



BID DISCOUNTS

FINANCIAL INCENTIVES FOR CONTRACTORS

The City of Grand Rapids' Equal Business Opportunity Construction Program provides financial incentives to businesses seeking to bid on projects for the City of Grand Rapids. These voluntary financial incentives reward businesses that can substantiate their involvement in *specific activities* (see below) that complement the City's Strategic Plan.

The financial incentives or "Bid Discounts" range between **1%** and **10%**. Bid discounts allow an original bid amount to be discounted by a certain percentage *for purposes of evaluating and determining* the low responsive bid. The discounted bid amount will be used in the evaluation process of awarding to the low responsive, responsible bidder. The original bid amount will be the basis for the contract award. For example, a \$100,000 bid with a 10% bid discount would be evaluated at \$90,000. However, \$100,000 would be paid to the successful bidder.

Bid discounts apply to all bids estimated at \$10,000 or more that are bid by the Engineering Department. Bid discounts may be used in any combination **not to exceed 5% or \$100,000**, whichever is lower.

However, a select group of four (4) bid discounts may be applied individually or in combination with other discounts to exceed the 5% or \$100,000 limit—up to a maximum of **10% or \$200,000**, whichever is lower.

Unless otherwise specified, all bid discounts remain valid through **December 31st** of the calendar year in which they are granted.

For additional information about the Equal Business Opportunity – Construction Policy and Guidelines, including the Bid Discount Program please visit the City's website at www.grandrapidsmi.gov and search Office of Equity and Engagement then click the Supplier Diversity tab. Or contact the Office of Equity and Engagement by phone at (616) 456-3027.

OBTAINING BID DISCOUNTS

Bid discounts may be awarded for participation in the following activities: Local Workforce, Subcontractor Participation, Growth Market Subcontractor Participation, Joint Ventures, Mentor Protégé, Private Sector Utilization, Veteran Owned Small Business (VOSB), Employee-Owned Business (EOB), Construction Workforce, Registered Apprenticeship, Family Friendly Policies, School to Registered Apprenticeship (STRA) Program, Other Innovative Programs and Practices, Adopt-A-Stream Programs and Urban and Community Forestry. If you are requesting a bid discount or have been previously approved for an Annual Bid Discount by the Office of Equity and Engagement, you must note this on the Contractor's Worksheet and return with the bid documents.

The following chart summarizes each activity eligible for bid discounts along with what forms and documentation must be submitted, to whom they are to be submitted and the time frame in which they must be submitted. Additional information about each bid discount activity follows on the next page.

SUMMARY OF BID DISCOUNTS

Bid Discount Activity	Annual Bid Discount Request	Bid Application Required w/Documentation
Local Workforce	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation.	Attach EEO 201 and employment verification
Subcontractor Participation	Submit to Engineering Dept. with bid documents	Complete subcontractor Affidavit
Growth Market Subcontractor Participation	Submit to Engineering Dept. with bid documents	Complete subcontractor Affidavit
Joint Venture	Submit to Engineering Dept. with bid documents	Must be pre-qualified with the Engineering Dept. as a Joint Venture prior to bid opening
Mentor Protégé	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation.	Copy of Mentor Protégé Agreement (See EBO Construction Policy and Guidelines)
Private Sector Utilization	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Certified MLBE firm names, project names, owner contact information, actual payment disbursement amount and dates, and the total company revenue for calendar year.
Veteran Owned Small Business (VOSB)	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation.	Attach evidence of registration with the Central Contractors Registry (CCR) as a veteran and small business.
Employee- Owned Business (EOB)	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation.	Attach evidence of certification with approved third-party organization as an employee-owned business. (See EBO Construction Policy and Guidelines)
Construction Workforce Development	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Employee work verification and program verification
Registered Apprenticeship	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Copy of Apprentice Certification from State of Michigan Department of Labor or Industry Recognized credential.
Family Friendly Policies	Submit to Equal Opportunity Dept. fifteen (15) calendar days prior to bid opening with required documentation	Attach evidence of official recognition of a practice or policy by a federal, state, or local organization
School-To-Registered Apprenticeship Program	Submit to Office of Equity and Engagement. fifteen (15) calendar days prior to bid opening with required documentation	Attach evidence of participation with (a) student who lives in the City of Grand Rapids, and (b) attends a Grand Rapids high school or Grand Rapids Public School's GED Testing program for the entire period of training and (c) student earn(s) a Certificate of Completion from KISD.
Other innovative program or practice (Engaged and Connected Community)	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Complete form and attach documentation of other innovative programs or practices to be reviewed by the Office of Equity and Engagement Staff.
Adopt-A-Stream Program	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Attach proof of active annual participation with West Michigan Environmental Action Council
Urban and Community Forestry	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Attach proof of active annual participation with Friends of Grand Rapids Parks.
Other innovative program or practice (Clean Environment)	Submit to Office of Equity and Engagement fifteen (15) calendar days prior to bid opening with required documentation	Complete form and attach documentation of other innovative programs or practice to be reviewed by the Office of Equity and Engagement and Office of Sustainability Staff.

