all Information to SWBT within thirty (30) days of receipt or earlier if either SWBT or the Vendor determines that further discussions are no longer warranted.

SWBT reserves the right to refuse/reject any or all offers or Proposals made to it at its sole discretion. This Request for Proposal is not intended to constitute an offer or binding agreement to consummate a contract between SWBT and any Company relating to the Services proposed and should not be regarded as imposing any obligation or liability on SWBT whatsoever. Any legal obligations between the parties shall be only those set forth in an executed Contract. SWBT shall not be obligated for any expenses of any vendor or for any charges or claims whatsoever arising out of this Request for Proposal.

Should you have any questions, please feel free to contact me at (214) 464-2820, facs. (214) 464-3181. Thank you for your time and interest in Southwestern Bell Telephone Company.

Sincerely,

Raymond Hernandez
Contract Manager

Three Bell Plaza
Room 1903
Dallas, Texas 75202
Phone (214) 464-2820

005539

**LEPEC METHOD FOR DRILLING ASBESTOS
CONTAINING VINYL FLOOR TILE**

1. Mark appropriate location where hole is to be drilled.
2. Place the drill bit where the hole is to be drilled. Prior to drilling, cover an area approximately 4 to 6 inches in diameter around the drill bit with an adequate layer of LEPEC, or a suitable substitute.
3. Proceed to drill hole using the following procedure:
 - a) When drilling through floor tiles into concrete floors for placement of metallic expansion anchors, as the drill passes through the floor tile to a depth sufficient to clear the tile, which will be indicated by the observance of concrete dust around the hole being drilled, stop the drilling operation.
 - b) Wipe the material from the drill bit and the area adjacent to the drilled tile/hole using disposable gloves and a damp cloth or paper towel. This will include pieces of tile displaced, the adhesive mastic, excess compound and some concrete debris.
4. Deposit cloth and gloves in a zip-lock plastic bag and dispose of in accordance with applicable requirements for the disposal of asbestos containing waste.
5. Reapply LEPEC, continue with the hole drilling operation in a normal manner. The concrete dust or debris resulting from the continuation of the drilling would typically be collected using a vacuum cleaner to prevent the spread of the material into the adjacent work area.

If it is known that a large number of holes are required to be drilled, then a 55 gallon drum, or suitable container, with a locking lid should be on premise. The drum must be labeled in accordance with applicable disposal requirements and used to store the smaller bags until the drum is full or the job is complete, then dispose of the drum appropriately per applicable disposal requirements.

RESTRICTED-PROPRIETARY INFORMATION

The information contained herein is for use by authorized employees of the parties hereto only and is not for general distribution within or outside their respective Companies.

005540

Preliminary Scope Of Services

Item 1.

Consultant will collect an appropriate number of air samples, while a licensed asbestos contractor drills dime-sized holes in asbestos containing floor tiles utilizing the LEPEC Method.

Questions:

- a. Should we collect samples using LEPEC and Non-LEPEC Method?
- b. How many holes are adequate?

Item 2.

Consultant will analyze the samples and compare them with all appropriate environmental regulation levels to determine where they are in relation to the asbestos action levels. Consultant will provide written documentation for entire analysis.

Questions:

- a. This procedure is performed in SWBT buildings. What affect does the identification of SWBT's buildings as public or private have on this issue.?
- b. Should SWBT utilize the LEPEC Method, a licensed abatement contractor or some other option while this issue is investigated and/or as it seeks a waiver.
- c. What regulations would you compare the samples to?
- d. Who specifically will perform this portion of the services? What are their qualifications?

Item 3.

Depending upon the outcome of the comparison of samples and the appropriate asbestos action levels, SWBT may have the Consultant present the results to the Texas Department of Health requesting a waiver. The parties will mutually agree upon whom and how the waiver request will be conducted.

Questions:

- a. Is this the appropriate body to approach?
- b. Who specifically will perform this portion of the services? What are their qualifications? What experience do they have in presenting similar information/issues/requests to the regulatory bodies and what has been the results of their presentation?

ACTION PLAN FOR THE DRILLING OF ASBESTOS-CONTAINING FLOOR TILES

ISSUES

PRESENTED:

Employees have been drilling floor tiles using the LEPEC method for years.

There is no disruption in installation/repair of telephone service with the LEPEC method.

Employees have not had RCFI approved training for this method nor has there been proper documentation of the procedures.

Should contractors perform the drilling of floor tiles?

Should we pursue the testing of the punching, cutting and drilling of floor tiles using the LEPEC method so as to avoid any penalties. This would provide proof that the procedure is safe for all employees/contractors.

Dames & Moore will provide specific state issues regarding the drilling of asbestos containing floor tiles.

RISKS:

1. If we continue the LEPC method, we could get cited even though we have been performing this operation for years on a limited basis.
2. The citations could be for not having the proper paperwork, in addition to, not providing employee training.
3. Also, we could have a disruption in telephone service if a contractor could not respond on an emergency basis.
4. If a state agency could not give us a waiver on the waiting period for notification on an emergency basis, this also could disrupt service.

BENEFITS:

1. Have employees drill without the danger of exposure.
2. No disruption in telephone service under any circumstance.
3. Contractor performs the drilling of floor tiles.
4. Providing test results that prove employees have not been exposed.
5. Logical methods that provide the best, lowest cost procedure.

PLAN OF ACTION:

1. We will continue to use the LEPEC method.
2. REM will set up contracts with asbestos contractors with a 24 hour response.
3. Testing will be conducted for 30 days by a consultant on the punching of tiles, cutting off corners and drilling tiles using the LEPEC methods
4. We will reconvene in 60 days for test results and a decision to be made regarding which method is recommended for use.