

Michigan Public Purchasing Officers Association

Agency of the Year

Application Form

Agency's Name: Great Lakes Water Authority

Address: 735 Randolph, Room 1608, Detroit, MI 48226

Phone Number: 313.964.9225

Procurement Supervisor's Name, Title & Phone Number:

Gaylor (Butch) Johnson, Chief Procurement Officer, Telephone: 313.964.9486

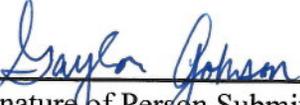
This award recognizes an entity for work or innovations in public purchasing, involvement with their community, contributions to MPPOA and the purchasing profession. **The intent of this award is to recognize a group who has completed a unique or special project or has demonstrated outstanding service to the Procurement Profession within the past year.**

Such efforts can be documented through participation in enabling legislation, initiating innovative concepts in the procurement process (i.e., e-procurement, cooperative bidding arrangements, best practices), Purchasing website, educating staff, partnering and mentoring, fostering diversity and promoting National Purchasing Month.

Please attach a narrative describing the contributions to public purchasing made by the nominee. Nominations must include both the application form and the narrative to be considered for award.

A nomination submitted unopposed, does not guarantee an award.

To the best of my knowledge, the information submitted is true.



Signature of Person Submitting Application

August 13, 2018

Date



Financial Services
Procurement
735 Randolph Street, Suite 1508
Detroit, Michigan 48226
Phone: 313-964-9157

August 17, 2018

Michigan Public Purchasing Officers Association
Evaluation Committee – Agency of the Year Application

Dear Evaluation Committee:

We respectfully request your consideration of the Great Lakes Water Authority for the Agency of the Year.

Introduction to the Great Lakes Water Authority

The Great Lakes Water Authority (GLWA) regional water system is one of the largest in the United States, both in terms of water produced and population served. The water system currently serves an area of 1,760 square miles located in eight Michigan counties which encompasses 127 communities. The estimated population served is nearly 3.8 million or approximately 38 percent of Michigan's population. The wholesale customer communities comprise approximately 82 percent of the population served by the Authority while the retail water customers served by the City of Detroit Water and Sewerage Department (DWSD) comprise the remaining 18 percent .

The GLWA regional sewer system is also one of the largest in the United States, both in terms of treatment capacity and population served. The sewer system currently serves an area of 944 square miles located in three Michigan counties encompassing 76 communities. The population served is an estimated at nearly 2.8 million or approximately 28 percent of Michigan's population. Wholesale customers comprise approximately 75 percent of the population served by the Authority, while retail sewer customers served by the City of Detroit Water and Sewerage Department comprise the remaining 25 percent.

GLWA Procurement

GLWA's Procurement Group is viewed as a strategic partner across the organization, a resource for our member partner communities, and an increasingly transparent and engaged partner for the vendor community. This has been accomplished by focusing on five main areas over the past year to become best in class in the water service sector. Those areas of focus are:

1. **Team Member Development:** Train and build a procurement staff with the necessary skills to be successful in their respective roles;
2. **Business Process Redesign:** Identify and deliver our business partners' needs more efficiently and effectively through strategic sourcing;

3. **Supplier Engagement:** Build and maintain relationships with suppliers and vendors
4. **Technology:** Implementation of new technology for sourcing and contracts management
5. **Member Partner Engagement:** Serve as a resource for procurement information and opportunities

1) Team Member Development

To become an efficient and effective procurement group, we challenged our team to refine our business processes. We started by establishing a mission and vision statement that would exhibit procurement's contribution to GLWA's idea of One Water One Team.

