

Status Report #1: Stand Up Work Plan

Prepared by: Project Implementation Team

Presented by: Sue McCormick, Director DWSD and Interim Director GLWA

September 14, 2015



Stand Up Work Plan Background

- **September 9, 2014:** The City of Detroit, the Counties of Wayne, Oakland, and Macomb, and the State of Michigan execute a Memorandum of Understanding (MOU) to form a regional water authority.
- **November 26, 2014:** Articles of Incorporation are filed thereby creating the Great Lakes Water Authority (GLWA).
- Immediately planning began to bifurcate the existing City of Detroit Water & Sewerage Department (DWSD) into the GLWA and DWSD – Retail System (DWSD-R) as outlined by the MOU.
- **January 1, 2016:** target operational effective date.



Stand Up Plan Development

- **Over 150 stakeholders were engaged in developing the vision for “Day One” needs and related transitional and shared services agreements.**
- **Present effort is refinement and validation of the “Day One” needs and related agreements.**
- **Transitional and shared services agreements allow for flexibility to manage through resource, timing, and technology constraints to achieve operational effectiveness while delivering reliable and quality service.**



Today's Objectives

- Present a status report on the stand up plan for the GLWA and DWSD-R.
- Provide insight into the process and timeline to achieve bifurcation.
- Convey a commitment to responsible management of resources to achieve bifurcation.
- Demonstrate transparency in the stand up effort and key decision points.



Status Report #1 Reviewers

DWSD and GLWA Interim Staff

- Sue McCormick
- Bill Wolfson

DWSD Staff

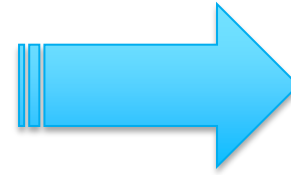
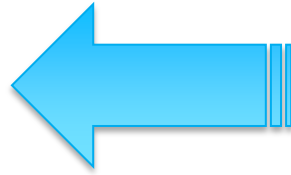
- Nicolette Bateson
- Sue Coffey
- Terri Conerway
- Barnett Jones
- Darryl Latimer
- Cheryl Porter
- Dan Rainey

City of Detroit Staff

- Gary Brown
- Boysie Jackson
- Beth Niblock
- Rob Presnell
- Craig Rice
- Denise Starr

DWSD-R Staff

- Marcus Hudson
- Palencia Mobley



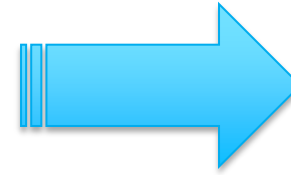
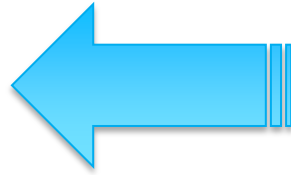
Executive Leadership

Sue McCormick
Gary Brown



Executive Leadership

- **DWSD-R has identified the majority of its Executive Management Team.**
- **DWSD-R has begun defining its management philosophy and key priorities for short term and long term initiatives.**
- **GLWA has not identified permanent Executive leadership personnel.**
- **GLWA short and long term initiatives continue on a path established by the DWSD management team consistent with GLWA articulated values.**



Operations

Cheryl Porter
Palencia Mobley
Craig Rice



Operations – Field Engineering

- **Field Engineering will be split between GLWA and DWSD-R.**
- **MISS DIG will be performed within the COD limits by DWSD-R with a shared services agreement to GLWA. GLWA will perform MISS DIG outside the COD limits.**
- **Active Construction contracts will be assigned to the appropriate entity where possible.**
- **Suburban Permitting will become a GLWA function.**
- **DWSD-R will perform MS4 permit responsibilities.**
- **DWSD-R will be responsible for the Green Infrastructure Program as documented in the lease.**



