

**9971. RESOLUTION 09-25 – ADOPTS OFFICIAL DELAWARE RIVER AND BAY AUTHORITY SUPPLIER DIVERSITY POLICY AND SUPPLIER DIVERSITY PROGRAM STATEMENT**

WHEREAS, The Delaware River and Bay Authority (the “Authority”) is a bi-state Authority created by Compact for the purpose of owning, operating and controlling both Crossing and Non-Crossing facilities; and

WHEREAS, the Authority instituted a Disadvantaged Business Enterprise (“DBE”) Program Policy in 1996, as required by the Federal Aviation Administration (“FAA”) under Regulation 49 CFR Part 26, as a condition of accepting FAA funding for airport projects; and

WHEREAS, the Authority, as a matter of public policy, expanded its DBE Program by adopting a DBE program for all Authority-funded capital projects in excess of \$250,000; and

WHEREAS, the Authority, as a matter of public policy, invited members of the public to serve on a DBE task force to assist the Authority in identifying additional avenues to increase opportunities for certified disadvantaged, minority and women owned businesses to do business with the Authority; and

WHEREAS, the DBE task force reviewed current Authority procurement policies and presented the Authority with its recommendations to enhance opportunities for certified disadvantaged, minority and women owned businesses to do business with the Authority; and

WHEREAS, the Authority reviewed and evaluated the DBE task force recommendations and has created a Supplier Diversity Policy and Supplier Diversity Program Statement which the Authority believes incorporate procurement policies that best meet its public policy initiatives; and

WHEREAS, the Authority, as a matter of policy, desires to adopt such Supplier Diversity Policy and Supplier Diversity Program Statement to signify its commitment to and guide its activities in order to enhance opportunities for disadvantaged, minority and women owned businesses to do business with the Authority.

NOW, THEREFORE, BE IT RESOLVED, that the Authority adopts such Supplier Diversity Policy and Supplier Diversity Program Statement.

A motion to approve Resolution 09-25 was made by Commissioner Dorn, seconded by Commissioner Smith, and approved by a roll call vote of 9-0.

[Policy Attached]

## **DRBA Supplier Diversity Policy**

It is the policy of the Delaware River and Bay Authority (“Authority”) to encourage and afford opportunities to a diverse supplier base, while ensuring that the Authority receives the highest quality products and services at the most economical costs. The Authority has established a Supplier Diversity Program within the constraints of current resources to advocate, coordinate, and promulgate a level playing field for every qualified firm that seeks its business.

The ideals of fair and equitable business practices are the driving force behind the Authority’s Supplier Diversity Program. The Supplier Diversity Program was not established in response to outside regulatory agencies or mandatory requirements, but serves as an exemplary effort to promote and enhance mutually beneficial business relationships within the diverse communities of which the Authority is a part.

Success of the Supplier Diversity Program is reliant upon the commitment of every Authority staff member and commissioner. The Authority has assigned primary management of the Supplier Diversity Program to the Supplier Diversity Manager. The Supplier Diversity Manager has access to key resources necessary to ensure the effectiveness of the Supplier Diversity Program. Executive Management supports the Supplier Diversity Program and will take an active role in raising awareness among managers, supervisors and suppliers by requesting their cooperation and assistance.

Teamwork and commitment are the hallmarks of making the Supplier Diversity Program successful. Every Authority employee is empowered to take an active role in supporting the Supplier Diversity Program by ensuring that all suppliers with the demonstrated desire and capability to pursue business with the Authority have the opportunity to do so.

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## **DRBA Supplier Diversity Program Statement**

The Delaware River and Bay Authority (Authority) recently invited members of the small business community to participate on a Disadvantaged Business Enterprise (DBE) Task Force to assist the Authority in reviewing its procurement policies and procedures in order to identify areas in which the Authority could enhance opportunities for disadvantaged, minority and women owned businesses to participate in its procurement processes.

As a result of that review, and the recommendations made by the Task Force, the Authority is establishing the following Supplier Diversity Program, that will work in conjunction with its existing procurement policies and supplier diversity policy, with the intention of continually evaluating and incrementally making improvements to its procurement practices in order to enhance opportunities for disadvantaged, minority and women owned businesses to do business with the Authority.