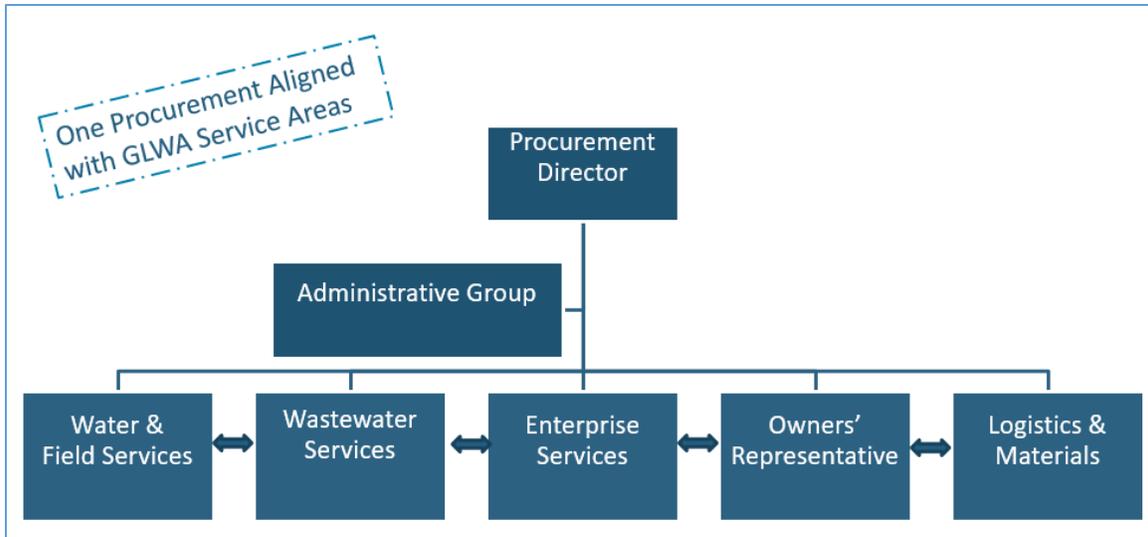
Vision: *GLWA's Procurement vision is to be a strategic cross-functional partner whose goal is to provide and manage effective and efficient procurement processes and procedures for the acquisition of quality goods and services.*

Mission: To be a service oriented, dedicated team of professionals who support GLWA's business partners with the best possible procurement, negotiation, financial and informational resources. We achieve this by creating an environment that enhances productivity and transparency for qualified vendors with open and fair access to Great Lakes Water Authority business opportunities.

Goals: The team then identified the following procurement goals:

- a) Maximize service satisfaction through effective cooperative and cross-functional relationships with our business partners and external customers;
- b) Maximize cost containment, cost avoidance, and acquisition savings;
- c) Provide education and training relating to the policies, procedures, automated systems operation, processes and regulations related to the acquisition of goods and services;
- d) Promote a positive, efficient and effective work environment;
- e) Implement, promote and maintain sound business practices and auditable procedures;
- f) Ensure that all GLWA groups/teams are following procurement policies and procedures in an effective manner.

Structure: The next step was to reorganize the Procurement Group. The previous organizational structure grew over time and at multiple locations. It was apparent that this was causing silos and staff development constraints. In March 2018, the Procurement Group was reorganized and relocated into one location. Staff are now assigned to teams that are aligned with internal customer service areas (with the exception of Logistics and Materials which maintains stockrooms at key facilities). On designated days, Procurement team members are on-site at GLWA's many facilities to work directly with our internal customers, which creates effective relationships and organizational success.



Training: GLWA supports team members’ professional development through procurement and service sector programs. This includes on-site National Institute of Governmental Purchasing (NIGP) training and national conference, Michigan Public Purchasing Officers Association (MPPOA) events, construction sector conferences, and water/wastewater conferences. The Procurement Group also hosts ongoing internal training for all GLWA team members (see example attached).

2) Business Process Redesign

In identifying and addressing our business partners’ needs, we developed and established business processes to better communicate the way we work. Our accomplishments in the last 12 months as follows:

- a) Development of procurement process milestones;
- b) Standardization of file and folder naming conventions;
- c) Creation of a procurement workflow chart;
- d) Centralization of contracts;
- e) Development and deployment of training for internal customers.

Along with developing business processes that identify and address our business partners’ needs, our focus is also to empower requestors with the right tools to initiate a buy through direct engagement. By implementing bi-annual procurement trainings for our business partners, we have been able to provide an in-depth understanding of the process and the role our business partners play in the procurement.