Operations – Field Services

- **Field Services will be split between GLWA and DWSD-R.**
- **Protocols for operating/repairing/maintaining buried infrastructure within the City limits are being developed to address scenarios where both DWSD-R and GLWA operated assets exist.**
- **Resources have been evaluated to ensure that both DWSD-R and GLWA have the needed staff after Day 1 (skill sets, certification levels, etc.)**
- **Necessary equipment and vehicles for each entity are being confirmed to ensure the ability to perform their daily operations.**



Operations – Facilities

- **The Facilities Group will move to GLWA.**
- **Facilities is migrating to an approach where non core functions are outsourced via contracts.**
- **The contracts will cover those facilities which remain with DWSD-R such as 735 Randolph, Central Services Facility, West Yard, and the customer service centers. Billing from these vendors will be done by location.**
- **A point-person at each location has been selected to communicate facilities needs to the central facilities staff.**



Operations – Fleet

- **The Fleet department will remain with DWSD-R and service all vehicles from DWSD-R and GLWA.**
- **Over time, the City will integrate the fleet servicing into their own systems and operations.**
- **Billing through June 2016 will be a fixed, budgeted cost. For future fiscal years, the intent is to track the per vehicle maintenance costs and bill them to the appropriate entity.**
- **Shared service schedule contemplates that GLWA will contract with DWSD-R for service for 2 years.**



Operations – Wastewater

- **Wastewater Operations is moving entirely to GLWA.**
- **MS4 and Green Infrastructure will transfer from the CSO Operations group to DWSD-R Field Engineering.**

Actions Initiated following Day 1 and or MDEQ action:

- **IWC will send letters to existing permit holders of change from DWSD to GLWA.**
- **Revision of existing forms, enforcement notices, etc. is required**
- **Update License/warranty agreements (including equipment, software and others).**



Operations – Water Operations

- **Water Operations is moving entirely to GLWA.**
- **Water quality testing will be a shared service from GLWA to DWSD-R. Through June 2016, the cost will be based on budget and a percentage of the tests performed for DWSD-R using an average of the last 3 years data.**
- **Future cost basis for FY 17 and beyond is still under development.**



Operations – System Control

- **System Control is moving entirely to GLWA.**
- **Shared services proposal is for GLWA to remotely operate Detroit only facilities:**
 - Belle Isle Main Pump Station and CSO Basin
 - Bluehill Pump Station
 - Fischer Pump Station
 - Woodmere Pump Station

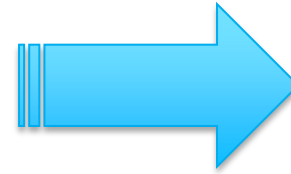
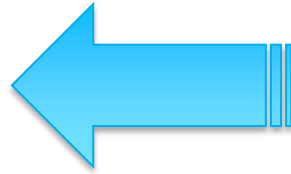
Future Provision

- **Per the lease agreements, DWSD-R will be provided with a dashboard of system pressures within the City (Plan and schedule to be developed in conjunction with a metering plan) .**



Meter Operations

- **Meter Operations will be split between DWSD-R and GLWA.**
- **Each entity will have staffing in place to support any required skilled trade needs.**
- **Both Meter Operation Departments will reside at CSF and share equipment and the current space they reside in.**
- **A plan for phased separation is under discussion**



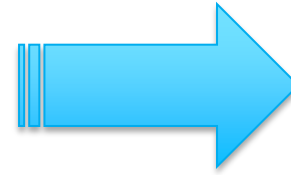
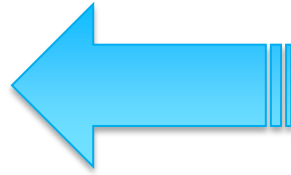
Security and Integrity

W. Barnett Jones
Gary Brown



Security & Integrity

- **All but 2 security staff will become GLWA employees.**
- **A Shared Service Agreement will be in place for GLWA security staff to provide security services for DWSD-R locations.**
- **Call trees and reporting structures embedded in the Emergency Response Plan will be updated for both DWSD-R and GLWA.**



