



**Water & Sewerage
Department**

PROCUREMENT POLICY REVISIONS

Administrative Policy 200-FIN

Scott MacGriff
Chief General Counsel
BOWC Legal Committee
May 6, 2026



OVERVIEW of PROPOSED REVISIONS

#1: Bid Protest Process (7.10)

#2: Equalization Credits (7.6)

#3: Joint Ventures (7.3.10)

#3: Non-Public Procurement Info (7.2.6 / 7.11)



7.10. Bid Protests

7.10.1. Eligibility to Protest Award. ~~A bidder/proposer who has submitted~~ Only an Interested Party may file a complete and timely response to a competitive protest. A protest of an award may not be based on the terms of the solicitation and is not recommended for award of a contract may protest the award of the contract; such concerns must have been raised prior to the applicable deadline date to submit a bid, proposal, response, or quote. Failure to raise such concerns prior to the Bid Protest Deadline shall constitute waiver.

7.10.1.1. Notice and Submission of Protest. ~~The bidder or proposer~~ Interested Party must ~~and~~ submit a written notice of protest to the Procurement Administrator within seven (7) calendar days of (i) issuance of the solicitation term(s) being protested, or (ii) the issuance of a notice of intent to award—(the “Bid Protest Deadline”).

7.10.1.1.1. The ~~written notice~~ protest shall reference the solicitation number, the specific provision(s), action(s), or omission(s) protested, the factual and legal grounds for the protest, and the basis for the protest. ~~Relief requested.~~

7.10.1.1.2. The protest must be accompanied by all information ~~and~~ evidence ~~then~~ available to the Interested Party that supports and is relevant to the grounds for the protest. The protest must be signed by an officer of the Protestor’s organization, and shall

Substantial Chance Standard means the Interested Party bears the burden to show—by clear and convincing evidence, and based on the written record submitted to DWSD—that but for the alleged procurement error, violation, or improper action, the Interested Party would have had a substantial likelihood of receiving the award. A protest shall not satisfy this standard where the alleged error, even if true, would not reasonably change the outcome of the procurement decision.

BID PROTEST PROCESS

- Defined “Interested Party”
- Required “substantial chance” of change in procurement outcome
- Reduces delay and focuses on substantial protests

*see redline for full details



7.6. Equalization Credits

7.6.1. Purpose. The purpose of equalization credits is to promote equitable access to DWSD procurement opportunities, increase participation by smaller and Detroit-based businesses, and ensure meaningful competition by discouraging structures that concentrate contract awards among a limited number of firms.

7.6.1-7.6.2. Eligibility. Equalization Credits ~~may~~shall be awarded to:

- Detroit Headquartered Business
- Detroit Based Business
- Detroit-based ~~Based~~ Small Business
- Detroit-based ~~Based~~ Micro Business ~~Concerns~~
- Detroit Resident Business
- Joint Venture
- Mentor Venture

7.6.2-7.6.3. Generally. To receive an equalization credit, the ~~vendor~~Contractor must submit current CRIO certification ~~from the City of Detroit Office of Civil Rights, Inclusion and Opportunity~~ at the time ~~vendor~~Contractor responds to a competitive solicitation and no later than the applicable deadline date to submit a bid, proposal, response, or quote.

7.6.3-7.6.4. Equalization Credits. For purposes of evaluating bids, proposals and responses, an equalization credit will be awarded to Certified Detroit Businesses that respond to a solicitation, as follows:

	Bids/Proposals >\$25,000, <\$1 million	Bids/Proposals ≥\$1 million
Detroit Headquartered Business (DHB)	2%	1%
Detroit Based Business (DBB)	1 2%	0.5 1%
Detroit Based Small Business (DBSB)	2 6%	1 3%
Detroit Based Micro Business (DBMB)	2 6%	1 3%
Detroit Resident Business (DRB)	3 2%	2 1%
Joint Venture	9 3%	6 1.5%
Mentor Venture	8 3%	1 .5%

