



The Business Inclusion and Diversity (B.I.D.) Program Year-in-Review Summary includes the following:

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Report Highlights

- To date, GLWA has awarded 70 contracts under the B.I.D. Program requirements totaling \$859.8 million. GLWA has also received and reviewed 245 vendor Diversity Plans detailing efforts to maximize the participation of small, minority-owned, and disadvantaged business enterprises in GLWA's procurement process.
- The B.I.D. Program Team continues to attend Pre-Bid and Pre-Proposal meetings outlining the program requirements, providing information needed to submit a complete response, and answering questions. In addition, the Program Team reviews and evaluates all B.I.D. program submittals and works with the assigned Buyer if additional information from the Vendor is required.
- The Program Team continues to refine reporting tools to simplify the vast amount of data reported each month.

Background

Historically, small, minority-owned, and disadvantaged business enterprises within GLWA's service area have faced obstacles to participation in procurements on a competitive basis. On September 23, 2020, the GLWA Board of Directors expressed their desire to strengthen GLWA's commitment to the principles of affordability, equity, and inclusion. The objectives of this effort were to develop and implement a program designed to maximize opportunities for small, minority-owned, and disadvantaged businesses within GLWA's service area so that they may effectively compete and do business with GLWA. In the long-term, such a program would allow GLWA to further support economic development throughout the region, expand its pool of skilled resources, and improve competitive pricing in its procurements.

On November 25, 2020, the GLWA Board of Directors approved an amendment to the [Procurement Policy](#) allowing for the formation of a Business Inclusion & Diversity (B.I.D.) Program. With the amended policy, the B.I.D. Program Team within the Procurement Group executed a formal launch of the program on February 1, 2021.

GLWA's B.I.D. Program provides for both a "Business Inclusion & Diversity Plan" (Section 4.6) (scored pass or fail) and a "Economic Equity and Development" provision (Section 4.7) (scored according to a three-point geographic criteria). These provisions are included below.

4.6. Business Inclusion and Diversity Plan

GLWA is committed to providing business opportunities to vendors who honor the values of inclusion and diversity in selecting their business partners. To foster these values, the solicitation selection will require vendors to submit, for all solicitations budgeted at \$1 million or more, a Business Inclusion & Diversity Plan that addresses their efforts to include Minority-owned Business Enterprise (MBE), Woman-owned Business Enterprise (WBE), Small Business Enterprise (SBE), and Socially and Economically Disadvantaged Business Enterprise (DBE) subcontractors.

- a. In support of this commitment, the vendor agrees to ensure that, with regard to any contract entered into pursuant to this procurement policy, inclusion and diversity business enterprises will be afforded full opportunity and will not be discriminated against on the basis of race, color, gender, age, disability, religion, ancestry, marital status, sexual orientation, national origin or place of birth. In recognition of this, the vendor will take steps to ensure maximum participation by qualified diversity businesses in a manner and to the degree that it equals or exceeds standards for its other customers and/or clients.
- b. The vendor shall provide methods to maximize opportunity for diversity participation and reporting methods that indicate firms invited, firms recommended for award and other pertinent information.

4.7. Economic Equity and Development

As a regional water authority, GLWA is committed to providing economic development opportunities to the state of Michigan and Territory Area and in both services provided and as a partner to the business community.

- a. To foster economic development, for all solicitations, solicitation scoring scales will include the following for a business presence:
 - i. State of Michigan 1%
 - ii. Territory Area 1%, with a cumulative total of 2% for Territory Area and state business presence
 - iii. Disadvantaged GLWA Territory business enterprise 1%, with a cumulative total of 3% for Territory Area, state, and disadvantaged business presence within Territory area.
- b. State business presence is defined as those businesses that would be eligible as a Certified Michigan Based Business as defined by the State of Michigan law as administered by the Department of Technology, Management, & Budget.

