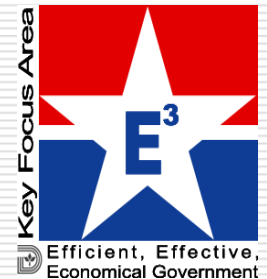


International Organization for Standardization: A City of Dallas ISO Management Systems Update

Briefing to the Transportation and
Environment Committee
October 22, 2007



Purpose

- ❑ Provide background of City involvement with ISO systems
- ❑ Present an update on implementing a Quality Management System (ISO 9001) and a Safety & Health Management System (OHSAS 18001)
- ❑ Present the ISO registration process
- ❑ Present November 12, 2007 Council agenda item to approve ISO Registrar contract

Overview

- The City of Dallas is implementing three ISO standards into City departments
 - ISO 9001:2000 – Quality Management System (QMS)
 - ISO 14001:2004 – Environmental Management System (EMS)
 - OHSAS 18001:2007 – Occupational Health and Safety Management System (OHSAS)

Overview (continued)

- ISO 9001– Quality Management System (QMS)
 - Ensures repeatable and consistent processes are used with goals being to enhance quality of services, improve customer service and improve productivity and efficiency
 - Based on eight quality management principles (all fundamental to good business practice)
 - Customer focus
 - Leadership
 - Involvement of people
 - Process approach
 - System approach to management
 - Fact based decision-making
 - Mutually beneficial supplier relationships
 - Continual improvement
 - Key benefits of ISO 9001
 - Prove our commitment to quality
 - Allows us to measure our progress towards continual improvement of business performance
 - Puts in place a system to identify, track and resolve corrective & preventive actions
- Dallas is the first major city in the United States to achieve ISO 9001 registration for an entire city department (Street Services)

Overview (continued)

- OHSAS 18001 – Occupational Health and Safety Management System (OHSAS)
 - Empowers an organization to control its OH&S risks and improve performance
 - Key benefits of OHSAS 18001
 - Improves efficiency and reduces accidents & accident-related loss of life, resources and time
 - Increases control and reduction of hazards
 - Demonstrates our commitment to the protection of staff & property
 - Reduces insurance premiums
 - Encourages more effective internal and external communication

Background – ISO 9001

Street Services Department

- In February 2005, the City Council authorized a professional services contract with the University of Texas at Arlington/Texas Manufacturing Assistance Center (TMAC) to implement ISO 9001 within the Street Repair division of the Street Services Department
- As Street Services began to see the benefits of standardizing business processes, the City Manager recommended expanding implementation of ISO initiatives to additional City departments

Background – ISO 9001 Street Services (continued)

- ❑ In May 2006, City Council authorized a professional services contract for a 3rd party to implement an ISO 9001 Quality Management System in 13 additional City departments
- ❑ In January 2007, City Council adopted a Quality Policy that states, “The City of Dallas shall pursue continual improvement in our delivery of customer service by efficiently using all available resources to enhance the vitality and quality of life for all in the Dallas community”
- ❑ In March 2007, Street Services Department became the first department within the City to receive ISO 9001 registration

Current Status of ISO 9001 – Street Services (continued)

- Improvements since ISO implementation
 - Improved internal communication
 - Consistent and repeatable processes
 - Corrective and preventive action systems to facilitate continual improvement and employee buy-in
 - Non-hazardous pothole service level agreement reduced from 120 days to 5 days
 - Concrete repair service level agreement reduced from 120 days to 90 days
 - Asphalt repair service level agreement reduced from 120 days to 90 days
 - Customer feedback showing signs of increased customer satisfaction
 - Number of overdue service requests significantly reduced to nearly zero

Current Status of ISO 9001 – Equipment & Building Services Department

- Equipment & Building Services Department began ISO implementation October 2006
 - Currently completing Work Instructions/Procedures for all work sections:
 - Equipment Services
 - Building Services
 - EBS employees to be trained on Work Instructions/Procedures as they are finalized
 - QMS Employee Awareness training scheduled
 - QMS Internal Auditor's training scheduled for core staff
 - Pre-assessment audit scheduled – April 2008
 - Registration audit scheduled – June 2008

Current Status of OHSAS 18001

- In January 2007, City Council adopted a Safety and Health Policy that states, “The City of Dallas strives to demonstrate excellence in protecting people and property, and minimizing exposure to financial loss”
- Conducted Safety Gap Analysis to compare current state against the OHSAS 18001 standard with Phillips-Baird, Inc. August 20–22, 2007
 - Results indicated:
 - Effective hazard identification process
 - Good track record of reducing risk
 - Knowledgeable Risk Management Safety Team
 - Willingness to integrate with the EMS
- Finalized TMAC’s role for OHSAS 18001 implementation
 - Define hazard identification, risk assessment & risk control
 - Provide OHSAS 18001 awareness training for Risk Management Safety Team
 - Provide Internal audit training class

Current Status of OHSAS 18001 (continued)

- Next Steps on OHSAS 18001
 - Phasing in OHSAS into EBS and other departments
 - Training Risk Management Safety Team on OHSAS 18001 standards
 - Developing audit plan
 - Integrating OHSAS into EMS/QMS procedures

Implementation Approach

- ❑ Continue program to implement QMS/EMS/OHSAS into one integrated management system across City
- ❑ ISO 14001 is being implemented simultaneously in 11 departments with expected registration in February 2008
- ❑ Implementation of QMS & OHSAS management systems being implemented department-by-department into 3 or 4 new departments each year through FY 2012-13
- ❑ Efficiency Team responsible for overseeing ISO initiatives by aligning work and coordinating registration audits to minimize overlap of documentation and registration costs

