

## Value Statement

In accordance with the values endorsed by the Department of Energy (DOE), in keeping with the out-of-box thinking necessary to accomplish more with less under the realigned DOE, in order to develop new approaches that flatten DOE customer and supplier organizations and maximize productivity and cost savings, DOE, OCAW, and UPGWA recognize the need to minimize overhead/support functions and take aggressive steps to increase direct clean-up effort at the Mound Plant:

Whereas,

the Mound Plant mission is focused on accelerated Base Closure in the very near term (90% of the facilities and land cleaned up in 5 years);

the Mound Plant OCAW work force possesses unique, specialized skills previously demonstrated successfully in performing Decommissioning and Decontamination (D&D) as well as environmental clean up work (e.g., total decommissioning, decontamination, and demolition of the Special Metallurgical (SM) Facility and D&D of the Plutonium Processing Facility (PP) for its re-use.);

the UPGWA work force possesses specialized skills and fitness levels essential to safeguarding the site and its equipment and, for those members not required for security duties, skills that are easily transferrable to clean-up duties;

a dedicated, experienced, site-knowledgeable direct clean-up work force undistracted by job continuity considerations is deemed to be an invaluable asset to the achievement of the expedited Mound Plant mission;

significantly improved efficiencies and savings are essential to successful completion of said mission, this mission requires a work force that is flexible and committed to new approaches to the mission;

the parties recognize the importance of a new model to address clean-up mission and have expressed willingness to share mutual values among DOE, OCAW and UPGWA to ensure safe completion of the Mound Plant mission.

Accordingly, the undersigned ascribe to the following values and principles:

## **VALUES AND PRINCIPLES**

**The Ohio Field Office of the U.S. Department of Energy,  
Oil, Chemical and Atomic Workers (OCAW) International Union and its Local #7-4200,  
and the  
United Plant Guard Workers of America (UPGWA) and its Local #146 have set forth and  
support the following:**

### **OHIO FIELD OFFICE VISION**

**We will achieve, for all our sites, an environmentally restored end state which serves the  
communities' needs; and we will do this within a decade.**

### **MOUND MISSION**

**Safely shut down all production operations; clean up 90% of the facilities and land in five  
years; support reuse of facilities and equipment; and phase out DOE presence.**

### **SHARED VALUES**

**The undersigned commit to the following Values:**

**Safety is the No.1 priority in everything we do.**

**People at all levels are an integral part of decision-making.**

**Integrity is the basis of our relationship.**

**Continuous Improvement and Innovation are the norm for operations.**

**Open Dialogue is the underlying tenet of our relationship.**

**We are accountable to all our Customers; we are each other's Customers.**

**All work is accomplished through Teamwork.**

**All Ohio Field Office contractors will be expected to embrace these Values.**

promptly notify OCAW and UPGWA and agree to meet with them for the purposes of discussing how the agreement should be modified to reflect the reduced budget.

12) In the event any of the sections of this understanding shall be or become invalid or unenforceable by reason of any Federal or State Law now existing or hereinafter enacted, or by reason of any court decision, such invalidity or unenforceability shall not affect the remaining provisions thereof.

The undersigned parties agree to these principles and agree to work collectively as a team to hold round table discussions to incorporate said principles into the respective collective bargaining agreements:

Earl N. Fray, President  
EG&G Mound Corporation

Robert E. Williams, Vice-President  
EG&G Mound Corporation

James J. Jeffers  
James J. Jeffers, OCAW Representative

Gary R. Nolley, OCAW President, Local #7-4200

Gerry E. Hartlage, UPGWA International Representative

Charles F. Williams, UPGWA President, Local #146

# MOUND PARTNERSHIP COUNCIL CHARTER

## Partnership Council Purpose:

*The Mound Partnership Council has been established between BWXT of Ohio, PACE Local #5-4200, SPFP Local #146, and the Department of Energy, to address issues of concern raised by any Council member with openness and integrity. As the Council is comprised of leadership representing all workers at the Mound site it is committed to resolve issues collectively striving for consensus decision making.*