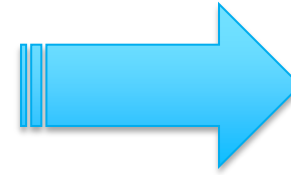
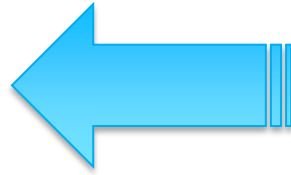
Legal

Bill Wolfson
Floyd Allen



Legal

- **The legal departments within DWSD and the City are evaluating how the Legal function will operate on Day One.**
- **DWSD and GLWA will likely use a Common Interest and/ or Joint Defense Agreement to provide for a coordinated defense and appropriate response to matters of mutual concern.**
- **Both DWSD and GLWA will have their own legal counsel on Day One.**



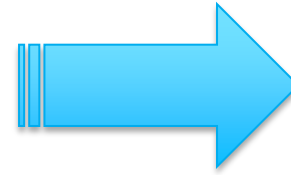
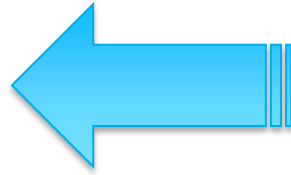
Human Resources

Terri Conerway
Denise Starr



Organizational Development / Human Resources

- **DWSD-R and GLWA are intended to have separate HR managers and staff in each organization.**
- **GLWA will have separate payroll and benefit systems and administration.**



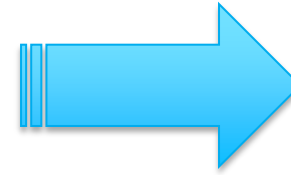
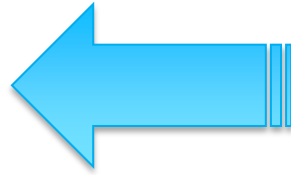
Public Affairs

Greg Eno
Curtrise Garner
Gary Brown



Public Affairs / Communication / Board Support

- **The BOWC and GLWA boards will each have separate board support.**
- **The Public Affairs Department will be split into two departments, lead by separate managers.**
- **Unless otherwise agreed on a case-by-case basis, DWSD and GLWA will have their own media spokespeople.**
- **The remaining Public Affairs employees within DWSD and GLWA are proposed to be co-located and shared among both entities to better disburse the work load between DWSD-R and GLWA to accommodate for workload fluctuations.**



Information Technology

Dan Rainey
Beth Niblock
Rob Presnell



IT Complexities

- **The stand up plan identifies essential customer-focused Day One communications priorities.**
- **The bifurcation effort spans a five year time period; this allows for many system modifications to occur with previously planned improvements.**
- **See Appendix for phone, email, website, intranet/extranet and other operational matters.**



IT Services – Shared Services

- **General principles of the IT shared services agreement:**
 - **All DWSD applications servicing both organizations will move to GLWA and be made available to DWSD-R.**
 - **DWSD applications servicing only DWSD-R will remain with DWSD-R, but will be hosted and operated by GLWA.**
 - **City of Detroit applications servicing GLWA and DWSD-R will be operated by the City of Detroit Department of Information Technology (DoIT).**
 - **DWSD's Geographic Information Systems will move to GLWA and made available to DWSD-R.**
 - **DWSD's Technology infrastructure, except for radios, will transfer to GLWA and made available to DWSD-R. Radios will be operated by the City of Detroit DoIT for both organizations.**
 - **Technical resources and application support will be managed by GLWA and made available to DWSD-R.**



Work order and Asset Management System (WAM)



- Oracle WAM will continue to be used by both organizations on Day One.
- New funds and cost centers will be incorporated on Day One in the City's Budget and General Ledger systems.
- Day One Plan is to separate WAM requisitions by organization, which will isolate inventory and receiving functions by organization.
- Long-term work and asset management options are being investigated and will be impacted by final financial systems direction decisions.



