



**A Report to the
Austin City Council**

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Hazardous Materials Storage and Handling Audit Series – Parks and Recreation Department (PARC)

April 2015



REPORT SUMMARY

Risks associated with hazardous materials have not been properly addressed by PARC. Specifically, we noted PARC was not properly storing, securing, or monitoring hazardous materials at the Central Maintenance Complex and that PARC performed 11 inspections of the 132 PARC facilities during the audit scope, none of which reviewed maintenance or aquatics facilities likely to contain hazardous materials. Furthermore, auditors found that PARC was not in compliance with the City's Hazard Communications Program, as some staff exposed to hazardous materials are not required to attend City-mandated hazardous materials training. This increases the risk of employee injury and/or illness resulting from improper handling and storage of hazardous materials.

TABLE OF CONTENTS

BACKGROUND 1

OBJECTIVE, SCOPE, AND METHODOLOGY..... 1

AUDIT RESULTS..... 2

Appendix

Appendix A: Management Response 6

Exhibits

Exhibit 1: Storage of Hazardous Materials at PARD CMC 2

Exhibit 2: PARD CMC Entry 3

Exhibit 3: PARD Hazard Communication Program Training Attendance 4

GOVERNMENT AUDITING STANDARDS COMPLIANCE

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

AUDIT TEAM

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Report Highlights

Why We Did This Audit

This audit was conducted as part of the Office of the City Auditor's (OCA) Fiscal Year 2014 Strategic Audit Plan and because prior audits have indicated risks relating to hazardous materials may not be properly addressed.

What We Recommend

The PARD Director should ensure thorough periodic inspections, including the review of the storage, handling, and security of hazardous materials at PARD facilities, as well as follow up to ensure identified issues have been corrected.

We further recommend that the PARD Director require hazardous materials training for staff who use or have routine access to hazardous materials and increase security at PARD Central Maintenance Complex (CMC).



For more information on this or any of our reports, email oca_auditor@austintexas.gov

HAZARDOUS MATERIALS STORAGE AND HANDLING AUDIT SERIES – PARKS AND RECREATION DEPARTMENT

BACKGROUND

- Many City departments store and handle hazardous materials. The PARD stores and handles hazardous materials to achieve its mission of providing, protecting, and preserving a park system that promotes quality recreational, cultural, and outdoor experiences for the Austin community.
- The City has a Hazard Communication Program to inform and train employees regarding hazardous materials. The City also has a Corporate Safety Officer who is responsible for providing information to employees regarding the proper storage and handling of hazardous materials.
- The City's Hazard Communication Program incorporates United States Department of Labor Occupational Safety and Health Administration standards and guidelines regarding hazardous materials storage and handling.

OBJECTIVE AND SCOPE

The objective of the audit was to evaluate high-risk issues related to the storage and handling of hazardous materials in PARD. Specifically, this audit evaluated: (1) the tracking and storage of hazardous materials, (2) hazardous materials training, (3) hazardous materials inspections, and (4) security of hazardous materials.

The audit scope included October 2012 through November 2014.

WHAT WE FOUND

We found PARD was not properly storing, securing, or monitoring hazardous materials at the Central Maintenance Complex (CMC).

Specifically, we noted:

- materials present that did not have an associated safety data sheet;
- chemicals stored outside of designated cabinets on above eye-level shelves and on the floor (see photo); and
- unmarked containers in the CMC aquatics facility.



PARD performed 11 inspections of the 132 PARD facilities during the audit scope.

- No inspections occurred in FY 13.
- Inspections reviewed only recreational centers and not maintenance or aquatics facilities.

Furthermore, auditors found that PARD was not in compliance with the City's Hazard Communications Program, as some staff exposed to hazardous materials are not required to attend City-mandated hazardous materials training.

BACKGROUND

The Parks and Recreation Department (PAR) manages and constructs park improvements maintains aquatics facilities, golf courses, and parks. PAR's mission is to provide, protect, and preserve a park system that promotes quality recreational, cultural, and outdoor experiences for the Austin community. PAR budget was \$65 million and the department had about 600 full-time staff in Fiscal Year 2013. In Fiscal Year 2014, PAR budget was \$73 million and the department had about 660 full-time staff. PAR also hires over 1,000 seasonal employees annually, the majority of which are pool lifeguards, to assist the department with service delivery.

