

## AGENDA



Thursday, December 16, 2010

**Purchasing Office  
RECOMMENDATION FOR COUNCIL ACTION****Item No. 56**

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**Subject:** Authorize award, negotiation, and execution of a 12-month requirements services contract with SAFETY SOLUTIONS, INC. Austin, Texas, or one of the other qualified offerors to RFP No. JSD0100, to provide safety program management services for \$735 Million in construction projects anticipated to be included in the Rolling Owner Controlled Insurance Program (ROCIP V) in an estimated amount not to exceed \$101,500, with three 12-month extension options in an estimated amount not to exceed \$89,000, \$73,020 and \$65,250 respectively per extension option, for a total estimated contract amount not to exceed \$328,770.

**Amount and Source of Funding:** Funding is available in the Fiscal Year 2010-2011 Capital Budgets of Austin Water Utility, Parks and Recreation Department, and the Library Department. Funding for the extension options will be contingent upon available funding of future CIP budgets.

**Fiscal Note:** There is no unanticipated fiscal impact; therefore, a fiscal note is not required.

**For More Information:** Jeff Dilbert, Buyer II, 512-974-2651

**Purchasing Language:** Best evaluated proposal of three proposals received.

**MBE/WBE:** This contract will be awarded in compliance with Chapter 2-9C of the City Code (Minority-Owned and Women-Owned Business Enterprise Procurement Program). No subcontracting opportunities were identified; therefore, no goals were established for this solicitation.

**Boards and Commission Action:** Recommended by the Water and Wastewater Commission.

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This contract is for safety program management services for a Rolling Owner Controlled Insurance Program (ROCIP V). The ROCIP assures availability of insurance for small contractors and offers the economy of volume insurance buying at reduced costs through a strong safety program.

The City has identified 42 projects totaling approximately \$735 Million in construction values as initial candidates for inclusion in the program. However, it is mandatory that any construction project that is eligible for inclusion in this program by meeting certain defined program parameters be included in the program.

The safety program management services provided under this contract include revising the ROCIP Construction Safety Manual and Master Bid Document specifications that are applicable to each project, approving the minimum qualifications of each General Contractor's on-site designated safety manager, conducting assessments of each General Contractors' safety program, providing consulting services in order to rectify all deficiencies found within the programs assessed, coordinating jobsite safety inspections with city and insurance carrier safety staff during critical stages of work, and collecting safety related statistics from each project included in the program which is necessary for the successful management of the safety program. Additionally, the selected firm has been provided with \$40,000 over the 4-year contract term in order to design and administer a safety incentive program for all projects included in the program.

To ensure a strong safety program, the City also has a safety consultant on staff dedicated 100% to the ROCIP program. This consultant conducts mandatory safety orientation for all contractors before they begin work on the jobsite, coordinates jobsite safety inspections with both the insurance carrier safety personnel and Safety Solutions, and investigates accidents that occur on jobsites. This safety team has authority to shut down work at any jobsite where an imminent danger or serious safety violation is found.

This request allows for the development of a contract with a qualified responder that Council selects. If the City is unsuccessful in negotiating a satisfactory agreement with the selected responder, negotiations will cease with that provider. Staff will return to Council so that Council may select another qualified responder and authorize contract negotiations with this provider.

Administrative Services for the ROCIP program are being procured through a separate solicitation.

MBE/WBE solicited: 6/5      MBE/WBE bid: 1/1

#### PROPOSAL ANALYSIS

- a. Adequate competition.
- b. Fifty-six notices were issued, including six MBEs and five WBEs. Three proposals were received, including one MBE and one WBE. One "No Offer" response was received.
- c. Cost for providing this service is based upon the number of hours required for the management of the safety program and must take into consideration the size and complexity of the construction projects. The previous contract which was awarded September 1, 2005 for a total estimated contract amount of \$314,000 contained fewer and smaller construction projects. As a result, the proposed cost cannot be compared to the previous contract.

#### APPROVAL JUSTIFICATION

- a. Best evaluated proposal received. Safety Solutions Inc. is the current provider of this service.
- b. The Purchasing Office concurs with the Human Resources Department, Risk Management Division's recommended award.

Advertised in the Austin American Statesman and on the Internet.