BID DISCOUNT DETAIL

Social Equity: The City will give up to 2% bid discounts to contractors showing that they currently employ City of Grand Rapids residents (lives within the City limits) as part of their permanent workforce.

Local Workforce: The City will give up to a 2% bid discount to businesses showing that they currently employ City of Grand Rapids residents (living within the City limits) as part of their permanent workforce. Such commitment must be evidenced in the business's permanent labor force as follows:

- **Grand Rapids Resident:** A business whose labor force is comprised of **24%** or higher Grand Rapids residents shall be eligible to receive a 1% bid discount.
- **Neighborhood of Focus (NOF) Resident:** A business whose labor force is comprised of **24%** or higher Grand Rapids residents and at least **50%** of those Grand Rapids residents reside in the City's Neighborhood of Focus (NOF) shall be eligible to receive an additional 1% bid discount.

Submit Annual Bid Discount Request and EEO 201 form with all supporting documentation to the Office of Equity and Engagement at least fifteen (15) days prior to the bid opening date.

Prosperous Economy: Bid Discount will be applied to those businesses that support activities that improve the business environment and encourage business development in the area of mentor protégé and private sector utilization:

Subcontractor Participation: Bids will be discounted when utilization of certified Micro Local Business Enterprise (MLBE) subcontractor participation is achieved by the contractor. **Provide this information with the bid response for each bid to the Engineering Department. The following schedule will be used to determine the discounted bid amount:**

Certified MLBE Subcontractor Participation	Discount Percentage
1.0 – 2.5%	2.0%
2.51 – 5.0%	2.5%
5.01 – 7.5%	3.0%
7.51 – 10.0%	3.5%
10.01- 12.5%	5.0%
12.51- 15.0%	6.0%
15.01–17.5%	7.0%
17.51- 20.0%	8.50%
20.01% +	10.0%

Growth Market Subcontractor Participation: Bids will be discounted when utilization of certified MLBE subcontractor categorized as “Growth Market Subcontractor” participation is achieved by the contractor. **Provide this information with the bid response for each bid to the Engineering Department. The following schedule will be used to determine the discounted bid amount:**

Certified MLBE Growth Market Subcontractor Participation	Discount Percentage
\$25,000 to \$75,000	4%
\$75,001 to \$150,000	7%
\$150,001 to \$250,000	10%

Joint Venture: When at least one of the joint venture partners is an MLBE Contractor or Subcontractor, the City will apply a 10% discount. **Submit the Joint Venture's Articles of Incorporation with the bid response for each bid to the Engineering Department.**

Mentor Protégé Program: The City will apply a bid discount of 4% to an approved mentor protégé program that facilitates the business development of a small and emerging firm at complex skill and responsibility levels. Participating mentor protégé programs must be approved as meeting the following requirements:

Eligibility Requirements

A written agreement signed by both Mentor and Protégé organizations. The agreement must be a minimum of 12 months in total or aggregate. The agreement must have been in effect for at least six (6) months before eligible for bid discounts. Reporting requirements should be included.

Mentor Firms: Mentor firms shall be well established and experienced enough to provide developmental assistance. A mentor firm must have construction persons with sufficient knowledge and experience to help the protégé firm set improvement goals and set and meet deadlines. Mentor firms must be pre-qualified with the Engineering Department. A mentor firm may have multiple protégé firms provided the mentor has the capacity to maintain the scope of activities agreed upon in the signed mentor protégé agreement.

