

ARKANSAS REGISTER

Transmittal Sheet



Sharon Priest
Secretary of State
State Capitol Rm. 01
Little Rock, Arkansas 72201-1094

For Office Use Only: Effective Date 5/29/99 Code Number 012.02.99-001

Name of Agency Arkansas Historic Preservation Program

Department Department of Arkansas Heritage

Contact Person Ken Grunewald Phone 324-9356

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

	Date
<input checked="" type="checkbox"/> Ind Effective Date	Legal Notice Published <u>2/1 -2/7/99</u>
<input type="checkbox"/> Emergency	Final Date for Public Comment <u>3/10/99</u>
<input type="checkbox"/> 10 Days After Filing	Filed With Legislative Council <u>2/1/99</u>
<input type="checkbox"/> Other	Reviewed by Legislative Council <u>5/13/99</u>
	Adopted by State Agency <u>5/24/99</u>

CERTIFICATION OF AUTHORIZED OFFICER

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

Cathryn A Slater
Signature

501-324-9880
Phone Number

Deputy Director, Heritage Resources, OAH
Title

5-17-99
Date

FILED
ARK. REGISTER DIV.
MAY 19 11 2:09
LITTLE ROCK, ARK.

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS
WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERM COMMITTEE

DEPARTMENT/AGENCY Department of Arkansas Heritage
DIVISION Arkansas Historic Preservation Program
DIVISION DIRECTOR Cathy Slater
CONTACT PERSON Ken Grunewald
ADDRESS 323 Center Street, Suite 1600, Little Rock, AR 72201
PHONE NO. 501-324-9880 FAX NO. 501-324-9184

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms.
You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire attached to the front of two (2) copies of your proposed rule and mail or deliver to:

Donna K. Davis
Subcommittee on Administrative Rules and Regulations
Arkansas Legislative Council
Bureau of Legislative Research
Room 315, State Capitol
Little Rock, AR 72201

1. What is the short title of this rule?

Historic Preservation and Restoration Grants

2. What is the subject of the proposed rule?

Requirements and procedures for Historic Preservation and Restoration Grants administered by the Arkansas Historic Preservation Program.

3. Is this rule required to comply with federal statute or regulations?

 Yes X No

If yes, please provide the federal regulation and/or statute

4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes X No

If yes, what is the effective date of the emergency rule?

When does the emergency rule expire?

Will this emergency rule be promulgated under the regular provisions of the Administrative Procedure Act? Yes No

DEPARTMENT Department of Arkansas Heritage
DIVISION Arkansas Historic Preservation Program
PERSON COMPLETING THIS STATEMENT Ken Grunewald
TELEPHONE NO. 501-324-9880 FAX NO. 501-324-9184

FINANCIAL IMPACT STATEMENT

To comply with Act 884 of 1995, please complete the following Financial Impact Statement and file with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Historic Preservation Restoration Grants

1. Does this proposed, amended, or repealed rule or regulation have a financial impact? Yes X No
2. If you believe that the development of a financial impact statement is so speculative as to be cost prohibited, please explain.
3. If the purpose of this rule or regulation is to implement a federal rule or regulation, please give the incremental cost for implementing the regulation.

1999-2000 Fiscal Year

General Revenue
Federal Funds
Cash Funds
Special Revenue
Other
Total

2000-2001 Fiscal Year

General Revenue
Federal Funds
Cash Funds
Special Revenue
Other
Total

4. What is the total estimated cost by fiscal year to any party subject to the proposed, amended, or repealed rule or regulation?

1999-2000 Fiscal Year

0

2000-2001 Fiscal Year

0

5. What is the total estimated cost by fiscal year to the agency to implement this regulation?

1999-2000 Fiscal Year

\$250,000

2000-2001 Fiscal Year

\$250,000

July 28, 1995

APA/2

5. Is this a new rule? Yes _____ No X

Does this repeal an existing rule? Yes _____ No X

If yes, please provide a copy of the repealed rule.

