

**PART 1753—TELECOMMUNICATIONS SYSTEM CONSTRUCTION POLICIES AND PROCEDURES**

**Subpart A—General**

- Sec.  
 1753.1 General.  
 1753.2 Definitions.  
 1753.3 Preconstruction review.  
 1753.4 Major and minor construction.  
 1753.5 Methods of major construction.  
 1753.6 Standards, specifications, and general requirements.  
 1753.7 Plans and specifications (P&S).  
 1753.8 Contract construction procedures.  
 1753.9 Subcontracts.  
 1753.10 Preconstruction conference.  
 1753.11 Contract amendments.  
 1753.12-1753.14 [Reserved]

**Subpart B—Engineering Services**

- 1753.15 General.  
 1753.16 Architectural services.  
 1753.17 Engineering services.  
 1753.18 Engineer and architect contract closeout certifications.  
 1753.19-1753.20 [Reserved]

**Subpart C [Reserved]**

**Subpart D—Construction of Buildings**

- 1753.25 General.  
 1753.26 Plans and specifications (P&S).  
 1753.27 Bidding procedure.  
 1753.28 Contract amendments.  
 1753.29 Force account procedures.  
 1753.30 Closeout procedures.  
 1753.31-1753.35 [Reserved]

**Subpart E—Purchase and Installation of Central Office Equipment**

- 1753.36 General.  
 1753.37 Plans and specifications (P&S).  
 1753.38 Procurement procedures.  
 1753.39 Closeout documents.  
 1753.40-1753.45 [Reserved]

**Subpart F—Outside Plant Major Construction by Contract**

- 1753.46 General.  
 1753.47 Plans and specifications (P&S).  
 1753.48 Procurement procedures.  
 1753.49 Closeout documents.  
 1753.50-1753.55 [Reserved]

**Subpart G—Outside Plant Major Construction by Force Account**

- 1753.56 General.  
 1753.57 Procedures.  
 1753.58 Closeout documents.

1753.59-1753.65 [Reserved]

**Subpart H—Purchase and Installation of Special Equipment**

- 1753.66 General.  
 1753.67 Contracts and specifications.  
 1753.68 Purchasing special equipment.  
 1753.69-1753.75 [Reserved]

**Subpart I—Minor Construction**

- 1753.76 General.  
 1753.77 Methods of minor construction.  
 1753.78 Construction by contract.  
 1753.79 Construction by force account.  
 1753.80 Minor construction procedure.  
 1753.81 Inspection and certification.  
 1753.82 Minor construction closeout.  
 1753.83-1753.90 [Reserved]

**Subpart J—Construction Certification Program**

- 1753.91 General.  
 1753.92 Policies and requirements.  
 1753.93 Responsibilities.  
 1753.94 Procedures.  
 1753.95 Advance of loan funds.  
 1753.96 Certification addendum.  
 1753.97-1753.99 [Reserved]

AUTHORITY: 5 U.S.C. 501, 7 U.S.C. 901 *et seq.*

**Subpart A—General**

SOURCE: 54 FR 39267, Sept. 25, 1989, unless otherwise noted. Redesignated at 55 FR 39396, Sept. 27, 1990.

**§ 1753.1 General.**

(a) The standard RUS Telecommunications Loan Documents contain provisions regarding procurement of materials and equipment and construction of telecommunications facilities by telecommunications borrowers. This part implements certain of the provisions by setting forth requirements and procedures. Borrowers shall follow these requirements and procedures whenever using loan funds to purchase materials and equipment or perform construction, unless they have received the Administrator's written approval to do otherwise.

(b) The typical procedure followed in constructing a project financed by an RUS loan begins with the prospective borrower obtaining the necessary preloan engineering and developing a complete loan application, including an LD (See 7 CFR part 1737). If a loan

is approved and all prerequisites to advance of funds are satisfied, the borrower may proceed with the purchase and installation of materials and equipment and the construction of telephone facilities pursuant to this part 1753. Subpart A describes

(1) RUS's general requirements with respect to steps to be taken after the loan is approved and before construction begins (See § 1753.3),

(2) RUS requirements with respect to methods of construction (See §§ 1753.5 and 1753.6),

(3) RUS requirements regarding sealed competitive bidding and negotiated bidding of construction contracts (See §§ 1753.6 and 1753.9),

(4) RUS standards for materials, equipment, and construction financed with loan funds (See § 1753.7), and

(5) RUS requirements for subcontracts and contract amendments covering construction financed with loan funds (See §§ 1753.10 and 1753.12).

(c) Each borrower is responsible for the construction of its facilities and for the procurement of materials and equipment that are best suited to its needs.

(d) If contracts, P&S, or other methods of procurement are subject to RUS approval pursuant to the provisions of the loan contract, as implemented by this part, RUS will review the documents or proposals submitted and notify the borrower in writing of approval or disapproval. RUS may withhold approval if, in RUS's judgment:

(1) The P&S or contract will not accomplish loan purposes.

(2) Provisions of the P&S or contract will add unnecessary expense to the project.

(3) The proposal, method of procurement, or P&S do not conform to RUS engineering criteria or construction standards, or if they present unacceptable loan security risks to RUS.

(4) The P&S or contract have been modified.

(e) The requirements and procedures covering procurement of architectural and engineering services are described in subpart B of this part.

(f) Single copies of RUS forms cited in this part are available from Administrative Services Division, Rural Utilities Service, United States Department

of Agriculture, Washington, DC 20250-1500. These RUS forms may be reproduced.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, as amended at 64 FR 16604, Apr. 6, 1999]

### § 1753.2 Definitions.

For the purpose of this part 1753:

*Alternate*— A solicitation for a bid adjustment for a specified deviation from the Plans and Specifications.

*Architect*— A person registered as an architect in the state where construction is performed, or a person on the borrower's staff, approved by RUS, authorized to perform architectural services.

*Bid guarantee*— A bid bond or certified check required of contractors bidding on construction work to ensure that the bidder, if successful, will furnish a satisfactory performance bond ensuring completion of work.

*Central office building*— The facility housing the central office equipment.

*Central office equipment*— Switching and signaling equipment that performs call origination and completion functions for subscribers.

*Closeout documents*— The documents required to certify satisfactory completion of all obligations under a contract or force account proposal.

*Construction*— Purchase and installation of telecommunications facilities in a borrower's system using loan funds.

*Contract*— The agreement between the borrower and an independent contractor covering the purchase, construction, or both of telephone facilities to be included in the borrower's telephone system.

*Contract construction*— Construction and installations performed using an RUS contract form. See 7 CFR 1755.93.

*Engineer*— A person registered as an engineer in the state where construction is performed, or a person on the borrower's staff, approved by RUS, authorized to perform engineering services.

*FAP* (force account proposal)—The borrower's detailed plans submitted to RUS for force account construction.

*Force account construction*— Construction performed by the borrower's employees under an RUS approved FAP,