Protégé Firms: Firms eligible to participate as a protégé must be pre-qualified by the Engineering Department as a small and emerging business. The Office of Equity and Engagement will maintain a list of protégé firms. Protégé firms can have multiple mentors so long as a Mentor-Protégé agreement is not a duplication of the assistance provided by another Mentor-Protégé agreement.

Scope: The City of Grand Rapids encourages and supports mentor protégé programs that provide a broad array of services and resources to facilitate the growth and development of small and emerging firms. The scope of services that can be provided by a mentor firm should include but not be limited to:

- Management guidance in finance, organization, and workforce development,
- Technical or engineering assistance,
- Marketing, networking, and public relations assistance, and
- Free or reduced cost for use of facilities and/or equipment.
- Mentor personnel may be temporarily assigned to the protégé firm for training purposes only.

Submit Annual Bid Discount Request form and a completed copy of mentor protégé agreement to the Office of Equity and Engagement at least fifteen (15) calendar days prior to the bid opening date.

Private Sector Utilization: Prime contractors utilizing certified MLBE subcontractors, pursuant to the City's Equal Business Opportunity-Certification Policy, on non-City of Grand Rapids projects for work completed during the previous twelve (12) month period ending December 31st may be eligible for a bid discount based on the following schedule. **Submit documentation that includes the following information: Certified MLBE firm names, project name, actual payment disbursement amount and dates, and the total company revenue for calendar year.**

Private Sector MLBE Participation	Discount Percentage
5.0 – 10.0%	1.0%
10.01 – 15.0%	2.0%
15.01% +	2.5%

Veteran Owned Small Business (VOSB): A bid discount of 1% will be applied to contractors that show evidence of registration with the Small Business Administration (SBA) as a veteran and small business. **Submit Annual Bid Discount Request Form and along with supporting documentation to the Office of Equity and Engagement at least fifteen (15) calendar days prior to the bid opening date.**

Employee-Owned Business (EOB): A bid discount up to 2% will be applied to contractors that show evidence of certification as an employee-owned business from a recognized third-party organization such as Certified Employee-Owned (Certified EO) or National Center for Employee Ownership (NCEO), and meeting all applicable City vendor requirements. Companies receive a 1% discount if headquartered in the State of Michigan, and an additional 1% discount if headquartered in Kent County, Michigan. **Submit Annual Bid Discount Request Form and along with supporting documentation to the Office of Equity and Engagement at least fifteen (15) calendar days prior to the bid opening date.**

Construction Workforce Development: Construction businesses may be eligible from 1-to-3 bid discount points if they provide employment opportunities for entry-level positions or higher for graduates of designated construction entry programs. One of the points is earned from Grand Rapids residency of hire. See contact information of designated programs on Office of Equity and Engagement Supplier Diversity website.

Registered Apprenticeship- The City will give up to 3% bid discount to a company participating or employing an employee in a Registered Apprenticeship program approved by the Department of Labor's Office of Apprenticeship for the State of Michigan can achieve 1-3 bid discount points, if they employ an Apprentice who received an industry recognized credential ("Completion of Registered Apprenticeship" certificate) that is portable and certifies occupational proficiency.

Enriched Lives: Bid Discounts will be applied to contractors that can show evidence of community partnerships that enrich the lives of the citizens of Grand Rapids through any of the activities listed below during the previous twelve (12) month period ending December 31st. **Submit Annual Bid Discount Request Form and supporting documentation to the Office of Equity and Engagement at least fifteen (15) calendar days prior to the bid opening date.**

Family Friendly Policies: Evidence of official recognition of a practice or policy by a federal, state or local organization as being family friendly.

School-To-Registered Apprenticeship (STRA) Program: with Kent Intermediate School District (KISD): Evidence of participation with (a) a student who lives in the City of Grand Rapids, (b) attends a Grand Rapids high school or Grand Rapids Public School's GED Testing program for the entire period of training, and (c) student earns a Certificate of Completion from KISD, will be eligible for a 1% bid discount. Multiple participation (three or more) with students meeting the requirements in (a), (b) and (c) will be eligible for a 2% bid discount.

