

## A G E N D A



## Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	10854	Agenda Number	36.
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Meeting Date:	December 8, 2011
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Department:	Purchasing
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### Subject

Authorize award, negotiation and execution of a 12-month service contract with SAFETEC COMPLIANCE SYSTEMS, Vancouver, WA, for access to and support for a web-based materials safety data sheet management system for Austin Energy in an estimated not to exceed \$18,000, with four 12-month extensions options in an estimated amount not to exceed \$18,000 per extension option, for a total estimated contract amount not to exceed \$90,000.

### Amount and Source of Funding

Funding in the amount of \$13,500 is available in the Fiscal Year 2011-2012 Operating Budget of Austin Energy. Funding for the remaining three months of the original contract period and extension options is contingent upon available funding in future budgets.

### Fiscal Note

There is no unanticipated fiscal impact. A fiscal note is not required.

Purchasing Language:	Sole proposal received.
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Prior Council Action:	
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For More Information:	Dolores Castillo, Sr. Buyer/322-6466
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Boards and Commission Action:	Recommended by the Electric Utility Commission.
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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.
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Related Items:	
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### Additional Backup Information

This contract will provide access to and maintenance of a web-based chemical inventory and materials safety data sheets (MSDS) management system for hazardous materials and chemicals. Access to this data will include the collection, monitoring and reporting of hazardous chemical inventories across Austin Energy (AE) facilities in compliance with various federal, state and local regulations.

Employers must comply with the General Duty Clause of the Occupational Safety Health Act (OSHA), which requires employers to keep their workplace free of recognized hazards. OSHA standards are rules that describe the methods that employers must use to protect their employees from hazards. Congress enacted the Emergency Planning and Community Right-to-Know Act or EPCRA in 1986 to establish requirements for federal, state and local governments, tribes, and industry regarding emergency planning and "community right-to-know" reporting on hazardous and toxic chemicals. The 2003 International Fire Code, as locally amended by the City of Austin, requires that businesses storing or using hazardous materials above-ground obtain a permit. This requirement allows Austin Fire Department to track potential hazards and inform responding firefighters about specific chemical hazards at a certain location. All of these regulations require an inventory by location and updated MSDS information, which this system will provide.

This system will streamline data collection, report creation and permit submittals, and provide crucial multi-user access to AE. In addition, the contract will provide technical assistance and training, if requested by AE. A similar system is currently used by AE, however, the proposed contract will cover additional facilities and 24-hour telephone emergency response. The contract will also include the addition of pictographs for all chemicals to comply with the Globally Harmonized System for the Classification and Labeling of Chemicals (GHS) which will be officially adopted by OSHA next year.

An Austin Energy evaluation team with safety and environmental expertise evaluated the proposal based on the proposed system concept, experience, personnel qualifications and certifications, and management structure. The evaluation team recommended award to the sole proposer.

MBE/WBE solicited: 22/8

MBE/WBE bid: 0/0

#### PRICE ANALYSIS

- a. Sole proposal. The proposal closing date was extended and companies contacted in an effort to obtain additional proposals without success. This is a very specialized service with very limited companies able to provide it.
- b. Two hundred seventy-six notices were sent including 22 MBEs and 8 WBEs. One proposal was received, with no response from the MBE/WBEs.

#### APPROVAL JUSTIFICATION

- a. Safetec Compliance Systems is the current provider of this service.
- b. The Purchasing Office concurs with Austin Energy's recommended award.
- c. Advertised on the Internet.