PAR staff handles and stores hazardous materials for a variety of tasks related to maintaining facilities, trails, athletic fields, equipment, playscapes, parks and greenspaces, as well as conducting emergency storm damage repairs. PAR maintains several permanent worksites in the City; our audit focused on one site in particular, the Central Maintenance Complex (CMC).

OBJECTIVE, SCOPE, AND METHODOLOGY

This audit was conducted as part of the Office of the City Auditor's (OCA) Fiscal Year 2014 Strategic Audit Plan, as presented to the City Council Audit and Finance Committee. Additionally, prior audits we conducted indicated that risks relating to hazardous materials may not be properly addressed by City departments.

Objective

The objective of the audit was to evaluate high-risk issues related to the storage and handling of hazardous materials in PAR. Specifically, this audit evaluated the (1) tracking and storage of hazardous materials, (2) security of hazardous materials, (3) hazardous materials training, and (4) inspections of hazardous materials.

Scope

The audit scope included October 2012 through November 2014.

Methodology

To accomplish our audit objectives, we performed the following steps:

- analyzed City policies and regulations relating to hazardous materials;
- evaluated guidelines used by entities that frequently handle hazardous materials;
- researched industry standards, best practices, and laws and regulations related to the handling and storage of hazardous materials;
- interviewed PAR staff and management;
- reviewed PAR hazardous materials training resources;
- selected a judgmental sample of hazardous materials to ensure each had a safety data sheet available;
- researched PAR-reported incidents of employee injuries resulting from hazardous material exposure;
- performed a walkthrough of the PAR CMC permanent maintenance site; and
- performed physical security testing at CMC.

AUDIT RESULTS

We found that risks associated with hazardous materials have not been properly addressed by the Parks and Recreation Department (PARC). Specifically, we noted PARC was not properly storing, securing, or monitoring hazardous materials at the PARC Central Maintenance Complex (CMC) and that PARC performed 11 inspections of the 132 PARC facilities during the audit scope, none of which reviewed maintenance or aquatics facilities likely to contain hazardous materials. Furthermore, auditors found that PARC was not in compliance with the City's Hazard Communications Program, as some staff exposed to hazardous materials are not required to attend City-mandated hazardous materials training.

Finding 1: PARC is not consistently storing, securing, or monitoring hazardous materials properly at CMC, increasing the risk of injury resulting from hazardous material exposure.

Auditors observed the following conditions at the PARC CMC facility:

- PARC's CMC facility is not adequately secured, allowing hazardous materials on site to be accessed by individuals who enter the property;
- materials present that did not have required safety data sheets¹ available for staff review at the sign shop;
- chemicals stored outside of designated cabinets on above eye-level shelves and on the floor;
- unmarked containers in the CMC aquatics facility; and
- acetylene and oxygen canisters as depicted in Exhibit 1 below, observed in the PARC CMC Aquatics division. PARC staff immediately removed these canisters and stated they would dispose of them properly.

A similar chemical storage issue was included in the July 2011 PARC Employee Safety Audit, which noted chemicals were improperly stored at a PARC facility according to safety data sheet guidelines.

EXHIBIT 1 Storage of Hazardous Materials at PARC CMC



SOURCE: OCA Photo, October 2014

¹ According to the United Nations Globally Harmonized System of Classification and Labelling of Chemicals (GHS), Safety Data Sheets (SDS), formerly known as Material Safety Data Sheets (MSDS), provide workers and emergency personnel with procedures for handling substances safely, and include information such as: physical data (i.e. melting point, boiling point, flash point), toxicity, health effects, first aid, reactivity, storage, disposal, protective equipment, and spill-handling procedures.

