

Interoffice Memo

Hoechst Celanese

Date June 24, 1988

RCS 29:88

To: D. G. Pausky

From: R. C. Seawright

Dept/Location:

Dept/Location:

Subject: Renewal of Plant Maintenance Contract

Our three-year maintenance and miscellaneous construction services contract with Arthur Brothers, Inc. expire December 31, 1988. The timing for negotiating a new contract is not good because of possible conflict with the Pampa Plant startup. There are other factors such as the fact that current Texas construction/maintenance industry is booming, which creates a lot of uncertainty as to competitive cost levels, plus the fact that wintertime is not the ideal time to change contractors. These are two factors that support extending our existing contract. The prime reason for extending the contract, however, is the Pampa Plant startup.

All of the plants using ABI have been contacted pertaining to extending the contract and all are in agreement to extend the contract. It is our recommendation that the contract be extended four (4) months to April 31, 1989. This will give us sufficient time to go through our normal contractor review, bid and negotiations process.

We are currently spending about \$400,000 a month with Arthur Brothers at Bishop. The value of the 4-month's extension is approximately \$1.6MM.

Please obtain Mr. Conway's approval for continuing our existing contract for the four-month period. These costs are associated with approved RFS's.

Please return the approved letter to my attention.

R. C. Seawright
R. C. Seawright

PLAINTIFF'S EXHIBIT

CEL-1410

APPROVED

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