## Partnership Council Background:

*By Summer 1995, on the heels of production ending and after numerous programmatic issues, relationships among Mound's represented work force, contractor management and DOE were becoming more dysfunctional with each passing month. The site was also experiencing legitimate safety issues which were not being resolved in a timely manner. The Mound Partnership Council was established in January 1996, pursuant to multiple agreements covered in two documents (the DOE/Unions Value Statement and the Contractor/Unions Memorandum of Understanding which are attached to this Charter) to focus the principal parties' highest level management attention on the challenges at hand by bringing them together weekly to resolve ongoing issues and build trust for the future.*

*Five years later, Council partners working together have assembled a unique pool of knowledge and experience that enables them to resolve differences related to how work is accomplished at Mound. The Council's goal is to allow work to go forward by reaching consensus on decisions, build trust and allow employees to share a confidence that their health and safety is a top priority to DOE, contractor and labor management.*

## Partnership Council Operation Process:

*In accordance with the values endorsed by the DOE, BWXT of Ohio, PACE and SPFP, the Partnership Council will address issues of concern raised by any council member and strive to reach consensus on all Council decisions.*

*The Council will consist of the following members:*

- Mound Prime Contractor Plant Manager and one additional contractor representative*
- PACE Local #5-4200 President and Vice President*
- SPFP Local #146 President and one additional SPFP representative*
- DOE-Miamisburg Project Office Director and Deputy Director*

*Each of the groups above will also designate an alternate representative to attend Council meetings as necessary.*

*It is the goal of the Council to reach consensus on all decisions. If there is a failure to reach consensus on a decision the matter will be referred to the Ohio Field Office Manager for final resolution.*

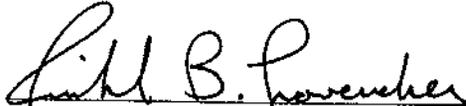
*The council shall also operate under the following guidelines:*

- The Council will meet weekly and have a standard agenda. Any significant issues which require participation by other non-council representatives at the weekly meetings will be discussed at the beginning of each meeting and be followed by a council member only meeting.*
- No official Council meeting will be held without a representative from each of the above groups in attendance.*
- The Ohio Field Office Manager and Deputy Manager will attend the weekly meetings and serve as ex-officio members of the Council.*
- Issue resolution should start at the working level with the workers who are most impacted by the issue. If issue resolution cannot be achieved at the working level the issue should be formally elevated to the Partnership Forum (see attached Charter). If the Partnership Forum cannot reach consensus agreement on issue resolution, the issue should be formally brought before the Council.*
- One member of the Partnership Forum shall attend each of the Council's weekly meetings. On a monthly basis the members of the Partnership Forum shall attend a Council weekly meeting to discuss the status of any issues currently being addressed or issues the Forum has acted upon.*
- It is understood that terms and conditions of employment shall be addressed exclusively through collective bargaining in accordance with the collective bargaining agreements between the contractor and the affected union. It is further understood the Council will not discuss ongoing litigation.*
- Meetings will be conducted mindful of the importance of the Council's shared values and efforts to promote efficiency and productivity.*

Partnership Council Commitment:

We the Mound Partnership Council Members understand, support, and will follow this charter in order to facilitate the safe and efficient completion of the Mound Closure Project.

Mound Partnership Council Members:

  
Rick Provencher  
Director, DOE-MEMP

9/7/00  
Date

  
Oba Vincent  
Deputy Director, DOE-MEMP

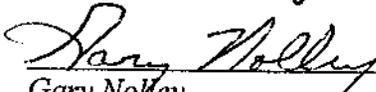
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Date

  
Sandy Baker  
President, BWXT of Ohio, Inc.

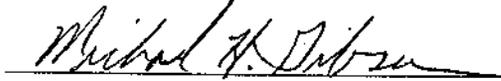
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Date

  
Rich Higgins  
Director, ESH&Q, BWXT of Ohio, Inc.

