

DEPARTMENT OF THE NAVY
NAVAL SEA SYSTEMS COMMAND
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COMMANDER, FLEET AND INDUSTRIAL SUPPLY CENTERS
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NAVSEA
5216
Ser 04/084
SEP 27 2004

COMFISCS
5216
Ser 40/009
23 SEP 2004

MEMORANDUM OF AGREEMENT
BETWEEN
COMMANDER, NAVAL SEA SYSTEMS COMMAND
AND
COMMANDER, FLEET AND INDUSTRIAL SUPPLY CENTERS

Subj: CONSOLIDATED HAZARDOUS MATERIAL REUTILIZATION AND
INVENTORY MANAGEMENT PROGRAM (CHRIMP) MEMORANDUM OF
AGREEMENT (MOA)

1. Appendix A provides direction and guidance for implementation of hazardous material (HM) programs at all N activities including the letter from the Chief of Naval Operations, of 4 Feb 04, which requires all Navy activities to participate in Regional CHRIMP programs.

This MOA applies to management of all hazardous material used at Naval Shipyards (NSYs) by Shipyard employees, tenants, and ships force, including that which is used to support nuclear work.

This Partnership Agreement delineates specific responsibilities required to support CHRIMP implementation and operations at Naval Shipyards. Additionally, this Partnership Agreement identifies requirements needed for Naval Shipyards to participate in Regional CHRIMP.

2. Strategic Vision: Naval Sea Systems Command (NAVSEA) and the Naval Shipyards have identified and are implementing a corporate standard process for CHRIMP. This process supports NAVSEA's goals of alignment, transformation, and standardization as necessary to create one nuclear shipyard.

This MOA will also serve as the minimally acceptable performance standards for development of local MOAs.

Commander, Fleet and Industrial Supply Centers (COMFISCS) and the FISCs will manage and perform HM functions supporting these goals and will ensure that neither material availability nor supply service adversely impacts Naval Shipyard productivity. NAVSEA/COMFISCS' goal for Naval Shipyard CHRIMP is to provide life cycle management of hazardous material in order to:

- Support production operations of the NSYs.
- Ensure a safe, healthful, and environmentally compliant workplace.
- Minimize quantities of HM purchased.
- Minimize quantities of hazardous waste (HW) disposed.
- Reuse regional and local HM to the greatest extent practical.
- Improve HM process efficiency and effectiveness.
- Minimize risk and liability associated with use of HM.

3. Functions and Performance Requirements

a. General Requirements. This Partnership Agreement requires Regional FISC and/or FISC Detachment (or Annex) to manage shipyard, tenant, and ships force hazardous material inclusive of that off-loaded for storage in accordance with CHRIMP requirements within the Shipyard Commander's area of responsibility. Naval Shipyards will manage cognizant Occupational Safety Health and Environmental (OSHE) Programs. Jointly, the FISCs and the Naval Shipyards will:

- Utilize the latest version of the Hazardous Substance Management System (HSMS) as a tool for the management and tracking of materials subject to CHRIMP.
- Ensure compliance and provide for the safe and efficient management, storage, distribution, and return of HM.
- Provide CHRIMP training to ensure personnel understand their respective roles and responsibilities for HM control, recovery, and reutilization, as well as the potential hazards of the material they use.
- Collect objective metrics to continuously assess performance in meeting established performance targets for HM minimization/reutilization, HM inventory management, HM usage and storage compliance, etc.
- Conduct periodic program audits and an ongoing surveillance to assess conformance to established requirements and procedures for the life cycle management of HM.

- Identify any job specific skill training, security clearance, nuclear, environmental, health, safety, or other qualification/training requirements needed for access to buildings, end use lockers, and/or otherwise requisite related criteria for performance of work at NSYS or their remote sites.
- Define uniform quality assurance program requirements as necessary to support CHRIMP.

b. Specific Process Requirements. The following elements are the broad Naval Shipyard CHRIMP performance requirements, consistent with NAVSEA/COMFISCS' strategic goal for Naval Shipyard CHRIMP. The CHRIMP functional steps are provided by Appendix A8.