Other areas of improvement include:

- a) Updating the Procurement Policy;
- b) Implementing procurement procedures;
- c) Monthly training sessions for procurement staff;
- d) Expanded participation in formal training through MPPOA and NIGP;
- e) Requiring staff to obtain CPPB certification.

3) Supplier Engagement

The Procurement Group has expanded vendor outreach in the following ways over the past year.

- a) **Annual Vendor Outreach**
Annual Vendor Outreach Event provides the vendors a better understanding of GLWA's procurement process, and provides an opportunity to recruit new vendors. This year, there were 263 participants from 171 businesses.

- b) **Vendor Performance Program**
This initiative assists our business partners in evaluating the performance of our contractors and establishes metrics by utilizing a standardized form, feedback, and follow-up process. Launched in January 2018, we have seen early successes where the structured, documented communication process has kept a construction project on time and deficient service significantly improved.

- c) **Small Business Initiative**
This initiative, launched in April 2018, has also seen early success with expanded supplier participation and proposal/bid awards. The goals for the program are as follows:
 - i. Expand the number of firms with water and wastewater expertise in the region;
 - ii. Facilitate collaboration among larger firms with smaller firms;
 - iii. Issue clearer bid/proposal documents (in particular, noting when work does not need to be completed by a general contractor);
 - iv. Provide a venue for two-way communication of challenges and opportunities to ensure that GLWA is a customer/client of choice in the vendor community.

4) Technology

Procurement team members embrace effective use of new technology. In the past 12 months, this focused on the efforts described below.

Implementation of Sourcing and Contracts Management Software

- a) **Implementation of Bonfire – a modern, cloud-based system**
GLWA quickly recognized and supported the Procurement Group's needs to have a sourcing and contracts management software to streamline business processes. Procurement chose Bonfire as the automated sourcing and contracts administration platform that will provide the GLWA with efficient and effective method to manage the procurement process. This system went live in June 1, 2018. Feedback from evaluators, suppliers, and procurement team members is very positive.

- b) **Implementation of Smartsheet for Workload Management**
The Procurement Group recognized the need to manage workload and projects more effectively. Smartsheet was utilized to allow procurement professionals to capture and manage project data in real time with data from our financial software BS&A.

5) Member Partner Engagement

As a regional authority, GLWA views its relationship with customers as “Partners” as we collectively are engaged in effective regional collaboration to provide water services. GLWA has an active Member Partner Outreach program which has facilitated 83 meetings over the last year. At many of those meetings, GLWA Procurement Group team members are participants, presents, and/or hosts of the events. Topics over the past year include qualifications-based selection, procurement business process improvements, and collaborative procurement opportunities.

Thank You

Thank you for your consideration of this application for Agency of the Year. GLWA Procurement strives to embrace public service as a mission, advance procurement best practices, and continue to reinvest in the tremendous team who fosters the effective delivery of vital services to the region. Thank you in advance for your review of this application.



What is procurement?

Purchasing, renting, leasing, or otherwise acquiring any supplies, services, or construction; includes all functions that pertain to the acquisition, including description of requirements, selection, and solicitation of sources, preparation and award of contract, and all phases of contract administration. The combined functions of purchasing, inventory control, traffic and transportation, receiving, inspection, storekeeping, salvage, and disposal operations.



Procurement's Vision



What is our vision?

- The Procurement Group is a strategic cross-functional partner whose goal is to provide and manage effective and efficient procurement processes and procedures for the acquisition of quality goods and services in support of the Great Lakes Water Authority's mission and goals.

Procurement's Mission



What is our mission statement?

- The Procurement Group is a service oriented, dedicated team of professionals who support business partners with the best possible procurement, negotiation, financial and informational resources. We achieve this by creating an environment that enhances productivity and transparency for qualified vendors with open and fair access to Great Lakes Water Authority business opportunities.

Procurement Goals

What are our goals?

1. Maximize service satisfaction through effective cooperative and cross-functional relationships with our business partners and external customers.
2. Maximize cost containment, cost avoidance, and acquisition savings.
3. Provide education and training relating to the policies, procedures, automated systems operation, processes and regulations related to the acquisition of goods and services.
4. Promote a positive, efficient and effective work environment.
5. Implement, promote and maintain sound business practices and auditable procedures.
6. Ensure that all GLWA groups are following procurement policies and procedures in an effective manner.