Is this an amendment to an existing rule? if yes, please attach a markup showing the changes in the existing rule and a summary of the substantive changes. This is a change to an existing rule.

6. What state law grants the authority for this proposed rule? If codified, please give Arkansas Code citation.

Arkansas code annotated, sections 13-7-101 through 13-7-108 and Annual Appropriation Act for the Department of Arkansas Heritage.

7. 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 Historic Preservation Grants awarded by the Arkansas Historic Preservation Program.

8. Will a public hearing be held on this proposed rule? Yes _____ No X

If yes, please give the date, time, and place of the public hearing.

9. When does the public comment period expire?

10. What is the proposed effective date of this proposed rule? May 1, 1999

11. Do you expect this rule to be controversial? Yes _____ No X

If yes, please explain.

12. Please give the names of persons, groups, or organizations which you expect to comment on these rules. Please provide their position (for or against) if known.

Owners of historic properties in Arkansas; non profit organizations dealing with historic preservation in the state. The fact that this manual was being amended was advertised in the Arkansas Democrat-Gazette for seven consecutive days. These ads solicited public comment and offered to send a copy of the manual to anyone requesting it.

PLEASE ANSWER ALL QUESTIONS COMPLETELY

July 28, 1995

APA/1

Summary of Changes

Changes: (1) eligibility requirements for a property's listing status, ownership and use; (2) **cash match** requirements; (3) conservation easement requirements; and (4) grant classifications.

Change to property listing status requirement: The current regulation requires that to be eligible for **certain** grants a property can either be listed or **eligible for listing** on the State Register or the National Register. This change requires that a property **must be listed on the appropriate register** to be eligible for any grant under this program.

Change to ownership requirement: The current regulation states that **any** owner of **any** eligible historic property is eligible to apply for a grant under this program. This change requires that an owner of a National Register listed property be either a **public entity or a non-profit organization** to be eligible for a grant under this program. There is no change in the ownership requirement for properties listed on the State Register.

Change to property use requirement: The current regulation does not address what an eligible property can be used for. This change requires that to be eligible for a grant under this program, a National Register listed property **must have a use that benefits the general public**. There is no restriction on the use of properties listed on the State Register.

Change to cash match requirement: The current regulation requires either a **20% or 100% cash match** depending on the type of grant received. This change requires a **50% cash match** for all grants under this program.

Change to conservation easement requirement: The current regulation is vague concerning the requirement for the donation of a conservation easement for certain types of grants. This change clarifies the requirement by stating that **all** grants of \$5000 or greater require the donation of a conservation easement.

Change to grant classifications: The current regulation specifies two different grant classification types - "Mini" and "Major"- which are predicated primarily on the amount of the grant (those under \$5000, Mini, and those over \$5000, Major). This change replaces these two classifications with just one.

Rationale for Changes

These changes are designed primarily to enable this agency to broaden the benefit of this grant program to a wider constituent base. By requiring public or non-profit ownership of structures whose use benefits the general public, we will be reaching the greatest number of people with the funds available to us. Also, the changes address points of confusion that we identified during the last grant cycle.

Historic Preservation and Restoration Grants

Arkansas Historic Preservation Program

Department of Arkansas Heritage

This booklet is part of the series “Grant Programs of the Arkansas Historic Preservation Program.”

The other titles in the series are:

- Certified Local Government Grants
- Heritage Education Grants
- County Courthouse Restoration Grants
- Model Business Grants
- Main Street Arkansas Downtown Revitalization Grants

To request more information contact:

Arkansas Historic Preservation Program
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323 Center St.
Little Rock, AR 72201

501-324-9880 (tel.)
501-324-9811 (TDD)
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GENERAL INFORMATION

Grants awarded by the Arkansas Historic Preservation Program (AHPP) are funded by the General Revenues of the State of Arkansas and Special Revenues under the Real Estate Transfer Tax passed as Acts 729 and 818 of 1987, or by the National Park Service, United States Department of the Interior. The policies and procedures of the Arkansas Historic Preservation Program, as well as regulations governing the expenditure of all state and federal funds, must be followed by all grant recipients. The regulations set forth in this manual must be strictly adhered to by both the Arkansas Historic Preservation Program and by all grant recipients. **Please note: In most cases grant funds are considered taxable income and must be reported to the IRS.**