(1) CHRIMP Step 1.0 Identify and Pre-Approve HM. Step 1.0 encompasses the steps of identifying and approving HM from the time the material requirement is identified until it is approved for use.

(a) COMFISCS Responsibilities:

- FISC will work with shipyards to identify optimum HM units of issue.

(b) NAVSEA Responsibilities:

- Shipyards will be responsible for managing the AUL approval process, including associating HM to an authorized process.

- Shipyards will follow Appendices A1 and A7 to determine HM exemptions from CHRIMP tracking.

(2) CHRIMP Step 2.0 Perform Pre-Procurement Screening. Step 2.0 encompasses the steps for screening HM for procurement from the time material requirement is approved until it is received.

(a) COMFISCS Responsibilities:

- COMFISCS will establish standard sourcing and procurement requirements, with concurrence from NAVSEA, to satisfy pre-procurement screening for Shipyards.

- FISC will screen, to the maximum extent possible, all hazardous material purchases against local and regional HM inventories as per Appendix A2.

(b) NAVSEA Responsibilities:

- Shipyards will provide quality assurance program requirements for HM management, including evaluation of and directions for extension of shelf life and reuse.

(3) CHRIMP Step 3.0 Procure HM. Step 3.0 encompasses the steps for procuring HM.

(a) COMFISCS Responsibilities:

- COMFISCS will establish standard sourcing and procurement requirements, with concurrence from NAVSEA, to satisfy procurement of HM for Shipyards.

- FISC is the only authorized purchasing agent for shipyard hazardous material within the Shipyard Commander's area of responsibility.

(b) NAVSEA Responsibilities:

- Shipyards will enforce government purchase card restrictions of HM procurement within the Shipyard Commander's area of responsibility; i.e., Shipyard personnel (who are not assigned to/authorized as FISC purchasing agents will not purchase HM via government purchase cards.

(4) CHRIMP Step 4.0 Receive/Manage Hazardous Material Minimization Center (HMC) and Satellite HMC Inventory. Step 4.0 encompasses the steps for receiving HM from the time material is received until it is issued.

(a) COMFISCS Responsibilities:

All HM will be received through a central HMC

- FISCs will manage the central HMC and satellite HMCs and will track HM to end use storage locations utilizing HSMS.

- FISCs will maintain an inventory accuracy rate in the central HMC and satellite HMCs of 95%; i.e., 95%

inventory accuracy, with a margin of error of plus or minus 3% at a 95% confidence level.

- FISCs will manage shelf life in accordance with requirements of Appendix A10, DOD Shelf-Life Item Management Manual.

- FISCs will track individual HM items by assigning unique HSMS serial numbers/labels upon receipt.

- FISCs will accumulate waste and follow procedures for waste management as any other generator in the Shipyards.

- FISCs will collaborate with shipyards to determine Central HMC and satellite HMC location requirements

(b) NAVSEA Responsibilities:

- Shipyards will identify specific regulatory requirements, such as NAVSEA requirements for shelf life extension, OSHE labeling, and CIM inspections.

- Shipyards will collaborate with FISCs to determine Central HMC and satellite HMC location requirements

(5) CHRIMP Step 5.0 Issue HM. Step 5.0 encompasses the steps for issuing HM from the time the material requirement is received until it is issued for use.

(a) COMFISCS Responsibilities:

- FISCs will issue HM to a process and/or an end use storage location as determined by the shipyard to ensure inventory information is available and material can be readily traced and located throughout the shipyard.

- FISCs will ensure HM labeling on all containers to meet OSHE requirements.

FISCs will validate process code and location when issuing HM

- FISCs will reject any requests not approved for specific process/location and immediately notify appropriate Shipyard management.

- FISCs will notify Shipyards of non-compliant material management.

- FISCs, their agent, or other party, as specified in local MOAs, will transport all HM between the point of entry (e.g., shipyard fence line or boundary of remote work site), end use storage locations, and back, in quantities required to support production operations.

