



LOWER GWYNEDD TOWNSHIP MONTGOMERY COUNTY, PENNSYLVANIA

REQUEST FOR PROPOSALS FOR SITE/CIVIL ENGINEERING SERVICES

I. General Information

Lower Gwynedd Township (“the Township”) invites firms to submit proposals for the provision of site/civil engineering services as further detailed in the scope of work of this Request for Proposals (RFP) related to the planning and construction of a new public works building. The Township intends to select the firm most qualified and best meeting the interests of the Township.

As described in more detail below, the proposal should include evidence of the Firm’s experience with projects of similar size and complexity in Pennsylvania, preferably Montgomery County. Submit proposals, with a cover letter signed by a principal of the firm, to Christopher Haller, challer@boyleconstruction.com.

The submittal deadline is Friday, February 20, 2026, at 4:00 PM.

II. Project Information

[Lower Gwynedd Township](#) is governed by an elected five-member Board of Supervisors and has a population of 12,000 residents. The Township’s 9.4 square miles in south central Montgomery County, Pennsylvania includes the areas of Gwynedd Valley, Penllyn, and Spring House. With proximity to the City of Philadelphia, excellent train and highway access, premier employers, top-rated schools and a beautiful locale, Lower Gwynedd is highly desired as a place to live and work.

The Township plans to construct a new public works building on Township property located at 101 Moore Drive, Spring House, PA 19477. Proposers are encouraged to visit the site on their own. If your firm intends to visit the site, please notify John Farrell from the Township at jfarrell@lowergwynedd.org before entering the premises.

To date, the Township has conducted a Feasibility Study and Needs Assessment for the project, selected a construction manager, and has approved an architect to lead the project

design. The final report from the assessment may be found on the [Township's website](#). The Township has been awarded two grants for the project: a \$1,325,000 Redevelopment Assistance Capital Program (RACP) grant and a \$750,000 Local Share Account (LSA) grant.

Qualifications

Firms must be currently licensed and in good standing with the Commonwealth of Pennsylvania to perform municipal civil engineering services. The Proposer must have experience providing civil engineering services on public projects of a similar size and scope. Experience specific to the construction of public works facilities is preferred.

III. Scope of Work

The selected firm may be expected to provide the following services to the Township. Proposals should include descriptions of the firm's qualifications and examples of their experience in each of these areas.

A. Site Survey

The Site Surveyor shall provide the following surveying services for the project site as follows:

1. Record Boundary and Easement Survey
 - a. Surveyor shall document boundary and monument information from previous surveys as well as from Township and County records. Surveyor shall verify all information on site and document all missing information.
 - b. Boundary and Easement Survey shall be conducted utilizing terrestrial surveying methods. Aerial Surveys methods will not be permitted.
2. Field Topographic Survey
 - a. Topographic Survey shall be conducted utilizing both terrestrial and aerial surveying methods.
 - b. Mapping shall include Moore Drive and shall extend a minimum of two hundred (200) feet from the project site.
 - c. Identify center of all trees with approximate trunk diameter.
 - d. Identify all utility boxes with type and size indicated and spot elevations on top. If vaults are larger than 2' x 3', provide spot elevations on all four corners.

- e. Identify spot elevations of all drain inlets, manholes and other drainage features with all pipes indicated with invert depths and exit directions.
- f. Identify spot elevations of all sewer cleanouts and manholes. At manholes, provide invert elevations of all pipes and exit directions.
- g. Identify all raised electrical structures, panels, transformers, etc. and approximate size and identify concrete pads present with elevations of all four corners and adjoining paving elevations.
- h. Identify underground utilities utilizing ground penetrating radar.
- i. Provide spot elevations on 50' grid and 1' contours.
- j. Identify all visible swales, ditches, drainage channels, tops and toes of slopes and other visible terrain.
- k. Identify any ponded water if present.
- l. Surveys will require accurate locations of all utilities above and below grade.
- m. Identify locations of all utilities by type (i.e., Power, gas, sewer, storm, telephone, etc.)
- n. Identify all utility box locations and show all underground pull boxes.

3. Utility Locating

The Consultant shall collect existing utility maps from controlling agencies, including PECO (electric and gas), North Wales Water Authority (water), and Lower Gwynedd Township (sewer and stormwater). Consultant shall retain a utility locating service to trace, mark, and record known utilities within the area surveyed.

4. Base Map Preparation

Base maps shall be at a minimum scale of 1" = 20'-0" using AutoCAD with deliverables in .DWG format. Ground surface shall be illustrated using 1' contours and spot elevations to the nearest 0.01 foot. The map shall indicate constructed features, trees and shrubs, boundary and easement information. Provide both CAD and PDF versions to the Township upon completion. Control points used to establish the survey shall be included in the digital form of the drawing.

5. Registered Site Surveyor

Surveys must be prepared and signed by a Pennsylvania Registered Site Surveyor.

B. DESIGN, BIDDING, & CONSTRUCTION PHASE SERVICES:

This Request for Proposal is for Site/Civil Design Engineering Services. The selected firm will work with the Township, Construction Manager, Architect, and other members of the design team. The firm will be responsible for developing Schematic

Plans, Design Development Plans and Permits, and Bidding and Construction Documents. The scope of services shall include obtaining all necessary approvals and permits (see below) meetings, etc. and NPDES inspections (critical stages) and all required services to close out the permit.

Land Development approvals from the Lower Gwynedd Township Planning Commission and Board of Supervisors, Montgomery County Planning Commission, Montgomery County Conservation District, PA Department of Environmental Protection, water, sewer, and all utility approvals, as well as all other required approval agencies shall be included. Site/Civil shall include any and all services from concept and sketch to design, ALL necessary plan revisions, cost estimates, agreements, plan recording to project closeout.

Site lighting and landscape design will be handled by the Site/Civil Engineer.

Irrigation design, if required, shall be handled by the Site/Civil Engineer. Site/Civil Engineer should coordinate and, if necessary, receive proposals from an environmental firm for all necessary environmental work and geotechnical work for the project including but not limited to infiltration testing, borings, carbonate studies, Phase I ESA, etc.

Please find attached the following information:

- Architect Scope of Work
- Construction Manager Scope of Work

1. General Scope:

a. Schematic Design Phase

- i. Kickoff meeting with design team to review goals, objectives and deliverables based on the Lower Gwynedd Township Public Works Facility program, schedule and budget, prepare schematic design documents.
- ii. Preparation of all land development and site approval drawings and documents required by state, county, and township agencies for project approval. Any traffic study information will be provided by Lower Gwynedd Township.
- iii. Coordination with the Township, Construction Manager, Architect, and other members of the design team.
- iv. Attendance at all design and coordination meetings.
- v. Assist with preparing and reviewing cost estimates.

- b. Design Development Phase (Land Development and Agency Approval Phase)
 - i. Based on Township approval of the Schematic Design, prepare design development documents.
 - ii. Coordination with the Township, Construction Manager, Architect, and other members of the design team.
 - iii. Attendance at all design and coordination meetings.
 - iv. Review and comment on programming, design intent and overall Design Development Plans.
 - v. Review cost estimates.
- c. Construction Document Phase:
 - i. Attend bi-weekly design and coordination meetings with project team. Include up to 20 design team meetings.
 - ii. Based on Township approval of the Design Development documents, prepare Construction Documents consisting of drawings, specifications, and alternate bids as required, setting forth in detail the requirements for construction of the project.
 - iii. Complete all details and schedules.
 - iv. Assist the Township in the preparation of the necessary bidding information, bidding forms, conditions of the contract for construction and forms of agreement between the Township and the contractors.
 - v. Construction documents must comply with codes and regulations of regulatory bodies that have jurisdiction over the project.
 - vi. Permit set of Construction Documents and Building Agency Submissions.
- d. Bidding and Construction Contract Administration
 - i. Attend pre-construction meeting.
 - ii. Respond to contractor RFI's in a timely manner.
 - iii. Advise and consult with the Township during construction until project is closed out.
 - iv. Provide onsite construction administration services including site visits to become familiar with the progress of work and to determine if the work is being performed in accordance with the contract documents. Include 15 onsite visits with field reports.
 - v. Review and approval of submittals such as shop drawings, product data sheets and samples in a timely manner.
 - vi. Assist the Township in reviewing and approving monthly payments to the contractors.

- vii. Assist the Township with the date of substantial completion; preparation and resolution of a final punch list; obtaining all warranties and O&M Manuals; and final certificate of payment.
- viii. Work with the Township and contractors in developing final as-built drawings.
- ix. Prepare and monitor punch list, including 3 site visits.
- x. Meet all requirements associated with grants received for the project. Information about the Redevelopment Assistance Capital Program (RACP) is attached as an appendix to this RFP. See the following link for more information about Local Share Account (LSA): [Program Guidelines](#)

C. SCHEDULE

Respondents should include a proposed schedule for permitting and design phase services (see anticipated project schedule below).

Anticipated Project Schedule:

Deliverable	Approximate Timeline
Issue Requests for Proposals	January 16, 2026
Proposal Due to Lower Gwynedd Township	February 20, 2026
Notify Firm(s) to be interviewed	February 27, 2026
Township Review and Conduct Interviews, if required	March 3-4, 2026
Township Award Contract	March 10, 2026
Kick-Off/Start	March 11, 2026
Site Survey	March 16, 2026 – March 27 , 2026
Civil Environmental Review & Sketch Plan	March 17, 2026 – April 30, 2026
Land Development Process	May 1, 2026 – February 28, 2027
Land Development Approvals & Building Permit	March 1, 2027 – March 31, 2027
Bidding Phase	February 1, 2027 – April 30, 2027
Construction Phase	May 1, 2027 – April 30, 2028
Project Closeout	May 31, 2028

IV. Insurance

The selected firm shall procure and maintain, in full force and effect, covering the performance of the services described in this RFP, insurance in the types and minimum amounts specified below. In addition to the insurance coverage and limits listed herein, the selected candidate shall obtain any other insurance coverage as may be required by law or as necessary to fully protect the Township's interests.

- Statutory Workers' Compensation as required by state law and Employer's Liability in the amount of \$1,000,000 each accident / \$1,000,000 each disease / \$1,000,000 policy limit;
- Commercial General Liability (also referred to as civil or public liability insurance outside of the US) including, Product and Completed Operations Liability and contractual liability covering Bodily/Personal Injury and Property Damage, written on an occurrence basis, in the following amount: \$1,000,000 per occurrence, \$2,000,000 general aggregate, \$1,000,000 product completed operations;
- Business Automobile Liability covering all vehicles (owned, non-owned, hired, etc.) used in connection with the Services, covering Bodily Injury and Property Damage in the amount of \$1,000,000 combined single limit per accident; and
- Professional Liability Errors and Omissions covering the selected firm's Services, with coverage limits of Two Million Dollars per claim or per occurrence/Two Million Dollars in the aggregate (\$2,000,000/\$2,000,000).

Coverage for occurrences happening during the performance of services required under this RFP shall be maintained in full force and effect at all times under the applicable policies. Applicable policies shall also include "tail coverage" after the termination of the contract for all work performed on behalf of the Township during the contract.

