



Financial Services Audit Committee Communication

Date: February 9, 2024

To: Great Lakes Water Authority Audit Committee

From: Megan Savage, Vendor Outreach Coordinator

Re: Business Inclusion & Diversity Program Quarterly Update

Background: On November 25, 2020, the GLWA Board of Directors approved an amendment to the Procurement Policy allowing for the formation of a new Business Inclusion & Diversity (B.I.D.) Program within the Financial Services' Procurement Group. The B.I.D. Program Team, which includes internal GLWA Team Members as well as external consultants, executed a Phase I launch of the program on February 1, 2021 and a Phase II launch on July 1, 2021.

Analysis: This month we present tables to recap B.I.D. Program activity from the date of the program launch on February 1, 2021 through December 31, 2023 for procurements budgeted to exceed \$1 million.

Table 1: B.I.D. Eligible Procurements as of December 31, 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	80	11	3	94
Total Number of Diversity Plans Submitted	269	27	n/a	296

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	90%	\$842.6
Member Partner Service Area	73%	\$688.0
Disadvantaged Service Area	41%	\$388.1

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	43	\$388.1	41.26%
City of Auburn Hills	5	\$76.7	8.15%
City of Novi	3	\$94.4	10.03%
City of Livonia	3	\$59.6	6.34%
City of Taylor	1	\$12.6	1.34%
City of Troy	3	\$17.0	1.81%
City of Southfield	2	\$6.3	0.67%
City of Madison Heights	1	\$6.0	0.64%
City of Warren	2	\$4.7	0.50%
City of Wixom	2	\$5.1	0.54%
City of Farmington Hills	2	\$6.5	0.69%
City of Riverview	1	\$1.9	0.20%
Harrison Township	1	\$1.0	0.11%
Clinton Township	1	\$8.1	0.86%
Subtotal	70	\$688.0	73.13%
Other Michigan Communities	4	\$154.7	16.44%
Out of State	6	\$98.0	10.42%
Total	80	\$940.7	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	43	\$388.1

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	37%	\$346.8

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)	9%	70%	39%	6%
Total Contract Amount (in millions)	\$18.5	\$333.6	\$132.7	\$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	80	\$940.7	100%
Firms that met the certification criteria (non-scored criteria)	33	\$346.8	37%
Firms that met the three geographic criteria (scored criteria)	43	\$388.1	41%

Other activities completed this month to expand awareness of the B.I.D. Program and to foster the development of effective diversity plans included the following.

- Continued attendance of the B.I.D. Program Liaison at all Pre-Bid and Pre-Proposal solicitation meetings to overview B.I.D. Program requirements and answer any questions from vendors/contractors.

Two tasks have been placed on hold for reasons specified below.

- The request remains open with Bonfire to provide options for tracking and reporting diversity certifications in the vendor database. Currently Bonfire does not have this on the list of planned upgrades.
- Continued evaluation of insurance and bonding requirements for small, minority-owned, and disadvantaged business enterprises. No solution has been identified but we do continue to explore the topic with potential resources.

Proposed Action: Receive and file this report.