7.6.4-7.6.5. Applying Equalization Credits

EQUALIZATION CREDITS

- Cumulative credits limited to **DBSB / DBMBC** only
- All others limited to single **highest credit**
- Maintains priority on accessibility for Detroit-based businesses

**see redline for full details*



JOINT VENTURES

7.3.10. Where a bidder/proposer is structured as a Joint Venture, and seeks to be evaluated or receive equalization credit as a Joint Venture, the bidder/proposer must be certified by CRIO at the time of bid or proposal submission. Joint Ventures that are not so certified shall not be considered Joint Ventures for purposes of evaluation and shall not be eligible for any equalization credit.

7.3.10.1. If certified, the bidder/proposer must then identify and represent to DWSD: (i) each Joint Venture partner; (ii) the specific scope of work to be performed by each Joint Venture partner; (iii) the percentage of

total contract work and responsibility allocated to each Joint Venture partner; and (iv) which Joint Venture partner will exercise day-to-day management and control of each portion of the work. Such information must be complete and final as submitted and shall not be subject to post-submission clarification that would materially alter the allocation of work, control, or responsibility.

7.3.10.2. Such representations shall be deemed material requirements of the bid or proposal and shall be integrated as a material provision into the contractual terms between DWSD and the Contractor should the Contractor be selected to provide the procurement.

7.3.10.3. Such representations must accurately reflect the actual allocation of work, control, staffing, and responsibility to be performed by each Joint Venture partner.

7.3.10.4. Each Joint Venture partner shall perform its identified portion of the work using its own employees, equipment, and supervision, and compensation to each partner shall correspond to the actual work performed.

7.3.10.5. Any material deviation from the Joint Venture structure, scope of work, or allocation of work, control, or compensation, without prior written approval from DWSD, may result in disqualification, termination for cause, withholding of payment, or other remedies

- Requires disclosure of **structure, control, and work share**
- JV terms treated as **material contract requirements**
- Closes prior structural loopholes



**see redline for full details*

7.2.6. Procurement Integrity. Contractors shall not obtain, attempt to obtain, or use any non-public procurement information. Such conduct shall be considered presumptively anti-competitive and a violation of this Policy. Any Contractor who comes into possession of such information shall refrain from use and immediately notify DWSD Procurement. Violation of this provision may result in disqualification, contract termination, suspension, debarment, or referral to the Office of Inspector General and / or law enforcement authorities. DWSD may presume prejudice and competitive harm from such conduct without requiring further proof.

7.11.3.6. Knowingly or willfully:

- a. Obtaining certification as a Certified Detroit Business or other certification for equalization credits in a fraudulent manner;
- b. Entering into a joint venture, mentor venture or subcontractor relationship with a business that has fraudulently obtained a Certified Detroit Business certification;
- c. Misrepresenting the nature and extent of participation in a contract by a member of a joint venture, mentor venture or subcontractor relationship, including but not necessarily limited to failure to perform in accordance with the represented allocation of work, responsibility, or compensation submitted in a bid or proposal, or structuring or administering a Joint Venture in a manner that results in a partner acting as a pass-through entity or failing to perform a commercially useful function; or
- d. Otherwise making false or misleading representations to DWSD as to the use or misuse of another business enterprise;
- e. Making any material misrepresentation of the composition of the ownership or work force of a business entity claiming Certified Detroit Business status.

7.11.3.7. Any other cause so serious and compelling as to affect responsibility as a contractor, including debarment or a finding of wrongdoing by another governmental entity or the City of Detroit Inspector General.

7.11.3.8. Obtaining, attempting to obtain, using, or failing to disclose improperly received non-public procurement information.

NON-PUBLIC PROCUREMENT INFORMATION

- Prohibits obtaining or using non-public information
- Establishes **clear consequences** for violations

**see redline for full details*



Q+A?





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