PLAINTIFF'S
EXHIBIT
DUP-1969

2-69 REV 12-79

#42

DU PONT
ESTABLISHED 1802

E. I. DU PONT DE NEMOURS & COMPANY
INCORPORATED
WILMINGTON, DELAWARE 19898

POLYMER PRODUCTS DEPARTMENT

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(1) ~~Nauss - Infore~~ my contact with H.L. Everett. Thanks RWG 2/19

January 29, 1981

TO: (2)
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FROM: HOWARD A. SMITH HASmith

GUIDE FOR ADMINISTERING CONTRACTS WITH OFF-SITE CONTRACTORS

Attached is the company Guide for Administering Contracts With Off-Site Contractors, prepared by the Energy & Materials Department and the Legal Department.

Please review this carefully, and see that others at your site receive copies and become familiar with this procedure. Your existing plant procedures should be reviewed in light of this guide.

Please call if problems develop.

DUP 0501783

HAS/sab
Attachment

Discussed at length with Ev. He has ball on initiating steps to comply if requisitioner has not already addressed these requirements. Bear has waste disposal in hand, along with help from CCR, et al. We're in pretty good shape on this. RWG 2/19/81

There's a world of things we're doing something about

DU 001486

FROM DU PONT ENERGY AND MATERIALS DEPARTMENT

FOR DU PONT USE ONLY

DEC 18 1980

PROCUREMENT POINTERS

December 5, 1980

GUIDE FOR ADMINISTERING
CONTRACTS WITH OFF-SITE CONTRACTORS

1. INTRODUCTION AND SCOPE

This document sets forth performance guidelines for administering our contractual relationship with off-site contractors. (On-site guidelines are covered in ER-8629).

2. POLICY

2.1 The financial responsibility and ability to perform the services safely and competently are important in contractor selection.

2.2 Contractor service arrangements should be formalized by written contracts, negotiated and prepared by E&M, approved by the Industrial/Staff departments, Legal, and executed by the contractor and Du Pont, E&M.

2.3 A contractor should be given all available information concerning the use and disposal of Du Pont products and other materials specified by Du Pont which are not normally used by the contractor.

2.4 Supervision by Du Pont representatives of contractors' operations generally should be avoided to preserve the independent contractor relationship.

2.5 If we become aware of contractor's failure to perform its services in accordance with our contract, the situation should be brought promptly to the attention of the contractor's supervision. Should the contractor fail to remedy the situation, the industrial department and E&M should be informed to determine appropriate action.

3. E&M, with assistance from industrial departments, have responsibility for selecting qualified contractors who are capable of safely performing requested services.

3.2 Selection criteria should include:

- contractor's financial soundness,
- technical and managerial capability
- competent personnel and equipment to perform in an environmentally sound manner
- contractor's reputation and previous Du Pont experience, and
- contractor's possession of permits necessary to perform waste disposal required by the contractual arrangement.

3.3 An evaluation of a proposed contractor should include an on-site inspection of his facilities.

4. CONTRACT PREPARATION

4.1 Although E&M is primarily responsible for the negotiation and development of contracts with contractors, the party requesting the service (Industrial/Staff Departments) is responsible for providing the scope of work and specifications. Where the work to be performed is outside the scope of the contractor's usual business and where Du Pont has the special expertise, the requisitioner is responsible for advising E&M of all hazards concerning the requested service and Du Pont materials to be used, along with recommended procedures and sufficient information to enable the contractor to safely deal with such hazards.

4.2 The industrial departments, in cooperation with E&M have the responsibility for determining the technical capability of the contractor.

4.3 Contracts should specify that the contractor will follow hygienic and safety practices which are generally acceptable in his industry. Provisions should be included which permit Du Pont to take appropriate action if improper contractor practices are discovered.

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4.4 All pertinent safety, health and environmental information should be communicated in writing to the contractor as part of the contract. Where appropriate, this information should be personally discussed with the contractor to insure that such information is understood.

4.5 When new information concerning hazards of the operation and/or materials is acquired and Du Pont has reason to believe that contractor does not have it, E&M should promptly provide such information to the contractor either through a contract amendment or a letter referring to the contract.

4.6 If the services include disposal of wastes from materials supplied by Du Pont, the considerations in Section 7 of this guideline become applicable to that portion of the contract.

4.7 If the contractor will supply a product directly to Du Pont's customers, the contractor should properly label it, be required to perform adequate testing to assure that the products meet specifications and maintain adequate quality control records and samples.