All insurance provided for in this section shall be obtained under valid and enforceable policies issued by qualified insurers which are licensed to do business in the Commonwealth of Pennsylvania. The Township requires that Certificates of Insurance evidencing the existence of such insurance be submitted to the Township at least ten (10) calendar days before work is begun and, if requested by the Township, annually during the term of representation. If the term of the selected firm's insurance coverage coincides with the calendar year, a Certificate from the expiring policy will be accepted, but a certificate evidencing renewed coverage of a new policy must be presented to the Township no later than ten (10) days after the effective date of the new policy.

The Township reserves the right to review categories and levels of insurance coverage held by the selected firm in an ongoing program of risk management. The selected firm

will be notified of coverage requirements as determined by such review and the respondent agrees to secure any such requested coverage.

V. Proposal Submissions

1. Proposals shall include:

- A. **Letter of Interest:** Submit a one-page cover letter signed by a principal with the firm expressing the Firm's interest in the project, as well as a statement regarding the Firm's ability to dedicate the time, personnel, and resources to support the specified services.
- B. **Project Manager & Project Team:** Provide information about the specific relevant experience and qualifications of the primary contact person (the "Project Manager"), who should be a Professional Engineer licensed to practice in the Commonwealth of Pennsylvania. The information should include a description of their relevant professional experience, years and type of experience, and number of years with the proposer.

Provide an organizational chart that identifies how the Proposer plans to staff the project and the structure of the team performing the Services. The organizational chart should identify all personnel being proposed for the provision of the Services. Briefly outline the role of all members of the Team and key personnel.

Provide a list of comparable public works or similar public facility construction projects in which members of the Team have participated, specifying how these comparable projects relate to the Services proposed here, their specific role(s) on the comparable projects, and the extent to which members of the Team worked together on prior projects.

The following information about the firm must also be included:

- i. Provide a brief history of the Proposer. Identify any changes in the Proposer's name and ownership structure and any other "DBAs" under which the Proposer has been doing or has done business within the past five (5) years.
- ii. Disclose any actual or potential conflicts of interest and disclose any representation of parties or other relationships that might be considered a conflict of interest with regard to this engagement, or the Township, and how those conflicts would be resolved;
- iii. Provide a list of all lawsuits and/or professional disciplinary action against your firm or key personnel within the last five years. Include name, date, and description of the lawsuit or action. If an outcome was

reached, please provide a description and any associated monetary values;

- iv. Describe any ongoing investigations and/or litigation matters involving the firm, its partners, shareholders, principals, officers, and any individuals employed by the firm, which relate to the performance of the firm for the scope of services above;
- v. Provide proof of adequate insurance as outlined in section V; and
- vi. Include any other information deemed relevant by the firm.

C. Relevant Experience:

- i. Provide evidence that the Proposer has experience with the areas of operation or development related to the Services (experience can be direct experience, education, or a combination thereof).
- ii. Provide at least three (3) references for new public works or similar public facility construction projects to demonstrate the experience requirement, including the name of the operation, address, contact person, telephone number, and size of similar operations or projects. Also provide evidence that the proposer has significant experience in Public Procurement projects, with at least 10 projects similar in scope.

D. Project Cost:

Payment for all Services pursuant to this RFP shall be on a lump sum, not-to-exceed fee basis plus reimbursable expenses at cost (List a NTE for reimbursables). The Proposal shall include a separate "Cost Proposal" which shall identify the lump sum fee and the proposed hourly billing rates for all members of the Team (designated by name and title) for the full duration of the Services.

The Proposer shall provide a breakdown of the fee and reimbursable expenses for each Phase of work in a lump sum format. This shall include a detailed spreadsheet showing the estimated hours, labor costs, expenses and total lump sum cost for the Services.

Fees should be broken down by phase:

- a. Survey
- b. Land Development/Design Phase
- c. Bidding Phase
- d. Construction Administration and Closeout Phase
- e. Grant Compliance
- f. All other necessary phases of work

If the Proposer anticipates services not specifically identified in the RFP which, in its opinion, will be required for the Proposer to complete the project, these services shall be noted in the Proposal, with a general explanation of the services, a brief justification as to why such services may be required, and a corresponding line item in the Proposal for a lump sum cost, including reimbursables, to perform such services.

The Proposer shall indicate terms and conditions for when payment for services is expected from date of invoice including any discounts. Lower Gwynedd Township will generally pay invoices within 30 to 40 days of receipt from an approved invoice from the Construction Manager.

The selected Proposer will invoice Lower Gwynedd Township through the Construction Manager in accordance with the process set forth in the executed agreement for its performance of the Services. Submittal of fees plus reimbursable expenses shall be made on standard AIA Application for payment form indicating percent of services provided for each phase plus reimbursable expenses (ALL fees in lump sum format including reimbursable expenses). Unless otherwise approved in writing by the Township's Board of Supervisors, the selected Proposer shall not be entitled to any payment from the Township in excess of the not-to-exceed fee provided in the executed agreement.

By submitting a Proposal, each Proposer certifies that it has read the complete RFP, understood the proposal process, and has full knowledge of the scope, nature and quality of the Services to be performed associated with this RFP, and accepts and agrees to all provisions of this RFP.

2. **Submission deadline: Email proposals to Christopher Haller, challer@boyleconstruction.com by 4:00 PM on Friday, February 20, 2026.**

VI. Questions

The Township will accept questions about the RFP until **Thursday, February 5 at 5:00 PM**. Questions may be sent to Christopher Haller, by email at challer@boyleconstruction.com. Responses from the Township will be posted on www.lowergwynedd.org. Answers to questions will be posted on the Township website by **Thursday, February 12, 2026**.

Interpretations of the meaning of the RFP documents made to any Proposer orally shall not be binding on the Township or any other Proposer.

VII. Next Steps

The Township will evaluate the submitted proposals, and, at the Township's discretion, may conduct interviews with some or all of the submitting firms.

Evaluation criteria will include:

1. Capability to perform the required services and qualifications of key personnel.
2. Extent of the proposed team's municipal experience and past performance in similar municipalities.
3. Approach and methodology for delivering municipal engineering services.
4. Ability to be responsive to the Township's needs.
5. Ability to provide the required services in a timely manner.
6. Proposed fee for professional services.
7. Other criteria as deemed appropriate by the Lower Gwynedd Township Board of Supervisors and staff.

VIII. Reservation of Rights

All Proposals and any subsequent submissions required to supplement the Proposal shall be prepared by the Proposer at the Proposer's sole cost and expense. If for any reason whatsoever, the Township rejects a Proposer's Proposal, the Proposer agrees that it will not seek to recover profits on work not performed nor will it seek to recover its Proposal preparation costs or claims for unjust enrichment.

The Township reserves and may, at its sole discretion, exercise the following rights with respect to this RFP and all Proposals submitted pursuant to this RFP:

- a. To reject all Proposals and re-issue the RFP at any time prior to execution of a final contract; to require, in any RFP for similar products and/or services that may be issued subsequent to this RFP, terms and conditions that are substantially different from the terms and conditions set forth in this RFP; or to cancel this RFP with or without issuing another RFP.
- b. To reject any Proposal if, in the Township's sole discretion, the Proposal is incomplete, the Proposal is not responsive to the requirements of this RFP, the Proposer does not meet the qualification requirements set forth herein, or it is otherwise in the best interest of the Township to reject the Proposal.
- c. To supplement, amend, substitute, or otherwise modify this RFP at any time prior to the Township answering questions posed by prospective respondents.

- d. To accept or reject any or all of the items in any Proposal and award a contract for the whole or only part of any Proposal if the Township determines, in its sole discretion, that it is in the Township's best interest to do so.
- e. To reject the Proposal of any Proposer that, in the Township's sole judgment, has been delinquent or unfaithful in the performance of any contract with the Township, is financially or technically incapable, or is otherwise not responsible.
- f. To waive any informality, defect, non-responsiveness, and/or deviation from this RFP that is not, in the Township's sole judgment, material to the Proposal.
- g. To permit or reject, at the Township's sole discretion, amendments (including information inadvertently omitted), modifications, alterations, and/or corrections to Proposals by one or more of the Proposers following Proposal submission.
- h. To request that one or more of the Proposers modify their Proposals, including, but not limited to, modifying the pricing or provide additional information.
- i. To request additional or clarifying information from any Proposer at any time, including information inadvertently omitted by a Proposer.
- j. To require that the Proposer appear for interviews and/or presentations of their Proposals at Township offices.
- k. To inspect projects similar in type and scope to the work sought in this RFP.
- l. To conduct such investigations as the Township considers appropriate with respect to the qualifications of any Proposer and with respect to the information contained in any Proposal.

APPENDIX A

Architectural Scope of Work: Alloy5 Architecture

THE FOLLOWING SERVICES ARE INCLUDED IN BASIC SERVICES

1. Schematic Design (SD)

- Develop conceptual building design based on the programmatic requirements established during the **Township Facilities Feasibility Study**, previously completed by GKO
 - Translate the validated program into preliminary floor plans, massing studies, and spatial relationships
 - Confirm building footprint layouts in alignment with approved master site plan and site-specific constraints
 - Collaborate with Civil, Structural and MEP consultants to integrate high-level systems strategies
 - Utilize BIM software to produce initial 3D massing models, test fits, and plan diagrams
 - Conduct bi-weekly coordination meetings with Township staff and consultants
 - Prepare presentation materials for internal Township review and public or board presentations as required
 - Deliverables: Schematic floor plans, site integration diagrams, elevations, massing models, preliminary code/zoning analysis, and summary of how the design reflects feasibility study recommendations
-

2. Design Development (DD)

- Refine the approved schematic design to include detailed layouts, dimensions, and material selections
 - Advance building systems in coordination with Structural and MEP consultants
 - Integrate civil engineer-provided site design and utility data
 - Further develop BIM model to include major assemblies and system coordination
 - Continued bi-weekly coordination meetings
 - Presentation-ready renderings and drawings as needed for boards or public sessions
 - Deliverables: Fully developed floor plans, sections, typical details, proposed materials, outline specifications, updated BIM model, and engineering coordination sets
-

3. Construction Documentation (CD)

- Produce complete and coordinated architectural construction documents, including:
 - Plans, elevations, sections, details, schedules, and specifications
- Coordinate final documents with Structural and MEP consultants for full integration
- Final BIM coordination model incorporating architecture, structure, and MEP disciplines
- Quality control review of all documents
- Respond to Township feedback and incorporate revisions

- Deliverables: Permit-ready and bid-ready construction documents, technical specifications, and coordinated consultant drawing sets
-

4. Bidding & Negotiation

- Assist the Township in issuing bid documents and responding to contractor inquiries
 - Attend pre-bid meetings and site walk-throughs
 - Review contractor RFIs during bidding and issue clarifications/addenda as needed
 - Support Township in evaluating bids and contractor qualifications
 - Deliverables: Bid clarifications, addenda, meeting notes, and award recommendation assistance
-

5. Construction Administration (CA) –

- Review submittals, shop drawings, and product data for conformance with design intent
 - Respond to contractor RFIs and issue architect's supplemental instructions (ASIs) as needed
 - Attend limited bi-weekly construction progress meetings and conduct site visits to observe work
 - Review and certify contractor payment applications
 - Coordinate with Structural and MEP consultants during construction for submittals, RFIs, and field observations
 - Conduct punch list inspections and review closeout documentation
 - Deliverables: Punch lists, and final certificate of substantial completion
-

Services Included Throughout All Phases:

- BIM Modeling and Coordination (Architecture, Structure, and MEP)
- Bi-weekly coordination and progress meetings with Township and consultants
- Presentations to boards, commissions, or public groups as required
- Ongoing coordination
- Code and zoning compliance reviews
- Cost estimate reviews at SD, DD, and CD phases
- Permit submission coordination

