



BID DISCOUNTS:

FINANCIAL INCENTIVES FOR BIDDERS

Equal Business Opportunity Policy and Guidelines 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 that complement the City's Strategic Plan.

The financial incentives or "Bid Discounts" range between 1% and 5%. 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 contract award. For example, a \$100,000 bid with a 5% bid discount would be evaluated at \$95,000. However, \$100,000 would be paid if they were the successful bidder.

Bid discounts apply to all bids estimated at \$2,500 or more that are bid by the Purchasing Department. Bid discounts may be used in any combination not to exceed 5% or \$25,000, whichever is lower.

For additional information about the Equal Business Opportunity - Goods and Services Policy and Administrative Guidelines, including the Bid Discount Program please visit the City's website or contact the Office of Equity and Engagement at (616) 456-3027.

OBTAINING BID DISCOUNTS

If you have been previously approved for an Annual Bid Discount by the Office of Equity and Engagement, you must note this on the Declaration of Bid Discounts form [BD Form-1] and return it with the bid documents.

The following table summarizes each activity eligible for bid discounts along with forms and documentation that must be submitted, to whom they are to be submitted and the time frame in which they must be submitted. See section titled, Bid Discount Detail for additional information about each bid discount.

SUMMARY OF BID DISCOUNTS

If you do not have a bid discount, you must submit [BD Form-3] prior to the bid date. **All bid discounts must be submitted for consideration seven (7) days prior to bid opening, with the exception of 'Other Innovative Programs or Practices'.**

Name of Bid Discount	Forms	Required Documentation
Second Tier Utilization	None Required	Second Tier MLBE Utilization (BD Form-2A) Second Tier MLBE Affidavit (BD Form-2B)
Joint Venture	None Required	Joint Venture Articles of Incorporation
Local Workforce	Annual Bid Discount Request [BD Form-3]	Attach EEO 201 (BD Form-4)
		Request bid discount
MLBE	Annual Bid Discount Request [BD Form 3]	Must be certified with the City of Grand Rapids
Income Tax Incentive	Annual Bid Discount Request [BD Form 3]	Income Tax Incentive Information Release (BD Form-5)
General Target Area (GTA)	Annual Bid Discount Request [BD Form 3]	Substantiate that principle place of business has been located in the GTA for at least six (6) months or more (Example: copy of current utility bill and one dated six (6) months prior).
Veteran Owned Small Business	Annual Bid Discount Request [BD Form 3]	Complete Business Size Worksheet form [BD FORM-7] and attach evidence of registration with the System for Award Management (SAM) as a veteran and small business.
Regional	None Required*	See Purchasing documents.
GRPS/Schools of Hope	Annual Bid Discount Request [BD Form 3]	Attach evidence of participating by at least 10% of firm's permanent workforce
Institutes for Healing Racism	Annual Bid Discount Request [BD Form 3]	Attach evidence of completion of an institute by at least 10% of firm's permanent workforce.
Family Friendly Policies	Annual Bid Discount Request [BD Form 3]	Attach evidence of official recognition of a practice or policy by a federal, state or local organization.
Adopt-A-Stream Program	Annual Bid Discount Request [BD Form 3]	Attach proof of active annual participation with West Michigan Environmental Action Council.
Other Innovative Programs or Practices	Annual Bid Discount Request [BD Form-3]	Complete Other Innovative Program or Practice [BD Form-6] and attach documentation of other innovative programs or practices to be reviewed and approved by the Community Relations Commission prior submission of bid documents.

*See page 4 for additional details

Social Equity: Bid Discounts will be applied to businesses who participate in the activities listed below.

Local Workforce: The City will give up to 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.
- General Target Area (GTA) 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 General Target Area (GTA) shall be eligible to receive an additional 1% bid discount.

Submit Annual Bid Discount Request Form [BD Form-3] and [BD Form-4] with all supporting documentation to the Office of Equity and Engagement at least seven (7) days prior to the bid opening date and the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.

Prosperous Economy: Bid Discounts will be applied to businesses who participate in the activities listed below.