4.8 Standard General Conditions EM-6635 should be incorporated into all off-site service contracts except those, such as waste disposal, which have specialized standard conditions EM-6687, Rev. November 1980 and trash disposal EM 6694 rev 9/30.

5. CONTRACT ADMINISTRATION

5.1 Industrial departments have primary responsibility for field administration of contracts for both on- and off-site contract services.

5.2 The contract administrator should take reasonable steps to insure that the contractor performs in accordnace with the terms of the contract. Every effort should be made to preserve the independent contractor relationship.

5.3 Communications with the contractor should be made through contractor management or his supervision.

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5.4 The Du Pont administrator shall:

- Have a copy of the contract document,
- Be thoroughly familiar with the contract Terms/Conditions and the requested service,
- Verify that insurance coverage required by the contract is obtained by the contractor and kept in effect for its duration,
- Identify the contractor's supervision or management through whom communications to the contractor should be made,
- Maintain strong liaison with E&M and promptly advise E&M of unacceptable contractor performance that is not promptly corrected upon the request of the administrator, and
- Periodically reevaluate any safety, health and environmental information previously transmitted to the contractor to assure its adequacy and completeness.

6. SITE VISITATION

6.1 To determine that the contractor's performance is in accordance with the contract, periodic visits to his site may be advisable. Each department, with assistance from its legal advisor, should develop a list of criteria for determining when such visits are appropriate.

6.2 Visits to contractors should generally be coordinated through the E&M Department to avoid overlapping visitations.

6.3 Du Pont representatives visiting the contractors should have a business purpose for the visit and be familiar with the requested service and if appropriate have an understanding of the contract.

6.4 Contractor supervision should accompany the Du Pont representatives during such visits.

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6.5 The Du Pont representative should generally limit his involvement to observations and avoid giving the contractor any directions concerning his operation. However, when a breach of any contractual obligation is observed, the contractor's supervision or management should be promptly advised of such breach.

6.6 If a site condition and/or operational problem is observed which poses danger to property, health or the environment, such as noncompliance with contractual obligations, the absence of safety, monitoring and emergency-response equipment, inadequate maintanance of operating equipment, or poor safety procedures, the Du Pont representative should direct the contractor's supervision to correct the situation immediately. If the danger is imminent, in the absence of the contractor's supervision, the Du Pont representative should attempt to correct the situation or to stop the work.

6.7 After visitations, a record of the date of the visit and the name of the Du Pont representative should be forwarded to the Department contractor administrator. Normally the contractor also maintains a record of each visit.

6.8 Questionable observations concerning environmental conditions made during the visit should be discussed with the Departmental Environmental Protection Coordinator and E&M. If additional written records are deemed advisable, the intended subject matter should be reviewed by E&M and Legal before their creation.

6.9 If, the contractor does not take prompt, reasonable steps to correct a breach of any contractual obligation, appropriate action which may include termination of the contract should be first discussed with E&M.

7. WASTE DISPOSAL (IN ADDITION TO THE GENERAL GUIDELINES HEREIN, THE FOLLOWING KEY POINTS APPLY TO OFF-SITE WASTE DISPOSAL CONTRACTING)

7.1 Administration of off-site waste disposal contract shall be the responsibility of the designated site waste coordinator, and shall follow the guidelines of W. G. Simeral's waste disposal policy letter. (See reference 8.3)

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7.2 Off-site contract waste disposal should be considered only after determining that a waste stream cannot be recycled or disposed of on-site due to technical, economic or environmental reasons or cannot be sold to a party capable of using it in a safe and environmentally sound manner.

7.3 First consideration should be given to other Du Pont plants with suitable waste disposal facilities when it becomes necessary to send wastes off-site.

7.4 All contracts should be negotiated and executed only by E&M. They should require that title to and responsibility for the waste passes to the contractor and that the waste will be disposed of in an environmentally safe manner in compliance with all laws and regulations.

7.5 Contracts for disposal of waste other than general trash shall include descriptions of the wastes and their properties.

7.6 Site visitations will be conducted at least annually in accordance with guidelines established by individual operating departments. Such visits, by knowledgeable Du Pont representatives, should be made prior to renewing the contract, or whenever new information comes to our attention which raises a question as to the adequacy of the contractor's performance.

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December 5, 1980

8. REFERENCES

8.1 "Guide for Non-Company Personnel on Company Sites" ER-8629, Du Pont Safety and Fire Protection Division Guidelines, Section 17.1.

8.2 "Contracting Services Procedure", Energy and Materials Department.

8.3 "Waste Disposal", Environmental Quality Committee policy statement letter, W. G. Simeral, August 22, 1980.

WVH:wis

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