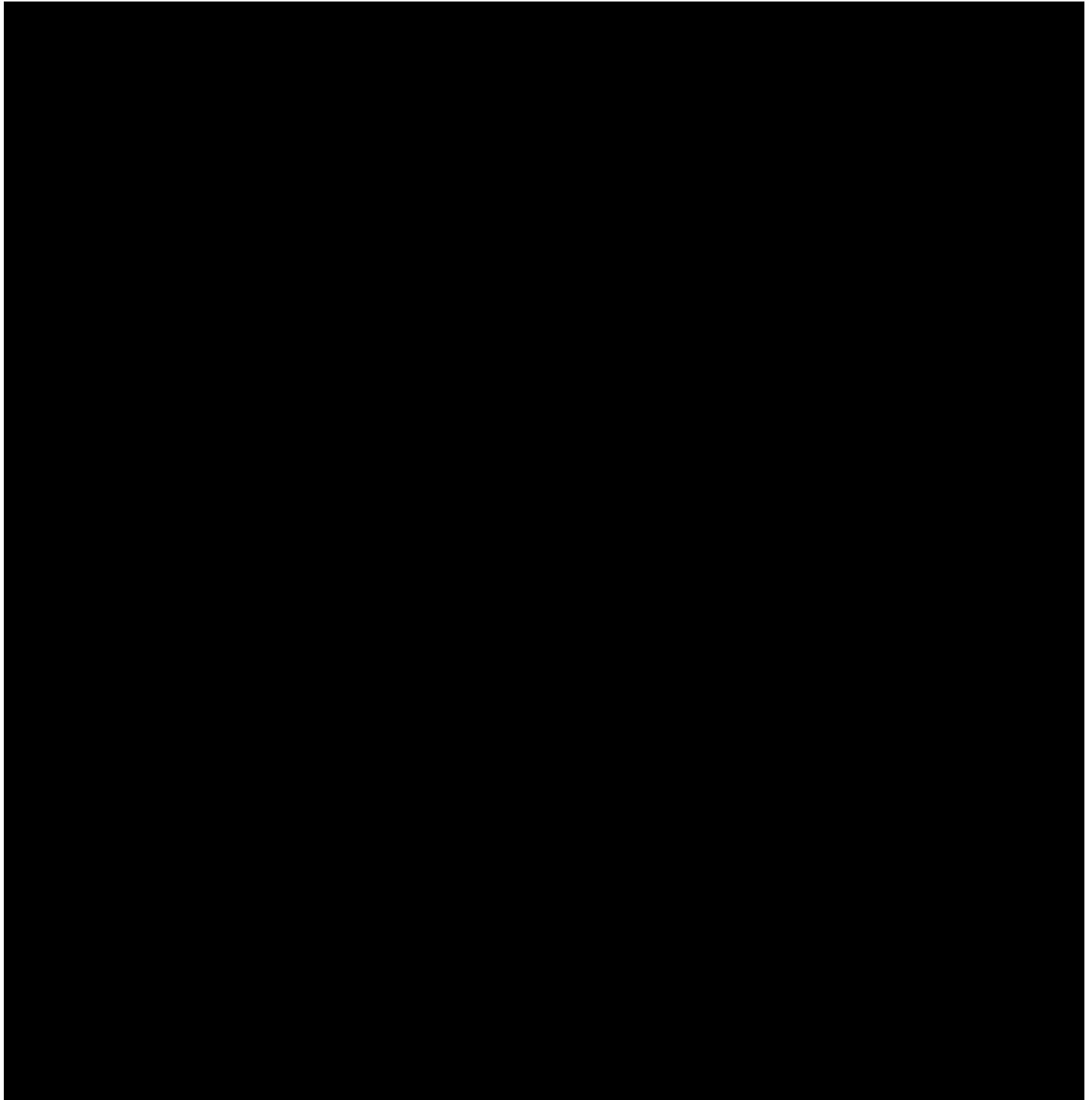
Supplemental Services

The services listed below are not included in Basic Services but may be required for the Project.

The Architect shall provide the listed Supplemental Services only if specifically designated in the table below as the Architect's responsibility, and the Owner shall compensate the Architect as per agreement. Unless otherwise specifically addressed in this Agreement, if neither the Owner nor the Architect is designated, the parties agree that the listed Supplemental Service is not being provided for the Project.

Supplemental Services	Responsibility <i>(Architect, Owner, or not provided)</i>
§ 5.1 Programming	Owner
§ 5.2 Multiple preliminary designs	Architect
§ 5.3 Measured drawings	Architect
§ 5.4 Existing facilities surveys	
§ 5.5 Site evaluation and planning	Architect
§ 5.6 Building Information Model management responsibilities	
§ 5.7 Development of Building Information Models for post construction use	
§ 5.8 Civil engineering	Architect
§ 5.9 Landscape design	Architect
§ 5.10 Architectural interior design	Architect
§ 5.11 Value analysis	
§ 5.12 Detailed cost estimating beyond that discussed in the engagement letter	
§ 5.13 On-site project representation	
§ 5.14 Conformed documents for construction	Architect
§ 5.15 As-designed record drawings	
§ 5.16 As-constructed record drawings	
§ 5.17 Post-occupancy evaluation	
§ 5.18 Facility support services	
§ 5.19 Tenant-related services	
§ 5.20 Architect's coordination of the consultants	Architect
§ 5.21 Telecommunications/data design	Owner
§ 5.22 Security evaluation and planning	Owner
§ 5.23 Commissioning	
§ 5.24 Sustainable Project Services	
§ 5.25 Fast-track design services	
§ 5.26 Multiple bid packages	Architect
§ 5.27 Historic preservation	

Supplemental Services	Responsibility <i>(Architect, Owner, or not provided)</i>
§ 5.28 Furniture, furnishings, and equipment design	
§ 5.29 Other services provided by specialty Consultants	
§ 5.30 Other Supplemental Services	



APPENDIX B

Construction Manager Scope of Work: Boyle Construction



August 6, 2025

John Farrell,
Project Manager & Emergency Management Coordinator
Lower Gwynedd Township
1130 North Bethlehem Pike
Spring House, PA 19477

Dear John,

Thank you for providing Boyle Construction the opportunity to submit our proposal for Public Project Management Services for a new Public Works Facility for Lower Gwynedd Township. I enjoyed talking with you last week to learn more and discuss the Township's goals for the project. Also thank you for sending the link to the study that was prepared by GKO. We are very familiar and excited to see this project move forward, since we were on GKO team for cost estimating.

Boyle has been performing Public Project Management Services since 1996, working on all types of projects for a wide range of public clients. From boroughs and townships to cities, counties and authorities, we have successfully completed new construction, renovations, and additions for facilities of all types and sizes, including services for public works, administration, police and community centers.

Our proven management methods ensure that projects start and finish on time while optimizing the value of every dollar spent. We have an excellent track record with clients who have successfully benefited from these processes. Our approach allows your staff to stay focused on their current responsibilities while executing a major capital improvement.

Specific to Lower Gwynedd, we want to ensure you know our full services including the following:

- As discussed, the Township has RACP funds lined up for this project (and I understand the Township is pursuing more funds with their consultant). Boyle has extensive experience with RACP, and as part of our fee we include managing the RACP requirements during the bid document preparation and during construction. We will also assist the Township and your consultant with all reimbursements. Should the Township need post-award RACP grant services, I have also included an option in the fee section below.
- Additionally, we will assist the Township during the design and bidding process in determining whether there is a direct cost and schedule benefit to utilizing the

Cooperative Purchasing Agreement or bid the project in accordance with the Separations Act. This evaluation is included in our fee.

BOYLE'S DAY 1 APPROACH

Our Day 1 project planning approach starts at project conception and is designed to reduce time, costs, and risk while maximizing the Township's return on investment. Boyle "quarterbacks" the entire team through each phase of the project, acting as your eyes and ears to ensure it is completed safely, on time, within budget, and with outstanding quality. As experts in managing Prime Contractors, we also coordinate the tasks of Township vendors and outside consultants, ensuring all parties are aligned and working toward a successful project outcome.

PRECONSTRUCTION PHASE

Architect Selection

Boyle assists Clients throughout the architect selection process, providing guidance and support to ensure the best fit for their project needs. We will:

- Identify and recommend qualified architectural firms for consideration.
- Develop the Request for Proposal (RFP) and help the Township manage the submission process.
- Assist the Township in evaluating proposals with comparative analysis and insights.
- Support the Township in finalizing the selection, ensuring a strong partnership, and preparing contracts for hire.

Notes:

- *Utilize this same process to assist in hiring other consultants as required, such as Geotechnical, Environmental, Construction Testing, etc.*
- *Boyle can also hold the contracts with the consultants, if the Township prefers.*

Land Development Assistance

Our expert staff works on the land development process every day. As former engineers and architects they have the combined skill set and knowledge to assist you in the approval processes as an added value to reduce time and costs.

- Lead the team of consultants to develop master plan options for the site.
- Assist in obtaining entitlements and finalizing approval conditions with the Township and other local and state agencies.
- Manage the approval process for NPDES permits and other regulatory requirements. Perform on-site analysis offering suggestions to the consultants on building orientation, stormwater management, etc. that may affect the permitting process.
- Oversee preconstruction testing and monitor its implementation.
- Assist with initial utility coordination efforts.

- Provide information on the process for accurate messaging to Boards, neighbors, and other constituents.

Grant Management

We understand Lower Gwynedd is working with a grant consultant to identify and apply for funding for this project. Including in our standard fees and services is the tracking and compiling of all grant compliance documentation. Because RACP and other public grants have specialized requirements for construction, the Boyle Team coordinates and administers the project to comply with these requirements. This includes:

- Compiling and maintaining comprehensive documentation for required bidding, submittals and closeout processes.
- Providing organized records upon project completion to ensure grant compliance (i.e. steel certifications, certified payrolls, etc.)

Optional grant services include grant Post-Award Services, and identification and application assistance. This is done in partnership with Hailstone Economic, a grant consulting firm with an excellent track record in assisting municipalities.

Post-Award Services for RACP include preparation and submission of the Project Management Proposal (PMP), coordination with the state-assigned consultant to finalize the PMP Review Report, ensuring that all Special Conditions of the RACP Agreement are satisfied, and submission of all documentation for Special Conditions and payment request materials via the online ESA Partner Portal.

If the Township chooses to pursue an additional RACP grant, Hailstone Economic can help with Pre-Award Services, which include:

- Working with the Township to confirm the project's eligibility, review grant requirements, and determine that a suitable itemization (site and project type) exists and includes the necessary available funds.
- Preparing and submitting the application ensuring all project details, budget information, and required attachments are uploaded.
- Finalizing and submitting the eRACP using the Electronic Single Application (ESA) website by the published eRACP deadline.

Meetings and Overall Project Coordination

Boyle leads the project team through all phases of the project. We conduct bi-weekly meetings with agendas, meeting minutes, and ongoing follow-up between meetings. The Township is kept fully informed on progress, key milestones, and any arising issues. We will also present at Board of Supervisors meetings.

Transparent communication is fundamental to our process. We provide the Township with access to Procore, our online project management platform, which offers real-time

updates and reporting. This helps clients and stakeholders stay informed and make decisions that keep the project on track.

