

# ARKANSAS REGISTER

AR. REGISTER DIV.

91 MAY 24 PM 1:44

W.J. "BILL" McCuen  
SECRETARY OF STATE  
LITTLE ROCK, ARKANSAS

BY \_\_\_\_\_

## Transmittal Sheet



W.J. "BILL" McCuen  
Secretary of State  
State Capitol  
Little Rock, Arkansas 72201-1094

For Office  
Use Only:

Effective Date 6/14/91 Code Number 012.02.91--004

Name of Agency Arkansas Historic Preservation Program

Department Department of Arkansas Heritage

Contact Person Ken Grunewald Telephone 324-9346

Statutory Authority for Promulgating Rules Arkansas Code Annotated  
Sections 13-7-101 through 13-7-108

Intended Effective Date		Date
	Legal Notice Published	<u>4/1/91 - 4/7/91</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment	<u>4/29/91</u>
<input checked="" type="checkbox"/> 20 Days After Filing	Filed With Legislative Council	<u>4/22/91</u>
	Reviewed by Legislative Council	<u>5/15/91</u>
<input type="checkbox"/> Other	Adopted by State Agency	<u>3/7/91</u>

## CERTIFICATION OF AUTHORIZED OFFICER

I Hereby Certify That The Attached Rules Were Adopted  
In Compliance With Act 434 of 1967 As Amended.

Cathryn H. Brynd  
SIGNATURE

Director, Arkansas Historic Preservation Program

TITLE

5/22/91

DATE

ATLANTA, GA.

11-11 AM 12-10-10

RECEIVED  
FEDERAL BUREAU OF INVESTIGATION  
U. S. DEPARTMENT OF JUSTICE

COMMUNICATIONS SECTION



FILED  
AR. REGISTER DIV.

91 MAY 24 PM 1:43

W.J. "BILL" McCUEN  
SECRETARY OF STATE  
LITTLE ROCK, ARKANSAS

BY \_\_\_\_\_

May 23, 1991

Mr. Rick Hearn  
Secretary of State's Office  
State Capitol  
Little Rock, AR 72201-1094

Dear Mr. Hearn:

Last month we sent you five proposed revisions to the Arkansas Historic Preservation Program's grant procedures manuals. No changes resulted from the review by Legislative Council or the public hearing, therefore, the copies you have on file are now final versions. The manuals are as follows: AHPP/DAH Conservation Easement Document and Rules, AHPP/DAH Grants Manual, AHPP/DAH Preservation Education and Promotion Grant Manual, AHPP/DAH Model Business Grant Manual, AHPP/DAH Rehabilitation and Restoration Grants Manual.

Enclosed are five complete transmittal sheets to replace the incomplete forms that were sent to you in April.

If you have any questions, please call me.

Sincerely,

*Delia Moore*

Delia Moore  
Administrative Assistant

Enclosures

cc: Ken Grunewald





012.02.91--004

QUESTIONNAIRE  
ON PROPOSED ADMINISTRATIVE RULES  
WHETHER NEW, AMENDATORY OR REPEALING

FROM: \_\_\_\_\_  
AGENCY Department of Arkansas Heritage  
DIVISION Arkansas Historic Preservation Program  
CONTACT PERSON Ken Grunewald  
ADDRESS 225 E. Markham, Suite 300  
PHONE NUMBER 324-9346

Leave Blank

INSTRUCTIONS

- A. Make copies of this form for future use.
- B. Answer each question completely using layman's language. Use additional sheets if necessary.
- C. If you have a method of indexing your rules, give the proposed citation after "SHORT TITLE OF THIS RULE" below.
- D. Submit three (3) copies of this questionnaire attached to the front of three (3) copies of your proposed rule to:

ATTENTION: Donna Davis  
Subcommittee on Administrative Rules and Regulations  
Arkansas Legislative Council  
Room 315, State Capitol  
Little Rock, AR 72201

=====

SHORT TITLE OF THIS RULE Model Business Grant Manual

1. What is the subject of the proposed rule?  
Requirements and procedures for Model Business Grants awarded by the Arkansas Historic Preservation Program.
2. Will this be a new rule or repeal or amend an existing rule? If it is an amendment, state specifically what is amended.  
  