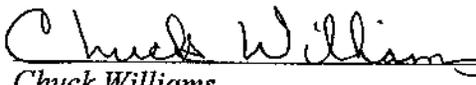
9/7/00  
Date

  
Gary Nofley  
President, MEMP Pace Local #5-4200

9/7/00  
Date

  
Mike Gibson  
Vice President, MEMP Pace Local #5-4200

9/7/00  
Date

  
Chuck Williams  
President, MEMP-SPFP Local #146

9/7/00  
Date

  
Bill Agee  
MEMP-SPFP Local #146

9-7-00  
Date

## *Partnership Forum Charter*

### **Mission:**

The Partnership Forum will:

- (1) Work together as a team to improve Trust, Communication, Work Planning and Worker Involvement across the site.
- (2) Work in a spirit of cooperation to identify, assess and develop actions to address issues hampering effective teamwork.
- (3) Develop positions and provide appropriate recommendations, advice, and counsel to the Partnership Council
- (4) Periodically report to the Partnership Council on identified issues and initiatives.

### **Shared Values:**

The Integrated Safety Management System principles and functions provide the basis for working safely.

Safety is the No. 1 priority in everything we do.

People at all levels are an integral part of decision-making.

Integrity is the basis of our partnership.

Continuous improvement and innovation are the norm for operations.

Open dialogue is the underlying tenet of our partnership.

We are accountable to all our customers; we are each other's customers.

All work is accomplished through teamwork.

All contractors on site will be expected to embrace these values.

### **Membership:**

Members of the Partnership Forum will include a facilitator and appointed members from DOE-MEMP (2), PACE (2), UPGWA (2) and one member each from the following BWXTO disciplines: Project Management (1), IS&H (1), Rad Con (1), PE&I (1), General Superintendent (2).

### **Meetings:**

Meetings will be held weekly.

Minutes of Forum meetings will be provided to all members and alternates at least 24 hours prior to the next scheduled meeting.

Approved minutes will be provided weekly to Partnership Council members.

### **Reporting:**

The Partnership Forum will report monthly to the Partnership Council.

**Functions:**

The facilitator will lead and coordinate the activities of the Partnership Forum.

The Partnership Forum may form sub-committees to resolve specific issues and report back.

Partnership Forum members will collect and share information pertinent to the Partnership Forum mission and submit potential issues or recommendations for Partnership Forum consideration, as appropriate.

Group decisions will be reached by consensus.

Issues upon which consensus is not achieved will be referred to the Partnership Council for resolution.

**Our PRINCIPLES which support the above Values are:**

**1) It is proposed to establish a Council to work with the Contractor, OCAW, UPGWA and DOE, with openness and integrity to address issues of concern raised by any council member. It is understood that terms and conditions of employment shall be addressed exclusively through collective bargaining in accordance with the collective bargaining agreement between the contractor and the affected Union.**

**The Council shall strive for cost-efficiency and productivity.**

**It is proposed that the Council will consist of the following Primary members:**

**Mound Prime Contractor Plant Manager and Deputy Manager  
OCAW Local #7-4200 President and Vice-President  
UPGWA Local#146 President and Vice-President  
DOE-Miamisburg Area Office Director and Deputy Director**

**It is proposed that each of the above members will designate an alternate. Failure to reach consensus on issues should be referred to the DOE-OH Manager for resolution. No meetings should be held without two representatives from each of the above groups in attendance.**

**The Council shall establish a Charter for its operational guidelines.**

**2) The DOE prime contract will include a Third Party Services clause. This permits the Contractor to perform work for outside parties using prime Contractor employees, DOE facilities and equipment. The use of those employees, facilities and equipment shall be consistent with generally applicable legal requirements and shall not adversely impact the Mound Plant mission.**

**3) OCAW and UPGWA recognize DOE's need to meet socioeconomic subcontracting goals (e.g., small businesses).**

**4) The Request for Proposal (RFP) for the new Mound contract will indicate that the new prime Contractor is expected to recognize both OCAW and UPGWA to the extent permissible under the National Labor Relations Act and to adopt any new collective bargaining agreement that supports these values and principles.**