- FISCs will ensure direct vendor deliveries, third party logistics, etc., issue transactions are captured in HSMS as required to maintain continuous visibility and accountability of all HM.

FISCs will provide MSDSs upon request

(b) NAVSEA Responsibilities:

- Shipyards will determine authorized HSMS process codes and locations to ensure accurate reporting requirements are met.

- Shipyards will provide process and location information to FISC.

(6) CHRIMP Step 6.0 Manage HM and Inventory Usage. Step 6.0 encompasses the steps for managing HM inventory and usage from time of issue to time of disposition at the end use storage location.

(a) COMFISCS Responsibilities:

- FISCs will accept reusable HM from end use storage locations. Reusable hazardous material is defined as that which is in the original vendor container or other container into which HM has been dispensed and appears to be reusable to the responsible end user and FISC.

FISCs will record final disposition of HM in HSMS.

- FISCs will reconcile end users and end use storage locations HM inventory with assistance from shipyard end use storage location responsible persons at intervals not to exceed 30 days.

(b) NAVSEA Responsibilities:

- Shipyards will institute a formal registration program as per Appendix A7 for end use storage locations.

- Shipyards will institute a formal end use storage location management program as per Appendix A7.

Shipyards will be responsible for day-to-day management of HM.

- Shipyards will support HM inventory reconciliation by FISC at the end use storage locations

(7) CHRIMP Step 7.0 Evaluate HM for Reuse. Step 7.0 encompasses the steps for evaluating HM for reuse from the time material is returned to the point of issue until it is reutilized or designated as HW.

(a) COMFISCS Responsibilities:

- FISCs will provide Shipyards feedback on excess HM as per corporately established metrics.

FISCs will offer excess HM for reuse

FISCs will utilize metrics to monitor HM reuse trends.

- FISCs will also collect metrics data, via HSMS and/or other IT tools, as needed, to support overall CHRIMP program requirements and to validate efficiency/effectiveness of CHRIMP programs.

(b) NAVSEA Responsibilities:

- Shipyards will continually review and revise excess HM business practices to reduce costs.

(8) CHRIMP Step 8.0 Manage and Dispose of HW. Step 8.0 encompasses the high level process of managing and disposing of HW.

(a) COMFISCS Responsibilities:

- FISCs will follow all Shipyard waste management procedures.

(b) NAVSEA Responsibilities:

Shipyards will dispose of HW.

4. Oversight and Review: COMFISCS is responsible and accountable for execution of Naval Shipyard HM management functions based on policy approved by a joint "Management Oversight Board" (MOB) consisting of SUP 04, COMFISCS, SEA 04R, SEA 04L, SEA 04X, and SEA 08U. The MOB will review Naval Shipyard HM process owner reports including metrics and performance standards at least semi-annually.

COMFISCS has authority, as NAVSEA's agent for HM support, to recommend to NAVSEA any changes in material management processes as necessary to include Regional Hazardous Material Control and Management (HMC&M) initiatives, regionalized CHRIMP, etc.

This authority includes coordination of regional FISCs supporting Naval Shipyards in accordance with the Virtual SYSCOM Material Support Initiative.

5. Efficiencies: NAVSEA and COMFISCS will identify and incorporate changes to processes both before and after the transfer that will result in improved efficiencies while maintaining or improving the required level of service. The shipyard and FISC will utilize a Process Improvement Engineer (PIE) during local MOA development and assimilate lean principles and techniques into the HAZMAT management process. Each local MOA will provide the baseline to allow measurement of savings attributable to CHRIMP process improvements. The savings opportunities in a properly aligned HAZMAT function with lean processes that support the production effort are great. There is an expectation that this HAZMAT management partnership will result in a minimum overall savings of 30% in the next four years, as measured using the baselines in the local Shipyard/FISC MOAs.