Amend. Major reorganization of content for better usability. Incorporates bidding and licensing requirements for contractors and subcontractors enacted during the 1991 legislative session.
3. What State or Federal law or regulation grants the authority for this proposed rule?  
Arkansas Code Annotated, Sections 13-7-101 through 13-7-108 and Annual Appropriation Act for the Department of Arkansas Heritage.
4. What is the purpose of this proposed rule? Why is it necessary?  
The manual states the requirements and procedures to follow in applying for, administering, reporting, and documenting Model Business Grants awarded by the Arkansas Historic Preservation Program. It is necessary to insure grantees follow and comply with state and agency grant requirements.
5. Will this proposed rule be controversial? If yes, explain nature of controversy.  
No.

(OVER)

\*\*\*\*\*  
\* FAILURE TO COMPLETELY ANSWER ALL QUESTIONS COULD RESULT IN PROCESSING DELAYS \*  
\*\*\*\*\*

6. What is the financial impact of this proposed rule?

In FY 90 it resulted in 5 Model Business Grants for Main Street cities totaling \$46,600. We anticipate a similar amount in FY 91.

7. Will a public hearing be held on this proposed rule? If yes, state the date, time and location of such hearing. If no, state the date the public comment period ends.

Yes. April 29, 1991, 9:00AM, Arkansas Historic Preservation Program Conference Room (Third Floor, 225 E. Markham).

8. What is the proposed effective date of this proposed rule? July 1, 1991

9. Give the names, addresses and phone numbers of all persons, groups, organizations, etc., interested in or affected by this proposed rule and the position taken by each.

Categorize them according to the following:

(A) Those you contacted.

(B) Those who contacted you.

(C) Those whom you anticipate will participate in the public hearing.

NAMES, ADDRESSES & PHONE NUMBERS	CATEGORY	FOR	AGAINST
<p>The fact that this manual was being ammended was advertised in the Arkansas Gazette and Arkansas Democrat for seven consecutive days. These ads solicited public comment and offered to send a copy of the manual to anyone requesting one. They also announced that a public hearing would be held on April 29, 1991.</p>			

SARRQ

REVISED: 2-17-88

\*\*\*\*\*  
 \* FAILURE TO COMPLETELY ANSWER ALL QUESTIONS COULD RESULT IN PROCESSING DELAYS \*  
 \*\*\*\*\*

012. 02.91--004

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ON PROPOSED ADMINISTRATIVE RULES  
WHETHER NEW, AMENDATORY OR REPEALING

FROM: \_\_\_\_\_  
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DIVISION Arkansas Historic Preservation Program  
CONTACT PERSON Ken Grunewald  
ADDRESS 225 E. Markham, Suite 300  
PHONE NUMBER 324-9346

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REVISED: 2-17-88

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ARKANSAS HISTORIC PRESERVATION PROGRAM

DEPARTMENT OF ARKANSAS HERITAGE

Model Business Grant

July 1, 1991

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## INTRODUCTION

The purpose of the Arkansas Historic Preservation Program's Model Business Grant Program is to assist active Main Street Programs in transforming existing downtown businesses into examples for other local downtown businesses to follow. It is designed to focus on three areas: facade restoration or rehabilitation, interior renovation and small business assistance.

AHPP will advertise the availability of grant funds as they become available and will distribute grant application packages to potential grantees. Grant awards are based on the criteria stated in Section III of the AHPP Grant Manual.

This manual outlines the requirements of the Model Business Grant Program and the procedures to follow during each phase of the grant cycle. Of particular interest are Attachments 1 and 2 which list all the items the grantee must provide to AHPP and those that AHPP must provide to the grantee respectively. These requirements and procedures are in addition to those outlined in the Arkansas Historic Preservation Program Grant Manuals. Both the Model Business and AHPP Grants Manual should be read thoroughly.

For further information or assistance, please contact the Arkansas Historic Preservation Program at 225 East Markham, Suite 200; Little Rock, AR 72201 or phone (501) 324-9346.

## I. Grant Application, Review and Award Procedures

A. Application: The grant application must be filled out thoroughly and completely. A city may submit applications on more than one business if desired. Applications must address all three areas targeted by the grant program: facade restoration or rehabilitation; interior renovation and small business assistance. An applicant is required to match AHPP's grant in full. No more than fifty percent (50%) of the applicant's match can be in-kind. The Main Street Program Manager isn't required to actually fill out the application(s), but must review each and assure compliance with all grant program requirements. Additionally, the Program Manager must function as the single point of contact for each business and with AHPP for each application in his/her respective city.