RFP/RFB Phases and Timelines (reference handout)

❖ 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

Type of Procurements

- Direct Purchase (Purchase Orders)
- Single Source
- Solicitations



Direct Purchase Orders

Requisition will be assigned to the buyer

- Buyer verifies dollar amount \leq \$50,000
- Buyer verifies vendor
- Buyer verifies commodity
 - Manufacturer item number, SKU, service
- Buyer verifies type of buy
 - Does this type of buy require a contract?
- Buyer receives quotes to determine if the buy is fair and reasonable or conducts market research



Single Source Contracts



Requisition will be assigned to the buyer

- Buyer verifies dollar amount
- Buyer verifies vendor
- Buyer verifies commodity
 - Manufacturer item number, SKU, service, ect.
- Buyer initiates contracts

Buyer creates the Purchase Order and distributes to vendor and customer.

Solicitations

A solicitation is the process of seeking information, proposals, and quotations from suppliers. GLWA uses a formalized process of a written or electronic document for the procurement of goods and or services.



- **GLWA Solicitations are designated RFx.**
 - Request For Information (RFI)
 - Request For Proposal (RFP)
 - Request For Bid (RFB)
 - Request For Qualifications (RFQ)
 - Invitation To Quote (ITQ)

Request for Information

A Request For Information (RFI) is a standard business process whose purpose is to collect written information about the capabilities of various suppliers. Normally it follows a format that can be used for comparative purposes.

- Helps to determine what we want to procure
- Give us a benchmark to what is currently available in the marketplace
- May help in developing scope of work and/or specifications



Request For Proposal

A Request For Proposal (RFP) is a document that solicits proposal, often made through a bidding process, by an agency or company interested in procurement of a commodity, service, or valuable asset, to potential suppliers to submit business proposals.

- Proposals are evaluated and scored using a Quality Base Selection (QBS).
- Evaluation criteria are defined in the solicitation.
- Cost may be a factor.
- The highest ranked proposer is negotiated with to enter into a contract.

Request For Bid

The Request for Bid (RFB) is a document that solicits bids by an agency or company interested in procurement of a commodity, service, or valuable asset, to potential suppliers.

- RFB's are awarded and based on the lowest responsible and responsive respondent.



Request for Qualifications

A Request for Qualifications (RFQ) refers to the pre-qualification stage of the procurement process.

- Only those vendors who successfully respond to the RFQ and meet the qualification criteria will be included in the subsequent Request for Proposals (RFP) solicitation process.



Invitation To Quote

A competitive tendering process in which qualified suppliers or contractors are invited to submit sealed bids for supply of specific and clearly defined goods or services during a specified timeframe. Invitation to quotes involve procurements under \$50,000.00 and less than 3 years.

- ITQ's are awarded and based on the evaluation of comparative cost benchmarking



Pre-Procurement Forms (reference handout)

Procurement SharePoint Forms

- ✓ **Construction-Design Build Contract Change Order**
- ✓ **Construction-Design Change Directive**
- ✓ **Consulting Contract Change Order Request**
- ✓ **Single Source Request Form**
- ✓ **Solicitation Request Form**
- ✓ **Substantial Completion Form**



Solicitation Request Form

Requester:	Enter requesters name		
Requisition No.:	Enter contract #	Date:	Click here to enter a date.
Contract Type:	Choose a contract type.	Group:	Choose a group.
Intended length of contract:	Click here to enter text.	Advertisement period:	Click here to enter text.

Contract Title:

State Revolving Fund (SRF)	<input type="checkbox"/>	Federally Funded (Davis Bacon)	<input type="checkbox"/>
Performance Bond (if applicable):	<input type="checkbox"/>		
Payment Bond (if applicable):	<input type="checkbox"/>		
Liquidated Damages (if applicable)	<input type="checkbox"/>	Amount per day	\$

Solicitation Request Form

Previous Contract: Yes No

Contact No.	
Previously Awarded Vendor Name:	
If so length of time for that contract?	
Dollars spent for that contract?	

