

MAINTAINING AND ENHANCING PROCURE-TO-PAY LOGISTICS OPERATIONS DURING AN EMERGENCY

FOCUS ON EFFICIENCY

When a water main break caused a warehouse flood, UC San Diego's Integrated Procure-to-Pay Solutions' Logistics operations preserved business continuity while maintaining critical services to campus.

UC San Diego's Integrated Procure-to-Pay Solutions' (IPPS) Logistics operations maintained business continuity after 80,000 square feet of their warehouse became flooded from a water main break. Because of the efficient nature of an integrated unit, IPPS was able to strategically use internal resources and staff to maintain critical services to campus.

UC San Diego's IPPS Logistics operation was notified of the broken water line on a Sunday morning at 9:30 a.m. Approximately 80,000 square feet of warehouse and office space was covered in water and mud from a break in the fire riser, which occurred underneath the foundation. Water and soil flowed continuously into the warehouse through a crack in the distressed slab for at least six hours. A support column was deemed structurally unsound and a 50-foot radius was cordoned off surrounding the compromised column.

The resulting flood impacted Receiving and Distribution, the central location where parcel carriers, vendors and freight deliveries drop off incoming packages to be processed and delivered to campus by IPPS drivers; Surplus Sales, an outlet to dispose of used, excess UCSD property and initiate the sale of used property and equipment; Outbound Shipping, with staff certified in dangerous goods and hazardous material shipping; the Self-Storage department, which provide storage cages rented by campus departments; STORE, which allows campus departments to order specialty products like ethanol, gas cylinders, dry ice and compressed gases; and Moving Services, which coordinates and performs office and laboratory moves.

IPPS maintained business continuity, in part because of the synergistic nature of an integrated unit which allowed for the strategic use of resources and staff to maintain critical services to campus. Leadership allocated project managers who were equipped with the knowledge and skills to efficiently manage the recovery phase.

A staff member from IPPS' Business and Analytics unit served as the project manager focusing on relationships with campus departments. The health and safety of staff was a priority, and Environmental Health and Safety oversaw issues regarding mold and carbon monoxide poisoning.

MILESTONES

April 23 2017

- Incident occurs and initial remediation begins.

April 24 2017

- IPPS Leadership assesses scope and resource needs. Project manager and leads are assigned. A notification is disseminated to inform campus of the situation.

April 27 2017

- IT network activated at alternate location. Logistics operations relocated.

June 2 2017

- Installation of the replacement fire riser is complete.

June 26 2017

- Warehouse support column replaced.

June 29 2017

- All 92 Self-Storage cages sustaining water damage have been inspected by cage owners and claims have been submitted.

July 19 2017

- Logistics and UCOP staff move back to newly renovated office space.

July 24 2017

- Concrete is poured to create the new foundation around the compromised support column.

TEAM MEMBERS

Ted Johnson

associate controller and chief procurement officer

Gisella Higgins

director, Logistics

Jenn Glassman

assistant director, Technology and Project Management

Robbie Jacob

Receiving and Distribution supervisor

Tim Wheeler

business systems analyst

David Tran

business continuity manager

Tu McClurg

senior business analyst

Ana Portlock

senior business analyst

IPPS Logistics was able to quickly establish an alternate location and activate network connectivity with the assistance of Real Estate and Information Technology Services. Building and fire riser repair was coordinated through Facilities Management.

An IPPS staff member also served as business continuity manager and liaised with outside agencies including remediation companies, general contractors and engineers. He tracked expenditures, maintained cost documentation and worked with Risk Management to issue reimbursement from the insurance claim.

An IPPS' Technology and Project Management unit staff member led the Self-Storage remediation process. This involved working with the insurance company to issue claims on 40 of the 92 Self-Storage cages that sustained water damage.

The ability for IPPS to leverage internal staff to manage different pieces of the recovery phase was critical in allowing Logistics units to solely focus on continuing daily operations.

QUANTIFICATION AND RESULTS

Preparation for the unexpected allowed the IPPS Logistics team to work quickly and efficiently:

Assigned project managers from internal resource pool to manage daily flood decisions, responsibilities and planning, which allowed Logistics staff to maintain focus on daily operations and duties

Tested the business continuity of IPPS Logistics in a real-world situation

Strengthened campus-wide partnerships between departments and outside agencies

Preventative measures implemented for building fire risers to avoid a similar issue

IMPACT AND BENEFITS

Upon investigation of the fire riser, engineers identified that the exterior of the water main pipe was not covered in proper material, which caused corrosion over time. This incident and subsequent investigation allowed UC San Diego to take a proactive approach in performing preventative maintenance on other fire risers. Mitigation efforts will undoubtedly prevent similar incidents in the future.

FURTHER REFERENCES



Water bursting from the water main break underneath the foundation.



The support column was deemed structurally unsound resulting in a 50-foot radius being cordoned off.



IPPS staff convene Monday morning to assess the scope and set priorities for the recovery phase.