PARD has an inspection function designed to periodically review the condition of the Department's designated 132 facilities. These inspections review, in part, the storage and handling of hazardous materials and the availability of personal protective equipment. During the audit scope period, there was one Safety Officer who was responsible for conducting these inspections. PARD inspected 11 of the 132 designated facilities between February and May of 2014. PARD did not conduct inspections in Fiscal Year 2013 and the 11 that occurred in Fiscal Year 2014 reviewed only recreation centers. No other type of PARD facility (such as an aquatic center, golf course, or maintenance facility) was inspected during the two-year audit scope.

Furthermore, PARD management asserted that an inventory of site chemicals was conducted twice in the preceding eight years; although the PARD Safety Officer indicated he visited nearly 50 PARD locations in calendar year 2014 to verify that facilities had updated the chemical inventory lists and safety data sheet notebooks. These visits, however, were not official inspections and were, therefore, not documented. Auditors did note that in response to the Safety Officer's September 2014 request, the CMC incorporated improvements, such as updating chemical inventory lists and safety data sheet notebooks stored in PARD vehicles at the CMC.

Additionally, during the physical security testing at CMC, the team accessed unsecured hazardous materials and was able to remove an item from the PARD sign shop without challenge. The PARD CMC facility is not gated and is open to the general public. The various shops (i.e., sign shop, aquatics, welding) at the CMC complex are also not secured, and at times, are unstaffed. As shown in Exhibit 2, the sign at entry does not provide deterrence to passersby entering the facility.

The PARD Hazard Communication Program procedures state the designated department Hazard Communication Coordinator is responsible for conducting inspections to ensure hazardous chemical containers are properly labeled and safety data sheets are maintained for permanent and temporary sites.

Furthermore, procedures state that each staffed building, recreation center, administrative building, senior center, aquatic facility, maintenance facility, parks, and preserves will receive a comprehensive safety and health audit to be performed by the department safety officer with assistance from a site supervisor on an annual basis.

The PARD Accident Prevention Plan also states managers and supervisors will be responsible for conducting regular work area safety inspections, with the assistance of the Safety Officer, to discover and correct unsafe conditions and work practices.

Exhibit 2 PARD CMC Entry



SOURCE: OCA Photo, October 2014

Hazardous materials stored improperly can injure employees, citizens, and the environment. In fact, there were five instances² of PARD employee injuries relating to hazardous materials exposure within our audit scope. Without an effective inspection function to ensure proper hazardous materials storage at PARD CMC, mislabeled or improperly stored chemicals may not be detected and corrected, which may increase the risk of employee injury and/or illness. Chemicals in unlabeled containers prevent employees from knowing the proper protective equipment to utilize, the optimal environment for use of the chemical, and the correct first aid procedures to apply in case of exposure.

Additionally, storage of chemicals outside cabinets suited for flammable materials and in ways not conforming to chemical safety principles increases the likelihood of an accidental spill or exposure, and flammable materials not stored in proper cabinets can ignite or worsen a fire, placing both employees and first responders in increased danger. Lastly, inadequate security at PARD CMC may result in loss, waste, and theft of hazardous materials, and people (who may or may not be properly trained on hazardous materials) with unnecessary access to hazardous materials at City facilities further increases the risk of hazardous materials-related injury.

Finding 2: PARD does not require that all employees with frequent exposure to hazardous materials attend routine training on how to handle and store hazardous materials, resulting in an increased risk of injury resulting from hazardous material exposure.

Despite City requirements that employees handling hazardous materials receive training, PARD does not enforce this requirement to ensure employees undergo routine training on how to handle and store hazardous materials. As depicted in Exhibit 3 below, there were no PARD attendees to hazardous communications training in Fiscal Year 2013 and there were 383 attendees in Fiscal Year 2014. However, lifeguards are required to attend hazardous material training prior to being employed by the City and they receive a separate hazardous materials training. Auditors tested this and found that lifeguards generally received this training in Fiscal Years 2013 and 2014.

