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TO: City of Detroit Water and Sewerage Department Board of Water Commissioners' Finance Committee

FROM: Debra N. Pospiech, Esq., Chief General Counsel

RE: Procurement Policy – Final Version

DATE: May 25, 2023

The Finance Committee held three working sessions to review and discuss a draft, revised Procurement Policy. As a result of our working sessions, Committee members and staff had additional revisions, as follows:

- 1.) The policy should be reviewed every other year to determine whether additional revisions are necessary.
- 2.) Section 7.2.3. A vendor may not respond to a solicitation as the prime contractor if they have provided their pricing to another bidder to act as its subcontractor.
- 3.) Section 7.8.7. The Director may approve one contract renewal or time extension within his/her approval threshold amount. Additional renewals or extensions must come before the Board. Contracts may not be amended to introduce a different project—the new project must follow procurement processes as a new solicitation.
- 4.) Sections 7.11.5 and 7.11.6. The Procurement Administrator must send a copy to the Board if there is a written determination that a vendor should be disqualified or referred to the Office of Inspector General for possible debarment.

Next Steps:

- The Finance Committee will review revisions noted above at the June 7, 2023, committee meeting and will vote whether to recommend that the full Board approve the revised Procurement Policy in its entirety at the June 21, 2023, Board meeting.
- The Procurement Administrator, Diversity, Opportunity and Inclusion Director, and Public Affairs Director will work on an outreach campaign to educate current and potential vendors about revisions to the Policy.
- The Procurement Administrator will review all internal Standard Operating Procedures and work instructions and revise them to comport with the revised Policy.

Attached is the final proposed Procurement Policy for approval.

Thank you for your attention.

DNP
Attachment