PURPOSE

The Arkansas Historic Preservation Program (AHPP) recognizes the lack of financial assistance as one of the largest obstacles to the preservation of historic resources in Arkansas. The purpose of the Historic Preservation and Restoration Grant program is to encourage and promote preservation of Arkansas's historic resources by providing financial assistance for restoration of historic properties in Arkansas that meet certain eligibility requirements.

ELIGIBLE PROPERTIES

Two categories of properties for Historic Preservation Restoration Grants:

Category 1 Properties that are listed on the State Register if the proposed project will change the listing status to National Register.

Category 2 Properties that meet all three of the following criteria: (a) are listed on the National

Register of Historic Places, **(b)** are owned by a **public** entity or **5013c** not for profit organization and **(c)** must have a use that **benefits the general public**. Preference will be given to projects that are not eligible for other AHPP grant programs, such as County Courthouse Restoration Grants, Model Business Grants, Preservation Education Grants, Main Street Arkansas Downtown Revitalization Grants, or Certified Local Government Grants.

DESCRIPTION OF GRANT PROGRAMS

Two Historic Preservation Restoration Grant (HPRG) options are available.

OPTION 1: Grants are available to the owners of properties **listed on the State Register** (Category 1 properties) that fund projects that would make the property eligible for the National Register of Historic Places.

OPTION 2: Grants are available to the owners of Category 2 properties to fund approved restoration projects.

I. GRANT REQUIREMENTS

Cash Match

A 50% cash match is required for all Historic Preservation Restoration Grants.

State and Federal Regulations

All grant recipients must agree to abide by and comply with applicable regulations and policies of the AHPP, including Fair Labor Standards, Title VI of the Civil Rights Act of 1964 [42 USC 2000 (d)] and Section 504 of the Rehabilitation Act of 1973 [29 USC Section 794], Title IX of the Education Amendment of 1973, the Americans with Disabilities Act of 1991, as well as all other

applicable state and federal laws, regulations, and executive orders. These laws prohibit discrimination on the basis of race, religion, national origin, age, or handicap.

Authorized Uses of Historic Preservation and Restoration Grants

Grants **can not** be used for acquisition costs of a property or to reimburse expenses for work done outside the grant period specified in the grant contract. Additionally, acquisition costs **can not** be used to satisfy cash match requirements. Grants funds may be used for, but are not limited to the following types of projects:

OPTION 1 grants

- Removal of artificial exterior siding and replacement with or repair of original exterior siding.
- Removal of non historic windows and replacement with original or replications of original windows.
- Removal of historically incorrect or inappropriate additions/modifications to the original structure, ie: porches, room additions, ornamentation, inappropriate roofing materials and replacements of same with historically correct materials etc.
- Replacement/reconstruction of missing historical features ie: columns, porches exterior ornamentation, chimneys, exterior architectural details etc.

OPTION 2 grants

- Repair or replacement of failed roofs with historically correct materials and appropriate design.
- Repair of failed foundations.
- Repair of failed structural components, ie: joist, rafters, floors, load-bearing walls, trusses columns, beams etc.
- Projects to bring property into compliance with the ADA.
- Repair or replacement of failed masonry.
- Replacement or repair of failed windows with historically correct windows.
- Repair or replacement of failed mechanical, plumbing, and/or electrical systems if the existing system(s) jeopardized the historic property.
- Removal of asbestos or lead paint.
- Repair and/or installation of seismic reinforcement.
- Repair, evaluation and/or protection of archeological resources.

NOTE: In general, for OPTION 2 grant applications, the greater the threat a particular problem poses to a structure's integrity and survival, the higher the priority it will receive during the grant

application evaluation process. Additionally, it should be stressed that these grants are not intended for general maintenance projects.