Other Innovative programs and practices: Evidence of activities done in partnership with Grand Rapids Public Schools, Grand Rapids non-public schools or with area colleges and universities such as job training programs, job re-entry programs, apprenticeship programs, mentorship and internship programs that provide evidence of positive impact on the objectives of the City's Strategic Plan may be considered for bid discounts. Notwithstanding the above-mentioned examples, other innovative programs and practices may be considered.

Clean Environment: Bid Discounts will be applied to contractors that can show evidence of protecting the environment through any of the activities listed below during the previous twelve (12) month period ending December 31st.

Adopt-A-Stream program: A bid discount of 1% will be applied to those businesses that show proof of

active annual participation with the West Michigan Environmental Action Council in a full season of cleaning, monitoring, and restoring streams within the City of Grand Rapids. Submit Annual Bid Discount Request Form with all supporting documentation to the Office of Equity and Engagement.

Urban and Community Forestry Program: A bid discount of 1% will be applied to those businesses that show proof of active participation with the Friends of Grand Rapids Parks Urban Tree planting program (or other and/or successor program) in any of the Neighborhoods of Focus within the City of Grand Rapids. Must be submitted to the Office of Equity and Engagement prior to approval of a bid discount.

Other innovative programs and practices: Programs that further the environmental goals of the City's Strategic Plan. Submit Annual Bid Discount Request Form and Other Innovative Program or Practice Form must be submitted to the Office of Sustainability for review and approval by the Office of Equity and Engagements. Examples of other innovative programs include but are not limited to: supporting alternative modes of transportation for employees, using all-electric or non-motorized equipment, waste reduction – composting and recycling, inclusion of green building practices.

Use this form to document all relevant activities in which your firm participated during the previous calendar year (January 1 – December 31). All discounts accrued up to 5% (Outside of Mentor Protégé) will be applied to qualified projects bid during the current calendar year. Form and required documentation must be submitted to the Office of Equity and Engagement a minimum of 15 working days prior to the bid opening date.

Name of Company: _____ Contact: _____

Address: _____ City/State: _____ Zip: _____

Phone: (____) _____ Fax: (____) _____ E-Mail: _____ Federal ID # _____

Name of Bid: _____ Bid Date: _____

1. Type of discount you are applying for (check all that apply):

☐ **Local Workforce** (1-2% bid discount)

Attach a copy of the EEO 201 form (Verification of workforce info will be required)

☐ **Construction Workforce Development** (1-3% bid discount)

Verification employment for graduates from designated construction entry programs (1-2), additional point for GR residency.

☐ **Registered Apprenticeship** (1-3% bid discount)

Copy of Apprentice Certification from State of Michigan Department of Labor or Industry Recognized credential. (1-2), additional point for GR residency.

☐ **Mentor Protégé** (4% bid discount) (Eligible to above 5% threshold)

Attach copy of Mentor Protégé Agreement

☐ **Private Sector Utilization** (1-2% bid discount)

Attach documentation that includes the following information: Certified MLBE firm names, project names, actual payment disbursement amounts and dates, and the total company revenue for calendar year.

☐ **Veteran Owned Small Business (VOSB)** (1% bid discount)

Attach evidence of registration with the SBA as a veteran and small business

☐ **Employee-Owned Business** (1-2% bid discount)

Attach evidence of certification with Certified EO or NCEO as an employee-owned business.

☐ **Family Friendly Policies** (1% bid discount)

Attach evidence of official recognition of a practice or policy by a federal, state, or local organization as being family friendly.

☐ **School-To-Registered Apprenticeship (STRA) Program** (1-2% bid discount) Attach

evidence of participation as listed in EBO-Construction Guidelines.

☐ **Other innovative program or practice** (1% bid discount)-Submit Other Innovative Program or Practice Form and attach additional relevant information or substantiation for review and consideration by Office of Equity and Engagement.

☐ **Adopt-A-Stream Program** (1% bid discount)

Attach proof of active annual participation with West Michigan Environmental Action Council in a full season of cleaning up, monitoring, and restoring rivers or streams within the City of Grand Rapids.

☐ **Urban and Community Forestry Program** (1% bid discount)

Attach proof of active annual participation with Friends of Grand Rapids Parks in any of the Neighborhoods of Focus within the City of Grand Rapids.

