



Legislation Details (With Text)

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**File created:** 8/9/2019      **In control:** Board of Directors

**On agenda:** 8/28/2019      **Final action:** 8/28/2019

**Title:** RFB-1087  
Office Furniture

**Sponsors:** Cheryl Porter

**Indexes:** Water Operations

**Code sections:**

**Attachments:** 1. memorandum - 20190827 - Office Furniture Expenditures

Date	Ver.	Action By	Action	Result
8/28/2019	1	Board of Directors	Approved	Pass
8/14/2019	1	Operations and Resources Committee	Recommended for Approval	Pass

**RFB-1087  
Office Furniture**

Agenda of: August 28, 2019  
Item No.: **2019-307**  
Amount: \$1,389,849.57

**TO:** The Honorable  
Board of Directors  
Great Lakes Water Authority

**FROM:** Sue F. McCormick  
Chief Executive Officer  
Great Lakes Water Authority

**DATE:** August 9, 2019

**RE:** **RFB-1087**  
**Office Furniture**  
**Vendor: Interior Environments, LLC**

**MOTION**

Upon recommendation of Cheryl Porter, Chief Operating Officer - Water and Field Services, the Board of Directors (Board) of the Great Lakes Water Authority (GLWA), authorizes the Chief Executive Officer (CEO) to **pay the outstanding invoices in the amount of \$1,389,849.57 for**

**purchases incurred August 31, 2017 through July 29, 2019 to Interior Environments, LLC;** and authorizes the CEO to take such other action as may be necessary to accomplish the intent of this vote.

### **BACKGROUND**

Upon merger of the two procurement groups (Construction and Contract Services and Supply Chain Operations) a review of current solicitations occurred to establish a monitoring system for all contracts. Our investigation concluded that GLWA has several purchase orders that require contractual agreements while also requiring a single source of contract management. RFB-1087 for the purchase of office furniture, design and installation was one of the findings with irregularities in the execution process. The irregularities included the processing of individual purchase orders (PO) under RFB-1087, in which the cumulative amount was not tracked. Therefore, there was no contract, governing blanket PO or single management source established. Board approval was not sought for this procurement as it was originally below the dollar threshold.

This project was originally competitively bid, and one bid was received. A furniture procurement was required because a majority of the existing furniture and workstations at multiple GLWA facilities were either damaged beyond repair, presenting a potentially hazardous work environment, or heavily soiled and could not be cleaned sufficiently; therefore, exceeding their useful life. In addition, there were innumerable dissimilar pieces of furniture used throughout all facilities, providing no continuity for appearance or tracking maintenance and repairs. To address these issues an "office standard" was developed for safety and to improve office work conditions. The approved GLWA Finish and Furniture Standards contain Allsteel / Gunlocke products. These standards were incorporated in the Request for Bid (RFB).

### **JUSTIFICATION**

This motion will allow GLWA to pay any outstanding invoices and projects already in process that portions remain to be billed.

**Action Items Completed to date** - Two procurement teams have been combined into one, establishing consistent procurement processes throughout the organization.

1. A project manager will be assigned for contract management for GLWA Enterprise Agreements.
2. A central repository for data collection (Bonfire) for contract management.
3. Establishing contracts for commodities and/or services that require contracts rather than single purchase orders which has been done historically.
4. A contract to handle this need is forthcoming.

**PROJECT MANAGEMENT STATUS**

Invoices Paid to Date (7/29/19)	\$1,236,367.01
Invoices received but not paid (7/29/19)	418,446.26
Remaining Balance on Open POs (7/29/19)	<u>971,403.31</u>
Total Commitment (7/29/19)	\$2,626,216.58

**FINANCIAL PLAN IMPACT**

This is covered by the budget process, therefore, there is no financial plan impact.

**COMMITTEE REVIEW**

This item was presented to the Operations and Resources Committee at its meeting on August 14, 2019. The Operations and Resources Committee unanimously recommended that the GLWA Board adopt the resolution as presented.

**SHARED SERVICES IMPACT**

This item does not impact the shared services agreement between GLWA and DWSD.