- Micro-Local Business Enterprise (MLBE): The City of Grand Rapids will give a 3% bid discount to businesses designated by the City of Grand Rapids as a MLBE. Submit Annual Bid Discount Request Form [BD Form-3] with all supporting documentation to the Office of Equity and Engagement at least seven (7) days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- Second Tier Utilization: Bids will be discounted when utilization of certified MLBE second tier sources are voluntarily obtained by a bidder. Submit the completed Declaration of Bid Discounts form [BD Form-1], Second Tier MLBE Utilization form [BD Form-2A] and Second Tier MLBE Utilization Affidavit form [BD Form-2B] with the bid response for each bid to the Purchasing Department. The following schedule will be used to determine the discounted bid amount:

Certified MLBE Second Tier Utilization	Discount Percentage
5.00 - 10.0%	1.0%
10.01 - 15.0%	2.0%
15.01 - 20.0%	3.0%
20.01 - 25.0%	4.0%
25.01% +	5.0%

- Joint Venture: When at least one of the joint venture partners is a MLBE, the City will apply a 5% discount. Submit the Declaration of Bid Discounts form [BD Form-1], and the Joint Venture's Articles of Incorporation with the bid response for each bid to the Purchasing Department.
- Income Tax Incentive: A bid discount of 1% will be applied to those businesses that support the City of Grand Rapids economic base through City income tax revenues. Submit Annual Bid Discount Request form [BD Form-3] and completed Income Tax Incentive Information Release form [BD Form-5] to the Office of Equity and Engagement at least seven (7) calendar days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- General Target Area: Bid discounts will be applied to businesses located in the City's General Target Area {GTA} [see enclosed GTA map]. Submit Annual Bid Discount Request form [BD Form-3] and supporting documentation to the Office of Equity and Engagement at least seven (7) calendar days prior to the bid opening date and submit

the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response. The following schedule will be used to determine the discounted bid amount:

Total Bid Amount	Discount Percentage
\$2,500 - \$50,000	5.0%
\$50,001 - \$100,000	4.0%
\$100,001 - \$200,000	3.0%
\$200,001 - \$500,000	2.0%
\$500,000 +	1.0%

- Veteran Owned Small Business (VOSB): A bid discount of 1% will be applied to those businesses that show evidence registration with the Central Contractors Registry (CCR) as a veteran and small business. Submit Annual Bid Discount Request form [BD Form-3] and [BD Form-7] along with supporting documentation to the Office of Equity and Engagement at least seven (7) calendar days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- Regional: A bid discount may be applied when purchasing bids are over \$10,000, subject to City Commission approval, within 2% of the lowest bid. The submittal of a request form is not required. If the conditions are met the discount will automatically be applied. Bid discounts are applied to bids based on the primary business location within one of the following regional boundaries:

Region	Bid Discount
City of Grand Rapids, MI	2.0%
Kent County, MI	1.5%
State of Michigan	1.0%

The above bid discounts are added to any other bid discounts earned by the vendors, not to exceed 5%.

Enriched Lives: Bid Discounts will be applied to businesses 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 June 30th.

- Grand Rapids Public Schools/Schools of Hope: Provide letter of completion of the Schools of Hope Reading Program. For more information visit grandrapidsdreams.org/schools-of-hope/. Submit Annual Bid Discount Request Form [BD Form-3] with all supporting documentation to the Office of Equity and Engagement at least seven (7) days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- Institute for the Healing of Racism: A bid discount of 1% will be applied to those businesses that show evidence of completion of an institute by at least 10% of a firm's permanent workforce. Submit Annual Bid Discount Request Form [BD Form-3] with all supporting documentation to the Office of Equity and Engagement at least seven (7) days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- Family Friendly Policies: A bid discount of 1% will be applied to those businesses that show evidence of official recognition of a practice or policy by a federal, state or local organization as being family friendly. Submit Annual Bid Discount Request Form [BD Form-3] with all supporting documentation to the Office of Equity and Engagement at least seven (7) days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- Other innovative programs and practices: A bid discount of 1% will be applied to those businesses that show 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, mentorships and internship programs that provide evidence of positive impact on the objectives of the City Commission Sustainability Plan may be considered for bid discount. Notwithstanding the

above mentioned examples, other innovative programs and practices may be considered. Submit Annual Bid Discount Request Form [BD Form-3] and Other Innovative Program or Practice [BD Form-6] with all supporting documentation to the Office of Equity and Engagement . This discount must be approved by the Community Relations Commission (CRC) prior to submission with bid response to the Purchasing Department.

Clean Environment: Bid Discounts will be applied to businesses that can show evidence of protecting the environment through any of the activities listed below during the previous twelve (12) month period ending June 30.