1. The Authority will rename the DBE Program to the Supplier Diversity Program to more accurately reflect the Authority’s intention to enhance and increase opportunities for disadvantaged, minority and women-owned firms to participate in Authority procurement processes.
2. The Authority will implement a training program for Authority employees to educate them on the importance of diversity in procurement activities. The Authority believes that knowledge and training are an important component in implementing best business practices so that employees are knowledgeable about the Authority’s goals and feel empowered to fulfill them.
3. The Authority will actively encourage employees to seek out and utilize disadvantaged, minority and women owned firms with the expectation of expanding and diversifying the Authority’s existing supplier base.
4. The Authority will purchase and utilize procurement software to enhance its capabilities to provide small businesses with a means of notification of Authority procurement opportunities, at no cost to them, that are targeted to their areas of interest and expertise; to provide small businesses with information and contact information for prime contractors to enhance their ability to partner with those businesses in providing services to the Authority; to enhance efficiency in the bid submission process and to calculate and report the levels of

participation of certified disadvantaged, minority and women owned firms in both the initial procurement process and ultimate participation in Authority contracts.

5. The Authority will establish and maintain a public information center on its website that will provide information on the achievement of all Authority disadvantaged, minority and women owned business goals and participation results in order to keep all of its constituents informed of the results.

6. The Authority will reduce required contract proposal guarantees from the current level of ten percent of the bid amount with a maximum of \$20,000, to a sliding scale beginning at \$2,000 based on the overall dollar value, time restraints and scope of work of the project bid which has the potential to increase participation by disadvantaged, minority and women-owned firms. Additionally, the Authority, in its sole discretion, will consider waiving the proposal guarantee completely for certain small purchases, when the Authority so determines.

7. The Authority will revise its retention policy for proposal guarantees. The current policy provides that the proposal guarantee of the three lowest bidders will be held until after contract award and execution. The Authority will now retain the guarantee of only the lowest bidder and all other guarantees will be returned following the complete evaluation of bids. By returning proposal guarantees more expeditiously, the Authority believes that it will enable more disadvantaged, minority and women-owned businesses to participate by helping to reduce the burden on their cash flow.

8. The Supplier Diversity Manager will be an active participant in the early stage discussions of the project planning process in order to identify and evaluate opportunities to enhance participation by certified disadvantaged, minority and women owned business.

9. The Authority will expand its policy of calculating and incorporating goals for disadvantaged, minority and women-owned business participation for authority-funded capital contracts above \$250,000 to include the calculation and inclusion of goals for certified disadvantaged, minority and women-owned business participation in professional service contracts that correspond to capital construction projects (e.g. GEC contracts, Project Management contracts, etc.). The Authority believes that this genre of contracts is inclusive of many opportunities for disadvantaged, minority and women owned business participation.

10. The Authority will amend its standard contract language for construction projects that would allow the Authority, in its sole discretion, to consider holding a lower percentage of retainage based on Contractor performance. The Authority believes that reducing the amount of retainage held has the potential to ease cash flow concerns for small businesses in particular and makes working with the Authority more desirable for small companies.

11. The Authority will enhance its outreach to certified disadvantaged, minority and women-owned businesses to make them aware of procurement opportunities as they become available.

12. The Authority will enhance its efforts to actively encourage disadvantaged, minority and women-owned business to register in the DRBA's online registry because all publicly advertised procurement opportunities are e-mailed directly to all registered vendors and this is the best way for businesses to ensure that they receive notification of all opportunities for which they may be interested.

13. The Authority will provide support to disadvantaged, minority and women owned firms by providing information and direction to available sources of assistance. While the Authority does not directly provide certifications, the Authority does actively assist small businesses in submitting applications for certification as disadvantaged, minority and women-owned businesses. Additionally, the Authority stays up to date on the various federally funded programs that have been established to assist small businesses in all aspects of business planning and actively refers small businesses to those programs for assistance.

14. The Authority will continue and enhance its participation in outreach programs supporting disadvantaged, minority and women owned businesses in Delaware and the four counties of New Jersey which it serves. The outreach programs are an effective mechanism for educating small businesses about the Authority's mission, business and procurement opportunities, as well as the assistance that it provides to small businesses.

15. The Authority is committed to reviewing its procurement policies and procedures on a regular basis to assess the effectiveness of its supplier diversity program and to make modifications and adjustments as necessary. The Authority will formally review its policies and procedures after an initial eighteen month period to assess the progress that has been made. The Authority believes that eighteen months is the appropriate window for the first assessment to allow for enough time to purchase, design, install, operate and evaluate the new procurement software and related enhancements. Following the initial review, the Authority will prospectively review its policies and procedures on an annual basis.