B. Review: The grant application must be received by AHPP on or before the stated deadline. After the grant application deadline, AHPP will review and screen the applications using the criteria stated in Section III of the AHPP Grants Manual. Additionally, because of the unique nature of this grant program, any provisions outlined in the grant application that would provide for beneficial spinoff to other downtown businesses or the Main Street Program will be looked at and considered.

AHPP will select the strongest candidates from this initial screening and review for further on-scene review. An AHPP team will then visit each of these candidate businesses for further evaluation. As a minimum, this team

will meet with the Main Street Program Manager and the business owner for first hand discussions on the proposed project.

- C. Award: Grants will be awarded as stated in Section III of the AHPP Grant Manual. Grant contracts must be signed by the respective Main Street Program Manager. The contract is between AHPP and the respective Main Street Program.

## II. General Project Requirements

- A. Architects and Contractors: It is unlikely that grantees will be required to employ the services of an architect, registered engineer or licensed contractor due to state project cost thresholds and current Model Business Grant funding levels (see paragraphs III and IV on selecting architects and contractors respectively). However, because of the nature of these grant projects, each project will be reviewed by AHPP on a case by case basis and a final determination as to these requirements will be made based on the scope and complexity of the project. Should AHPP require an architect/registered engineer and/or licensed contractor, or should any of the state thresholds be exceeded, grantees must comply with the appropriate requirements outlined in the above referenced paragraphs.

The Arkansas Historic Preservation Program does require that design concept drawings for a building facade project funded with AHPP grant funds be prepared in consultation with a Main Street architectural design

consultant. Additionally, the services of an interior design consultant are required for interior work. Grantee should contact the AHPP regarding selection criteria for such a consultant.

B. Standards for Construction: All building facade grant projects must follow the guidelines listed in the Secretary of the Interior's Standards for Rehabilitation, a copy of which is included in the AHPP grant package.

C. Project Review and Monitoring

1. Construction documents, as required, including any project plans (including interior work), any specifications and work-cost breakdown must be forwarded to and reviewed by the AHPP staff. All required construction documents must be reviewed and approved by the Arkansas Historic Preservation Program staff before any construction may begin and before any grant payments will be made. If clarification or additional information is required, the grantee will be contacted. Plans and/or specifications shall contain the following statement:

"The contractor is cautioned that this project involves largely REHABILITATION WORK. The contractor shall use construction procedures calculated to protect the building. Any damage shall be repaired or replaced to present condition or better at no cost to the owner. This project involves state funds and carries with it the resultant obligations and restrictions."

2. Designated staff of the Arkansas Historic Preservation Program will inspect the project before, during, and after the completion of work. The grantee and the project architect (if required) are encouraged to contact the Arkansas Historic Preservation Program with questions at any time before or during work on the project. Grantees are encouraged to take advantage of the expertise available from the Arkansas Historic Preservation Program staff before beginning work on a questionable item. Unsatisfactory work will have to be removed and redone. All project work that does not appear in the approved work-cost breakdown or does not comply with the Secretary of the Interior's Standards for Rehabilitation, where possible, will be construed to be unsatisfactory.

- D. Changes to Approved Project Work: No changes to the project may be made after it has been approved by the Arkansas Historic Preservation Program unless such changes are submitted in writing to and approved by the Arkansas Historic Preservation Program staff. It is possible that the change may not be approved and could thus jeopardize funding for completion of the project. The Arkansas Historic Preservation Program staff will work to find a solution satisfactory to both the grantee and Arkansas Historic Preservation Program for any necessary changes.
- E. Project Time Limits: The Arkansas Historic Preservation Program establishes deadlines for the submission of project documentation and the completion of project work in the grant contract. A grantee who is unable to meet a project deadline is required to submit a written request for an extension of time at least 14 days prior to the deadline. This request will be reviewed by the Arkansas Historic Preservation Program, and the grantee will be notified as soon as possible of the action taken. If the grantee does not meet an established deadline and does not submit a request for an extension, it may be necessary to reassign funds awarded to the project. A grantee who encounters serious financial problems after accepting a grant, or who is for some other reason unable to proceed with the project, should immediately so inform the Arkansas Historic Preservation Program. The funds will then be reassigned by the grant selection committee.