**5) OCAW and UPGWA agree to share responsibility for the successful completion of the Mound Plant mission.**

**6) To implement these values and principles successfully, the Ohio Field Office will drive change within DOE. OCAW and UPGWA will drive change within their respective memberships.**

**7) DOE will strive to reduce contractor overheads. OCAW and UPGWA will support**

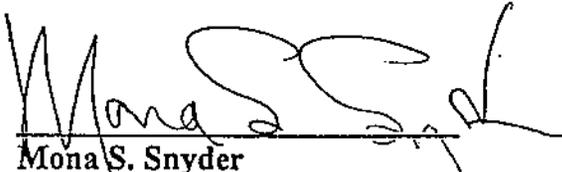
these efforts.

8) The DOE prime contract for the operation of the Mound Plant will include provisions which authorize in-house contractor employees to continue performing work that they have performed historically.

Adopted:

  
George R. Gartell, Director  
Miamisburg Area Office  
DOE Ohio Field Office

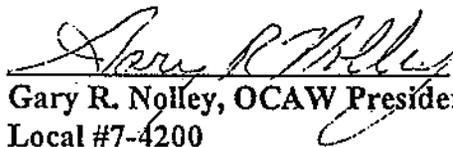
1-10-96  
Date

  
Mona S. Snyder  
Acting Assistant Manager of Administration  
DOE Ohio Field Office

1/10/96  
Date

  
James J. Jeffries, OCAWIU Representative

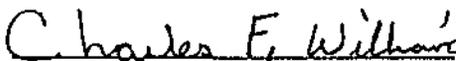
1/10/96  
Date

  
Gary R. Nolley, OCAW President,  
Local #7-4200

1/10/96  
Date

  
Gerry E. Hartlage,  
UPGWA International Representative

1-11-96  
Date

  
Charles F. Williams, UPGWA President,  
Local #146

1-10-1996  
Date

## PREAMBLE TO PARTNERSHIP MOU

In accordance with the values endorsed by the Department of Energy (DOE) and its Contractor, EG&G-Mound, in keeping with the out-of-box thinking necessary to accomplish more with less under the realigned DOE, in order to develop new approaches that flatten EG&G-Mound customer and supplier organizations and maximize productivity and cost savings, EG&G-Mound, OCAW, and UPGWA recognize the need to minimize overhead/support functions and take aggressive steps to increase direct clean-up effort at the Mound Plant:

Whereas,

the Mound Plant mission is focused on accelerated Base Closure in the very near term (90% of the facilities and land cleaned up in 5 years);

the Mound Plant OCAW work force possesses unique, specialized skills previously demonstrated successfully in performing Decommissioning and Decontamination (D&D) as well as environmental clean up work (e.g., total decommissioning, decontamination, and demolition of the Special Metallurgical (SM) Facility and D&D of the Plutonium Processing Facility (PP) for its re-use.);

the UPGWA work force possesses unique, specialized skills and fitness levels essential to safeguarding the site and its equipment and, for those members not required for security duties, skills that are easily transferrable to clean-up duties;

EG&G-Mound, OCAW and UPGWA employees agree that measures will be taken to assure that work can proceed expeditiously and cost effectively;

a dedicated, experienced, site-knowledgeable direct clean-up work force undistracted by job continuity considerations is deemed to be an invaluable asset to the achievement of the expedited Mound Plant mission;

significantly improved work efficiencies and savings are essential to successful completion of said mission; this mission requires a work force that is flexible, committed to the new work systems approach to the mission, and committed to working with management representatives to plan, improve and carry out superior work efficiencies;

the parties recognize the importance of a new model to address clean-up mission and have expressed willingness to form a partnership among EG&G-Mound, OCAW and UPGWA to ensure safe completion of the Mound Plant mission.

