

Update: Procurement Type & Timelines

*Nicolette Bateson,
Chief Financial Officer/Treasurer
Sonya Collins,
Procurement Manager*



**Asset Management/Capital Improvement
Planning Outreach Workgroup**

**September 25, 2018
Lathrup Village, Michigan**

Notes: Procurement Type and Timelines

- ✓ Data tracking methods have improved over past year; result is more meaningful data to manage performance
- ✓ GLWA presented procurement planning cycles at July 2018 AM/CIP meeting; today we present actual versus the plan for twelve month period
- ✓ Early results: Better informed procurement strategies to improve processes and mitigate outliers

RFP/RFB Phases and Timelines (as presented July 24, 2018)

❖ **Phase 0 Pre-Procurement**

Development of scope of work and other items

❖ **Phase I RfX Development**

(13 days)

❖ **Phase II Advertisement Period**

(43 days)

❖ **Phase III Evaluation Period**

(54 days for RFP's including negotiations / 14 days for RFB's)

❖ **Phase IV Contract Development**

(25 days including legal review)

❖ **Phase V Board**

(60 days including committee approval)

❖ **Phase VI Contract Execution**

(17 days including signature gathering)

Estimated days with Board approval:

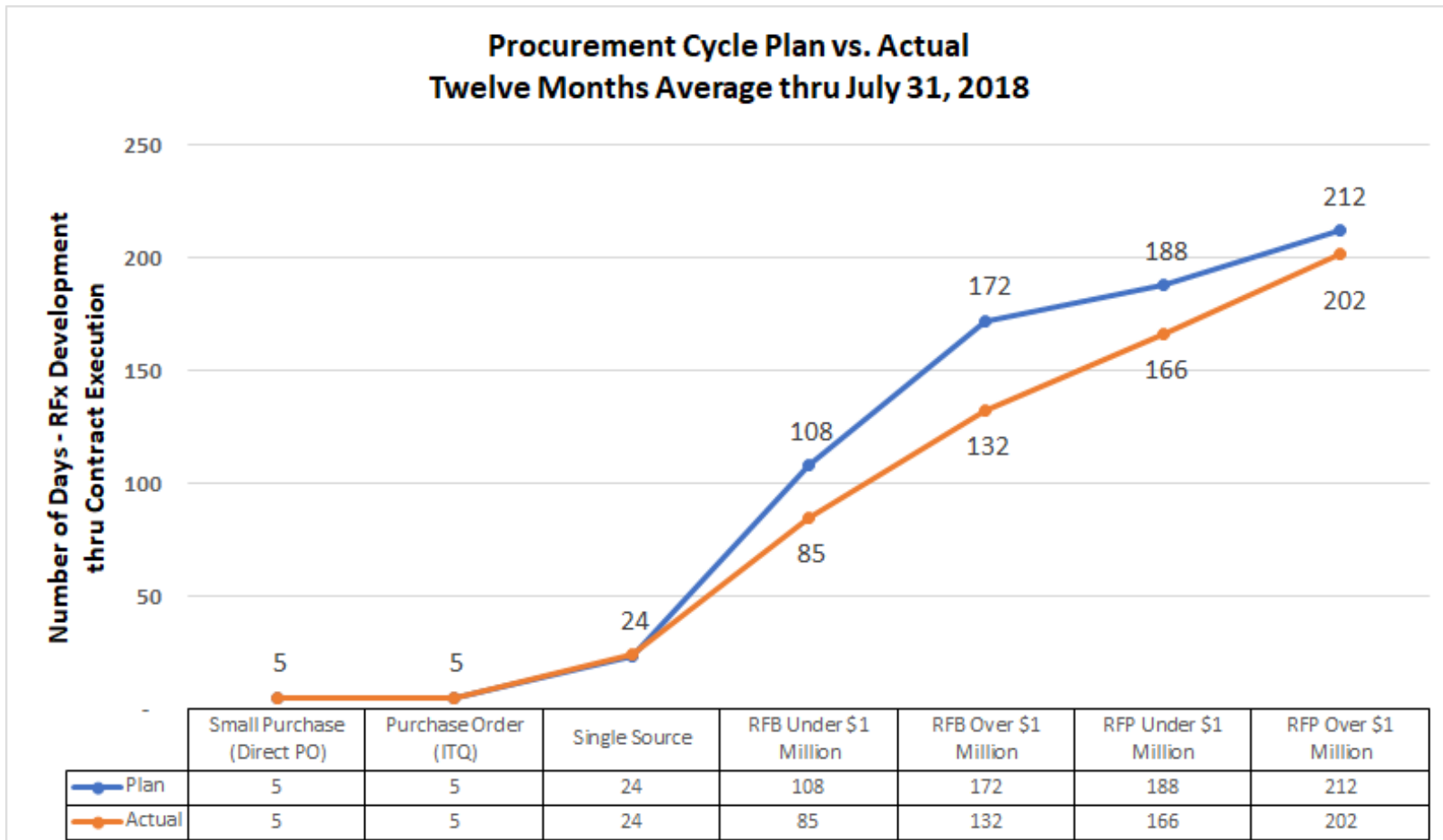
RFB: 172 calendar days

RFP: 212 calendar days

Note: 6 week advertisement period

Procurement Cycle Plan vs. Actual Timeline

Scope development thru contract/purchase order execution for seven types.



