



Third Thursdays with CDBG: Procurement

Sarah Plowman | CDBG Project Manager
Iowa Economic Development Authority

Agenda

- Who / What / Where / When / Why
- Procurement Methods & Thresholds
- “What Else Do I Need to Know?”
- Documenting & Checking Compliance
- Case Studies & FAQs
- Resources & Questions

Who / What / Where / When / Why



What is procurement and why do we care?

- Procurement is...
 - “Getting stuff” associated with a CDBG project
 - Materials, services, property (oh my!)
 - *Full and open competition*
- It matters because...
 - 24 CFR Part 570.489(g)
 - Transparency and accountability
 - Highest quality at the lowest price

Where does it apply?

- Default assumption should be: *everywhere, all the time*
- Several exceptions:
 - Local Council of Government (COG) for grant administration only
 - Private developers in some housing programs (and their Development Team Roster)
 - Previously contracted engineers in Water/Sewer projects

Who is responsible?

- ...to adopt the IEDA/CDBG Procurement Policy?
- ...to develop and publish RFPs/RFQs/bid documents?
- ...to select a contractor and sign agreements?
- ...to document the process?

When does procurement happen?

- Occasionally pre-award
 - Grant administrators (other than local COGs)
 - Architects for a Downtown Revitalization (DTR) project
- Most often post-award
 - **Post-Release of Funds (ROF) process!**

How does it work?

- Make it public and competitive
- Remember: “If it’s not documented, it didn’t happen”
- Variety of methods and thresholds... so glad you asked!

Procurement Methods & Thresholds



“What am I Procuring?”

- Construction?
- Professional services?
- Other goods and services?

Construction

- Follow Iowa Code Chapter 26
 - <https://www.legis.iowa.gov/docs/ico/chapter/26.pdf>
- Note how cost thresholds influence bids v. quotes
- If below, use “other goods and services” method
- **Publish bid notice in newspaper of general circulation!**

Professional Services: Architect / Engineer

- “Request for Qualifications” (RFQ)
 - Solicit, evaluate, then negotiate
- Who prepares these?
- Note: cannot use this method on other professional services

Professional Services: Everyone Else

- Who is this for?
- “Request for Proposals” (RFP)
 - Solicit, evaluate, then select
- Again, who prepares these?
- Note: price can (and should) be *one* of the selection factors

Other Goods & Services: What is it?

- What is this primarily used for?
- Which programs use this method?
 - CDBG-CV
 - New proposed programs (Public Services, Streetscapes, Pocket Parks)
- Determine anticipated *aggregate total purchase cost*