- F. Reassignment of Funds: The AHPP grant selection committee will meet to determine the reassignment of any unused grant funds previously awarded. The funds may be reassigned to another Main Street business with a current grant application on file, or returned to the Arkansas Historic Preservation Program depending on such factors as the amount of funds involved, the needs at the time the funds become available and when within the grant cycle the funds become available. All available information will be used during the decision process to assure an equitable reassignment of funds.
- G. Project Initiation Requirements: When the grantee feels that all required preparation has been completed and is ready to start construction work, the grantee should notify AHPP. AHPP will then do a final review of the project and required construction documents. If all is in order, AHPP will provide written notice to the grantee stating that work may begin. Work may not begin until the grantee has received this project initiation letter. The grantee must then notify AHPP of the date that work will begin. A list of all required documents that the grantee must provide to AHPP is at attachment 1. A list of documents that AHPP will provide to the grantee is at attachment 2.
- H. Restrictive Covenants: Because these grants are funded with public monies they are subject to restrictive covenants following completion of the project. Specific restrictions will vary depending on such factors as National Register status; location; nature of the grant project; amount of the grant; matching

share of the property owner/tenant etc. Restrictive covenants will stipulate that no visual or structural alterations will be made to the property without prior written permission of AHPP. The specific conditions of the restrictive covenants, to include their duration, will be coordinated with the property owner/tenant and will be specified in the grant contract. The property owner/tenant will also be required to sign a restrictive covenant document which stipulates the conditions of the restrictive covenants. This document will be maintained on file in AHPP for the duration of the effect period of the covenant. These restrictive covenants will follow the property through changes in owner/tenants.

### III. Selecting an Architect

- A. Architect Requirements: For projects of \$75,000 and over the grantee is required to engage the services of a practicing architect licensed in the state of Arkansas. For projects of \$25,000 to \$74,999, grantee must engage the services of a registered engineer or licensed architect. For projects less than \$25,000 there is no formal requirement. The architect/engineer (if required) will prepare plans, specifications, a work-cost breakdown, and other required contract documents for submission to the Arkansas Historic Preservation Program and will supervise the project work. The architect/engineer selected by the grantee should arrange to meet with the Arkansas Historic Preservation Program architectural staff to discuss the project in detail.
- B. Selection Procedures: Procedures for selection of an architect/registered engineer are contained in Act 616 of 1989 of the State of Arkansas and

should be reviewed. The major provisions of the selection process are stated here:

1. Competitive bidding for procurement of architectural/engineering services is prohibited.
  2. Contracts for architectural/engineering services shall be negotiated on the basis of demonstrated competence and qualifications.
  3. Select three (3) qualified firms based on such criteria as:
    - (a) Specialized experience and technical competence.
    - (b) Ability to work within required time limitations.
    - (c) Past record
    - (d) Proximity and familiarity with the area of the project.
  4. Negotiate a satisfactory contract with the most qualified firm (see Section 5 of Act 616 for more details on the negotiating process).
- C. Documentation: Documentation of the selection process, to include identification of the three (3) firms considered, must be on file at AHPP prior to payment of any project funds.
- D. Obtaining Assistance: For further information and assistance in selecting an architect, you may contact the Office of the State Architect at (501) 682-5544.

#### IV. Selecting a Contractor

- A. Selection Procedures: Procedures for selecting a contractor and contractor requirements are contained in Act 159 of 1949 as amended and should be reviewed. The major provisions of Act 159 are stated here:

1. Contractor License Requirement.

- (a) On projects of \$20,000 and over, contractors must be licensed by the Arkansas Contractors Licensing Board. Contractors shall indicate their current license number on their bid forms.
- (b) On projects of less than \$20,000 licensed contractors are not required, although AHPP highly recommends only licensed contractors be retained regardless of the size of the project.
- (c) On projects of \$50,000 and over, the general contractor must list any roofing, plumbing, electrical and HVAC subcontractors and these subcontractors must be licensed by the Arkansas Contractor Licensing Board.