- c. This section does not prohibit action that must be taken to establish or maintain eligibility for any federal program if ineligibility would result in a loss of federal funds to the state.

Contract Language for B.I.D. Program Requirements

Contract language for B.I.D. Program requirements was added to all GLWA contract templates in August 2022. This language stipulates that when work or services require adherence to GLWA's B.I.D. Program that the Vendor/Contractor will use their best efforts to ensure compliance with the Diversity Plan that they submitted, and which was approved and finalized by GLWA in the executed contract. Contract language also stipulates that GLWA may monitor and assess the Vendor/Contractor's compliance with their Diversity Plan throughout the duration of the contract.

Vendor Outreach & Communication Efforts

Communication with and support of the Vendor Community continued to be a central focus of the B.I.D. Program Team during year two of the program.

GLWA delivered presentations on the B.I.D. Program at speaking engagements sponsored by various local federal, state, and municipal organizations. During Fiscal Year 2023, the B.I.D. Program participated in five Vendor Outreach events, hosted by the Michigan Department of Transportation (MDOT), the National Business League (NBL), Wayne State Procurement Technical Assistance Center (PTAC), the Michigan Minority Supplier Development Council (MMSDC), and the Michigan Public Purchasing Officer's Association (MPPOA).

The GLWA B.I.D. Program Team has also hosted virtual vendor introduction meetings where vendors can ask questions about the B.I.D. Program in a one-on-one setting. Since the Program launch in February 2021, GLWA has hosted 25 Vendor Introduction meetings. The B.I.D. Program Team is also a regular participant in GLWA-hosted Capital Improvement Project (CIP) Workgroup meetings, where they provide information and updates on the B.I.D. Program.

In addition, the Vendor Management Team has participated in all GLWA Pre-Bid and Pre-Proposal meetings that have included the B.I.D. Program requirements since the program launch in February 2021. During these meetings the GLWA B.I.D. Program Team provides a program overview as well as highlights the steps to successfully submit a diversity and inclusion plan for the solicitation being discussed. Vendors are afforded the opportunity to ask any questions and network with other vendors.

GLWA leadership was invited to present the B.I.D. Program at the City of Farmington Hills City Council "study session" on November 14, 2022. GLWA was also invited to present the



design, development, and implementation of the B.I.D. Program to the City of Farmington Hills City Manager and Procurement Director on December 16, 2022.

Lastly, GLWA hosted a Vendor Outreach event this fall on September 25, 2023, at Laurel Manor in Livonia, Michigan. This was the first in-person vendor outreach event hosted by GLWA since the COVID-19 pandemic. The event provided information sharing and networking to support the success of the B.I.D. Program.

Program Staffing

GLWA continues to recruit for focused B.I.D. Program staffing. While we have interviewed potential candidates, we have experienced challenges in finding individuals who possess both the desired background and business skill set as well as an established network in the Southeast Michigan area. Postings for B.I.D. Program staffing on GLWA's recruitment page are currently active.

Program Updates

Due to a peak in potential federal grant funding opportunities, the B.I.D. Program Team has been reviewing B.I.D. program requirements to assess their compliance with federal guideline requirements.

Federal guideline requirements prohibit the use of location-based preference policies in the award of a contract. Under provision 4.7(a) of GLWA's Procurement Policy (text included above), percentage points are awarded to the vendor's overall score based on their geographical presence in the state of Michigan, GLWA's service area, and in certain designated economically disadvantaged areas within GLWA's service area.

Ongoing discussions are currently underway to determine how best to position GLWA for federal funding opportunities. The goal of these conversations is to reduce the risk of forfeiting funding dollars due to business process or other related compliance matters while also continuing to prioritize our commitment to the values of inclusion and diversity in our procurement process.