☐ **Other innovative program or practice** (1% or more bid discount)-Submit Other Innovative Program or Practice Form and attach additional relevant information or substantiation for review and consideration by the Office of Sustainability and approval by the Office of Equity & Engagement)

may be requested for each discount.

Additional information

Authorized Signature – must be the owner or chief executive officer of the above listed company.

Signature

Title

Date

Email or Mail to Office of Equity and Engagement, 300 Monroe NW Suite 840, Grand Rapids, MI 49503, or FAX to 616-456-3152.

City of Grand
Rapids, Michigan

Equal Business Opportunity-
Construction

EEO 201

(Please complete all sections of this form to ensure compliance.)

Company Name:								Federal Taxpayer ID:							
Address:															
Phone Number:				Fax Number:				Type of Service Provided:							
General Manager: Phone:								EEO Officer: Phone:							
Relative MSA:								Are You Applying for a Tax Abatement? YES or NO (Circle)							
Current Permanent Workforce															
EEO JOB CATEGORY	Total	WM	WF	BM	BF	HM	HF	AM	AF	NAM	NAF	M/O M	M/O F	NB	
Officials/Managers															
Professionals															
Technicians															
Sales Workers															
Administrative Support															
Craft Workers															
Operatives (Semi-Skilled)															
Laborers (Unskilled)															
Service Workers															
Total Workforce															

Employees who are City of Grand Rapids Residents

Number

Percentage Of total workforce

Employees who are City of Grand Rapids Residents AND who are NOF Residents

Number

Percentage Of City residents

Veteran Employees

Number

Percentage Of total workforce

Disabled Employees

Number

Percentage Of total workforce

WM = White or Caucasian Male
WF = White or Caucasian Female
BM = Black or African American Male
BF = Black or African American Female
NB= Non-Binary

HM = Hispanic Male
HF = Hispanic Female
AM = Asian Male
AF = Asian Female

NAM = Native American or American Indian Male
NAF = Native American or American Indian Female
M/O M = Multi Racial & Other Race Male
M/O F = Multi Racial & Other Race Female

Other Innovative Program or Practice Bid Discount Request Form

If you are requesting a bid discount in the area of Other Innovative Program or Practice for Enriched Lives or Clean Environment complete and attach your Annual Bid Discount Request Form.

1. Name of Company: _____ Contact: _____
Address: _____ City/State: _____ Zip: _____
Phone: (____) _____ Fax: (____) _____ E-Mail: _____ Federal ID # _____

2. Type of Other innovative program or practice bid discount you are applying for (check all that apply):

☐ Enriched Lives

☐ Clean Environment

Answer the following questions:

3. What is the direct impact on the City of Grand Rapids?

4. Did the program take place in the previous twelve (12) month period ending Dec 31? ☐ No ☐ Yes, date (s) _____

5. How does this program or practice further the goals of the City's Mission Statement and Sustainability Plan in the area of Enriched Lives or Clean Environment?

6. What is the benefit to the local citizens of Grand Rapids?

7. What was the level of employee participation by company?

8. Is the program or practice verifiable by a third party? ☐ No ☐ Yes, name and contact information

Name _____	Title _____
Organization _____	Telephone _____
Address _____	City, St. Zip _____

9. Is this a personal or a company wide initiative?

10. You may attach additional relevant information for consideration.

CONSTRUCTION WORKFORCE PROGRAM CONTACTS

YOUTHBUILD

Joe Van Engen, joevanengen@bethany.org

Todd Peuler, toddpeuler@bethany.org

GR Center for Community Transformation

901 Eastern Ave NE

Grand Rapids, MI 49503

(800) 238-4269

616.710.2279 (Todd)

Innovation Central Academy for Design & Construction

[Derrick Martin](#), Principal

421 Fountain St, NE

Grand Rapids, MI 49503

p.616-819-2310 f.616-819-2369

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West Michigan Construction Institute

Jen Schottke

Director, Workforce Development & External Affairs

Associated Builders & Contractors – Western MI Chapter

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CARPENTRY – CAREER TRAINING

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Grand Rapids, MI 49507

Tel: (616) 243-6877

Fax: (616) 243-4012

<http://geraldrford.jobcorps.gov>

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David Bult

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