2. Contractor Insurance and Bonding Requirements.

- (a) All contractors must carry construction liability insurance regardless of the cost of the project.
- (b) On projects of \$20,000 and over, contractors must furnish a 5% bid bond and a 100% performance bond.
- (c) On projects of \$2,000 to \$19,999, contractors must furnish a 5% bid bond.
- (d) Bonds shall be written in favor of the grantee. After approval by the architect, the contractor shall file the bond with the Circuit Clerk and Recorder of the county in which the work to be performed is located. Contractor shall obtain from the Circuit Clerk certificates as evidence that the bond has been approved and filed with the Clerk and said certificates shall be filed with the architect. The premium for the required bond shall be filed by the contractor. The bond must be obtained by the contractor before the contract between the owner and the contractor can be put into effect.
- (e) Insurance and bond agents must be licensed and authorized to do business in Arkansas.

3. Bidding Requirements and Procedures

(a) Bid Requirements

- (1) Competitive sealed bidding is required for purchase of any construction related goods and services of \$2,000 or more.
- (2) All procurement of construction related products and services between \$500 and \$2,000 shall be done by soliciting quotes by phone or in writing from at least three (3) qualified vendors.

(b) Requirements for Invitation to Bid (Advertising) for Competitive Sealed Bidding

- (1) For projects of \$2,000 to \$10,000 grantor must, as a minimum, seek bids by placing an ad (minimum of one day) in a publication having statewide circulation in Arkansas with a closing date for bids of no earlier than 7 calendar days after the ad first appears. The grantee may also use additional advertising sources if so desired as long as the above requirements are met.
- (2) For projects greater than \$10,000, grantee must, as a minimum, seek bids by placing an ad one time each week for not less than two consecutive weeks in a publication having statewide circulation in Arkansas with a closing date for bids of no earlier than 14 calendar days after the ad first appears. The grantee may also use additional advertising sources if so desired as long as the above requirements are met.
- (3) Notice inviting bids shall be given not less than five (5) calendar days nor more than thirty (30) calendar days preceding the date for the opening of bids to publishing such notice; the amount, which may be stated in a percentage, of the bid bond required; a statement, on contracts which don't require a performance bond, that the bid bond will be held until final acceptance and completion of the contract by payment in full; a statement of the taxing unit's reservation of the right to reject any or all bids and to waive any formalities; and such other pertinent facts or information which to it may appear necessary or desirable. The notice shall include a general

description of the goods or services to be procured; shall state where bid documents may be obtained; shall state the date, time, and place of bid opening; and shall inform bidders that state funds are being used, and that relevant regulations, restrictions and applicable laws apply.

- (4) If, having advertised for bids, no bids are received by the date of the bid opening, the grantee must advertise for the goods and/or services to be procured a second time, with a second bid opening date established in accordance with these regulations.
- (5) Bids shall be opened at the time and place designated in the public notices and the invitation for bid. When practical, the names of the bidders and amounts of their bids may be read aloud. Except where it may be deemed impractical, due to the nature or complexity of any invitation for bids, an abstract of bids which contains the amount of each bid and the name of the bidder shall be prepared for each invitation for bids. An abstract of bids shall be retained in the bid file and shall be available for public inspection.

4. Competitive Negotiation: Competitive negotiation may be used if conditions are not appropriate for the use of formal advertising. In competitive negotiation, proposals are requested from a number of sources and the "Request for Proposal" is publicized, negotiations are normally conducted with more than one of the sources submitting offers, and either a fixed-price or cost-reimbursable type contract is awarded, as appropriate. If competitive negotiation is used for a procurement under a grant, the following requirements shall apply:

- (a) Proposals shall be solicited from an adequate number of qualified sources to permit reasonable competition consistent with the nature and requirement of the procurement. The "Request for Proposals" shall be advertised a minimum of five days statewide, and reasonable requests by other sources to compete shall be honored to the maximum extent practicable.
- (b) The "Request for Proposals" shall identify all significant evaluation factors. This identification must include the price or cost, where required, and the relative importance attached to price or cost.
- (c) The grantee shall provide mechanisms for technical

evaluation of the proposals received, determinations of responsible offerors for the purpose of written or oral discussions, and selection for contract award.

- (d) Award may be made to the responsible offeror whose proposal will be most advantageous to the procuring party, price and other factors considered. Unsuccessful offerors should be notified promptly.
- (e) Grantees may utilize competitive negotiation procedures for procurement of Architectural/Engineering/Archeological professional services, whereby competitor's qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation.