Contract

Each grantee must sign a contract with the AHPP and comply with all of its terms. The contract is included in the grant award packet.

Conservation Easement

Recipients of grants of \$5,000 or greater must convey a Deed of Conservation Easement for the affected property before receipt of any grant funds. An easement is a voluntary transfer of some of the rights inherent in property ownership. The historic preservation easement is a right or limitation, set forth in a legal instrument or deed, which allows the donor to retain ownership and possession of a historic landmark while granting a government agency or qualified non-profit organization the authority to protect the historic, cultural, architectural, or archeological characteristics of the property.

The agreement may be called a "preservation," "conservation," "scenic," "interior," "open space," "exterior," or "facade" easement. The name has less to do with the way the agreement works than with the kind of resource it protects.

In each instance, the "easement," as it is legally termed, must contain binding and enforceable covenants that run with the land and structure. These covenants obligate the owner to refrain from actions that are incompatible with the preservation of and/or the historic integrity of the property. The Deed of Conservation Easement document must be executed in accordance with the AHPP's conservation easement program procedures.

Required Workshop

Grantees must attend a grant administration workshop in Little Rock at a time and location specified by the AHPP. Attendance is MANDATORY for the grant recipient or project manager. FAILURE TO ATTEND THE GRANT ADMINISTRATION WORKSHOP WILL RESULT IN CANCELLATION OF THE GRANT AWARD.

Construction Guidelines

All grant-supported projects must be in accordance with The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings. A copy of these standards is included in the award packet. Before any grant-assisted work is done, the AHPP must review the plans and specifications of the project to insure compliance with these standards.

Maintenance Plan

A property owner receiving a grant of \$10,000 or more from the AHPP is required to prepare a plan for the continued maintenance of the property. This plan will include schedules for building inspection and routine maintenance, personnel responsibilities, and proposed means of financing maintenance. It is recommended that before preparing the maintenance plan the grantee consult

“Cyclical Maintenance for Historic Buildings.” A copy of this booklet is available from the AHPP.

II. GRANT PROCEDURES

Grant Awards

Grants will be awarded annually. Eligible proposals are evaluated by a Grants Review Committee, consisting of the director of the AHPP, the chairman of the AHPP State Review Board, and a designated constituent at large.

Selection Criteria

The Grants Review Committee uses the following primary criteria to evaluate proposals:

- Threats to property or possibility of imminent loss
- Historic significance of property
- Impact of project on community preservation.

Other considerations, such as geographic distribution and conformance to community planning issues, may also affect decisions by the Grants Review Committee. In addition, the committee uses the following general criteria:

1. Evidence that the objectives of the project can be achieved within the framework set forth by the applicant
2. Qualifications and experience of the applicant and others participating in the project
3. Interest of the applicant in undertaking the project and acquired benefits to the applicant and to the AHPP
4. Appropriateness of the budget and evidenced support for matching funds

5. Timeliness and the need and significance of the project
6. Completeness of application (**Incomplete applications will not be considered**)

Project Time Limits

Unless otherwise authorized all projects **must** be completed within the time period specified 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 AHPP and the grantee will be notified as soon as possible of the action taken. A request for an extension does not guarantee it will be granted. **If the grantee does not meet an established deadline and/or does not request and receive an extension, the grant will be terminated on the contract end date and funds will be reallocated.** 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 inform the AHPP. The funds will then be reassigned or returned to the AHPP according to the procedures specified in this manual.

Project Review/Approval

Project plans and specifications must be forwarded to and reviewed by the AHPP staff before work starts. If clarification or additional information is required, the grantee will be contacted.

When preparation for the project is complete, the grantee will notify the AHPP. The AHPP will then conduct a final review of all project plans and required documents. When all is in order, the AHPP will provide written authorization for work to begin. Work may not begin until grantee receives this project initiation letter.

AHPP staff members may inspect the project before, during, and after the completion of the work. Once work has begun, the site visits may be made without notification to the grantee. An AHPP photographer may photograph the project.