Accordingly, the partners enter into the following memorandum of understanding:

## MEMORANDUM OF UNDERSTANDING

EG&G-Mound,  
Oil, Chemical and Atomic Workers (OCAW) International Union and its Local #7-4200,  
and the  
United Plant Guard Workers of America (UPGWA) and its Local #146 have set forth and  
support the following:

### SHARED VISION

To form a partnership among EG&G-Mound, OCAW and UPGWA to ensure completion of the Mound Plant mission while preserving full employment, wages and benefits through September 30, 1999 for represented workers on site as of November 8, 1995 (i.e., OCAW - 177 workers, UPGWA - 46 workers = 223 workers, less employees who voluntarily terminate).

### MOUND MISSION

Safely shut down all production operations; clean up 90% of the facilities and land in five years; support reuse of facilities and equipment; and phase out DOE presence.

### SHARED VALUES

This partnership commits to the following Values:

Safety is the No.1 priority in everything we do.

People at all levels are an integral part of decision-making.

Integrity is the basis of our partnership.

Continuous Improvement and Innovation are the norm for operations.

Open Dialogue is the underlying tenet of our partnership.

We are accountable to all our Customers; we are each other's Customers.

All work is accomplished through Teamwork.

All contractors on site will be expected to embrace these Values.

Our PRINCIPLES which support the above Values are:

1) Establish a Council to work in partnership with the Mound prime Contractor, OCAW, UPGWA and DOE, with openness and integrity to address issues of concern raised by any council member. It is understood that terms and conditions of employment shall be addressed exclusively through collective bargaining in accordance with the collective bargaining agreement between the contractor and the affected Union.

The Council shall strive for cost-efficiency and productivity.

The Council will consist of the following Primary members:

Mound prime Contractor Plant Manager and Deputy Manager  
OCAW Local #7-4200 President and Vice-President  
UPGWA Local#146 President and Vice-President  
DOE Miamisburg Area Office Director and Deputy Director (Contingent on DOE concurrence)

Each of the above members shall designate an Alternate. Failure to reach consensus on issues shall be referred to the DOE-OH Manager for resolution. No meetings shall be held without two representatives from each of the above groups in attendance.

The Council shall establish a Charter for its operational guidelines.

2) All current OCAW and UPGWA represented employees at the Mound Plant, as of November 8, 1995, are guaranteed full employment through September 30, 1999. Any of these employees who volunteer to terminate between November 8, 1995 and September 30, 1999 shall receive severance pay in accordance with the involuntary separation provisions of the respective collective bargaining agreements.

3) Benefits shall be no less than the level in effect as of November 8, 1995, for the term of this partnership (i.e., through September 30, 1999). Employees hired after November 8, 1995 will receive benefits in accordance with the prime Contractor's standard benefits package that will be provided for all new non-represented employees.

4) Wages as of November 8, 1995, plus the following agreed-upon increases, are guaranteed through September 30, 1999. A wage increase of 3.2%, as previously negotiated, for OCAW represented employees shall be in effect through July 15, 1996 and for UPGWA employees shall be in effect through September 30, 1996. For both OCAW and UPGWA represented employees at Mound Plant, wages shall be increased as of October 1st of each year through the term of this partnership, equal to the OCAWIU national average(\*), not to exceed 4% a year. For the period July 15, 1996 through September 30, 1996, OCAW wages will be adjusted retroactively to reflect the wage increase agreed to for FY 1997.

\* Yearly average based on the average wage negotiated throughout the OCAWIU, as reported to the OCAWIU Executive Board November 1st of each year. Note that this means the wage increase will not be known until November 1st, however, will be made retroactive to October 1st of each year.

5) The Job Classification for all UPGWA represented employees shall be COMMUNICATIONS CENTER OPERATOR/GUARD. A lump sum of \$300.00/year, payable the first pay day after December 1st, shall be provided to UPGWA workers who are required to meet the DOE Physical Fitness Standards.