**EXHIBIT 3
PARD Hazard Communication Program Training Attendance**

Fiscal Year	Approximate Full-Time Staff	Approximate Non-Lifeguard Seasonal Staff	Approximate Non-Lifeguard Total Staff	Attended Training
2013	600	1,200	1,800	0
2014	660	1,500	2,160	383

SOURCE: OCA Analysis, November 2014

The City’s Hazard Communication Program dated November 13, 2013 requires the following regarding training:

- department Hazard Communication Program Coordinator conduct or coordinate required employee hazard communication training;
- each department Hazard Communication Program coordinator ensure a training program is provided for all employees;

² Three of these five instances occurred during routine Park Ranger training when staff was intentionally exposed to OC “Pepper” spray.

- employees handling and/or using hazardous chemicals receive site-specific training for the chemicals to which they have potential exposure; and
- each department identify newly hired or newly assigned employees who may need training and ensure that training is completed before the employee begins work in a workplace containing hazardous chemicals.

Since PARD does not make the training mandatory, the department cannot ensure that PARD employees who are required to take the hazardous materials training properly receive such training. A similar training issue was identified for PARD in the Employee Safety Audit presented in July 2011. Furthermore, the United States Department of Labor Occupational Safety and Health Administration Hazard Communications Standard (“Right to Know Law”) required that all employees receive new label elements and safety data sheet format training by December 1, 2013. PARD management asserts they prefer to follow these standards when possible, but again, this training is not mandatory.

RECOMMENDATIONS

1. **The PARD Director should ensure that PARD staff conduct a review of hazardous materials at the Central Maintenance Complex and correct any deficiencies noted.**

MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

2. **The PARD Director should ensure that PARD staff conduct thorough periodic inspections, including the review of the storage, handling, and security, of hazardous materials when applicable at all PARD facilities.**

MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

3. **The PARD Director should ensure that PARD staff follow up on identified hazardous material safety issues to verify that the issues have been corrected.**

MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

4. **The PARD Director should implement additional security policies and training at PARD CMC to ensure the safety and security of PARD staff, the public, and hazardous materials stored on site.**

MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

5. **The PARD Director should establish a Safety Program team to identify staff who use or have routine access to hazardous materials and ensure that they receive hazardous materials training.**

MANAGEMENT RESPONSE: **Concur.** Refer to Appendix A for management response and action plan.

MANAGEMENT RESPONSE



MEMORANDUM

TO: Corrie E. Stokes, Acting City Auditor
Office of the City Auditor

FROM: Sara L. Hensley, CPRP, Director
Austin Parks and Recreation Department *S. Hensley*

DATE: February 23, 2015

SUBJECT: Hazardous Materials Storage and Handling Audit Series

Attached is the Parks and Recreation Department's (PAR) response to the Hazardous Materials Storage and Handling Audit Series dated February, 2015.

We have reviewed the report findings and recommendations associated and are in agreement with the report recommendation:

"Risks associated with hazardous materials have not been properly addressed by the Parks and Recreation Department. Specifically, PAR is not properly storing, securing, or monitoring hazardous materials at the PAR Central Maintenance Complex (CMC) and that PAR performed 11 inspections of the 132 PAR facilities during the audit scope, none of which reviewed maintenance or aquatic facilities likely to contain hazardous materials. Furthermore, auditors found that PAR is not in compliance with the City's Hazard Communications Program, as some staff exposed to hazardous materials are not required to attend City-mandated hazardous materials training."

ACTION PLAN

Hazardous Materials Storage & Handling Audit Series – Parks and Recreation Department (PAR)

The following pages outline a plan to implement strategies associated with the audit recommendations and a timeline for completion of each strategy. In fiscal year 2015, PAR received funding for a Safety Manager and repurposed existing resources to create a Department Safety Section. Effective March, 2015, PAR will have a 4-person safety team to address the needs associated with operating a department employing 700 full-time employees and over 1200 temporary seasonal employees as well as serving over 1.5 million patrons annually.