Preproposal/Prebid Meeting <input type="checkbox"/>	Choose an item.
Site Tour <input type="checkbox"/>	
Address:	

Minimum Requirement(s)

Click here to enter text. projects within the last Click here to enter text. years showing demonstrable detailed experience comparable to the scope of services specifically described for this solicitation.

Minimum Requirements

How can we better define these requirements?

From: Minimum of ten years of experience with Service Maintenance, Millwright, Plumbing and Mechanical trades

To: Minimum of five (5) years of demonstrable experience with the installation and repair of various metering technologies which shall include Magnetic, Venturi, Insertion, and mechanical turbines

From: Experience with large water mains and valves and Preferred experience with GLWA water mains and operating GLWA valves

To: Minimum of five (5) years of demonstrable experience with the installation and repair of large water mains and valves 48" or larger and a minimum of three (3) years of experience working with low-voltage electrical systems



Procurement Request Form (reference handout)

Evaluation Criteria (RFP, RFQ and RFI's)

Weights (Must Equal 100) *Insert section weights for scoring.*

Technical Work Plan	Insert weighted percentage i.e. 50%
Experience and Qualifications	Insert weighted percentage i.e. 50%
Project Team and Key Individuals	Insert weighted percentage i.e. 50%
Oral Interview (if required)	Insert weighted percentage i.e. 50%

Each section has individual evaluation criteria.

Evaluation Criteria that Fit the Solicitation

- **Organizational Development**
- **Financial Services**
- **Engineering**
- **Design Build**



Solicitation Request Form

Evaluation Team

Evaluation Team Nominations:

No.	Name	Organization	Email Address	Telephone No.
1				
2				
3				
4				
5				

For Procurement Only

Evaluation/Negotiation Team Approval

Click or tap here to enter text.
Procurement Manager

Gaylor Johnson
Chief Procurement Officer

Procurement Request Form

Scope of Work

- 1.0 General Information
 - 1.1 Project overview
- 2.0 Background
- 3.0 Scope of Work
- 4.0 Contract Deliverables
- 5.0 Project Schedule

Project Phase / Milestone	Task Duration / Milestone Date

Procurement Request Form

Pricing Sheets

Item	Description	Unit	Qty.	Unit Price	Total price
1	General conditions, staging, mobilization and potable water	LS	1		
2	Engineering and construction of gravel strip	YD ²	500		
3	Engineering and construction of manholes and covers	EA	7		
4	Engineering and construction of access hatches and interior rungs	EA	4		
5	Debris removal and disposal service*	YD ³	3,500		
6	Remobilization efforts over 10 (ten) occurrences due to unforeseen wet weather events	EA	10		
7	Condition Assessment and evaluation report of Flow Meters	EA	5		
8	Allowance for As-Needed Repair of Flow Meters	LS	1	\$250,000	\$250,000
	Grand Total				

Requisitioning

Funds Approval - Rule of Thumb

- ❖ Procurement will not process any purchases when funds are not approved through FP&A or CAFR.
- ❖ There are exceptions to this rule and procurement along finance will coordinate with the requester to manage the buy.

Purchases begin in WAM and move through the BS&A approval process. This is the beginning of the procurement request.

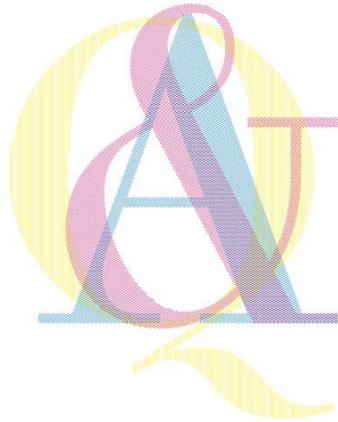


Procurement Task

1. Gathering insurance requirements when applicable
2. Evaluating all required documents
3. Assembling the contract and gathering the necessary signature
4. Creating the Purchase Order
5. Coordinating communication between all parties



Questions



[This Photo](#) by Unknown Author is licensed under [CC BY-ND](#)



*Thank You For Your Participation! Your
Feedback Is Greatly Welcomed & Appreciated
Sonya.Collins@glwater.org*