As a value-added service, Boyle also coordinates with all Township vendors—including equipment, fixtures, security, access control, and furniture—as these items are critical to a fully functioning facility. This coordination occurs throughout every phase of the project, from preconstruction through move-in

We also assist with community engagement, from monthly updates and representation at Board of Supervisors meetings to helping plan project milestone events, like a groundbreaking ceremony or ribbon cutting.

Cost Estimating

Boyle will provide three comprehensive and detailed project cost estimates during the design stages. Our estimates are extremely detailed and accurate, building more key components into each version as the project proceeds.

- Initial estimates are from our own historical project cost data and current use and square footage costs from similar projects within our company and regionally. We have completed a number of projects in the region, so we have very current data to utilize.
- Assist the Township and design team in evaluating alternative building systems, including conventional structural systems, pre-engineered metal buildings, and hybrid options. Evaluations will consider cost, schedule, maintenance, and performance criteria to support Township decision-making.
- As design progresses, Boyle's estimating incorporates input from key vendors and subcontractors (especially mechanical and electrical), and other details from the design documents.
- We utilize the latest technology in our extensive estimating process, and our estimating personnel store unit pricing. We assemble accurate, current estimates based on actual job costs.
- Boyle believes in facilitating communication, aligning the design with the budget, and focusing on long-term value for the Township. To achieve these objectives, we:
 - Lead bi-weekly meetings with representatives from the Township and the Design Consultants to review current project status. We will prepare an agenda and meeting minutes for each meeting.
 - Perform value engineering and constructability reviews at each major budget update and along the entire design process.
 - Provide budget reviews as an ongoing process throughout the design and challenge the design to explore all alternate construction methods.
 - Find the best options for the best value. We provide a complete analysis of initial costs and the ongoing maintenance and life cycle expenses; sometimes the more expensive option may provide better long-term performance and payback. Ensure the following:

- BIM technology is utilized to prevent conflicts between building systems.
- The project can be constructed in a safe, efficient sequence that will minimize operational impacts to the Township facilities and adjacent properties.
- Specified products and systems provide the best value and long-term performance within the available budget.
- Find cost savings that prioritize value while maintaining design integrity.

Scheduling

Our scheduling strategy is crucial to keeping the project on track. We will:

- Pre-Construction Phase: Develop an overall projected schedule including all design and permitting activities as well as all land development approvals, utility coordination, bidding and all Township approvals through construction.
- Critical Path Master Schedule: Create a detailed construction schedule using Outbuild software. This will outline key dates and milestones, identify long lead equipment and building components, and include scheduling contingencies and recovery strategies. This is included in bid documents to hold the prime contractors accountable.
- Prioritization: Analyze project schedule on a macro level to prioritize project phases, permitting, bidding, and design tasks.
- Procurement: Ensure early decisions to prevent long lead delays and costly change orders.

Design Review, Bidding and Procurement

Boyle offers extensive public procurement experience in creating bid packages that provide the best possible project cost. Contractors trust our management style and attention to detail, and we consistently receive a high response rate on our projects with competitive pricing. We will:

- Spend a significant amount of time creating bid packages that are clear and leave minimal questions to the bidder, resulting in a better overall price. Our extensive experience in creating solid bid packages limits questions and changes during construction. This is one of the most important aspects of the entire project delivery.
- Perform a thorough red-line review of the plans to coordinate all plans and look for gaps or missing information prior to release to bidders. By eliminating bid document variables, the bids are lower.
- Prepare site logistics plans for inclusion in the bid packages.
- Coordinate all utility relocations and services to the site.
- We will coordinate with all Township vendors on equipment, fixtures, security, access control, furniture, etc. as the timing of these items is critical and is directly related to the final bid documents. We will solicit pricing, schedules and plans from all vendors, and recommend awards. We will coordinate all vendors work during construction.
- Perform Boyle's internal Quality Control Review of all plans and documents.

- Recommend bid packaging and suggest any alternatives, unit prices, and allowances to be included. Identify and assist in preparing early bid packages such as precast, demolition, subsurface improvements, and site work.
- Provide a Critical Path Master Schedule in the bid documents. Most specifications indicate an overall completion duration of “X” number of calendar days. However, what is often overlooked is that there are several (four to six) independent Prime Contractors all working in their own best interests with no regard for others. Milestone schedules identify any problems or delays early and allow time to react and recover.
- Identify critical schedule juncture points where all Prime Contractors must align, such as rough-in inspections to allow finishes to start.
- Draft Prime Contracts’ scopes of work for both temporary facilities and work summaries to eliminate gaps between Prime Contractors. We draft a written work item narrative in bullet format and describe in detail who is responsible for what work and how the work should be performed. This eliminates gaps in the specifications or drawings and clearly defines which Prime Contractor is responsible for what work.
- Define work starting and stopping points to avoid potential change orders as well as overlap or duplication that may drive up initial bids.
- Assist the Design Consultant with developing QA/QC criteria and testing requirements to be incorporated into the bid specifications.
- Lead the procurement team to solicit and distribute bid packages. Our team will chair pre-bid meetings, distribute the subsequent meeting minutes, receive all requests for information (RFIs) and write and issue all addendums with input from the Project Team’s other professionals.
- Coordinate with the Design Consultant to provide responses to questions throughout the bidding process and assist Township Procurement with developing addenda.
- Notify potential Contractors and Vendors of the solicitation to help generate interest and ensure a competitive bidding environment.
- Conduct the bid opening and review the bids for compliance with the documents and completeness. We work hand in hand with your procurement team to de-scope the bids by receiving, evaluating, and tabulating all bids.
- Prepare recommendations for award letters for all Prime Contractors and prepare and issue the Notice to Proceed documents for all contracts. The Boyle team will fill in any processes not conducted by your team members by creating and writing all AIA contracts, conducting meetings, and shepherding the contract document process to be sure all documents are in place before construction begins.
- Obtain all required municipal building permits (Permit Fees to be paid by Township).

CONSTRUCTION PHASE

During the Construction Phase, Boyle drives the project schedule and coordinates and constantly communicates with the Township, all Project Team members, and all Prime

Contractors. Constant communication is absolutely necessary to ensure there are no delays in each phase, to avoid conflicts between the Prime Contractors, and to avoid additional costs. Our daily interaction with the Contractors, assisting them in scheduling and working hand in hand together, is one of Boyle's strengths.

This is evident from the excellent bidder responses that we get on our construction projects. The Contractors know that we are there to help them successfully complete the project on time, on schedule, safely, and to the highest quality.

We break down the Critical Path Master Schedule to develop Two-Week Look Ahead Schedules that outline deadlines to keep the project on schedule and on budget. This helps determine the entire Project Team's priorities. This detailed plan allows the Prime Contractors to schedule efficiently and not waste any time. When they arrive on site, the site is ready for them to proceed. Boyle's onsite full-time Project Manager/Superintendent will execute the following tasks:

Conduct Weekly Job Meetings:

- Chair the preconstruction and weekly job meetings (Boyle highly recommends weekly). This meeting is held with all design consultants, testing consultants, contractors, and vendors. Boyle sets the meeting agenda and record minutes.
- Meet with the Township before scheduled project meetings to review issues and manage the project's direction.
- Attend other scheduled construction meetings to review progress, resolve issues, and make decisions as needed.
- Lead Communication on the Project Team.
- Assist the Township in retaining additional professional services, such as testing or geotechnical engineering.
- Coordinate inspections with local authorities.
- Boyle will contract directly with a third-party testing agency and include those fees as a pass-through cost.
- Coordinate with design consultants on necessary inspections and reporting, especially Site/Civil Engineer on NPDES permit critical stages.
- Receive and log all submittals, forward them to the architect/engineer for approval, receive the reviewed submittals back from the architect/engineer, and transmit them back to the Prime Contractors.
- Create monthly reports for the Township to use for Board meetings and/or communication with constituents.

Lead Site Safety and Quality Control:

- Coordinate with Prime Contractors to develop a safety plan prior to the start of construction and ensure they are being adhered to during construction.
- Have Boyle Quality Control inspect at critical connection points to ensure quality standards are being met.

Coordinate On Site:

- Review Prime Contractors' Two-Week Look Ahead Schedules.
- Provide full-time onsite coordination among all Prime Contractors. Boyle's Project Manager/Superintendent serves as the project liaison for the Contractors - all communication is through him. He advises based on the contract documents and/or consults with Boyle's office or the architect/engineer, as necessary.
- Interface with Prime Contractors and vendors to coordinate work schedules to avoid delays or teams waiting on others to complete their work.
- Monitor the work to adhere to the project Critical Path Master Schedule and to comply with the contract documents.
- Coordinate with Township-contracted vendors and suppliers (i.e., security system, furniture) and local utility companies.
- Coordinate required utility relocation work with utility companies.

Document and Inspect Daily:

- Inspect and document the Contractors' performance of the work.
- Monitor the project to maintain a clean, safe work site and to adhere to all OSHA regulations.
- Prepare Daily Reports, weekly Photo Logs, Submittal Logs, and RFI Logs. These will include weather conditions, personnel on-site, equipment utilization, site visitors, material and equipment deliveries, safety concerns, and any observed delays or non-conforming work.
- Document the project on as-builts and through photographs.

Oversee Cost Controls and Submissions:

- Receive and log all monthly requisitions for payment and approve requests.
- Review, negotiate, and process all requested change orders.
- Prepare, maintain, and distribute a Cost Event Log that tracks allowance costs and change order costs. Review Contractor change order requests to ensure their validity and accuracy of the proposed costs, negotiating on the Township's behalf.
- Review Contractor pay applications with the Design Consultant to ensure they accurately reflect work completed to date.
- Ensure that Certified Payroll reports align with the hours worked on daily reports and comply with the approved prevailing wage rates.

Minimize Change Orders:

- Boyle has established an excellent system to minimize change orders.
- Immediately after the project kickoff meeting, we begin to plan the bid documents; this is the best defense against change orders during construction, and one of the most important parts of the project delivery.