5. Noncompetitive Negotiation: Noncompetitive negotiation may be used when the award of a contract is infeasible under competitive bidding (formal advertising) or competitive negotiation procedures. Noncompetitive negotiation is procurement by soliciting a proposal from only one source, or after soliciting a number of sources, it becomes apparent that competition is not adequate. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

- (a) The item is available only from a single source.
- (b) Public exigency or emergency when the urgency for the requirement will not permit a delay incident to competitive solicitation.
- (c) After solicitation of a number of sources, competition is determined inadequate.

B. Bid Documentation Requirements: The following bid documentation is required and a copy must be provided to Arkansas Historic Preservation Program.

1. Sealed Bids

- (a) Dated copies of all required advertisements,
- (b) Dated copies of all bids received.

2. Quote Bids: A copy of the names and addresses of the vendors contacted and the price quote of each.

3. Negotiated Contracts: Documentation of the negotiations.

4. All Bids: Justification for why the lowest bid was not accepted, if such is the case.
5. Single Source: Must be approved by AHPP.

C. Bid Acceptance/Award

1. The bid preference law (Arkansas Code 1987 Annotated, Title 22, Chapter 9-206, as ammended 1991) is applicable during the bid award process.
2. An award may be made to the lowest aggregate bidder for all items, group of items, or on an individual item basis, whichever is deemed to be in the best interest of the project.
3. The right to reject any and all bids and to waive technicalities and minor irregularities in bids shall be allowed.
4. After a reasonable evaluation period, the contract shall be awarded to the responsive and responsible bidder who submitted the lowest bid that meets the requirements and criteria set forth in the Invitation for Bids. If after evaluation of the bids, including consideration of any clarifying or explanatory information submitted by the bidders, it is determined that no satisfactory bid has been received, all bids may be rejected. If all bids are rejected, the grantee must re-advertise for the goods and/or services to be provided in accordance with these regulations.

- D. Obtaining Assistance: For further information and assistance on selecting a contractor, you may contact Arkansas Building Services at (501) 682-5574.

V. Contract Provisions

- A. General: The grantee shall include, in addition to provisions to define a sound and complete agreement, the following provisions in all contracts:
1. Contracts shall contain such contractual provisions or conditions which will allow for administrative, contractual, or legal remedies in instances where contractors violate or breach contract terms, and provide for such sanctions and penalties as may be appropriate.
  2. All contracts, in excess of \$5,000 shall contain suitable provisions for termination by the grantee including the manner by which it will be effected and the basis for settlement.
  3. In addition, such contractors shall describe conditions under which the contract may be terminated for default as well as conditions



where the contract may be terminated because of circumstances beyond the control of the contractor.

4. All contracts in excess of \$2,000 shall include provisions for compliance with Executive Order 11246, as outlined in the Federal Procurement Regulations, Part 1-12.8 (Standard Federal Equal Employment Opportunity Construction Contract Specifications). The grantee shall establish procedures to assure that suspected or reported violations are promptly investigated.
5. All contracts for construction or repair shall include a provision for compliance with the Copeland "Anti-Kick Back" Act (18 U.S.C. 814) as supplemented in Department of Labor regulations (29 CFR, Part 3). This Act provides that each contractor shall be prohibited from inducing, by any means, any person employed in the construction, completion, or repair of public work, to give up any part of the compensation to which he is otherwise entitled.
6. All negotiated contracts awarded by the grantee shall include a provision to the effect that the grantee, the Department of Arkansas Heritage, Arkansas Historic Preservation Program, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the contractor for the purpose of making audit, examination, excerpts, and transcriptions.
7. Contracts of amounts in excess of \$100,000 shall contain a provision which requires the recipient to agree to comply with all applicable standards, orders, or regulations issued pursuant to the Clean Air Act of 1970. Violations shall be reported to the National Park Service and the Regional Office of the Environmental Protection Agency.

B. Sub-Contracting: If any subcontracts are to be let, the prime contractor shall take affirmative steps to assure that small and minority owner businesses are utilized when possible as sources of supplies, equipment, construction and services. Affirmative steps include the following:

1. Qualified small and minority owned businesses on solicitation lists.
2. Assuring that small and minority owned businesses are solicited whenever they are potential sources.
3. When economically feasible, dividing total requirements into small tasks or quantities so as to permit maximum small and minority owned business participation.
4. Where the requirement permits, establishing delivery schedules which

will encourage participation by small and minority business.