- 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 [BD Form-3] with all supporting documentation to the Office of Equity and Engagement at least seven (7) days prior to the bid opening date and submit the Declaration of Bid Discounts form [BD Form-1] to the Purchasing Department with the bid response.
- Other innovative programs and practices: Programs that further the environmental goals of the City Commission Sustainability Plan. Submit Annual Bid Discount Request Form [BD Form-3] and Other Innovative Program or Practice [BD Form-6] with all supporting documentation to the Office of Equity and Engagement to be reviewed and approved by the Community Relations Commission (CRC). This discount must be approved by the Community Relations Commission (CRC) prior to submission on the Declaration of Bid Discounts form [BD Form-1] with bid response to the Purchasing Department.

DECLARATION OF BID DISCOUNTS [BD FORM-1]

Complete this form to declare each bid discount you want to use on this bid, pending verification and approval of all required documentation. Submit with your company's bid response to the City of Grand Rapids Purchasing Department, 300 Monroe NW Rm 720, Grand Rapids, MI 49503.

Company Name: _____ Bid Reference Number: _____ Bid Opening Date: _____

List all Bid Discounts that you have met the requirements for approvals and wish to declare:	
Bid Discounts	Bid Discount Percentage (%)
Second Tier Utilization • Second Tier MLBE Utilization Form • Second Tier MLBE Utilization Affidavit (if selected)	_____ %
Joint Venture Joint Venture's Articles of Incorporation	_____ %
List all Annual Bid Discounts the Office of Equity and Engagement has previously approved or those pending approval below:	
Annual Bid Discounts	Bid Discount Percentage (%)
Local Workforce	_____ %
Income Tax Incentive	_____ %
Micro-Local Business Enterprise (MLBE)	_____ %
General Target Area (GTA)	_____ %
Veteran Owned Small Business (VOSB)	_____ %
GRPS/Schools of Hope	_____ %
Institute for Healing Racism	_____ %
Family Friendly Policies	_____ %
Adopt-A-Stream Program	_____ %
Other Innovative Programs or Practices	_____ %

The Annual Bid Discount Request form [BD Form-3] and relevant documentation shall be submitted to the Office of Equity and Engagement (see Summary of Bid Discount for detail). Annual Bid Discounts approved by the Office of Equity and Engagement shall remain in effect through June 30 following the effective date. *Note: Bid discounts may be used in any combination not to exceed 5% or \$25,000, whichever is lower.

SECOND TIER MLBE UTILIZATION [BD FORM-2A]

Company Name: _____ Address: _____

City: _____ State: _____ Zip: _____ Phone: _____ Fax: _____

Identify all certified MLBE Second Tier Vendors that you will be using in the performance of this contract. Affidavits of utilized second tier contractors must be included with bid response.

Name of Second Tier MLBE Vendor	Federal ID #	Work to be Performed	Dollar Amount of Second Tier Micro-LBE	Percentage (%) of Total

Utilization

Bid Discount

TOTAL MLBE UTILIZATION: _____% _____%

_____ Signature

The Bidder shall utilize the subcontractors listed on this form unless changes are approved by Purchasing and Office of Equity and Engagement.

ANNUAL BID DISCOUNT REQUEST [BD FORM-3]

Directions: Return this form and the required documentation to the Office of Equity and Engagement at least seven (7) calendar days prior to the bid opening, 300 Monroe NW Suite 840, Grand Rapids, MI 49503 or FAX to (616) 456-3520. If you have any questions regarding the Equal Business Opportunity - Goods & Services Guidelines or Bid Discounts contact the Office of Equity and Engagement at 456-3027. Please note that additional information may be requested by the Office of Equity and Engagement.

Use this form to document all activities in which your firm participated during the previous calendar year (Jan. 1 – Dec. 31). All Bid Discounts accrued up to 5% will be applied to all projects bid during the current fiscal year (July 1 – June 30).

Name of Company: _____ Contact: _____

Address: _____ City/State: _____ Zip: _____

Phone: (____) _____ Fax (____) _____ Email: _____ Federal ID# _____

Type of discount you are applying for {check all that apply):

