



GRAND RAPIDS PUBLIC UTILITIES COMMISSION AGENDA ITEM

AGENDA DATE: February 26, 2025

AGENDA ITEM: Consider a motion to adopt Resolution Number 02-26-25-1 approving the revisions to the Procurement policy.

PREPARED BY: Jean Lane, Business Services Manager

BACKGROUND:

The revised procurement plan enhances efficiency by introducing Master Service Agreements (MSAs) with subsequent Statements of Work (SOWs) and adjusting purchase categories and limits. MSAs will streamline vendor engagements by establishing pre-negotiated terms, reducing administrative burden, and improving cost efficiency. Subsequent SOWs will define the specific scope, deliverables, and timelines for each engagement, allowing for greater flexibility while maintaining procurement compliance.

Additionally, purchase categories have been adjusted to better reflect organizational needs. The Micro purchase threshold increases from \$1,500 to \$2,500, and a new Mini category is introduced for procurements valued \$2,500–\$15,000. The Small purchase range is now \$15,000–\$25,000 to accommodate this change. These updates provide clearer spending guidelines, reduce unnecessary approvals for mid-tier procurements, and ensure more efficient purchasing processes while maintaining appropriate oversight. This revised procurement plan was discussed at the Commission Work Session on February 12, 2025.

This revised Procurement policy will take effect on July 1, 2025, aligning with the implementation of the new software.

RECOMMENDATION:

Consider a motion to adopt Resolution Number 02-26-25-1 approving the revisions to the Procurement policy.