5. Using the services and assistance of the Small Business Administration, the Office of Minority Business Enterprise of the Department of Commerce and the Community Services Administration required.
- C. Change Orders: The grantee shall issue written change orders to the construction contract for all necessary changes to the facility. All change orders shall be filed and retained for a period of three years after final reimbursement on the project. Change orders must be made a part of the project file and kept available for audit. A copy of any change orders should be provided to AHPP.
- D. Documentation: A signed copy of all contracts and any change orders must be provided to the Arkansas Historic Preservation Program for review and filing.
- E. Obtaining Assistance: For further information and assistance on contracts, you may contact Arkansas Building Services at (501) 682-5574.

## VI. Grant Payments and In-Kind Documentation

- A. Payments: All grant payments will be made directly to the grantee (the Main Street Program). The grantee should use the following procedure:
1. Submit an Arkansas Historic Preservation Program invoice, provided in your grant package, to the Arkansas Historic Preservation Program listing all allowable expenses. Attach a copy of the vendor's invoice denoting what the charges are for and for how much. (A list of allowable expenses is contained in the AHPP Grant Manual).
  2. Depending on the grant payment option specified in the grant contract, the grantee may submit a request for all of the grant charges on one invoice or for partial payment. In no case, however,

should more than four (4) invoices be submitted on any one grant project during a grant cycle.

3. Payment requests should be submitted on AHPP invoice forms. Partial payment requests must be accompanied by progress reports and full or final payment requests must be accompanied by the final project report (invoice forms and progress and final report forms are provided in the AHPP grant package). No payment will be made to the grantee unless requests are accompanied by progress or final reports as applicable.
4. AHPP will process the invoice and a state warrant will be mailed to the grantee within approximately ten working days.

B. In-Kind Documentation: As stated in the AHPP Grants Manual, labor and/or material which is donated to the grant project may be used as an in-kind match for state funds. Follow the instructions in the Grants Manual and document the required information on forms A, B, and/or C provided in the grant package. Provide copies of these forms to AHPP for review and filing.

C. Financial Records: Grantee is required to maintain accurate records of all expenditures to the project and keep on file for three (3) years after the close of the grant. Grantee should provide all financial records for audit by the Arkansas Legislative Audit upon request.

VII. Reporting Requirements: Grantees are required to submit reports to AHPP during the grant cycle according to the grant agreement.

A. Progress Reports: Progress reports are required at least quarterly and must accompany any partial payment request.

B. Final Project Report: A Final Project Report is required within 30 calendar days after the completion of the project. This will include certification of cash match, in-kind contributions and total project costs. Full or final payment requests must be accompanied by the Final Project Report.

VIII. Site Visits: As work on the project progresses, the Arkansas Historic Preservation Program staff may make periodic site visits. Once work has begun on the project, the site visits may be made without notification to the grantee. The Arkansas Historic Preservation program photographer may make at least one site visit to photograph the project work.

DOCUMENTS/REPORTS REQUIRED FROM GRANTEE

1. During Application Process

- a. Completed grant application form
- b. Black and white photos (as described in grant application)

2. After Grant Award

- a. Signed AHPP Grant Contract with revised budget if applicable
- b. Documentation of the architect/registered engineer selection process (if required)
- c. A copy of the signed Standard Form of Agreement Between Owner and Architect/Registered Engineer (if required)
- d. A copy of all construction documents to include plans, specifications and work-cost breakdown (as required)
- e. Dated copies of the ads inviting bids from contractors
- f. Dated copies of all contractor bids (Tabulation of Bids)
- g. Documentation of all negotiations with contractor, if any
- h. Documentation of any quote bids
- i. A copy of the signed Standard Form of Agreement Between Owner and Contractor (AIA Document A101) (if required)
- j. Proof of contractor insurance and bonds
- k. Progress Reports
- l. AHPP Invoices
- m. Forms A, B, and/or C
- n. Written request for any changes to approved project
- o. Written request for extension of grant time lines, if applicable
- p. Written notice of the date construction work will begin
- q. Copies of any change orders to the construction contract (if applicable)
- r. Final Project Report

DOCUMENTS/FORMS AHPP PROVIDES TO YOU

1. Grant Application Package: Contents:

- a. AHPP Grant Manual
- b. Model Business Grant Manual
- c. Grant Application
- d. Grant Schedule

2. Grant Award Package: Contents:

- a. Award Letter
- b. Grant Contract
- c. Invoice form
- d. Forms A, B, and C
- e. Progress Report form
- f. Final Project Report form