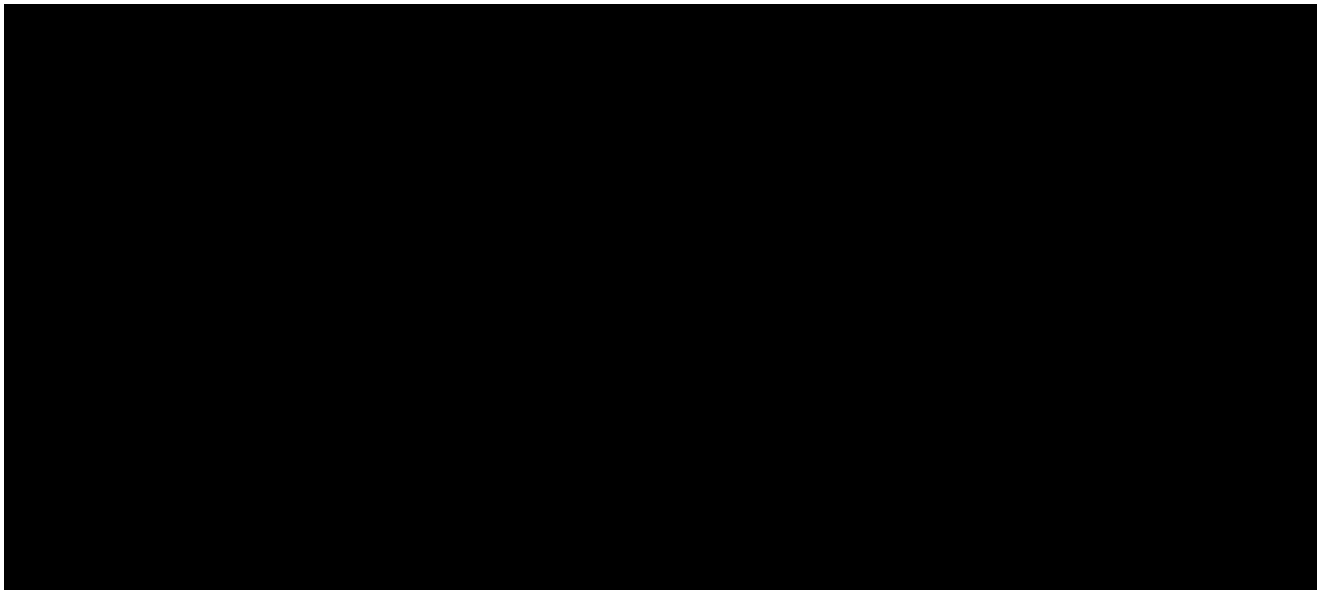
- Define the details for the Prime Contractors to bid on, contract, and execute. This early planning has saved millions of dollars on our projects and creates a positive bidding and working relationship with the Prime Contractors.
- Establish a review process vetting out any change requests separately from the Prime Contractor to understand the cost and time implications.
- Negotiate with the Prime Contractors on anything outside the contract specifications ensuring fair cost.

The Construction Phase also features more typical tasks, such as receiving and reviewing submittals, RFIs and requests for payment with constant communication with the Township.

Project Close-Out

During the Post-Construction Phase / Close-Out, Boyle's role is to complete the punch list as expeditiously as possible, close out all paperwork, and coordinate and compile all as-built drawings and operations and maintenance manuals. This part of the project is as important as any other. Boyle ensures that the client's systems are up and running and that schedules are met. We will:

- Conduct substantial completion and final inspection with the Township's representative and Design Consultant, develop a punch list, and monitor completion.
- Coordinate building code inspections as required to obtain Certificate of Occupancy.
- Coordinate Township-supplied items and equipment, including coordination with vendors, logistics, delivery, placement, and setup so the facility is ready for move in.
- Gather and submit all As-Built Drawings, equipment operations and maintenance manuals, warranty submittals and all other project submittals to the Township.
- Coordinate training sessions between Prime Contractors and Township personnel.
- Follow up with the Township after project completion to ensure everything is going as designed and planned. Additionally, we will coordinate with the Township on the one-year warranty inspections and coordinate any corrections as required.



APPENDIX C

RACP Compliance Requirements

Redevelopment Assistance Capital Program (RACP)

Program Guidelines



November 2024

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Section I – General

A) Introduction

Redevelopment Assistance Capital Program (RACP) projects are primarily economic development projects, authorized in the Redevelopment Assistance section of a Capital Budget Itemization Act, have a regional or multi-jurisdictional impact, and generate substantial increases or maintain current levels of employment, tax revenues or other measures of economic activity. Included are projects with cultural, historic, recreational, or civic significance.

RACP projects are state-funded projects that cannot obtain primary funding under other state programs. Projects that can normally obtain funding from PENNDOT, PENNVEST, the Department of Community and Economic Development, or other state agencies are generally restricted from participating in the Redevelopment Assistance Capital Program.

****If a RACP project does include and require improvements to housing, roads, bridges, tunnels, infrastructure, and/or drinking water/waste disposal/wastewater/stormwater systems, these improvements must not be the primary focus of the project; and as per Act 77 of 2013, they must be associated with a project that is part of an economic development project; and in the case of housing, must be part of a community revitalization plan and in accordance with RACP requirements. These additional requirements for housing projects are not required if the funding is from a designated special allocation for housing.*

B) Eligible Projects

All grants awarded through the Redevelopment Assistance Capital Program (RACP) MUST be for projects included in one (1) or more of the PA Capital Budget Project Itemization Acts. Only itemizations/projects from these Acts that have remaining “Project Allocation” amounts and that have not been statutorily “sunset” pursuant to Act 77 of 2013 are eligible (list of itemizations). Potential projects are typically added to Capital Budget Project Itemization Bills by members of the House of Representatives, Senate and Administration.

Redevelopment Assistance Capital Program grants must be eligible for tax-exempt bond funding under existing federal law requirements. The Applicant must demonstrate and document that the project qualifies for financing with federally tax-exempt bonds. Applicants will be required to comply with procedures to maintain the tax-exempt status of bonds issued to finance the project.

C) Eligible Grantees

Grantees for Redevelopment Assistance Capital Program funding must be one (1) of the following:

- 1) A redevelopment authority.
- 2) An industrial development authority.
- 3) A general purpose unit of local government.
- 4) A local development district that has an agreement with a general purpose unit of local government under which the unit assumes ultimate responsibility for debt incurred to obtain the non-State financial participation.
- 5) A public authority established pursuant to the laws of this Commonwealth.
- 6) An industrial development agency:
 - a. which has been certified as an industrial development agency by the Pennsylvania Industrial Development Authority Board under the act of May 17, 1956 (1955 P.L.1609, No.537), known as the Pennsylvania Industrial Development Authority Act; and
 - b. which is itself or which is acting through a wholly owned subsidiary that is exempt from Federal taxation under section 501 (c) (3) of the Internal Revenue Code of 1986.

D) Eligible Costs

A RACP project must have a total cost of at least \$1,000,000.

- 1) Reimbursable Cost Categories – All costs below must be directly related to the RACP project. The following costs are typically eligible for reimbursement and/or can be a match for RACP funds.
 - Construction – the primary use and intent of RACP funds should be the reimbursement of construction costs.
 - Interest during construction – interest costs paid as a result of the use of interim or bridge financing for the project during construction can be reimbursed from RACP funds.
 - Permits – costs for acquiring permits needed for construction of the project can be reimbursed from RACP funds.
 - Land – if land is purchased for the project, a certified as-is appraisal must be provided. RACP funds may be used to reimburse the costs for land acquisition. The appraised value may include permanent improvements exclusive to the RACP project. The appraisal should be “as-is” value.
 - Land Acquisition Costs cannot be the sole use of RACP funds. The primary focus of the RACP scope of work should be construction.
 - The allowance of RACP funds for land acquisition costs is at the discretion of the Office of the Budget. If allowed, RACP funding for acquisition costs is generally limited to no more than 30% of the total grant amount. This 30% maximum allowance includes any land acquisition and/or equipment costs (see below).

- For land acquisition costs to be reimbursable, the purchase date must occur after the authorization date of the itemized project and have RACP scope construction activity occur on the site.
 - Equipment – if equipment is purchased for the project, documentation of the useful life must be provided.
 - Equipment costs cannot be the sole use of RACP funds. The primary focus of the RACP scope of work should be construction.
 - The allowance of RACP funds for equipment costs is at the discretion of the Office of the Budget. If allowed, RACP funding for equipment costs is generally limited to no more than 30% of the total grant amount. This 30% maximum allowance includes any equipment and/or land acquisition costs (see above).
 - For equipment to be reimbursable, it must be fixed to the realty, have a substantial useful life, and be directly related to the RACP project.
- 2) Non-Reimbursable Cost Categories – All costs below must be directly related to the RACP project. The following costs are eligible match costs only and not allocated for reimbursement with RACP funds. These costs must be paid from non-state matching funds, which may include federal funds.
- Future physical maintenance & operation – a portion of any funds reserved for future physical maintenance and operation of facilities may be included as a part of the 50% match (non-state) participation, provided such funds do not exceed 15% of the total project cost. These reserved funds must have legally binding documentation explaining the intent, design, and operation of the dedicated fund. Salaries cannot be paid from reserve funds.
 - Administrative costs – any fees for the administration of the project, whether by the Applicant's staff or by contract.
 - Legal fees – any fees for the services of lawyers or solicitors.
 - Financing/Accounting costs – any fees for financing and accounting services.
 - Architectural/Engineering fees – any fees for application preparation, project administration, or other professional services incurred for the planning, design, and construction of the project.

E) Ineligible Projects

Projects located in a City Revitalization and Improvement Zone (CRIZ) and eligible for CRIZ benefits are not eligible RACP projects. However, approved RACP grants that existed prior to zone approval shall not be restricted.

Projects that are generally funded through other state programs are not eligible for Redevelopment Assistance Capital Program funds. Examples of those funding sources and projects are as follows:

Projects funded by PENNDOT or federal government:

- Highways, vehicular bridges, tunnels

Projects funded by PENNVEST:

- Drinking water, wastewater, stormwater and waste disposal facilities

An exception to the above would be; stormwater, water or sewer infrastructure or tunnels, bridges or roads when associated with a project that is part of an economic development project. As an example, RACP funding could be utilized to prepare and install water and sewer lines within an industrial/business park development. Costs associated with repairs or replacement of existing public or private water or sewer systems are not eligible expenditure of RACP funds.

Other state funded projects:

- Housing Units are fundable only when specialized funding specifically for that purpose is approved and remains unused. Acts 87 of 2005 & 82 of 2010 each allowed \$25 million (for a total of \$50 million) for the construction of housing units. Outside of the special allocation housing funding, housing projects are only eligible if they support and generate economic activity and are part of a community revitalization plan.

****If a RACP project does include and require improvements to housing, roads, bridges, tunnels, infrastructure, and/or drinking water / waste / disposal / wastewater / stormwater systems, these improvements must not be the primary focus of the project. Per Act 77 of 2013, they must be associated with a project that is part of an economic development project, and in the case of housing, must be part of a community revitalization plan and in accordance with RACP program requirements. These additional requirements for housing projects are not required if the funding is from a designated special allocation for housing.*

F) Match Funding Requirements

General Requirements - a RACP project must have matching funds that comply with the following:

- 1) At least 50% of the project cost must be match (non-state) participation.
- 2) At least 50% of the match (non-state participation) must be secured funding at the time of formal Project Management Proposal submittal with identifiable and firm commitments from all sources.
- 3) Sources of match funds can be local, private, land or building as-is appraised value, and/or federal funds.
- 4) The only non-cash, non-state match permitted are land or fixed assets, which have a substantial useful life and are directly related to the project.
- 5) Funds from other state sources, including legislative sources may not be used as match.
- 6) If financing/loans are used as match funding they typically must consist of permanent financing (i.e., a minimum term of 10 years). This policy does not apply to bridge or interim financing used in the project.
- 7) Funds (grants and/or loans) from other state sources, including legislative sources, may not be used as match. However, care must be taken not to mistake certain non-state funds as state funds just because they are distributed through a state agency. The disqualifying part is if the source of the funds is from the state. Some non-state (usually federal) funds are passed through a state agency. This pass-through does not make them ineligible to be used as MATCH in a RACP project. For example,

Community Development Block Grants (CDBGs) administered by the DCED is a federal source pass-thru so it is acceptable for use in a RACP project.

- 8) An exception to the prohibition of other state funds being used as match in a RACP project is certain gaming/casino source funds. As of July 1, 2011 (except as noted below), the use of the Gaming Local Share Assessment (LSA) can be used as matching funds for RACP in the following counties:

- Allegheny
- Carbon
- Dauphin (effective October 26, 2017)
- Lackawanna
- Luzerne (effective October 26, 2017)
- Monroe
- Northampton
- Pike
- Washington
- Wayne

Section II – Pre-Award, Grant and Reimbursement Process

A) Pre-Award Process

Candidates who have an authorized and eligible project will need to submit an e-Application to the Office of the Budget during an open funding round.