Registration Process

- The registration process determines if the organization is achieving the requirements of the standard and identifies areas for improvement through 3rd party audits of the City's management systems
- In order to be recognized as ISO compliant an independent 3rd party registrar must conduct the audits
- An ISO Registrar must meet stringent requirements of an ISO Accreditation Body, ensuring that registration is done in a consistent and reliable manner
 - Independence (Registrars cannot provide consulting services for instance)
 - Competency and qualifications of personnel
 - Communication with customers
 - Accreditation Bodies regularly audit Registrars' procedures, systems and audit practices to ensure they meet and maintain systems to the ISO requirements

Registration Process (continued)

- These 3rd party audits consist of:
 - Reviewing documentation
 - Identifying weaknesses in the system
 - Reviewing status and closure of non-conformances
 - Visiting work sites to verify activities are being conducted in conformance with the standard and internal procedures and work instructions
 - Interviewing staff to verify competency and knowledge of the system

Registration Process (continued)

- ❑ Over the duration of the proposed contract the 3rd party registrar will conduct approximately 281 audits across all ISO departments
- ❑ Included in the 281 audits are surveillance audits which follow initial registration of departments to ensure continued departmental compliance

Registration Process (continued)

- Seeking Council approval for a 36-month contract with City options for up to an additional three (3) one-year extensions not to exceed \$999,550 for a selected ISO Registrar to plan, conduct and report on integrated audits of the three management systems (ISO 9001, 14001 & OHSAS 18001)
 - Integrated audits will provide the greatest level of efficiency and cost savings for the City
 - Costs are incurred as audits are completed throughout the 36-month period
 - Successful results from these audits will result in receiving ISO registration that the standards have been met

ISO Registrar Funding

- FY 2007-08 Funding – Approved budget
 - OEQ - \$367,000
 - EBS - \$ 13,175
 - 31 audits scheduled to be performed during fiscal year
- Future Fiscal Year funding will be subject to annual budget approval
 - FY 2008-09 – Estimated Costs - \$99,700
 - 22 audits scheduled to be performed
 - FY 2009-10 - Estimated Costs - \$162,600
 - 56 audits scheduled to be performed during fiscal year
 - FY 2010-11 - Estimated Costs - \$112,700
 - 53 audits scheduled to be performed during fiscal year
 - FY 2011-12 - Estimated Costs - \$140,000
 - 60 audits scheduled to be performed during fiscal year
 - FY 2012-13 - Estimated Costs - \$104,400
 - 59 audits scheduled to be performed during fiscal year

Selection Process

- Issued RFPs for 3rd party ISO Registrar professional services by sending electronic notification to:
 - 65 vendors, including eight M/WBE vendors
 - 25 Chamber of Commerces
 - Two Advocacy groups
 - DFW Minority Business Council
 - Women's Business Council - Southwest
- Received proposals from four vendors, none of which were M/WBE vendors
- The recommended vendor has fulfilled their good faith requirements set forth in the Good Faith Effort Plan

Selection Process (continued)

- The selection committee was comprised of representatives from:
 - Equipment and Building Services
 - Office of Environmental Quality
 - Human Resources
 - Efficiency Team
 - Street Services
- The successful vendor was selected based upon the following criteria:

■ Experience in field	60 points
■ Cost	20 points
■ Project plan	20 points

Selection Process (continued)

Proposer	Experience in field	Cost	Project Plan	Average Score	Proposal Amount
Maximum Points Available	60	20	20		
BureauVeritas	49*	20*	16.6*	85.6	\$999,550
Det Norske Verita	49.4*	19.37*	10.4*	79.17	\$1,032,300
BSI Management Systems	35.6*	12.06*	11.4*	59.06	\$1,657,487
*Average Scores					

Next Steps

- November 12, 2007 agenda item for Council approval of a 36-month contract with City options for up to an additional three (3) one-year extensions not to exceed \$999,550 with Bureau Veritas Certification North America, Inc. for registration of City departments to ISO standards of ISO 9001:2000; ISO 14001:2004 and OHSAS 18001:2007
- Communicate progress with regular briefings to:
 - City Council/Committees
 - City Management
 - City Staff

Summary

- Why is ISO important to the City of Dallas?
 - Aligns everyday work with the environmental, quality and safety & health policies
 - Independent review of City practices
 - Benchmarks the City against internationally recognized standards
 - Provides goals and targets that can be measured
 - Provides accountability and easy review of performance
 - Drives continual improvement
 - Utilizes repeatable and consistent processes
 - Reduces waste
 - Defines hazard identification and risk assessments
 - Improves environmental compliance
 - Environmental stewardship becomes part of the daily responsibility of every employee

Appendix

- City Departments participating in ISO Management Systems
- ISO Management Systems schedule

City Departments Participating

	9001	14001	18001
Aviation	X	X	X
Code Compliance Services	X	X	X
Communication & Info Services*	X	X	X
Convention & Event Services	X	X	X
Courts & Detention Services*	X	X	X
Development Services/Bldg Insp*	X	X	X
Dallas Fire-Rescue		X	X
Dallas Police Department		X	X
Dallas Water Utility	X	X	X
Equipment & Building Services	X	X	X
Environmental & Health Services	X		X
Library Services	X		X
Office of Cultural Affairs			X
Public Works & Transportation	X	X	X
Parks and Recreation	X	X	X
Sanitation Services	X	X	X
Street Services	X	X	X