The grantee and/or the project architect are encouraged to contact the AHPP with questions at any time before or during work on the project. **No changes in the project can be made after the project has been approved by the AHPP unless such changes are submitted in writing to and approved by the AHPP beforehand.** If changes are not approved, it is possible that the final work may not be approved and that full funding for the project could be denied. In the event of unforeseen problems, the AHPP staff will work to find a solution satisfactory to both the grantee and the AHPP.

Allowable Expenses

A list of some of the most frequently used allowable costs follows. To be considered allowable, all costs must appear in the approved work-cost breakdown.

- Historical, architectural, or archeological research necessary to implement and carry out project work
- Architectural, engineering, or contractor fees necessary to implement and carry out project work
- Expendable supplies and materials
- Rental or lease of project equipment
- Exterior restoration
- Structural repairs.

Non-allowable Expenses

The following costs are not reimbursed by Historic Preservation and Restoration Grants:

- Any item not listed in the approved work-cost breakdown
- Deficits
- Contingency funds
- Contributions or donations to other organizations or individuals
- Capital expenditures defined as tangible property costing \$100 or more and having a life span of two or more years
- Entertainment expenses, including refreshments, flowers, reception costs, etc.
- Interest and other financial costs
- Lobbying expenses
- New construction (some exceptions apply)
- Interpretive expenses (some exceptions apply)
- New pavement of parking lots, roads or walkways (some exceptions apply)
- Furnishings, draperies or carpeting
- Work done prior to grant award and after approved grant end date
- Installation of artificial siding, incompatible replacement windows, or the use of incompatible materials of any type
- Property acquisition costs

Selection of an Architect

Recipients of grants greater than \$10,000 are required to use the services of an architect licensed by the State of Arkansas. The architect will prepare plans, specifications, a work-cost breakdown, and other required contract documents, for submission to the AHPP, and will supervise the project. This requirement may be waived by the AHPP under certain circumstances.

Procedures for selection of an architect 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 services is prohibited.
2. Contracts for architectural services shall be negotiated on the basis of demonstrated competence and qualifications.
3. Select at least 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; and
 - d. proximity to and familiarity with 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.)

The architect selected by the grantee must arrange to meet with the Arkansas Historic Preservation Program staff to discuss the project in detail.

Selection of a Contractor

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

Contractor License Requirement

1. On projects of \$10,000 or more, contractors must be licensed by the Arkansas Contractors Licensing Board. Contractors shall indicate their current license number on their bid forms.
2. On projects of less than \$10,000, licensed contractors are not required, although the AHPP highly recommends licensed contractors for all projects.
3. On projects of \$50,000 or more, the general contractor must list any roofing, plumbing, electrical and HVAC subcontractors and these subcontractors must be licensed by the Arkansas Contractors Licensing Board.

Contractor Insurance and Bonding Requirements

1. All contractors must carry construction liability and workers compensation insurance

regardless of the cost of the project.

2. On projects of \$10,000 to \$19,999, contractors must furnish a 5% bid bond.
3. On projects of \$20,000 or more, contractors must furnish a 5% bid bond and a 100% performance bond.
4. 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 where the work is to be performed. 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.
5. Insurance and bonding agents must be licensed and authorized to do business in Arkansas.

Bid Procedures

Most grantees funded by this grant program must use competitive bidding to purchase goods, services, materials, and labor. Competitive sealed bidding is required for the purchase of any construction-related goods and services of \$10,000.01 or more. All procurement of construction-related products and services between \$1,000.01 - \$10,000.01 shall be done by soliciting competitive

quote bids by telephone or in writing from at least three qualified vendors.

Project Specifications

Project specifications shall contain the following statement:

“The Contractor is cautioned that this project involves largely RESTORATION WORK and maintaining the building in its present form is of utmost importance. 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 the resultant obligations and restrictions.”