Job Classifications for OCAW represented employees shall be reduced to four (4), as follows:

(1) UTILITIES TECHNICIANS: Includes Former Classifications

Power House Operator

Chemical Operator

(2) FIRE SAFETY: Includes Former Classification

Fire Fighter

(3) MAINTENANCE, ABATEMENT, DECOMMISSIONING TECHNICIANS:  
Includes Former Classifications

Electrical Control Craftperson

Pipefitter-Welder

Fabrication Mechanic

Construction Craftperson

Heavy Duty Mechanic

(4) HAZARDOUS MATERIAL HANDLERS, SITE SERVICES: Includes Former Classifications

Laborer

Janitor

Decontamination Worker

Driver

Material Handler

Cook

Clothing Services Worker

Cylinder and Chemical Handler

NOTE: The parties recognize that there will be a transition period of several months required to effectuate the changes set forth in this partnership MOU.

6) The following work practices shall be followed:

Safety shall be the No.1 priority for all work performed.

Personnel will be used within their specific skill areas, when there is scheduled work within that skill area to be performed. Work plans/schedules will be cascaded, to the extent practical, to allow skill area work to be performed by in-house personnel.

Personnel will be expected to perform work which is incidental to the efficient completion of their primary task, as long as it can be performed safely.

When there is no scheduled work available in their specific skill area, personnel may be assigned in order of seniority to perform such work as is available in other skill areas. Safety standards will be maintained in all job assignments.

It is the intent of the parties to authorize in-house contractor employees to continue performing available work that they have performed historically. This will not include new construction work which has not been performed historically by any on-site union.

Subcontractors may be brought in to perform work normally performed by OCAW and UPGWA under the following conditions:

- When in-house resources (i.e., personnel and/or equipment) are inadequate or do not exist.
- When OCAW/UPGWA personnel do not possess the required experience (e.g., vapor extraction, building implosion).

NOTE: It is not the intent of the parties to create a situation whereby all traditional OCAW/UPGWA work is subcontracted out as a result of attrition.

7) Training necessary to comply with regulations (e.g., HAZWOPER, RadWorker II, respiratory protection) will be provided to all OCAW and UPGWA represented employees. Additional training of up to three weeks duration will be provided on a case-by-case basis to augment and enhance skills necessary to accomplish the Mound Plant mission. Training periods of greater than three weeks may be provided with documented need and approval of the Council.

8) OCAW and UPGWA agree to share responsibility for the successful completion of the Mound Plant mission.

9) The partnership will work with the new prime Contractor on alternative work schedules (e.g., five 8-hour days in lieu of four 10-hour days) with the assurance that a 40-hour work week will be maintained for all OCAW/UPGWA represented employees. The current structure of holiday hours may be rearranged if these become an efficiency issue. This will not affect the total number of holiday hours.

10) The Mound prime contractor will strive to reduce contractor overheads. - OCAW and UPGWA will support these efforts.

11) In the event of significant budget reductions at Mound, this Memorandum of Understanding will not be binding on the parties. In that event, the Mound prime contractor will

promptly notify OCAW and UPGWA and agree to meet with them for the purposes of discussing how the agreement should be modified to reflect the reduced budget.

12) In the event any of the sections of this understanding shall be or become invalid or unenforceable by reason of any Federal or State Law now existing or hereinafter enacted, or by reason of any court decision, such invalidity or unenforceability shall not affect the remaining provisions thereof.

The undersigned parties agree to these principles and agree to work collectively as a team to hold round table discussions to incorporate said principles into the respective collective bargaining agreements:

Earl Fray 1/10/96  
Earl N. Fray, President  
EG&G-Mound Corporation

Reed Will  
Robert E. Williams, Vice-President  
EG&G Mound Corporation

James J. Jeffries, OCAWIU Representative

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Gary R. Nolley T/A  
Gary R. Nolley, OCAW President, Local #7-4200

Gerry E. Hartlage  
Gerry E. Hartlage, UPGWA International Representative

Charles F. Williams T/A 1-10/96  
Charles F. Williams, UPGWA President, Local #146