The Department is committed to ensuring parks and recreational facilities are safe for all to enjoy. The completion of the above action plan will allow us to meet this goal.

cc: Marc A. Ott, City Manager
Bert Lumbreras, Assistant City Manager
Cora Wright, Assistant Director
Kimberly McNeeley, Assistant Director

DRAFT

ACTION PLAN

Hazardous Materials Storage and Handling Audit Series – PARD

Rec #	Recommendation	Concurrence and Proposed Strategies for Implementation	Status of Strategies	Proposed Implementation Date
01	The PARD Director should ensure that PARD staff conduct a review of hazardous materials at the CMC and correct any deficiencies noted	<p>Concur</p> <p>The Department Safety Coordinator will review PARD facilities hazard material storage and handling. Specifically, the CMC is scheduled for inspection on February 20, 2015. Follow-up inspections will occur at 30, 60, 90 day intervals to ensure corrective measures have been completed at each facility.</p>	<ul style="list-style-type: none"> Underway (action is currently taking place, but is not complete) 	February 20, 2015 thru May 18, 2015
02	The PARD Director should ensure that PARD staff conduct thorough periodic inspections, including the review of the storage, handling, and security, of hazardous materials when applicable at all PARD facilities	<p>Concur</p> <p>In FY15 PARD was awarded a safety Manager position to help create a PARD Safety Team. As the team continues to form, the duties of our Department Safety Coordinator can refocus on periodic inspections of the hazardous materials storage and handling of PARD facilities throughout the year. Violations found during the audits will be put on high priority lists for re-inspections within 10 days of the violation. This will be documented by the Hazard Communication Audit Form and any additional corrective action.</p>	<ul style="list-style-type: none"> Underway (action is currently taking place, but is not complete) 	From February 2015 and ongoing

Rec #	Recommendation	Concurrence and Proposed Strategies for Implementation	Status of Strategies	Proposed Implementation Date
03	<p>The PARD Director should ensure that PARD staff follow up on identified hazardous material safety issues to verify that the issues have been corrected</p>	<p>Concur</p> <p>The Safety Team will conduct follow-up reviews on identified hazardous material safety issues to verify the issues have been corrected. Hazard violations will be put on high priority lists for re-inspections within 10 days of the violation. Additional follow-up inspections will occur at 30, 60, 90 day intervals to ensure compliance.</p>	<ul style="list-style-type: none"> Underway (action is currently taking place, but is not complete) 	<p>From February 2015 and ongoing</p>
04	<p>The PARD Director should implement additional security policies and training at PARD CMC to ensure the safety and security of PARD staff, the public, and hazardous materials stored on site</p>	<p>Concur</p> <p>The Safety Team will conduct mandatory hazardous materials training for all PARD employees that are handling or using hazardous materials in compliance with the City of Austin’s Hazard Communication Program</p> <p>The Safety Team along with each facility Safety Liaison will ensure appropriate safety and security measures are in place via procedures, as well as physical security measures to protect both PARD staff and the public.</p>	<ul style="list-style-type: none"> Underway (action is currently taking place, but is not complete) 	<p>Mandatory HazCom training began February 23, 2015 and will continue thru April 2015.</p> <p>Classes will be held annually.</p> <p>Safety and Security of facilities hazardous materials audits and inspections are ongoing and will continue indefinitely.</p>

Rec #	Recommendation	Concurrence and Proposed Strategies for Implementation	Status of Strategies	Proposed Implementation Date
05	<p>The PARD Director should establish a safety program team to identify staff that use or have routine access to hazardous materials and ensure that they receive hazardous material training</p>	<p>Concur</p> <p>The Safety Team will identify which PARD employees both regular employees and temporary employees use or have routine access to hazardous materials and provide mandatory hazardous materials training in keeping with the City of Austin’s Hazard Communication Program.</p> <p>Office and Administrative Staff who do not have contact will be required to attend a HazCom, Globally Harmonized System (GHS) training overview.</p> <p>Employees who have direct contact with hazardous materials storage and handling will be required to attend GHS HazCom and Chemical Handling training.</p> <p>All training will be documented on the TRAIN system.</p>	<ul style="list-style-type: none"> Underway (action is currently taking place, but is not complete) 	<p>Mandatory training began February 23, 2015 and will be ongoing annually and as needed</p>