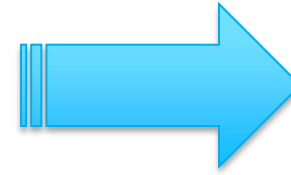
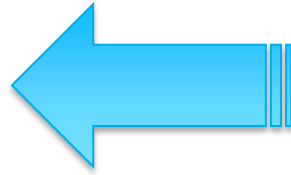
Financial Systems

- **Oracle Cloud Financial System will not be available on Day One.**
 - The needs of both GLWA and DWSD-R are being considered in the revised Oracle Cloud plan.
 - A list of GLWA and DWSD-R system requirements has been shared with the City.
- **City's Oracle DRMS will continue to be used on Day One with four new funds and associated cost centers introduced to logically separate GLWA and DWSD-R for water and sewerage activity.**
- **Long-term Financial Systems options are being investigated.**



Human Resources / Payroll Systems

- **The Ceridian payroll system is being implemented to support the Human Resources and Payroll functions for GLWA employees. The project team is working with Ceridian to finalize a plan to be live Day One.**
- **The City is implementing Ultipro's Human Resources and Payroll system, from which DWSD-R employees will be paid. UltiPro is currently scheduled to go live in December 2015.**
- **Ceridian needs to be implemented either concurrently with or before the City's payroll system to avoid the additional risks associated with GLWA staff moving to two new payroll systems over the course of a month.**



Customer Service & Billing

Rob Presnell
Darryl Latimer



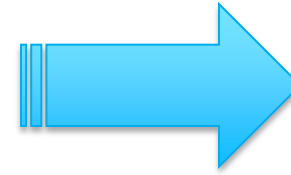
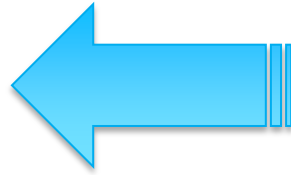
Customer Service

- **The retail customer service function will be assigned to DWSD-R.**
- **The wholesale customer service will be assigned to GLWA.**
- **Appropriate contacts for billing or metering issues will be identified as part of a broader Day One directory for GLWA and DWSD-R personnel.**



Billing

- **Initially GLWA and DWSD-R billing will continue to occur through enQuesta. The Customer Service and Billing team will remain with DWSD-R.**
- **IT support of enQuesta will move to GLWA.**
- **The GLWA bills will need a separate logo, contact phone #, and mailing address from DWSD-R bills.**
- **The impact of the bifurcation on Industrial Waste Charge (IWC) billing is in process.**



Finance and Accounting

Nicolette Bateson
Marcus Hudson



Finance – Accounting / Budget / Treasury



- **GLWA and DWSD-R will each have their own CFOs.**
- **Key GLWA Day One activities emphasize compliance with the Master Bond Ordinance, Bond Trust Indenture, and State of Michigan laws (i.e. budget, banking, investments, and accounting).**
- **Key DWSD-R Day One activities emphasize budget and performance management, financial reporting, collections, and long-term financial planning.**
- **A shared services agreement is being drafted to capture the accounting services between DWSD-R and GLWA.**



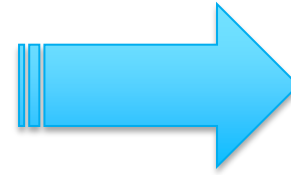
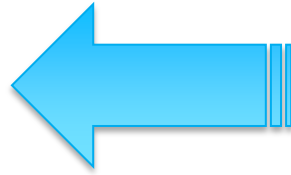
Finance – Risk Management

- A risk management function has been established for DWSD that will move forward to GLWA. This includes insurance (e.g. Property, director & officer, general liability, etc.) and workers' compensation.
- DWSD-R's risk management will be provided by the centralized City of Detroit Risk Management Division.



