



Chemical Safety and Hazard Investigation Board

Office of General Counsel

Memorandum

To: Board Members
From: Christopher Warner *Ch Warner*
Cc: Leadership Team
Subject: Board Action Report – Notation Item 739
Date: January 4, 2010

On December 18, 2009, the Board approved Notation Item 739, thereby: (1) approving a contract, with a maximum not-to-exceed value of \$89,900, for piping failure analysis, blast overpressure analysis, and draft investigation product review in support of the Silver Eagle (November 4, 2009) investigation; and (2) approving the allocation of \$82,000 from the CSB's FY 2010 appropriated funds to the Silver Eagle investigation support contract. Chairman Bresland's comments are attached.

Voting Summary – Notation Item 739

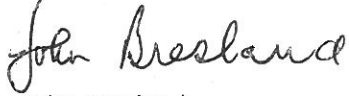
Disposition: APPROVED

Disposition date: December 18, 2009

	Approve	Disapprove	Calendar	Not Participating	Date
J. Bresland	X				12/18/09
W. Wark	X				12/19/09
W. Wright	X				12/18/09

Comment on Notation Item 739 – Approval of Support Contract for Silver Eagle II Investigation

I voted to approve Notation Item 739 because there is considerable community and local government interest in this incident. There was significant off-site damage in a residential community close to the Silver Eagle refinery. I consider it important that the CSB has a detailed technical understanding of both the cause of the explosion and the extent of the blast impact on nearby homes. The location of the homes close to the refinery and the process by which the construction of the homes was approved will be of importance in this investigation.

A handwritten signature in cursive script that reads "John Bresland".

John Bresland

December 18, 2009



Chemical Safety and Hazard Investigation Board

Memorandum

To: Board Members

From: John Bresland

A handwritten signature in black ink that reads "John Bresland".

Cc: Leadership Team

Subject: Notation Item 739

Date: December 18, 2009

Attached for your review and vote is Notation Item 739. This item provides for approval of a contract for piping failure analysis, blast overpressure analysis, and review of a draft investigation product, in support of the Silver Eagle (November 4, 2009) investigation. The item also provides for the allocation of Fiscal Year (FY) 2010 appropriated funds, which have not yet been allocated in an annual operating budget, for obligation to the base year of the contract. Board approval is required because the maximum potential value of the contract, and the initial allocation of funds, exceed \$50,000.

Please note that the draft investigation product review is expected to occur in FY 2011, assuming the CSB elects to exercise the option period under the contract. At a future time, the Board would need to separately allocate for the option period funds appropriated for FY 2011.

The Bureau of the Public Debt has approved a sole source justification for awarding the proposed contract without competition to Exponent, Inc. You should be aware, however, that Exponent has not yet reviewed or agreed to the CSB's standard contract provisions on conflict of interest avoidance. Upon review, Exponent may object or seek modifications to those provisions, or may disclose the existence of current conflicts of interest. Any such issues would have to be satisfactorily resolved before the contract could be awarded.

Please direct any questions about the contractor's support of the investigation, and any requests for additional background information to Dan Tillema. Questions about the financial aspects of this item should be directed to Bea Robinson. Please return completed vote sheets to Chris Kirkpatrick as soon as possible. Thank you for your attention to this item.



Chemical Safety and Hazard Investigation Board

John S. Bresland
Chairman

William B. Wark
Board Member

William E. Wright
Board Member

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD MEMBER VOTING RECORD

Notation No.: 739

Voting Period: Urgent Notation Item, December 18, 2009 – December 28, 2009, but votes are requested as soon as possible.

Subject: Approval of Support Contract for Silver Eagle II Investigation

Whereas,

1. On November 4, 2009, the CSB, pursuant to its authority under 42 U.S.C. § 7412(r)(6)(C)(i), initiated an investigation of an explosion at the Silver Eagle refinery in Woods Cross, Utah;
2. CSB investigative staff have determined that they require the support of a contractor to perform piping failure analysis and a blast overpressure analysis, as well as to subsequently review the draft CSB investigation product to ensure its consistency with those analyses;
3. The estimated maximum cost of the proposed contract is \$89,900, with up to \$82,000 of the cost expected to be incurred in Fiscal Year (FY) 2010 on the failure analysis and overpressure analysis, and the remaining \$7,900 of the cost expected to be incurred on the investigation product review during the contract option period in FY 2011;
4. Funding for the contract costs expected to be incurred in FY 2010 is available from the FY 2010 funds appropriated to the CSB, none of which have yet been allocated in an annual operating budget;
5. Board Order 027 requires that the Board approve the allocation of funds for contracts exceeding \$50,000; and
6. Board Order 028 requires that the Board approve contracts exceeding \$50,000.

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Notation No.: 739
Subject: Approval of Support Contract for Silver Eagle II Investigation

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Therefore, the Board hereby votes (1) to approve a contract, with a maximum not-to-exceed value of \$89,900, for piping failure analysis, blast overpressure analysis, and draft investigation product review in support of the Silver Eagle (November 4, 2009) investigation; and (2) to approve the allocation of \$82,000 from the CSB's FY 2010 appropriated funds to the Silver Eagle investigation support contract.

_____ I **APPROVE** this notation item **AS PRESENTED**.

_____ I **CALENDAR** this notation item for discussion at a Board meeting.

_____ *Some of my concerns are discussed below or on the attached memorandum.*

_____ I **DISAPPROVE** this notation item.

_____ *A dissent is attached.*

_____ *I will not file a dissent.*

_____ I am **NOT PARTICIPATING**.

Note: An urgent notation item is either adopted or disapproved when the affirmative or negative votes of a majority of the participating members are received by the Office of General Counsel.

Date: _____

Member: _____