All submissions that pass an initial review of eligibility and completeness will be considered for a RACP grant award. The Office of the Budget staff will forward a complete listing of projects and summaries to the Administration for grant award consideration.

There is a 30-day “public comment period” after the closing of an e-Application window, which must be completed before awards can be made.

The final selection results will be posted to the website and all successful Candidates will be notified via an Award Letter.

If your capital project is approved by the Office of the Budget, you will receive an Award Letter to submit a formal Project Management Proposal (PMP).

If you did not receive an award letter by the date the Office of the Budget officially closes a funding round, as posted on the website, then you were not selected for an award. You will need to re-apply during a subsequent open funding round.

The award letter provided to each Candidate does NOT affirm eligibility nor compliance with program requirements. Instead, the award letter serves as written notification authorizing the preparation and submission to the Office of the Budget of a formal Project Management Proposal (PMP).

B) Grant Process

Candidates are required to notify the Office of the Budget within 30 days of receipt of an Award Letter as to whether or not they are accepting the grant award. The notification should come from the addressee of the Office of the Budget award letter (Applicant or Sub-Applicant).

Applicants who accept the award are then required to submit a formal Project Management Proposal (PMP) within 6 months of the date of the Award Letter. All RACP projects must submit the PMP through an eligible Applicant.

When the Office of the Budget receives the PMP, it conducts a preliminary review and then assigns a consultant to conduct a thorough assessment of the PMP. The state-assigned consultant then provides the Office of the Budget with a report detailing the assessment. The Office of the Budget reviews the report and prepares the grant agreement, which will contain applicable special conditions.

The proposed RACP scope submitted with this Project Management Proposal will be reviewed and possibly adjusted during the development of a grant agreement to ensure that it meets program requirements.

The grant agreement will be provided to the Grantee for signature. Grantees must execute an RACP Grant Agreement and return the agreement to the Office of Budget (OB) within 20 days of the date of the grant agreement transmittal from OB. If the Grantee fails to return the signed contract within the timelines established by the office, no contract may be executed by the office for the grant, as Act 77 stipulates.

Once it is returned to the Office of the Budget, it will be forwarded to the appropriate agencies within the Commonwealth administration for validation and execution.

A final copy of the executed grant will be provided to the Grantee. It is important to note that the Office of the Budget cannot reimburse on any RACP-compliant costs until a fully executed grant agreement is in place.

Once the grant agreement is fully executed, the Grantee will then have a maximum of six (6) months to meet the terms and conditions of the grant agreement. The Grantee would be qualified to receive reimbursements for paid costs once the construction activities have started and these terms and conditions are satisfactory.

Once construction activities have started, it is advised that the Grantee request a facilitation meeting. These meetings are conducted by the Office of the Budget personnel and are at no cost to the project.

Once the project has incurred eligible reimbursable costs, they may then submit a payment request to start receiving grant funds.

C) Facilitation Meeting

Facilitation meetings are conducted at the request of the Grantee to the Office of Budget. Once construction activities have started, it is advised that the Grantee request a facilitation meeting. The Grantee/Sub-grantee/project representatives are eligible to attend a facilitation meeting at no cost to the project. During these meetings, the Grantee will be able to ask questions concerning administration of the program and its effects on the project, RACP requirements will be discussed, and payment request procedures will be explained.

D) Special Conditions Satisfaction

Once the Grant Agreement is executed; the Grantee will then have six (6) months from the date of execution to provide documentation to satisfy the special conditions located in Appendix B of the grant agreement. The Grantee must submit a packet to address all special conditions identified in the grant agreement to the Office of the Budget.

Office of the Budget staff will review the submission and issue a funds available letter once all special conditions have been fully satisfied.

If the Grantee is not administering the project, a Cooperation Agreement will need to be in place between the Grantee and Sub-grantee (and project administrator) detailing each entities responsibilities and requiring the Sub-Grantee/Administrator to comply with all terms and conditions of the RACP grant agreement.

E) Reimbursement Process

To facilitate the receipt of grant funds, the Grantee must submit a request for payment. The project budget must account for three (3) important stipulations discussed below.

1) Reimbursement Program

The Redevelopment Assistance Capital Program will use a reimbursement system to fund projects. Grantees will apply for periodic project payments to cover a portion of paid eligible and reimbursable project expenses. Expenses must be paid prior to submission to the commonwealth for reimbursement.

This reimbursement will be limited by: a) total funds available through the Funding Accumulation Schedule; b) a proportionate amount of the matching funds expended to date versus RACP grant expenditures; and c) those other limitations that the Office of the Budget may deem necessary.

2) Funding Accumulation Schedule (36-month minimum)

The approved Funding Accumulation Schedule, which is located in Appendix C of the grant agreement, for a project shows the RACP amounts that will be accumulated for the project during the months indicated on the schedule. Generally, total funding will be accumulated in equal installments over a 36-month period unless the Secretary of the Budget authorizes a shorter period.

The use of a Funding Accumulation Schedule may contribute to the Grantee's need to obtain interim or bridge financing to fund the project. Exceptions to this requirement will be made on a case-by-case basis by request. Month one (1) for the period will be the first month after the execution of the Grant Agreement. Commonwealth reimbursements will be limited by the amount of funds accumulated for the project at the time the Payment Request is reviewed. The approved schedule is shown in Appendix C of the Grant Agreement.

The approved funding accumulation does not show a monthly reimbursement that the Grantee will automatically receive for the project. The schedule shows the funds that are available for the project in any month during 36-month accumulation period. The reimbursement that the Grantee is eligible to receive is also subject to the distribution factor.

3) Proportional reimbursement

To ensure that RACP funds are not fully disbursed prior to the completion of a project, RACP grants will be reimbursed on a proportional basis for direct land, building acquisition, construction and

other eligible reimbursable expenses. The proportion funded by RACP funds will be defined by the distribution factor, which is located in Appendix C of the grant agreement. The distribution factor will be the total non-state funding amount divided by the RACP grant. Eligible match costs are not reimbursable but are included in the factor. The proportional reimbursement may contribute to the Grantee's need to obtain interim or bridge financing to fund the project.

The distribution factor is a measure of the match participation with respect to RACP participation. The factor is calculated as follows:

Distribution Factor = Total Match Funds / RACP Grant.

A distribution factor of 2 indicates that for every \$2 of match participation, there will be \$1 of commonwealth participation. In other words, the commonwealth is providing \$1 of grant for every \$3 of total project cost.

The purpose of the distribution factor is to insure that the Grantee is contributing the required match components to the project as reimbursements are being provided. Generally, the distribution factor will control the amount of reimbursement, if there are sufficient funds accumulated per the funding accumulation schedule.

A Payment Request must include paid construction costs before any other items will be reimbursed. Therefore, if construction has not started, the Commonwealth will not reimburse on acquisition, permits, or interest costs.

The submission of completed, signed Payment Request (PR) forms and supporting documentation must be sent to the Office of the Budget. Aside from the facilitation meeting, a Reimbursement Handbook is available, to assist you in preparing the PR forms for submission.

Office of the Budget staff will 1) assess satisfaction of all terms and conditions of the grant; 2) verify compliance with all RACP program requirements; and 3) examine the PR forms and all supporting documentation.

The state-assigned consultant will issue Construction Monitoring Reports periodically, which will be used to assist the Office of the Budget staff in their assessment.

The PR forms will be sent to Treasury through Comptroller Operations for the release of grant funds when:

- special conditions (Appendix B of the Grant Agreement) have been fully satisfied via a letter from the Office of the Budget,
- all other terms and conditions of the grant are satisfactory,
- compliance with program requirements is verified, and
- the payment request forms are acceptable.

F) Project Monitoring

Projects will be monitored by the Office of the Budget or its state-assigned consultant(s) throughout the funding and construction phase. All projects will be subject to review. Prior to the initiation of monitoring, the Grantee will be notified, a monitoring schedule will be established, and procedures will be explained.

The Grantee is responsible for fully executing a successful Redevelopment Assistance Capital Program project by approving and executing any designs, plans, specifications, estimates, or other components related to the development and execution of the project and reviewing/examining for accuracy or compliance with any federal, state, or local regulations. During monitoring, the commonwealth will not be approving any actions related to the grantee's execution of the project.

The Grantee is responsible for compliance with any or all federal, state, and local requirements.

The Grantee is responsible for putting together a project team which should consist of personnel and designated parties that can provide administrative, financial, engineering, legal, and other necessary expertise necessary to execute the project.

Approval of reimbursements of state funds will depend on financial and program compliance. The intent of monitoring is to review financial and program compliance with the Redevelopment Assistance Capital Program.

G) Close Out Audit

A close-out audit will be performed by the Office of the Budget staff for all projects. The Grantee will not be required to pay for this audit.

A portion of the final grant proceeds shall be retained by the Office of the Budget until the completion of the statutorily-required final close out audit. The commonwealth may withhold up to 10% of the grant value from the final Payment Request. This percentage may be reduced at the discretion of the Office of Budget.

Generally, the Grantee, among other things, is required to:

- Maintain books, records, documents, correspondence and evidence pertaining to the costs and expenses to the project funded with the Grant Agreement.
- Retain records for a period ending the late of 1) seven (7) years after final payment is made by the Grantee with funds awarded via the Grant Agreement; 2) seven (7) years after the Grant Agreement has expired; or 3) seven (7) years after the effective date of any termination of the Grant Agreement.
- Provide access to Commonwealth auditors or its representatives during the term of the Grant Agreement and after as specified in the Grant Agreement for record retention.
- Repay to the Commonwealth with interest amounts that were expended on ineligible costs, unless otherwise directed in writing by the Office of the Budget.

H) Definitions and Acronyms

Itemization: A line item included in a PA Capital Budget Project Itemization Act, that authorizes a project for funding.

Candidate: Any entity that has an authorized eligible project and, subsequently, has submitted an e-Application, but has not received an award or rejection letter.

e-Application: Pre-Award application for grant funding submitted through the electronic single application.

Applicant: An eligible entity that has received a RACP award letter and, subsequently, has submitted a formal Project Management Proposal. It may be the candidate itself, or if they are not an eligible applicant, a separate “sponsor” entity selected by the candidate.

Sub-Applicant: In cases where a RACP candidate is not an eligible applicant, the candidate becomes the sub-applicant and selects an eligible applicant to “sponsor” them and submit the formal Project Management Proposal.

Project Management Proposal (PMP): Post-Award application which details the proposed project scope and match funding, this is used to develop the grant agreement.

Grantee: An applicant that meets eligibility requirements and has received a grant agreement for execution.

Sub-Grantee: An entity that, through the cooperation of a grantee, will use RACP funds for an eligible project.

Special Conditions (SC): Items identified during the development of a grant agreement that require additional supporting documentation, located in Appendix B of the grant agreement.

Payment Request (PR): Submission, including invoices and proof of payments, to request grant funds for the reimbursement of paid project costs.

Funding Accumulation Schedule: Shows the RACP amounts that will be available for reimbursement during the months indicated on the schedule, located in Appendix C of the grant agreement.