Finance – CIP / Capital Projects

- **GLWA and DWSD-R will have separate capital project plans and budgets. That process has begun.**
- **DWSD-R is required to submit its budget and capital expenditure plans to GLWA per the lease agreement.**



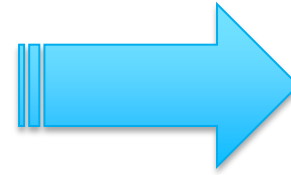
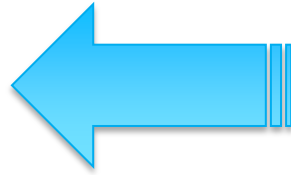
Procurement

Butch Johnson
Boysie Jackson
Marcus Hudson



Finance – Procurement

- **DWSD-R and GLWA will have separate Procurement Departments. However, there will be shared services for some activities.**
- **Additional meetings are scheduled to discuss the reporting roles and procurement processes.**



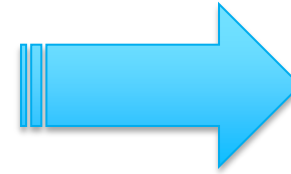
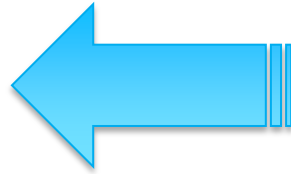
Next Steps



Next Steps

- Staff is continuing to refine the Day One action items and shared services agreement.
- The DWSD and GLWA boards will receive the draft shared services agreement within 30 – 45 days.
- Organizational design for both organizations is underway. DWSD-R is presented in a companion document. GLWA is presented on the next slide.





Appendix: Information Technology

Dan Rainey
Beth Niblock
Rob Presnell



IT Services - Operations

- **A new Active Directory domain, glwater.org, will be available for use by GLWA staff for authentication. DWSD staff will continue to use dwsd.org. Both domains will be available through all computers.**
- **A full two-way Active Directory trust will be developed between glwater.org and dwsd.org.**
- **All GLWA and DWSD-R employees will continue to have access to their current office equipment.**



Communications - Phones

- **Ombudsman line (844-455-GLWA) will be established and staffed to address issues and questions related to the GLWA and bifurcation.**
- **Scripts will be developed for DWSD-R and GLWA staff for voicemail, announcing organizational changes.**
- **Scripts will be developed for DWSD-R CSRs, for fielding questions and addressing customer concerns.**
- **Updated contact lists for both GLWA and DWSD-R shared with key customers and posted on both websites.**



Communications - Email

- **Implement Microsoft's Office365 and Outlook for DWSD-R and GLWA.**
- **E-mails sent from GLWA employees will carry the @glwater.org domain email address whereas e-mails from Retail employees will carry the @dwsd.org domain email address.**
- **Emails sent to previous DWSD employees, utilizing dwsd.org email addresses will be delivered correctly.**
- **Implement a plan for email signature block uniformity for both organizations.**



Communications - Websites

- DWSD-R specific content from www.DWSD.org will be migrated to new DWSD website located at www.DetroitMI.gov/DWSD.
- GLWA specific content will either migrated to www.GLWater.org or be accessible via a link to the old DWSD.org website.
- www.DWSD.org will automatically redirect customers to new site at www.DetroitMI.gov/DWSD.
- www.DetroitMI.gov/DWSD and www.GLWater.org will have links back to each other to aid customer navigation.



Communications – Extranet / Intranet

- Extranet, www.DWSDOutreach.org, will be renamed Outreach.GLWater.org and rebranded with GLWA look and feel.
- WAMR portal, www.DWSD.org/WAMR-2, will be renamed WAMR.GLWater.org and rebranded with GLWA look and feel.
- Greater Detroit Regional Sewer System portal, www.DWSD.org/GDRSS2 will be renamed GDRSS.GLWater.org and rebranded.
- All old URLs will automatically redirect customers to the correct _____.GLWater.org URL's.
- The intranet, sp.dwsd.org, will remain available for both organizations to use.