Program Data Reporting

The B.I.D. Program Team continues to review and develop program data reporting capabilities. In August 2022, new registration fields were added to GLWA's Bonfire Procurement Portal to develop our Vendor Database and better understand the makeup of our Vendor Community. When creating a profile in Bonfire, or updating an existing profile, vendors are now able to identify themselves as a certified business in one or more of the following categories:



- Small Business Enterprise (SBE)
- Minority-owned Business Enterprise (MBE)
- Disadvantaged Business Enterprise (DBE) and/or
- Woman-owned Business Enterprise (WBE)

Having this information enables GLWA to better track the diversity certifications that our Vendor Community holds and help us to refine our B.I.D. Program in future to ensure that it continues to serve our small, minority-owned, and disadvantaged business community efficiently and effectively.

The B.I.D. Program Team is currently working with Bonfire to develop options for tracking and reporting on GLWA's efforts to update our vendor database and include information on diversity certifications. This request remains open with Bonfire because these options are contingent upon pending software enhancements required by Bonfire. Due to a recent ownership change that has resulted in Bonfire's name change to "Euna Solutions," Bonfire does not currently have GLWA's request on the list of planned upgrades. GLWA's B.I.D. Team is exploring alternative options for tracking this information.

Program Data Summary (February 1, 2021 through June 30, 2023)

The B.I.D. Program data tables included below recap B.I.D. activity from the date of the program launch on February 1, 2021, through June 30, 2023 for GLWA procurements budgeted at \$1 million and greater.

Table 1: B.I.D. Eligible Procurements as of June 30, 2023

Table 1 provides an overview of the total number of B.I.D. Program-eligible Procurements awarded, in evaluation, or advertised as active opportunities in GLWA's Bonfire Procurement Portal. Each vendor who submits a response to a B.I.D. Program-eligible procurement must also submit a Business Inclusion and Diversity Plan. The total number of Diversity Plans that GLWA has received for B.I.D. eligible procurements that have been awarded and that are in evaluation is also provided.

	Awarded	In Evaluation Phase	Active (Advertised)	Total
Procurements Requiring B.I.D. Submittals	70	11	4	85
Total Number of Diversity Plans Submitted	213	32	n/a	245



Table 2: Scored Criteria for Awarded Procurements

Table 2 provides a breakdown of the percentage of B.I.D. Program-eligible procurements awarded thus far that met the B.I.D. Program scored criteria. This scored criteria is based on whether the vendor has a business presence in the state of Michigan, GLWA's Member Partner service area, or a disadvantaged municipality within GLWA's service area.

	Procurements Awarded Meeting B.I.D. Criteria as a % of Total \$ Awards	Total Contract Amount (in millions)
Michigan Location	89%	\$762.6
Member Partner Service Area	71%	\$607.9
Disadvantaged Service Area	37%	\$322.3

Table 3: Member Partner Communities

Table 3 provides a breakdown of the number of awarded contracts to vendors located in GLWA's Member Partner Service area.

	Total Contract Count	Total Contract Amount (in millions)	% of Total \$ Awarded
City of Detroit	38	\$322.3	37.49%
City of Auburn Hills	5	\$76.7	8.92%
City of Novi	3	\$94.4	10.98%
City of Livonia	3	\$59.6	6.93%
City of Taylor	1	\$12.6	1.47%
City of Troy	3	\$17.0	1.98%
City of Southfield	2	\$6.3	0.73%
City of Madison Heights	1	\$6.0	0.70%
City of Warren	1	\$3.6	0.41%
City of Farmington Hills	2	\$6.5	0.76%
City of Riverview	1	\$1.9	0.22%
Harrison Township	1	\$1.0	0.12%
Subtotal	61	\$607.9	70.70%
Other Michigan Communities	4	\$154.7	17.99%
Out of State	5	\$97.2	11.31%
Total	70	\$859.8	100.00%

Table 4: Economically Disadvantaged Communities

Table 4 provides a breakdown of the number of awarded contracts to vendors who have a business presence in an economically disadvantaged GLWA service territory area. This means that the vendor is located in a municipality designated as having one of the five lowest median household incomes in that respective county as defined by the U.S. Census Bureau every five years.

