Procurement Pipeline

Great Lakes Water Authority (313) 964-9157 www.glwater.org **February 2025 - Volume 66**

Welcome to the February edition of *The Procurement Pipeline*, a monthly newsletter designed to provide updates on doing business with the Great Lakes Water Authority (GLWA).

Michigan Sales and Use Tax for the GLWA Vendor Construction Community

As a municipal water utility, GLWA is a tax-exempt organization. GLWA is also exempt from sales and use tax when *procures tangible property directly for its own use*. In those instances, GLWA Vendors may utilize the Michigan Sales and Use Tax Certificate of Exemption which is available to view on the GLWA Vendor Webpage. This form supports compliance for sales tax exemption when GLWA makes a direct purchase from your company.

Since the question occasionally arises, this month's edition of the *Procurement Pipeline* outlines the scenario in which GLWA's tax-exempt status **does not** extend to our vendors.

In summary, we have been advised that the State of Michigan Tax Law provides for the following:

- A contractor or subcontractor who constructs, alters, repairs, or improves real estate for others is recognized as the user or consumer of all goods and materials that they purchase for use in providing their services.
- As the user or consumer of these purchased goods and materials affixed to and becoming part of GLWA realty, the contractor or subcontractor cannot claim tax exempt status.
- The contractor or subcontractor in this scenario is therefore responsible for paying the sales tax.

We strongly encourage all GLWA vendors to consult with their own tax advisors when determining whether they will be responsible for payment of sales or use taxes and, therefore, whether such costs should be included in their bid prices. If a GLWA vendor does not include sales or use tax in their bid prices, and later determines that they are responsible paying those taxes , GLWA cannot amend the contract to reimburse those costs.

Virtual Vendor Introduction Meetings

If you are interested in learning more about doing business with GLWA, contact us at GLWAVendorOutreach@glwater.org to schedule a virtual vendor introduction meeting. Topics include GLWA's procurement process, Business Inclusion and Diversity (B.I.D. Program), and Vendor Performance Assessment (VPA) Program as well as information on how to submit a competitive bid or proposal to any GLWA solicitation.

Keeping up with GLWA

Our Chief Executive Officer (CEO) Monthly Report provides a wealth of information and news about important initiatives within GLWA's service territory that impact GLWA, its member partners, and the public. To read the January 2025 Monthly Report, please click here.

What's Coming Down the Pipe?

Current Solicitations: Register in GLWA's Bonfire Procurement Portal for new solicitations and contract award information.

Upcoming Procurements: Next Three to Nine Months—See newsletter page 2.

Visit GLWA online!

To see the GLWA vendor homepage, please visit www.glwater.org or contact us via email at procurement@glwater.org.

Upcoming Solicitations February 2025

Category	CIP #	Description/Project Title	Budget Estimate
Water System (next four to nine months)			
Construction	111001	Lake Huron Water Treatment Plant – LH-401 Switchgear and Low Lift Improvements	$100,000,000
Wastewater Systems (next four to nine months)			
Construction	260510	CSO Outfall Rehabilitation Phase VI	$10,000,000
Construction	260206	Rehabilitation of 7 Mile Sewer System	$15,000,000
Construction	273001	Hubbell Southfield CSO Facility Improvements	$56,000,000
Enterprise (next three months)			
Information Technology	O&M	Information Technology Service Management Software and Implementation Services	$750,000
Water System (next three months)			
Construction	122016	Downriver Transmission Main Loop – Phase 1 – Inkster Rd	$50,000,000
Wastewater (next three months)			
Construction	211005.2	WRRF Pump Station 2 VFD Replacements	$12,000,000
Construction	260624	Emergency Chemical Storage Tanks Replacement	$4,064,500
Design	270007	CSO Facility Disinfection Improvements	$2,000,000
Construction	270006	CSO Facility Improvements II	$17,500,000
Construction	260904	Renovation of the New Administration Building 3rd Floor	$8,500,000
Construction	260210	Lonyo Sewer System Rehabilitation	$24,000,000
Construction	213006	WRRF Improvements to Sludge Feed Pumps at Dewatering Facilities	$16,000,000
Projects moved to Procurement Team (Preparing for solicitation on Bonfire)			
Professional Services	O&M	Above Ground and Below Ground Fuel System Maintenance	$900,000
Professional Services/Supplies	O&M	Services and Equipment, Doors, Frames and Hardware	$160,000
Professional Services	O&M	Low Voltage Wiring Task Order Service	$5,639,560
Professional Services	O&M	Door Repairs, Service and Maintenance at Sewer Pumping Stations and CSO Basins	$375,000
Construction	112007	Structural Repairs, Northeast Water Treatment Plant	$6,000,000
Professional Services	O&M	External Auditor Services	$975,000
Professional Services	O&M	Investment Advisor	$2,200,000
Professional Services	O&M	Grant Consulting Services	$150,000
Professional Services	O&M	Staffing Services	$750,000
Design	113010	Southwest WTP Flocculation Improvements	$4,933,000
Professional Services	O&M	Task Order Engineering Services (TOES) Contract 2025	$15,000,000
Professional Services	O&M	Personnel and Equipment Doors, Frames and Hardware	$160,000
Construction	270004	Oakwood and Leib CSO Facilities Improvement	$55,000,000
Professional Services/Supplies	O&M	Floor Covering Supply and Installation Services	$246,000

Vendors should continue to monitor Bonfire for solicitation updates.

Acronyms		
WRRF: Water Resource Recovery Facility	**CSO:** Combined Sewer Overflow	**WTP:** Water Treatment Plant