

### Subpart D—Construction of Buildings

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

#### § 1753.25 General.

(a) This subpart implements and explains the provisions of the Loan Documents setting forth the requirements and the procedures to be followed by borrowers in constructing headquarters, commercial office, central office, warehouse, and garage buildings with loan funds.

(b) Terms used in this subpart are defined in § 1753.2.

(c) All plans and specifications for buildings to be constructed with loan funds are subject to the approval of RUS. In addition, preliminary plans and specifications for headquarters and commercial office buildings to be constructed with loan funds are subject to RUS approval.

(d) RUS Form 257, Contract to Construct Buildings, shall be used for the construction of all headquarters, commercial office, central office, warehouse, and garage buildings with loan funds. Refer to § 1753.26 for further instructions.

(e) The borrower shall use the sealed competitive bid procedure for all building construction, except for:

(1) Minor construction using subpart I procedures.

(2) Major construction, where the borrower has received advanced approval to perform the construction by force account.

Refer to §§ 1753.27 and 1753.29 for further instructions.

(f) The site location, design, and construction of the facilities must comply with all applicable laws and regulations, including:

(1) Pub. L. 90-480 (42 U.S.C. 4151) (Access to Physically Handicapped), which requires certain buildings financed with Federal funds be designed and constructed to be accessible to the physically handicapped.

(2) Pub. L. 91-596 (29 U.S.C. 651) the Occupational Safety and Health Act of 1970. OSHA issues rules and regulations covering occupational safety and health standards for buildings. These

regulations are codified in 29 CFR chapter XVII.

(3) 7 CFR part 1794, which provides for compliance with the National Environmental Policy Act (NEPA) and Council on Environmental Quality (CEQ) regulations (40 CFR parts 1500-1508) implementing the procedural provisions of NEPA, as well as RUS's conformance with other laws, regulations, and Executive Orders regarding environmental protection.

(4) 7 CFR part 1792, subpart C, which requires that the building design comply with applicable seismic design criteria. Prior to the design of buildings, borrowers shall submit to RUS a written acknowledgement from the architect or engineer that the design will comply.

(g) All construction pertaining to the building structure shall be performed under one contract. Separate contracts may be used for planting shrubbery, surfacing of roads and parking areas, and other identifiable parts of the project not pertaining to the building structure. These separate contracts shall also be subject to RUS approval as described in this subpart D.

(h) The borrower is responsible for submitting evidence, satisfactory to RUS, establishing that clear title to the building site has been obtained. RUS will not approve the construction contract until it has given title clearance.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, and amended at 59 FR 43717, Aug. 25, 1994; 64 FR 16606, Apr. 6, 1999]

#### § 1753.26 Plans and specifications (P&S).

(a) For headquarters and commercial office buildings only, the borrower shall prepare preliminary P&S showing the floor plan and general architectural details of the building to be constructed using loan funds. In particular, the preliminary P&S shall address the requirements of § 1753.25(f) and the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (42 U.S.C. 4601 *et seq.*). The P&S shall be submitted to the GFR and are subject to RUS approval.

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(b) The borrower shall prepare P&S for construction of all buildings. Each set of P&S shall include:

(1) RUS Contract Form 257, Contract to Construct Buildings, completed to the extent explained in (c) of this section.

(2) Complete and detailed specifications covering materials and workmanship.

(3) A detailed building plan. Where the building is to house electronic apparatus, the detailed plan or specifications shall include the equipment environmental requirements and special equipment required.

(4) A site plan for each building showing the building location and giving the legal description of the site. Sufficient information must be provided for the site so that it can be identified as the same property on which title opinion was submitted to RUS. The legal description shall be typed on the site plan. The borrower shall also furnish topographical information and a description of any proposed site development work and show proposed connections for public utilities.

(c) RUS Contract Form 257 shall be completed as follows:

(1) *List of names or kinds of buildings and locations*—Site plan and specifications must be identified with the appropriate building.

(2) *Alternates*—The borrower shall keep the number of alternates to a minimum. Items for which alternates are to be taken shall be fully described on a separate sheet in the specifications and the details shown on the plans, when necessary, and identified by the alternate number. The Notice and Instructions to Bidders shall explain how bids will be evaluated with respect to alternates.

(3) *Time for construction*—A reasonable time for completion of construction, considering local conditions, shall be determined by the borrower and inserted in the space provided. Too short a construction period may discourage bidders or influence their bids. Completion of the building, where central office equipment is involved, shall be coordinated with delivery of the equipment. The time of completion shall allow adequate drying time before the

central office equipment is stored or installed in the building.

(d) The plans and specifications shall show the identification and date of the model code used for seismic safety design considerations, and the seismic factor used. See 7 CFR part 1792, subpart C.

(e) Two sets of the building plans and specifications shall be prepared and submitted to the GFR.

[54 FR 39267, Sept. 25, 1989. Redesignated at 55 FR 39396, Sept. 27, 1990, as amended at 59 FR 43717, Aug. 25, 1994; 64 FR 16606, Apr. 6, 1999]

### § 1753.27 Bidding procedure.

Upon RUS approval of the P&S, the borrower shall proceed as follows:

(a) Bid documents shall consist of a copy of the approved P&S, including RUS Contract Form 257, completed in accordance with the instructions on the cover of the form and the plot plans showing site development details. For contracts in amounts of \$100,000 or less, the borrower must specify in the Notice and Instructions to Bidders whether the contractor will be required to furnish a performance bond or a builder's risk policy.

(b) The borrower shall determine that title to the real estate has been approved by RUS before the invitations to bid are released.

(c) The borrower shall set the time for opening of bids, allowing ample time for bidders to prepare bids.

(d) The borrower shall solicit bids as set forth in §1753.8(a)(2). Invitations shall be sent to at least six prospective bidders.

(e) The borrower shall conduct bid opening and award of contract in accordance with the procedure set forth in §1753.8(a).

### § 1753.28 Contract amendments.

(a) The general requirements for contract amendments are set forth in §1753.11.

(b) The borrower shall prepare construction contract amendments on RUS Contract Form 238, Construction or Equipment Contract Amendments. See 7 CFR 1755.93 to obtain copies of Form 238.