Distribution Factor: A measure used to control the amount of reimbursements, to insure that the Grantee is contributing the required match components to the project. The factor is calculated as Total Match Funding divided by RACP Grant, located in Appendix C of the grant agreement.

State-assigned consultant: Firm employed by the commonwealth to monitor and report on RACP construction projects.

Redevelopment Assistance Capital Program (RACP)



Frequently Asked Questions

November 2024

FREQUENTLY ASKED QUESTIONS

The following are frequently asked questions by Redevelopment Assistance Capital Program (RACP) Partners on RACP related projects.

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Section 1 – Eligibility/Scope

1. **WHAT TYPE OF GRANTEE IS RACP-ELIGIBLE?** Grantees must be either (1) a general-purpose form of local government unit (city, borough, township or county), (2) any public authority, (3) a federally designated Local Development District or (4) an industrial development agency, which has been certified as such by the Pennsylvania Industrial Development Authority (PIDA) board and which is itself or is acting through a wholly owned subsidiary exempt from federal taxation under section 501 (c) (3) of the Internal Revenue Code of 1986. The Grantee must follow strict guidelines to avoid jeopardizing the tax-exempt status of the bond funding.
2. **IS A SCHOOL DISTRICT AN ELIGIBLE GRANTEE?** A school district, which is a "special purpose of local government," would not be eligible because RACP Grantees must be authorities or "general-purpose forms of local government." (See the answer to Question 1 above.) However, a school district can be the Sub-Grantee of an eligible Grantee.
3. **DURING THE APPLICATION PROCESS, THE AGENCY THAT RECEIVED THE AUTHORIZATION FOR THE PROJECT WAS DISSOLVED AND ANOTHER ORGANIZATION PICKED UP THE PROJECT. MAY THE NEW ORGANIZATION USE THE RACP FUNDS TO COMPLETE THE PROJECT?** It depends on the circumstances of the dissolution. The Office of the Budget will treat such situations on a case-by-case basis. For instance, if the dissolution resulted in an acquisition or a merger, the project can be pursued.
4. **WHAT TYPE OF PROJECT IS RACP ELIGIBLE?** A project is eligible for a RACP grant if it has a cultural, civic, recreational, historical, regional, or multi-jurisdictional impact and generates substantial increases in employment, tax revenues or other measures of economic activity.
5. **WHAT TYPE OF PROJECT IS NOT RACP-ELIGIBLE?** Projects that are state-funded; facilities or projects that can normally obtain primary funding under other state programs; projects whose main purpose is for highways (including road and street improvements) and vehicular bridges, drinking water and wastewater facilities, housing units and waste disposal facilities are not eligible for RACP grants. If an RACP project does include and require improvements to housing, roads, bridges, tunnels, infrastructure, and/or drinking water/waste disposal/wastewater/stormwater systems, these improvements must not be the primary focus of the project. Per Act 77 of 2013, they must be associated with a project that is part of an economic development project; and in the case of housing, must be part of a community revitalization plan. These additional requirements for housing projects are not required if the funding is from a designated special allocation for housing. Projects located in a City Revitalization and Improvement Zone (CRIZ), and eligible for CRIZ benefits, are not eligible RACP projects. However, approved RACP grants that existed prior to zone approval shall not be restricted.
6. **IS THERE A MINIMUM THRESHOLD FOR A RACP PROJECT?** The statutes governing the RACP program require a minimum threshold of \$1 million for each project before it can be funded.
7. **WHAT IS THE IMPORTANCE OF THE CAPITAL BUDGET PROJECT ITEMIZATION BILL TO MY PROJECT?** All grants awarded through RACP MUST be for projects included in one or more of the Capital Budget Project Itemization Acts passed by the General Assembly and signed into law by the Governor. You will need to 1) identify the appropriate Act(s) for which your project has been itemized and 2) verify that sufficient funding remains from said itemization in order to submit an e-RACP Application to RACP for consideration and evaluation of your project. Only

itemizations/projects from these Acts that have remaining "Project Allocation" amounts and that have not been statutorily "sunset" in accordance with Act 77 are eligible. No project expense paid prior to the project's Capital Budget Itemization Act's effective date is usable as a reimbursable and/or match item for the RACP project (excluding land match).

8. **OUR COMMISSIONERS HAVE A SALES AGREEMENT IN PLACE WITH A DEVELOPER AND WOULD LIKE TO PURCHASE A PARCEL OF LAND. MAY WE USE THE RACP GRANT TO BUY THE PROPERTY WHILE WE DECIDE WHAT TO BUILD ON IT?** The statutes governing the RACP grant program permit the use of RACP proceeds for land acquisition; however, this cannot be the entire scope of the RACP grant. Some of the grant funding must be used for construction activities. The Office of the Budget cannot reimburse on land only, without any construction work.
9. **MY CONSTRUCTION PLANS HAVE CHANGED SINCE I SUBMITTED MY PROJECT MANAGEMENT PROPOSAL. WHAT DO I NEED TO DO?** Changes to the project scope presented in the Project Management Proposal will be reviewed during the grant and scope development stage. If the change in scope is identified after the grant agreement has been fully executed the project will need to submit a rescope request to the Office of the Budget for review. It is not guaranteed that a revised scope will be approved by the Office of the Budget.
10. **ARE "ELIGIBLE COSTS" THOSE INCURRED AFTER THE LEGISLATIVE AUTHORIZATION DATE OR AFTER RECEIPT OF THE AWARD LETTER?** Costs are eligible after the legislative authorization date, assuming the costs meet all RACP requirements (bidding, prevailing wage, etc.). Your award letter included the Itemization Act number and the year your project received legislative approval. Your authorization date by month, day and year is listed in your Grant Agreement in Appendix B.
11. **MAY I MAKE A COMPLEX RACP PROJECT SIMPLER?** The Office of the Budget may allow this in instances where certain items can be carefully carved out to make a streamlined project. In doing so, you must remember that the simplified project must obey the spirit of the law, in that construction activities must occur and full compliance with our requirements must be met. All changes in scope need to be sent in writing to the Office of the Budget for review and approval.
12. **CAN MY RACP SCOPE BE LIMITED TO ONLY LAND ACQUISITION COSTS?** The Capital Facilities Debt Enabling Act defines a redevelopment assistance capital project as the 'design and construction of a project.' Therefore, the primary focus of all RACP projects should be on construction. The Office of the Budget cannot reimburse on land only, without any construction work. The allowance of RACP funds for land acquisition costs is at the discretion of the Office of the Budget, if allowed, RACP funding for acquisition costs is generally limited to no more than 30% of the total grant amount. This 30% maximum allowance includes any land acquisition and/or equipment costs. For land acquisition costs to be reimbursable, the purchase date must occur after the authorization date associated with the itemized project and have RACP construction activity occur on the site.

Section 2 – Pre-Award/e-RACP Application

1. **HOW DO I APPLY FOR A RACP AWARD?** The Candidate must submit an e-RACP Application to the Office of the Budget during an open Funding Round. The Candidate should refer to the Funding Round Schedules on the RACP website and choose the round that will be closest to the

anticipated start date of the project construction. All e-RACP applications must be submitted using the electronic single application (ESA) website.

2. **WHEN ARE THE RACP FUNDING ROUNDS OPEN?** Funding Rounds are opened and closed at the discretion of the Governor. The RACP website will be updated to provide notice of when a new round will be open.
3. **HOW DO I CHOOSE AN ITEMIZATION?** When choosing an itemization to apply for a RACP award look for the following items:
 - Locate the county that the project site is located.
 - Verify that the entity/location noted in the municipality column corresponds to the site location and/or is directly related to the project.
 - Verify that the Act's LAD Date is prior to any incurred project costs.
 - Verify the Act's Project Description fits your project scope.
 - Verify that the act has a remaining available act amount equal to or greater than the amount of funding being requested.
4. **HOW DO I GET MY PROJECT ADDED TO AN ITEMIZATION ACT?** Potential projects are added to Capital Budget Project Itemization Bills by members of the House of Representatives, Senate, and Administration.
5. **HOW WILL I KNOW IF MY PROJECT WAS SELECTED FOR AN AWARD?** All recipients of RACP funding will be notified via an Award Letter sent to the contact person noted in the e-Application. The Award Letter will provide further instructions on the RACP grant process.

Section 3 – Post-Award/Project Management Proposal

1. **WHAT IS A PROJECT MANAGEMENT PROPOSAL?** This is a new streamlined post award application that replaces the prior formal Application and Business Plan (A&BP). Any funding recipient that has not yet submitted a formal Application and Business Plan should now complete a Project Management Proposal (PMP) for the project. The PMP submission would supersede the need to submit the formal A&BP.
2. **WE HAVE RECEIVED AN AWARD LETTER FOR THE RELEASE OF FUNDING FOR OUR RACP PROJECT. WHAT DO WE NEED TO DO TO OBTAIN THE FULL GRANT AMOUNT?** After the release of funding for a RACP project is approved, the Office of the Budget issues an Award Letter to serve as written notification authorizing the preparation and submission to the Office of the Budget of a post award application for the project. Grant Recipients are required to notify the Office of the Budget within 30 days of receipt of an Award Letter as to whether or not they are accepting the grant. The Project Management Proposal (PMP) contains sections that must be addressed, including the match amount, budget, and detailed sources of funding. A Project Management Proposal Template can be downloaded from the RACP website, in addition a Project Management Proposal Handbook can be downloaded from the RACP website and contains the necessary instructions for the preparation of the PMP. The Project Management Proposal must be submitted in electronic format (PDF) via upload to an RACP FTP site. The eligible Applicant/Grantee designated for the project will be emailed a unique Username and Password to access this FTP site within approximately 3 weeks of receiving the Award Letter.

3. **GIVEN THE DIRECTIVE REGARDING THE FILING OF THE PROJECT MANAGEMENT PROPOSAL WITHIN SIX MONTHS OF THE AWARD LETTER, WILL THE FUNDING BE TERMINATED FROM A PROJECT EVEN IF AN EXTENSION REQUEST HAS BEEN SUBMITTED BEFORE THE DEADLINE?** The Office of the Budget must receive the Project Management Proposal within six months of the date of the Award Letter. If the Grantee fails to submit the Project Management Proposal within the allotted time frame, funding for the project may be terminated.
4. **I HAVE SUBMITTED MY PROJECT MANAGEMENT PROPOSAL. WHAT HAPPENS NEXT?** Once the Office of the Budget receives a Project Management Proposal, the Office of the Budget conducts a preliminary review and hires a consultant to conduct an exhaustive review. A consultant will contact you to set up the Project Management Proposal review. After the consultant completes the review, he or she sends a report to the Office of the Budget. The Office of the Budget is then able to draft the agreement between the Commonwealth and the Grantee.