Impact of Outliers on Procurement Timeline

Procurement Types & Timelines Twelve Months thru July 31, 2018

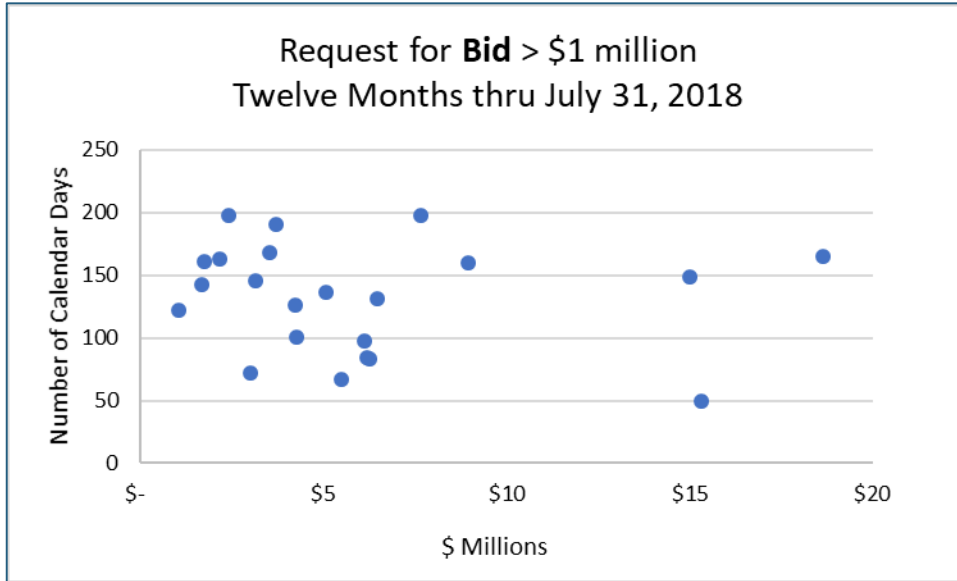
Type of Procurement	Plan	Average # of Days (All Data)	Number of Procurements Count	Average # of Days less Outliers	Number of Procurement Outlier Count
RFB < \$1,000,000	108	85	14	80	1
RFB > \$1,000,000	172	132	23	120	2
RFP < \$1,000,000	188	166	13	145	1
RFP > \$1,000,000	212	202	14	151	3
Single Source	24	24	70	24	0

Excludes monthly recurring purchases under \$100,000.

A relatively few number of outliers in the past twelve months. The most significant impact was for RFPs > \$1 million.

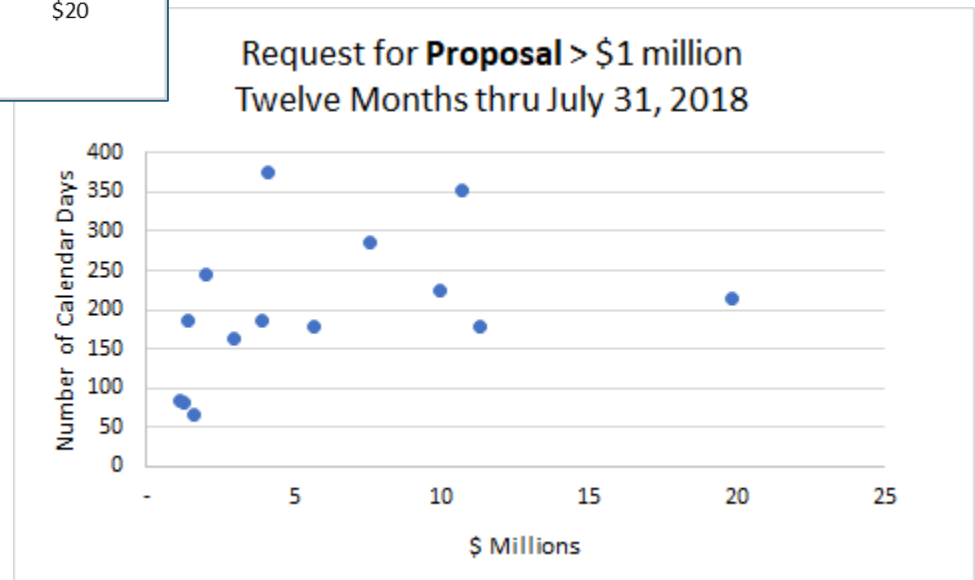
*ITQ - Invitation to Quote
RFB - Request for Bid
RFP - Request for Proposal
Calendar Days - Data from 8/1/2017 - 7/31/2018*

Timeline versus Dollar Amount of Award



The dollar amount of a project does not always drive the relative length of the procurement timeline. Although the scale overall does impact timeline (i.e. minimum 43 days advertising for adequate supplier community response) for procurements > \$1 million.

These charts reflect consulting services, engineering services, and construction services. Unique consulting engagements can be among those more difficult to scope resulting on a longer procurement timeline.



Thank you!