Invitation to Bid

For projects costing more than \$10,000.01, the grantee must seek bids by placing an advertisement once each week for at least two consecutive weeks in a publication that has general circulation in the county where the work is to be performed. Bid date must be at least one week following last advertisement. The grantee may also use additional advertising sources.

If a bid bond is required, the amount may be stated as a percentage. If the contract does not require a performance bond, 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.

If, having advertised for bids, no bids are received by the date of the bid closing, the grantee must advertise for the goods and/or services to be procured a second time, with a second bid closing date established in accordance with these regulations.

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 the 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 that 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.

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 Proposals 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:

1. 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 practical.

2. 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.
3. The grantee shall provide mechanisms for technical evaluation of the proposals received, determinations of responsible offers for the purpose of written or oral discussions, and selection for contract award.
4. Award may be made to the responsible offeror whose proposal will be most advantageous to the procuring party, price and other factors considered. Unsuccessful offers should be notified promptly.
5. Grantees may utilize competitive negotiation procedures for procurement of architectural, engineering, archeological, and other professional services, whereby competitor's qualifications are evaluated and the most qualified competitor is selected, subject to negotiation of fair and reasonable compensation.

Noncompetitive Negotiation

Noncompetitive negotiation may be used when the award of a contract is not feasible 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 courses, it becomes apparent the competition is not adequate. Circumstances under which a contract may be awarded by noncompetitive negotiation are limited to the following:

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

Single source contracts must be approved by the AHPP.

Bid Documentation

The following bid documentation is required and a copy must be provided to the AHPP:

1. Dated copies of all required advertisements
2. Dated copies of all sealed bids received
3. Names and addresses of all vendors contacted for quote bids
4. Quotes from all bids
5. Documentation of negotiations for negotiated contracts
6. Justification for why the lowest bid was not accepted, if such was the case.

Bid Acceptance and Award

An award may be made to the lowest aggregate bidder for all items, group of items, or an individual item basis, whichever is deemed to be in the best interest of the project.

The right to reject any and all bids and to waive technicalities and minor irregularities in bids should be allowed.

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.

Grant Payments

Since grants are based on anticipated federal funds or state revenues and not on existing funds, grant amounts could be reduced at any time during the grant period.

The schedule of grant payments will depend upon the nature of the project. Grant payments will be made directly to the grantee.

No payment will be made to the grantee unless payment requests are accompanied by progress or final reports as applicable. The grantee should use the following procedure:

1. No payment shall be made under this grant agreement until recipient has made a cash match expenditure at least equal to the payment requested.

2. One of the following payment options can be used:

- a. Partial reimbursement payments upon completion of portions of the project (no more than four requests during grant period)
 - b. One full payment upon completion of the total project
3. Requests for partial reimbursement payments **must** include:
- a. Progress report
 - b. AHPP invoice form
 - c. Vendor invoice (s)
4. Final payment will be processed upon approval of completed work. Request for final payment **must** include:
- a. Final project report
 - b. AHPP invoice form
 - c. Vendor invoice (s)
 - d. **Photographs of completed project**

NOTE: A blank AHPP invoice form, progress report form, and final project report form are **included** in the grant award packet. Please make copies as needed.

Financial Records

Grantee is subject to make all finance records available for audit.

Reporting

Grantees are required to submit reports during the grant period according to the grant agreement.

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

A final project report is required no later than 30 days after completion of the project. This report must include certification/documentation of cash match, in-kind contributions, and total project costs. Full or final payment requests must be accompanied by the final project report.

Reassignment of Funds

The director of the AHPP, the chairman of the Arkansas Historic Preservation Program State Review Board, and a designated constituent at large will meet to determine the reassignment of any unused grant funds previously awarded. The funds may be awarded to another qualified applicant with a current grant proposal on file, or returned to the AHPP depending on such factors as the amount involved, the needs at the time the funds become available, and when in the grant cycle the funds become available. All available information will be considered to ensure an equitable reassignment of funds.

III. EXECUTIVE ORDER 98-04

All work performed with AHPP grant funds must comply with the terms of EO-98-04. A copy of the executive order is attached.