

**§ 1724.8 Restrictions on lobbying.**

Borrowers shall comply with the restrictions and requirements in connection with procurement activities as set forth in part 3018 of this title.

**§ 1724.9 Environmental compliance.**

Borrowers shall comply with the requirements of part 1794 of this chapter, Environmental Policies and Procedures for Electric and Telephone Borrowers.

**§ 1724.10 Standard forms of contracts for borrowers.**

The standard loan agreement between RUS and its borrowers provides that, in accordance with applicable RUS regulations in this chapter, the borrower shall use standard forms of contracts promulgated by RUS for construction, procurement, engineering services, and architectural services financed by a loan made or guaranteed by RUS. This part implements these provisions of the RUS loan agreement. Subparts A through E of this part prescribe when and how borrowers are required to use RUS standard forms of contracts for engineering and architectural services. Subpart F of this part prescribes the procedures that RUS follows in promulgating standard contract forms and identifies those contract forms that borrowers are required to use for engineering and architectural services.

[63 FR 58284, Oct. 30, 1998]

**§§ 1724.11–1724.19 [Reserved]****Subpart B—Architectural Services****§ 1724.20 Borrowers' requirements—architectural services.**

The provisions of this section apply to all borrower electric system facilities regardless of the source of financing.

(a) Each borrower shall select a qualified architect to perform the architectural services required for the design and construction management of headquarters facilities. The selection of the architect is not subject to RUS approval unless specifically required by RUS on a case by case basis. Architect's qualification information need not be submitted to RUS unless

specifically requested by RUS on a case by case basis.

(b) The architect retained by the borrower shall not be an employee of the building supplier or contractor, except in cases where the building is prefabricated and pre-engineered.

(c) The architect's duties are those specified under the Architectural Services Contract and under subpart E of this part, and, as applicable, those duties assigned to the "engineer" for competitive procurement procedures in part 1726 of this chapter.

(d) If the facilities are RUS financed, the borrower shall submit or require the architect to submit one copy of each construction progress report to RUS upon request.

(e) Additional information concerning RUS requirements for electric borrowers' headquarters facilities are set forth in subpart E of this part. See also RUS Bulletin 1724E-400, Guide to Presentation of Building Plans and Specifications, for additional guidance. This bulletin is available from Program Development and Regulatory Analysis, Rural Utilities Service, U.S. Department of Agriculture, Stop 1522, 1400 Independence Ave., SW., Washington, DC 20250-1522.

**§ 1724.21 Architectural services contracts.**

The provisions of this section apply only to RUS financed electric system facilities.

(a) RUS Form 220, Architectural Services Contract, must be used by electric borrowers when obtaining architectural services.

(b) The borrower shall ensure that the architect furnishes or obtains all architectural services related to the design and construction management of the facilities.

(c) Reasonable modifications or additions to the terms and conditions in the RUS contract form may be made to define the exact services needed for a specific undertaking. Such modifications or additions shall not relieve the architect or the borrower of the basic responsibilities required by the RUS contract form, and shall not alter any terms and conditions required by law.

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All substantive changes must be approved by RUS prior to execution of the contract.

(d) Architectural services contracts are not subject to RUS approval and need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

(e) *Closeout*. Upon completion of all services and obligations required under each architectural services contract, including, but not limited to, submission of final documents, the borrower must closeout that contract. The borrower shall obtain from the architect a final statement of cost, which must be supported by detailed information as appropriate. For example, out-of-pocket expense and per diem types of compensation should be listed separately with labor, transportation, etc., itemized for each service involving these types of compensation. RUS Form 284, Final Statement of Cost for Architectural Service, may be used. All computations of the compensation must be made in accordance with the terms of the architectural services contract. Closeout documents need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

**§§ 1724.22–1724.29 [Reserved]**

**Subpart C—Engineering Services**

**§ 1724.30 Borrowers’ requirements—engineering services.**

The provisions of this section apply to all borrower electric system facilities regardless of the source of financing.

(a) Each borrower shall select one or more qualified persons to perform the engineering services involved in the planning, design, and construction management of the system.

(b) Each borrower shall retain or employ one or more qualified engineers to inspect and certify all new construction in accordance with §1724.32. The engineer must not be the borrower’s manager.

(c) The selection of the engineer is not subject to RUS approval unless specifically required by RUS on a case by case basis. Engineer’s qualification information need not be submitted to

RUS unless specifically requested by RUS on a case by case basis.

(d) The engineer’s duties are specified under the Engineering Services Contract and under part 1726 of this chapter. The borrower shall ensure that the engineer executes all certificates and other instruments pertaining to the engineering details required by RUS.

(e) Additional requirements related to appropriate seismic safety measures are contained in part 1792, subpart C, of this chapter, Seismic Safety of Federally Assisted New Building Construction.

(f) If the facilities are RUS financed, the borrower shall submit or require the engineer to submit one copy of each construction progress report to RUS upon RUS’ request.

**§ 1724.31 Engineering services contracts.**

The provisions of this section apply only to RUS financed electric system facilities.

(a) RUS contract forms for engineering services shall be used. Reasonable modifications or additions to the terms and conditions in the RUS contract form may be made to define the exact services needed for a specific undertaking. Any such modifications or additions shall not relieve the engineer or the borrower of the basic responsibilities required by the RUS contract form, and shall not alter any terms and conditions required by law. All substantive changes to the RUS contract form shall be approved by RUS prior to execution of the contract.

(b) RUS Form 236, Engineering Service Contract—Electric System Design and Construction, shall be used for all distribution, transmission, substation, and communications and control facilities. These contracts are not subject to RUS approval and need not be submitted to RUS unless specifically requested by RUS on a case by case basis.

(c) RUS Form 211, Engineering Service Contract for the Design and Construction of a Generating Plant, shall be used for all new generating units and repowering of existing units. These contracts require RUS approval.

(d) Any amendments to RUS approved engineering services contracts require RUS approval.