

**COMMUNITY DEVELOPMENT BLOCK GRANT
MATERIALS ONLY ACQUISITION GUIDELINES**

Guidelines for the Acquisition and
Installation of "Materials Only" Projects

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INTRODUCTION

The following is a guide for the acquisition and installation of "Materials Only" grant contracts that will be undertaken with Community Development Block Grant (CDBG) funding assistance.

ALL PROJECTS MUST HAVE A MINIMUM CDBG FUNDING REQUEST OF \$20,000.00.

These guidelines have been divided into 4 sections: General Requirements, Cooperative Purchasing Requirements, M/W/DBE – VOSB Requirements and Installation Requirements.

Please note that these guidelines may be revised at any time. Please contact the Project Manager when planning a “Materials Only” project.

GENERAL REQUIREMENTS

- * In accordance with 24 CFR 85.36(b)(9), a subrecipient or agency must maintain records to detail the history of the procurement. Subrecipients or agencies should be able to ensure the integrity of purchasing decisions; to document the history, results, and decisions behind the purchase; and to offer opportunities to local and disadvantaged firms to respond to purchasing needs.
- * The agency will need to identify "Materials Only" projects" at the pre-application stage in the CDBG application process.
- * In the pre-application and in the full grant application, the agency will need to document that the organization applying for a "Materials Only" grant has the ability to perform the installation through its employees and/or volunteers.
- * The agency will be required to provide documentation for any local match required as part of the "Materials Only" project.

- * The agency will need to get authorization from the Project Manager to begin the bidding process for a “Materials Only” project or to do an equipment/materials purchase through a cooperative purchasing program. It will need to identify the types of equipment/materials it is planning to acquire with an estimated dollar amount.
- * For Public Improvement-type projects where the agency’s employees are performing the installation of the “Materials Only” project, the minimum dollar amount for "Materials Only" grant contracts will be \$20,000.00 and the maximum will be \$30,000.00. The proposed equipment/material bid or purchase cannot be for day-to-day maintenance-oriented commodities by the agency. Further, the proposed equipment/material bid or purchase cannot be part of a larger CDBG funded project.
- * For those development projects performed by non-profit corporations where the agency’s workforce is performing the installation, the material procured as part of the “Materials Only” project” will have a minimum dollar amount of \$20,000 and a maximum dollar amount of \$30,000.
- * Exceptions may be allowed for:
 - Emergency projects where “Materials Only” will be installed by its employees or non-profit workforce. ACED must approve in advance of purchase and installation.
 - Materials are required to be installed by a specialized workforce such as utility companies.

In these cases, exceptions will be considered on a case-by-case basis.

- * Supply commodities are not part of the “Materials Only” guidelines.
- * The agency will have to certify that the equipment/materials to be bid or

purchased will be a direct benefit to low-and-moderate income families.

- * The agency will need to provide a final list of materials it intends to bid or acquire through a cooperative purchasing program. A final set of plans and an installation schedule should be submitted to ACED for approval.
- * The agency will need to guarantee that the equipment/materials acquired through the "Materials Only" CDBG grant contract will be installed within eight weeks from the time the agency takes delivery of the equipment/materials.

COOPERATIVE PURCHASING REQUIREMENTS

- * The agency will need to provide a copy of its resolutions permitting it to participate in one or more of the cooperative purchasing programs.
- * The date of the resolution to participate in a cooperative purchasing program has to be prior to any of the contracts with the supply vendors.
- * For cooperative purchases, the agency will need to provide a copy of the contract between the agency and the vendor. The vendor will need to document that it is authorized to participate in one of the cooperative purchasing programs.

M/W/DBE – VOSB PARTICIPATION

- * All “Materials Only” projects are subject to Allegheny County’s M/W/DBE and VOSB procurement policies and 24 CFR 85.36(e) which require the subrecipient, or agency take affirmative steps to use M/W/DBEs, which are defined as a small business concern which is at least 51% owned and controlled by one or more socially and economically disadvantaged individuals, or in the case of any publicly owned business, at least 51% of the stock is owned by one or more socially and economically disadvantaged individuals. Socially and economically disadvantaged individuals include Women, African-Americans, Hispanic-Americans, Native Americans, Asian-Pacific Americans, and Asian-Indian

Americans. M/W/DBEs business concerns can be contractors, suppliers, or professional service providers.

- * VOSB's are defined as a business having one hundred (100) or fewer full-time employees and not less than 51% of which is owned by one (1) or more veterans, or in the case of any publicly owned business, not less than 51% of the stock of which is owned by one (1) or more veterans, and the management and daily business operations of which are controlled by one (1) or more veterans.

The agency shall include to the greatest extent feasible M/W/DBE and/or VOSB suppliers and/or vendors identified by ACED or agency. Further, the agency workforce is subject to all federal EEO and OSHA requirements.

INSTALLATION REQUIREMENTS

- * Inter-municipal units of governments may cooperate on projects as long as the cooperating agencies have not expanded their workforce to undertake the CDBG funded "Materials Only" project.
- * The agency cannot contract and/or sub-contract with a private sector contractor to do the installation of the equipment/materials. The agency's existing workforce and/or volunteers will be required to install the equipment/materials purchased with CDBG funds.
- * The agency will have to acknowledge that the existing workforce and, where necessary, equipment rental will not be paid with CDBG funds for the installation of the acquired equipment/materials.
- * The agency will be responsible for the operation of any equipment rented, including an equipment operator if necessary.
- * The agency will need to notify the Project Manager of the proposed bid or cooperative purchase of equipment/materials, and the Project Manager will obtain

a waiver from the ACED Davis/Bacon section for wage rates.

- * The agency may not hire part-time employees and/or summer workforce for the sole purpose of assisting the regular agency employees to install the equipment/materials purchased with CDBG funds.
- * The agency may use volunteers to assist with the installation of equipment/materials purchased with CDBG funds provided the services rendered are those that the individual volunteered for, the volunteer does not receive compensation for such services and the volunteer is not otherwise employed at any time in the construction of the project.
- * The agency's engineer will certify that the equipment/materials were installed by the agency's workforce and/or volunteers and satisfactorily installed.