

A scenic view of a waterfall in Grand Rapids, Michigan. In the foreground, a large, weathered log lies horizontally across the top of the waterfall. The water is cascading over the log and into a pool below. In the background, a large, multi-story brick building with many windows and balconies stands prominently. To the left, a blue metal bridge structure is visible. The sky is a mix of blue and orange, suggesting a sunset or sunrise. The overall scene is peaceful and urban.

Grand Rapids Hyper-Local Purchasing Program

July 2020 – December 2020

PURPOSE OF THE PILOT

The Hyper-Local Purchasing Program is designed to complement the Equal Business Opportunity (EBO) – Goods and Services Program for purchases greater than \$10,000. This program provides enhanced bid discounts as part of our economic recovery initiatives to encourage and provide benefit to firms and vendors using the following bid discounts:

- Area Regional Bid Discounts (increased from maximum of 2% to 5%)
Automatically applied to all bids
- General Target Area/Neighborhoods of Focus Bid Discount
(Increased from 5% to 7%)
- Micro Local Business Enterprise (MLBE) Bid Discount (increased from 3% to 9%)

In addition to the bid discounts, it was also a goal to increase the number of MLBEs registered in CGI



Area/Regional Bid Discount Impact

- Pre-Covid the Area/Regional bid discount was only applied to the top 2 bidders. We expanded this discount to all bids during the pilot in efforts to create more local opportunity for City of Grand Rapids, Kent County, and State of Michigan companies

Bid Awards by Location

	Number	Dollar Value	% Total
City of Grand Rapids	33	\$ 5,702,672.99	42.4%
Kent County	16	\$ 1,700,922.06	12.7%
State of Michigan	20	\$ 3,866,237.06	28.8%
Outside of Michigan	33	\$ 2,164,660.23	16.1%
Total	102	\$ 13,434,492.34	100.0%

Spend by Business Type

Dollars and % Spent with MLBE's

\$142,600.08 (1.06%)

Dollars and % Spent with Minority Business Enterprises (MBEs)

\$107,600.08 (0.80%)

Dollars and % Spent with Women Business Enterprises (WBE's)

\$168,047.15 (1.25%)

Quick Note: 29 Bids equaling \$3,251,857.76 (24.2%) were OEM bid opportunities that were either single or sole source providers.

New MLBE's Registered during Pilot period.

MLBE's Registered	22
MBE's Registered	13
WBE's Registered	7

We continued to work hard to recruit diverse MLBEs for greater utilization during this pilot period and beyond.

Next Steps



City Manager Extends the pilot program through the end of Fiscal Year 2021



Create an automated system for monthly data reporting



Create additional and ongoing training for departments to identify vendors and search for MBEs, WBEs, and MLBEs



Continuing to reach out to vendors who meet the Micro-Local Purchasing Program eligibility



Enhance the CGI system to better identify MBEs, WBEs, and MLBEs



Create a workshop for vendor education on how to best represent your business, identify commodity codes, and navigate the City's system



Create a vendor space to provide technical assistance for vendors to register



THANK YOU! | QUESTIONS?