

Introduction to American Rescue Plan Act of 2021:

Coordinating Purchasing /
Projects



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER



Dale R. Folwell, CPA
STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA



Opportunities to Coordinate Purchasing/Projects

Lee Worsley, Executive Director
Triangle J Council of Governments and Chair, North
Carolina Association of Regional Councils

Setting the stage

ARP is an opportunity to do great things in your community and we want to help you be successful.

Funding and potential projects are coming at same time as significant supply chain issues and the demand for talent and services will undoubtedly put a strain on a already fragile marketplace.

In addition to following state procurement rules, spending ARP funds requires additional federal procurement requirements (Uniform Guidance (UG)). Many local governments may be unfamiliar with UG parameters.

The combination of significant funding, large number of similar projects possibly bid at same time, and the current supply and labor stress may make cooperative purchasing/projects consideration worth the work needed on the front end.

Challenges

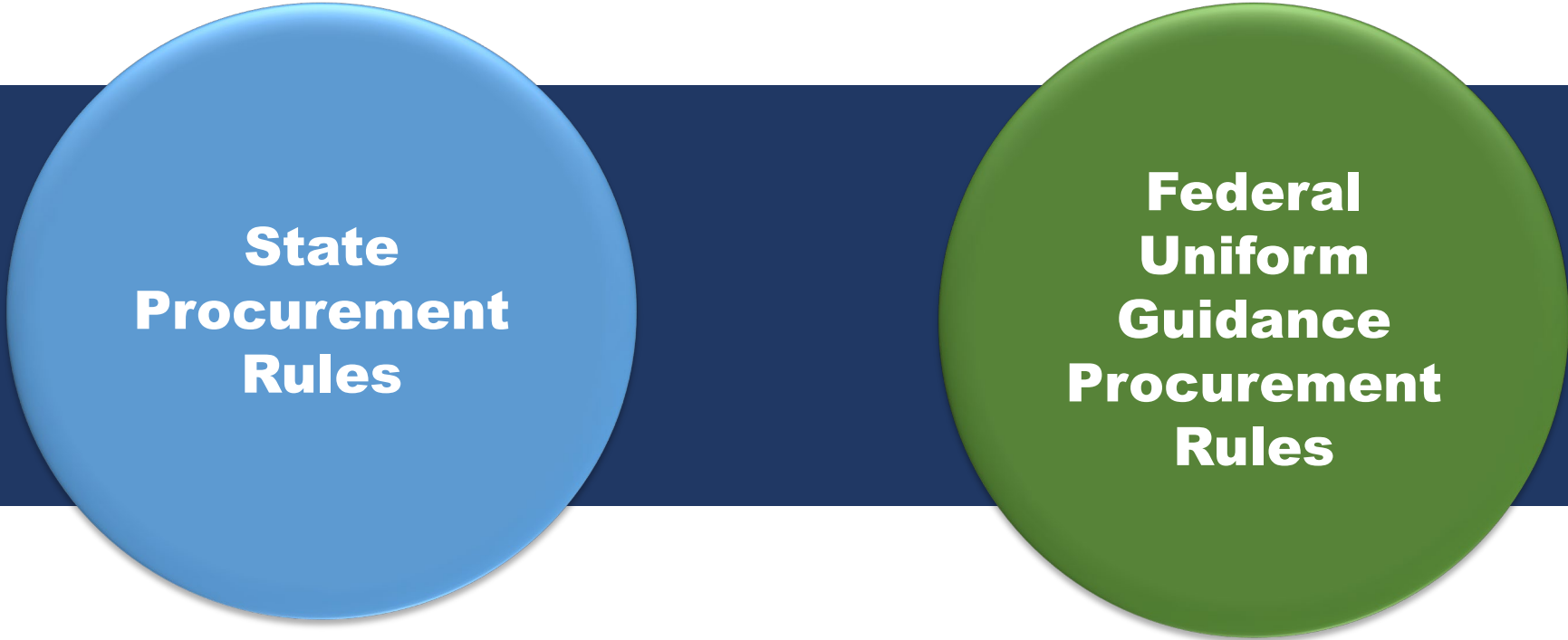
The number of projects across the state being bid at the same time could be unprecedented

Will your project(s), on their own, attract the amount of interest from bidders that you desire? What happens if similar projects are being bid at nearly the same time across the State (and nationally for that matter)?

Could combining similar projects regionally (regional could be as small or large as makes sense) increase the likelihood of bidders being interested in your project(s)?

Could combining projects possibly result in more interest and ultimately a better price in the end?

ARP funding requires compliance with two sets of procurement rules - state procurement rules and the Federal Uniform Guidance requirements.



**State
Procurement
Rules**

**Federal
Uniform
Guidance
Procurement
Rules**

**Do you have
the capacity
and expertise
to deal with
the more
complex
procurement
rules?**

If you don't feel comfortable following Uniform Guidance, consider working regionally and pool resources to hire a grant administrator, rather than having each local government individually trying to find expertise.

Similar to the scarcity issues present around bidders for projects, the demand for procurement expertise will be extensive. Working together may result in higher probability of success.

Opportunities

State Law Allows Collaboration Between Local Governments

Local governments have authority to work together, which includes opportunities to work together on ARP.

North Carolina General Statute 160A-461 | Permits interlocal cooperation
“Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking.”

Regional Councils are an option to consider

Regional councils are local, and are governed by the local governments of the State and must adhere to the same budget and procurement standards as local governments

Regional councils routinely manage large federal grants similar to ARP funding

Regional councils have had to operate within the federal uniform guidance procurement environment for years, so they have experience with this unique purchasing framework

Regional Councils in North Carolina



Some Examples of Collaborative Procurement

Triangle J COG - The Triangle Water Supply Project, which includes multiple local governments, is doing a regional interconnection model. TJCOG did a combined RFQ process for an engineer to perform the study

Triangle J COG – Worked with several local governments to do an RFQ for working together on orthophotography services

Some Examples of Collaborative Procurement

Houston Galveston Regional Council – Nationally recognized cooperative purchasing program which serves multiple local governments. The Houston Galveston Regional Council has also worked on guiding local governments around federal procurement requirements, which lowers the burden on individual local governments to do it on their own.

Thank you!