- Local Workforce (1-2% bid discount)
 - Attach a copy of EEO 201 [BD Form-4]
- Micro-Local Business Enterprise (MLBE) (3% bid discount)
 - Complete MLBE certification application.
- Income Tax Incentive (1% bid discount)
 - Attach Income Tax Incentive Information Release form [BD Form-5]
- Veteran Owned Small Business (VOSB) (1% bid discount)
 - Attach evidence of registration with the System for Award Management (SAM) as a veteran and small business
 - Complete and attach [BD Form-7] Business Size Worksheet
- General Target Area (GTA) (1% bid discount)
 - Substantiate that principle place of business has been located in the GTA for at least six (6) months or more. (Example: copy of current utility bill and one dated six (6) months prior). See General Target Area Map on page 14.
- GRPS/Schools of Hope (1% bid discount)
 - Attach a letter of completion of the Schools of Hope program.
- Institute for Healing Racism (1% bid discount) – See institutes for healing racism resources
 - Attach evidence of completion of an institute by at least 10% of firm’s permanent workforce.
- 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.
- Adopt-A-Stream Program (1% bid discount)
 - Attach proof of active annual participation with West Michigan Environmental Action Council.
- Other Innovative Programs or Practices (1% bid discount)
 - Submit Other Innovative Programs or Practices Form
 - Attach additional relevant information or substantiation for review and consideration by the Community Relations Commission.

Authorized Signature

Title

Date

Note: The Annual Bid Discount Request Form and relevant documentation must be submitted to the Office of Equity and Engagement prior to bid opening date. Annual Bid Discounts approved by the Office of Equity and Engagement shall remain in effect through June 30 following the effective date.

EEO 201-[BD FORM-4]

{Please complete all sections of this form to ensure compliance.}

Company Name: _____ Federal Taxpayer ID: _____

Address: _____ Phone Number: _____ Fax: _____

Type of Service Provided: _____ General Manager: Phone: _____

EEO Officer: Phone: _____ Relative MSA: _____

Are You Applying for a Tax Abatement: YES or NO (circle one)

Current Permanent Workforce													
EEO Job Category	Total	WM	WF	BM	BF	HM	HF	AM	AF	NAM	NAF	M/O M	M/O F
Officials/Manager													
Professionals													
Technicians													
Sales Workers													
Administrative Support													
Craft Workers													
Operatives (Semi-Skilled)													
Laborers (Unskilled)													
Service Workers													
Total Workforce													

WM = White/Caucasian Male HM = Hispanic Male NAM = Native American/American Indian Male
 WF = White/Caucasian Female HF = Hispanic Female NAF = Native American/American Indian Female
 BM = Black/African American Male AM = Asian Male M/O M – Multi Racial/Other Race Male
 BF = Black/African American Female AF = Asian Female M/O F = Multi Racial/Other Race Female

Workforce within Grand Rapids city limits _____
 Number % of total workforce

Employees who are City of Grand Rapids residents _____
 Number % of total workforce

Employees who are City of Grand Rapids residents
 AND who are GTA residents _____
 Number % of total workforce

Veteran employees _____
 Number % of total workforce

Disabled employees _____
 Number % of total workforce

INCOME TAX INCENTIVE INFORMATION RELEASE [BD FORM-5]

The Equal Business Opportunity-Goods & Services Guidelines requires that companies applying for the Income Tax Incentive must be in good standing with the City of Grand Rapids. This requires that the latest annual income tax return and all filings are current as of December 31st of the prior year. I, {Print Name} ,

authorize the City of Grand Rapids Treasurer's Department and the Income Tax Department to verify that

{Print Company Name}

{Federal Identification Number -FIN#} has filed its latest income tax return and is current in all other filings.

Authorized Signature _____ Title _____ Date _____

DO NOT WRITE BELOW THIS LINE -- FOR CITY USE ONLY

Treasurer's Department:

Are the Real estate or property taxes current as of December 31, 20 ?

YES NO

Public Accounts Collector

Date

Income Tax Department:

Are the Income taxes current as of December 31, 20 ?

YES NO

Income Tax Administrator

Date

This form must accompany the Annual Bid Discount Request form [BD Form-3].

OTHER INNOVATIVE PROGRAM OR PRACTICE [BD FORM-6]

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 Commission 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 companywide initiative?

10. You may attach additional relevant information for consideration.

BUSINESS SIZE WORKSHEET [BD FORM-7]

Complete this form if requesting a Veteran Owned Small Business bid discount.

BUSINESS SIZE:

A List your gross annual receipts and include copies of your financial statements for the past three (3) fiscal years. Divide total by 3 (number of years) to determine average; or enter the number of permanent employees.

B Provide your company's primary NAICS code. Go to www.ntis.gov/naics for a complete listing of the NAICS codes. Write in the revenue amount or number of employees that qualifies for "small business" status for that NAICS code as determined by the small business administration. Go to www.sba.gov/size/indextableofsize.html to find the revenue and employee size information.

C Enter one-fourth (25%) of the revenue amount or employee number from B. The amount or number in C must equal or exceed the average in A.

