



City of Austin

Recommendation for Action

File #: 25-0747, Agenda Item #: 18.

5/22/2025

Posting Language

Authorize a contract for safety data sheet management system and chemical inventory services for all City departments with HSI Workplace Compliance Solutions, Inc., for an initial term of three years with up to two one-year extension options, in an amount not to exceed \$612,000. Funding: \$51,000 is available in the Fiscal Year 2024-2025 Operating Budgets of various City departments.

Lead Department

Financial Services Department.

Client Department(s)

All City Departments.

Fiscal Note

Funding in the amount of \$51,000 is available in the Fiscal Year 2024-2025 Operating Budgets of various City departments.

Funding for the remaining contract term is contingent upon available funding in future budgets.

Purchasing Language:

Sole Source.

MBE/WBE:

Sole source contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

For More Information:

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at FSDCentralProcurementRCAs@austintexas.gov or 512-974-2500.

Additional Backup Information:

The contract will provide the City access to a web-based safety data sheet (SDS) management system and chemical inventory services for hazardous materials and chemicals. An SDS is a standardized way of communicating the identification, composition, handling, properties, and emergency control measures for hazardous chemicals stored in the workplace. The management system will provide the City access to SDSs for chemicals used at City facilities and the ability to monitor and develop reports for these chemicals.

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. This rule requires employers to submit an annual report to Environmental Protection Agency on chemicals stored in large quantities (generally 10,000 pounds or greater). The State of Texas Hazard Communication Rule (25 TAC 295 Subchapter A) requires all public employers to maintain current SDSs for each chemical stored at a facility, regardless of the quantity.

The Texas Hazardous Communication Act also requires that employers be able to generate a current Workplace Chemical List for any facility that stores chemicals in quantities of 55 gallons or greater. This contract will allow the City to stay in compliance with these regulations.

The platform provides a web-based solution to meet all federal and state chemical documentation requirements. This system streamlines data collection, report creation and permit submittals, and provides crucial multi-user access to all City departments.

HSI Workplace Compliance Solutions, Inc. provides a hosted propriety SDS solution and other services including on-site inventory services. The contractor is considered a sole source provider because no resellers are authorized to sell the proprietary platform. The City has utilized this software platform since 2008 and has thousands of SDS sheets and chemical inventories for many City facilities entered into the database. Switching to a different system would require migrating a tremendous amount of data and training more than a hundred users in a new platform. The service provided by this platform is required by law so any issues with transitioning to a new system have compliance implications.

If the contract is not approved, the City risks staff safety and facilities may be found non-compliant with federal and state regulations.