	Total Contract Count	Total Contract Amount (in millions)
Detroit	38	\$322.3

Table 5: Non-Scored Criteria - Disadvantaged, Minority-owned, Women-owned, and Small Businesses

Table 5 provides a breakdown of the percentage of B.I.D. Program-eligible procurements awarded thus far that met the B.I.D. Program Non-Scored Criteria. This Non-Scored Criteria refers to any diversity certifications that the vendor may hold as a Disadvantaged Business Enterprise (DBE), Minority-Owned Business Enterprise (MBE), Women-Owned Business Enterprise (WBE), or Small Business Enterprise (SBE).

	Procurements Awarded as a % of Total \$ Awards	Total Contract Amount (in millions)
Awarded to Disadvantaged, Minority- owned, Women-owned, and Small Businesses	34%	\$294.7

Table 6: Diversity Certification Percentages

Table 6 provides a breakdown of the vendors who met the certification criteria as SBE (Small Business Enterprise), DBE (Disadvantaged Business Enterprise), MBE (Minority-owned Business Enterprise), and/or WBE (Women-owned Business Enterprise). Note that some firms may have multiple certifications.

	SBE	DBE	MBE	WBE
Percentage of Awarded Procurements to SBE, DBE, MBE, and WBE (based on total number of contracts)	10%	77%	33%	7%
Total Contract Amount (in millions)	\$18.5	\$333.6	\$80.6	\$65.2



Table 7: Overall Contracts Awarded

Table 7 provides a breakdown of overall dollars awarded under the B.I.D. Program thus far, distinguishing between firms that met the B.I.D. Program certification criteria (non-scored criteria) and firms that met the three B.I.D. Program geographic criteria (scored criteria).

	Total Contract Count	Total Contract Amount (in millions)	% of Total \$ Awarded
Eligible Procurements	70	\$859.8	100%
Firms that met the certification criteria (non-scored criteria)	30	\$294.7	34%
Firms that met the three geographic criteria (scored criteria)	38	\$322.3	37%

Future Opportunities for GLWA's B.I.D. Program

One potential future opportunity for the B.I.D. Program may include lowering the dollar threshold for the B.I.D. Diversity Plan requirement to further encourage the participation of small, minority-owned, and disadvantaged business enterprises in GLWA's service area. Additional future opportunities include conducting compliance monitoring of Vendors' Diversity Plans, which will help GLWA to further measure the impact and effectiveness of the B.I.D. Program.



Appendix: Program Data by Fiscal Year

	FY 2021*	FY 2022	FY 2023
Total Contracts Awarded	3	31	36
Total \$ Awarded (in millions)	\$99.8	\$304.3	\$455.7
Total # Diversity Plans Submitted by Awarded Vendors	2	29	36
Total # Vendors State of Michigan Qualifying	3	27	35
Total \$ Awarded to State of Michigan Qualifying Vendors (in millions)	\$99.8	\$212.2	\$450.6
Total # Vendors Member Partner Qualifying	2	26	33
Total \$ Awarded to Member Partner Qualifying Vendors (in millions)	\$7.4	\$207.5	\$393.1
Total # Vendors Disadvantaged Territory Qualifying	1	18	19
Total \$ Awarded to Disadvantaged Territory Qualifying Vendors (in millions)	\$5.5	\$178.6	\$138.2
Total # Vendors Meeting 3 (Geographic) Scoring Criteria	1	18	19
Total \$ Awarded to Vendors Meeting 3 (Geographic) Scoring Criteria (in millions)	\$5.5	\$178.6	\$138.2
Total # Vendors Meeting (Certification) Non-Scored Criteria	1	21	8
Total \$ Awarded to Vendors Meeting (Certification) Non-Scored Criteria (in millions)	\$1.9	\$181.2	\$111.6

*February 1 – June 30, 2021