6. Funding: Local execution of the partnership will be funded on an annual reimbursable basis and shall be addressed by local MOAs and, when applicable/necessary, included in local CHRIMP implementation POA&Ms. Local CHRIMP implementation MOAs and POA&Ms will be submitted to NAVSEA/COMFISCS for review and approval prior to becoming effective.

Funding for out years will be determined during the review of the agreement and partnership performance and will be based

on the most recent budgeted workload, service levels, and requirements. Assignment of funding responsibility for facilities, equipment, information technology, manpower, training, maintenance, etc., shall be determined by local CHRIMP MOAs and implementation POA&Ms.

Additionally, each NSY/FISC will identify funding needed, by both the NSYs and FISCs, to accomplish implementation of CHRIMP requirements. Once these costs have been identified, NSYs/FISCs must seek funding authorization through current, appropriate funding channels.

Each NSY will be responsible for providing the necessary funding to support local Naval Shipyard and FISC CHRIMP program requirements. The funding request and authorization process should be initiated and accomplished as soon as possible.

7. Implementation: This document describes responsibilities for full CHRIMP implementation at Naval Shipyards. It is recognized that existing physical and financial resources, information systems, and in some cases existing policies, are not currently adequate to support full CHRIMP implementation. FISCs/Naval Shipyards will develop local shipyard specific POA&Ms to identify the actions and resources needed to achieve full implementation. In addition to identifying actions for any new physical property and financial resource needs, POA&Ms must also specifically address action plans for personnel and/or organizational workload realignments, as appropriate, in keeping with responsibility assignments recommended in this MOA.

Where resource concerns or needs are identified, they will be addressed/resolved as determined satisfactory by NAVSEA/COMFISCS. Pending full implementation, POA&Ms will provide for interim actions to implement CHRIMP at each Shipyard to the extent feasible within available resources.

Local CHRIMP implementation MOAs may align departmental process responsibilities differently from the manner assigned by this MOA. However, local MOA process responsibility realignments require approval by Headquarters prior to local implementation. Any changes subsequent to local MOA agreements, which have been approved/enacted, will likewise require approval from the appropriate Headquarters process owners prior to their implementation.

Permission to deviate on departmental responsibility alignment does not apply to CHRIMP process steps and overall

program requirements. Process steps and program requirements detailed herein, and via Appendix A7, are considered as the minimally acceptable CHRIMP program performance criteria.

8. Execution: Naval Shipyard Commanders and FISC Commanding Officers are responsible for execution of performance objectives listed herein. This partnership will remain in effect from the date of signature and will be reviewed at least semi-annually as stated in paragraph 4.



W. R. KLEMM
Commander, Naval Sea
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W. A. KOWBA
Commander, Fleet and
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APPENDIX A: CHRIMP DIRECTION AND GUIDANCE DOCUMENTS

1. 29 CFR 1910.1200, Hazard Communication Standard
2. CNO ltr N4/4U745710 of 4 Feb 04, Subj: Regional Consolidated Hazardous Material Reutilization and Inventory Management Program (CHRIMP)/Regional Hazardous Material Control and Management (HMC&M) at Navy Shore Activities
3. OPNAVINST 5090.1B, CH-4 of 4 Jun 03, Environmental and Natural Resource Program Manual
4. OPNAVINST 5100.23F of 15 Jul 02, Navy Occupational Safety and Health Program Manual
5. NAVSUP Publication-722, CHRIMP Manual
6. NAVSEA/NAVSUP ltr 4400 ser 00 of 19 Sept 02, Subj: NAVSEA/NAVSUP Command Industrial Support Performance-Based Logistics (PBL) Memorandum of Agreement (MOA) (NOTAL)
7. NAVSEA Occupational Safety, Health and Environmental Control Manual, Chapter 320, CHRIMP
8. NAVSEA Standardized CHRIMP Process Flowchart
9. COMNAVSUBFOR MSG 111658Z DEC 03 PSN 611229H21, Subj: Consolidated Lessons Learned from Hazardous Materials Stand-Up
10. DOD 4140.27-M, Shelf-Life Item Management Manual