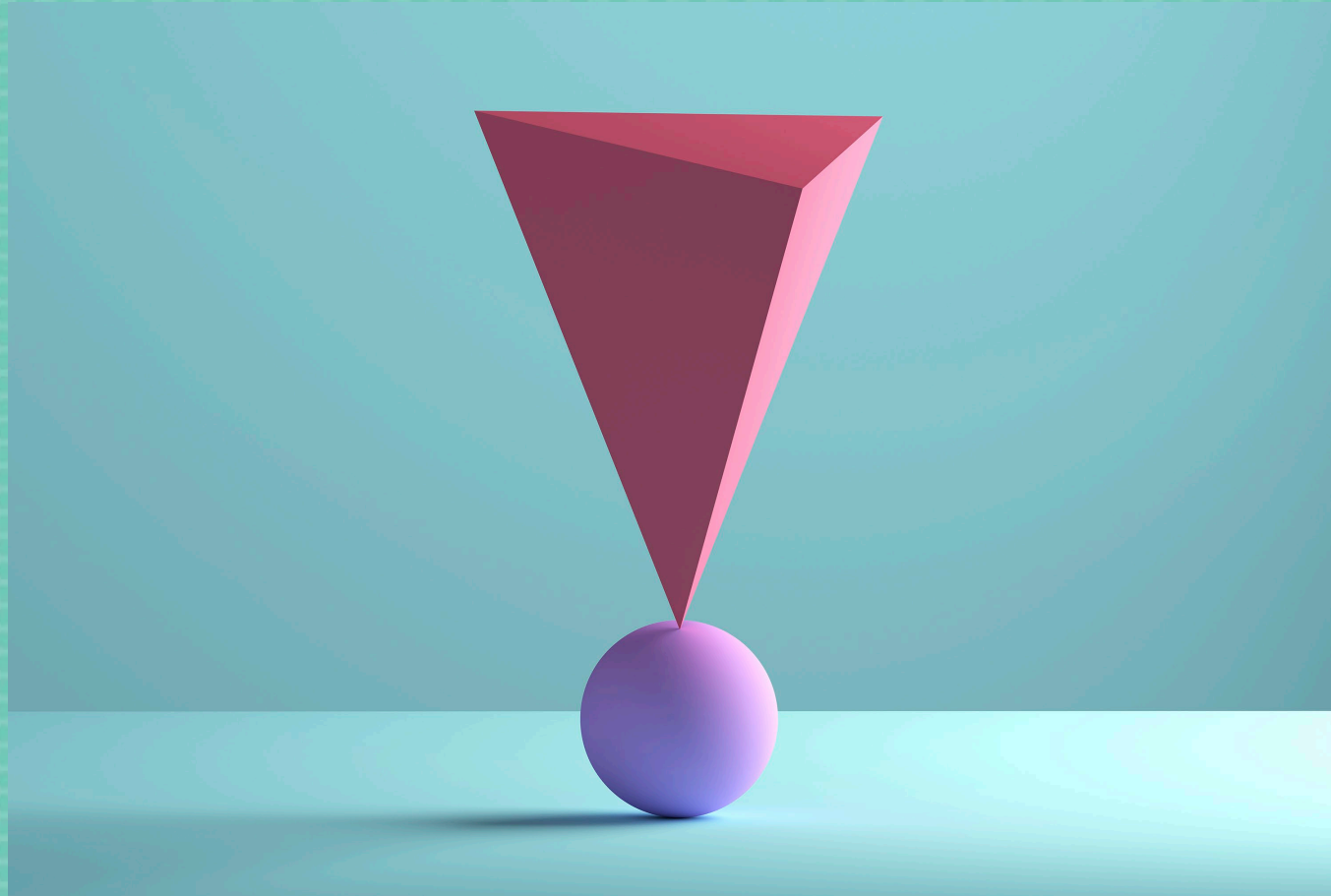
Other Goods & Services: Method

- Small Purchase (less than \$5,000)
- Simple Purchase (between \$5,000 - \$50,000)
- Sealed Bids (supplies greater than \$50,000)
- Competitive Proposals (services greater than \$50,000)

What About Sole Source?

- Also known as: “Noncompetitive procurement”
- Incredibly rare and very limited circumstances
- Ask permission, not forgiveness
- Document everything!

What else do I need to know?



Single Source

- Only one response to a procurement process
- IEDA approval required prior to signing contract
- Send to your project manager:
 - Bid specs/RFP/RFQ
 - Proof of publication (newspaper affidavit)
 - The single bid/response received
 - Bid tab sheet / evaluation scoring matrix
 - Signed cover letter from City

Policy Clarification(s) & Change(s)

- Clarifying conflict of interest tenure
- Clarifying exceptions to policy application
- Researching newspaper publication

Big Non-Starters

- Conflicts of interest
- “Cost plus percentage of cost” contracts
- Design-Build contracts
- Not enough time to respond

In the Bid Documents...

- Remember BABA!
- Bonding requirements
- Wage determination
- Section 3

Before You Sign Agreements...

- Contractor clearances!
- Do you need a single source procurement approval?
- Federal language provisions

Documenting & Checking Compliance



From “Soup to Nuts”

- Document every step
- Can you recreate the process?
- More is required than is reviewed
- IEDA will be monitoring for compliance along the way

At Application

- Single source requests
- DTR: architects
- Check program guidance for updates/changes

At Contractor Clearance

- Add uploads
- Procurement process... contracts...
- Reminder: approved contractor clearance first

At Monitoring

- Finance documentation
- Labor standards
- City processes and policies
- Ideally *not* procurement and contracts

...And Beyond!

- Don't forget about records retention!
- Digital and paper
- Again: can someone else recreate your process?

Let's take a short break...



Case Studies & FAQs



Case Studies

- A city was just awarded a new project (summer 2025). Their last CDBG award was in 2021. They adopted a CDBG procurement policy in spring of 2021 for the previous award. Because it was within five years, the city is wondering if they need to adopt a new procurement policy or if they can just upload the 2021 version to IowaGrants?

Case Studies

- Osceola: Great example of an RFQ process for an architect
 - Detailed RFQ
 - Good, published notice
 - Filled in evaluation/scoring matrix
 - Email communication with firms re: process

FAQs

- I don't like this contractor; they did bad work. Can I never hire them again?
- Do I need to do an RFP for this tiny little testing thing?
- How far in advance should I publish the bid notice?
- What has to go into the newspaper?
- Do engineers need to be procured?
- When can I incur costs?
- What's the difference between "sole" and "single" source?

Resources & Questions



Resources

- <https://opportunityiowa.gov/community/community-infrastructure/cdbg-resources/cdbg-program-guidance-resources>
- <https://www.hudexchange.info/resource/5614/buying-right-cdbg-dr-and-procurement-a-guide-to-recovery/>
- <https://opportunityiowa.gov/community/community-infrastructure/cdbg-resources/management-guide>

Questions?





THANK YOU

Sarah Plowman | CDBG Project Manager
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