BUSINESS SIZE WORKSHEET

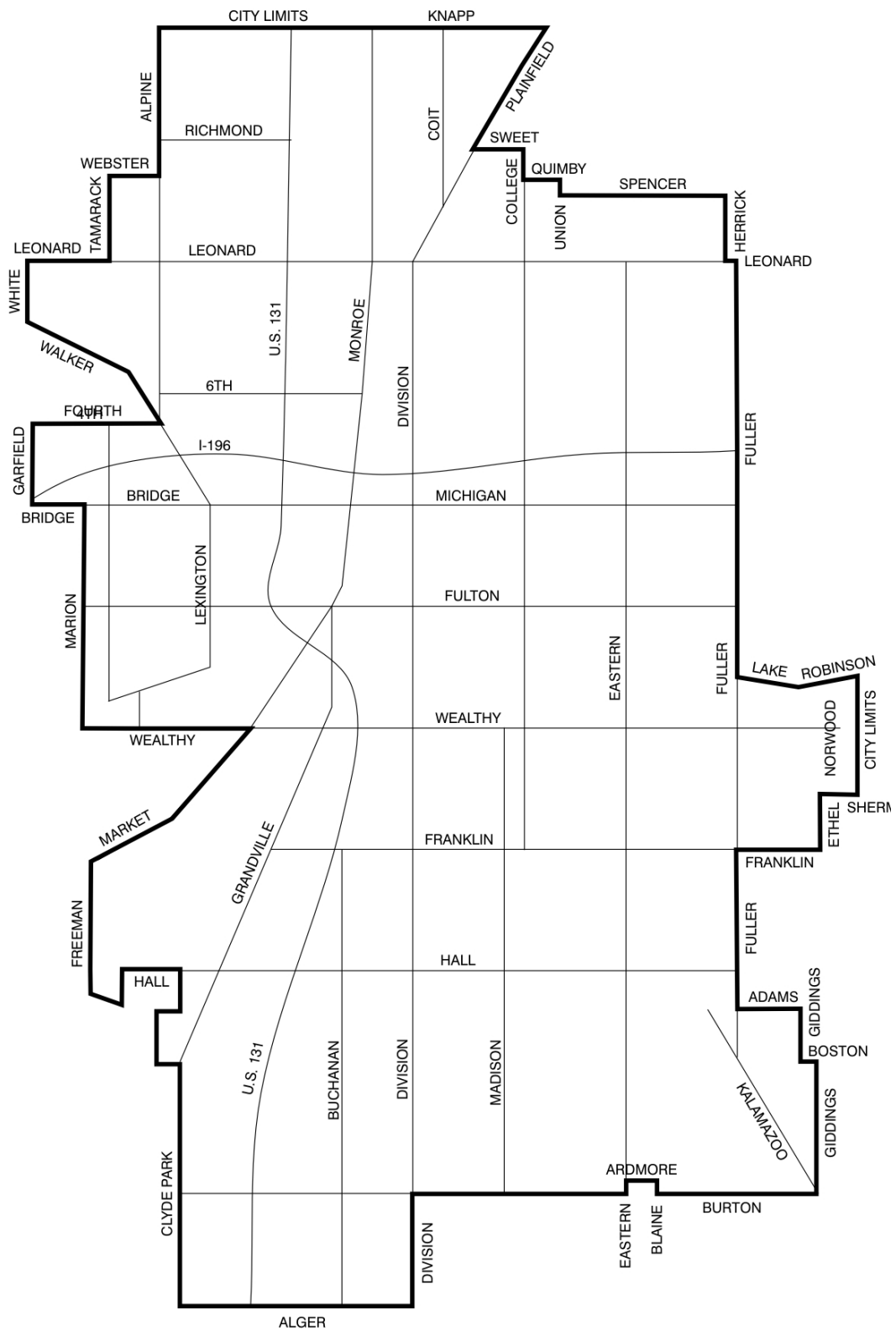
	YEAR	GROSS ANNUAL REVENUE	EMPLOYEES
	20	\$ -	
	20	\$ -	
	20	\$ -	
A	AVERAGE	\$ -	#

SBA SMALL BUSINESS STANDARD SIZE

	Primary NAICS Code	Revenue	Employees
B		\$	\$
C	<u>25% x B</u>	\$	\$

GENERAL TARGET AREA MAP BOUNDARIES

S



 **General Target Area**



GRAND RAPIDS PLANNING DEPARTMENT 2004