Section 4 – Match Funding/Interim Financing

1. **MAY WE USE OUR MORTGAGE AS A MATCH FUNDING SOURCE?** Generally, the Office of the Budget allows mortgages to be used as match funding as long as adequate supporting documents are available. The adequacy of any document is at the discretion of the Office of the Budget. We would be looking for terms of at least 10 years on any financing instruments.
2. **WHAT ARE THE REQUIREMENTS FOR HAVING THE MATCH FUNDING SECURED?** One-half (50%) of the match funding must be secured at the time of the Project Management Proposal submission and before the grant agreement is drafted. After the grant agreement has been drafted, the Applicant/Grantee must document that 100% of the match funding is readily available before the Office of the Budget will start the reimbursement process. Signed pledges that are not yet received may count as the secured match only before the grant agreement is drafted. After that, evidence of the availability of the match (a cash receipt) must be demonstrated. Loans intended for match funding must be in the form of a long-term financing instrument.
3. **WHY MUST LOANS INTENDED FOR MATCH FUNDING BE IN THE FORM OF A LONG-TERM FINANCING INSTRUMENT?** The Capital Facilities Debt Enabling Act requires that RACP projects be funded from proceeds of Commonwealth of Pennsylvania General Obligation (GO) bonds. GO bonds issued to finance the RACP grant program have a publicized maturity term of 10 years. Consequently, when a RACP Grantee uses loans as match funding, they must have a maturity cycle that demonstrates the long-term viability of the project. Past experiences have shown that RACP projects that use loans as match funds are in a better position to withstand economic downturns when those loans are in the form of a long-term financing instrument.
4. **MAY WE USE A SIX-MONTH LINE OF CREDIT AS A MATCH FUNDING SOURCE?** A six-month line of credit is not viewed as long-term financing; therefore, it would be ineligible for RACP matching purposes. Loans used as match funding should be in the form of a long-term financing instrument.
5. **WE HAVE A SHORTFALL. MAY I USE MY LINE OF CREDIT AS A SECURED FINANCING INSTRUMENT FOR THE MATCH PORTION OF THE PROJECT?** Asking the Office of the Budget to recognize lines of credit or a business line as secured financing for the shortfall on a project is not satisfactory.

The Office of the Budget accepts lines of credit as sources of interim financing but not as secured match funding.

6. **WHAT IS THE PURPOSE OF INTERIM FINANCING?** All RACP projects are required to have permanent match funding in place for the match costs associated with that particular project. RACP is a reimbursement-based program. Consequently, a project will need to have interim financing in place to pay for monthly construction expenses before it can receive the RACP grant. Interim financing is also needed to bridge the gap between the time a Payment Request is submitted and the time a payment is disbursed. Please refer to the Grant Agreement and Drawdown section above for more information on the payment processing time.
7. **MAY THE ENTIRE MATCH BE LAND?** The appraised value (see below Question #8 for appraisal requirements) of land and buildings may typically serve as part of the match. The Office of the Budget would need to know the full cost of the project before saying land may be the sole match. Acceptance of land as the entire match would be at the sole discretion of the Office of the Budget. Any time that land is used in part or in total for the match, the grant recipient should own the property that is being listed as the match and would need to supply a copy of the title or deed. No lien is placed on the deed by the Office of the Budget.
8. **WHAT DO I NEED TO PROVIDE TO SHOW THE VALUE OF LAND TO BE USED AS MATCH?** Land match valuation is legislatively required to be supported by a “certified appraisal”. The certified appraisal needs to include the sales comparison method as at least one of the methods used by the appraiser to compute an “as-is” value. The “as-is” value should be before/without including any of the RACP scope of work in the valuation. If the RACP scope of work was started and/or completed before the valuation is computed, then a “retroactive” certified appraisal would be required.
9. **MAY FEDERAL OR MUNICIPAL FUNDS BE USED AS THE MATCH FUNDING SOURCE?** Yes, federal and local funds that are specifically earmarked for the project may serve as the match. Certain federal tax credits may also be used as the match. The statutes governing the RACP grant program do not allow the leveraging of other state funds within the confines of the RACP-defined project. Therefore, all other state funds must be removed from the project scope.
10. **OUR AWARD IS FOR \$2 MILLION, BUT OUR SPECIAL CONDITIONS STATE THAT WE NEED TO DOCUMENT SECURED MATCH FUNDING OF \$4 MILLION. WHY DO WE NEED TO DOCUMENT A MATCH FOR MORE THAN THE \$2 MILLION GRANT AMOUNT IF THE TOTAL PROJECT AMOUNTS TO \$6 MILLION?** You are required to document any and all of the match funding necessary to complete the project. Your total project cost is \$6 million, and the grant is \$2 million; therefore, you would need to document a match of \$4 million, which is the balance of the project cost. The Office of the Budget wants to make sure that you have enough non-state funding to complete the project. In essence, the total project cost minus the RACP grant amount is the amount you need to document for the match.
11. **WE DO NOT HAVE ANY MATCHING FUNDS. CAN YOU WAIVE THIS REQUIREMENT TO FACILITATE THE RECEIPT OF THE STATE GRANT?** The requirement for matching funds cannot be waived. The RACP program requires that one-half (50%) of the match funding be secured at the time of the Project Management Proposal submission and before the grant agreement is drafted. Therefore, without matching funds, there is no RACP grant. The RACP grant operates on a proportional reimbursement basis. As the Grantee incurs and pays construction expenses, the Commonwealth will reimburse – contingent upon the corresponding expenditure of match funding.

12. **THERE IS THE POSSIBILITY OF IN-KIND SERVICES FOR OUR PROJECT. FOR EXAMPLE, ONE OF THE CONTRACTORS AGREED TO DO SOME WORK AT NO CHARGE. MAY WE COUNT THE FAIR VALUE OF IN-KIND GIFTS TOWARD OUR MATCH?** While it would clearly be beneficial to a RACP project to have such a donated gift, it cannot count toward the match, since all work must comply with the stated conditions, such as being contracted for and bid out and paying the prevailing wage.

Section 5 – Grant Agreement

1. **HOW IS MY GRANT AGREEMENT VALIDATED AND EXECUTED?** The draft grant agreement, including any applicable special conditions, is sent to the Grantee for signature. Once it is signed and returned to the Office of the Budget, it is circulated within the Commonwealth for validation and execution, a procedure that typically lasts from eight to ten weeks. The signatories are the Secretary of the Budget; the Office of the Budget’s Chief Counsel; the Deputy General Counsel; the Deputy Attorney General; and the Comptroller.
2. **WHAT IS THE AVERAGE TIME TO HAVE THE GRANT AGREEMENT EXECUTED?** In most cases, after receiving the signed grant agreement from the Grantee, it can be executed within ten (10) to twelve (12) weeks of receipt of the Project Management Proposal review report.

Section 6 – Special Conditions (Appendix B)

1. **WHAT ARE "SPECIAL CONDITIONS"?** Special conditions are additional documentation that Grantees must submit in order to receive any grant funding. The special conditions are located in Appendix B to the grant agreement.
2. **HOW DO I SATISFY MY SPECIAL CONDITIONS?** After the grant agreement is fully executed, a six (6) month time period is set to submit documentation to satisfy the special conditions. Grantees must submit the original special conditions documentation to the Office of the Budget and send a copy to the state consultant assigned to their project. Transmittal letters should be included with all submissions of documents to the Office of the Budget and the consultant. All transmittals should reference the contract number found on the first page of the executed Grant Agreement.
3. **CAN I SUBMIT MY SPECIAL CONDITIONS PACKET ELECTRONICALLY?** All submissions of Special Conditions Documents must be done via upload to RACP’s specified FTP site. The eligible Applicant/Grantee designated for the project should have been emailed a unique Username and Password to access the RACP FTP site after receiving their award letter. Special Conditions are outstanding documentation that is required to be submitted prior to an entity being eligible to receive grant funds. They are found in Appendix B of a typical RACP Grant Agreement. Please refer to Project Management Proposal Handbook for information on how to access the RACP FTP site. Note: Please upload the documents to the “Special Conditions” sub-folder at this stage of the grant process.
4. **MY SIX-MONTH TIME PERIOD FOR SUBMITTING DOCUMENTATION TO SATISFY THE SPECIAL CONDITIONS IS NEARING, CAN I OBTAIN AN EXTENSION?** You can submit an extension request to the Office of the Budget stating the need for the extension, the reason(s) why the original deadline could not be met and your current project status. The Office of the Budget will review

your request and, if significant progress has been made, may grant an extension. You will receive written notification if such an extension is granted.

5. **ONE OF MY SPECIAL CONDITIONS REQUIRES A COOPERATION AGREEMENT TO BE SUBMITTED FOR REVIEW AND SUBSEQUENT APPROVAL. IS THERE A COOPERATION AGREEMENT TEMPLATE AVAILABLE?** Due to the unique relationship associated with the parties executing a Cooperation Agreement, the Office of the Budget (OB) is unable to provide a template that would accommodate the uniqueness of each RACP project. The agreement should outline the responsibilities of each party and include the following four elements: 1) RACP project name; 2) ME 300-xxxx; 3) RACP grant award amount; and 4) an indication that the Sub-Grantee(s) will comply with the terms and conditions of the RACP Grant Agreement and Redevelopment Assistance program. Please note that dependent on your project's situation, OB may request additional elements be added.
6. **I HAVE JUST RECEIVED MY GRANT AGREEMENT WITH THE SPECIAL CONDITIONS LISTED. I HAVE ALREADY INCURRED CONSTRUCTION COSTS FOR REIMBURSEMENT. MAY I SUBMIT A PAYMENT REQUEST BEFORE MY SPECIAL CONDITIONS ARE SATISFIED?** You may submit your Payment Request forms while you are still submitting documentation and waiting for special conditions to be approved by the Office of the Budget. We can begin to process both items simultaneously. Please keep in mind, however, that no grant payment can be released until the special conditions have been satisfied, the compliance requirements have been met, and the Payment Request has been reviewed and accepted by the Office of the Budget.

Section 7 – Reimbursement

1. **MY SPECIAL CONDITIONS HAVE BEEN SATISFIED, AND I SUBMITTED MY FIRST PAYMENT REQUEST. NOW WHAT HAPPENS?** When reviewing a Payment Request, Office of the Budget looks at the Payment Request forms, the verifying documentation for appropriate cost categories, and the latest construction monitoring report from the Commonwealth assigned consultant. No funds can be released until all special conditions are satisfied and the project is in compliance. Once the review process is completed by the Office of the Budget, the Payment Request is then sent to the Comptroller's Office, who then sends it to the Treasury Department. For this reason, adequate interim financing should be in place to bridge the gap between the time a Payment Request is submitted and the time a payment is actually disbursed. Please see the match funding/interim financing section for more information on interim financing.
2. **HOW DOES THE RACP REIMBURSEMENT PROCESS WORK?** Once all special conditions to the Grant Agreement have been satisfied and compliance met, Commonwealth grant funds will become available for reimbursement. The RACP grant program operates on a proportional reimbursement basis. As the Grantee incurs and pays construction expenses, the Commonwealth will reimburse – contingent upon the corresponding expenditure of matching funds. Sufficient documentation regarding reimbursable expenditures and matching expenditures should be provided with any request for reimbursement.
3. **WHEN MAY I START MY DRAWDOWN?** Grantees may start submitting their Payment Requests for reimbursement as soon as they have started construction and paid eligible costs. Reimbursements are subject to compliance with the RACP Grant Agreement and the satisfaction

of all the special conditions listed in Appendix B to the contract. The monthly drawdown amount is subject to the limitations shown in Appendix C to the Grant Agreement.

4. **WILL I RECEIVE RACP GRANT FUNDS UP FRONT JUST BY ASKING FOR THEM?** During construction activities, the project is monitored for compliance by the consultant assigned to the project during the Project Management Proposal process. The Office of the Budget is required to reimburse the RACP grant on a proportional basis based on the corresponding expenditure of matching funds. It is important to know that the entire scope of the project must: (1) be in compliance with all RACP requirements listed in the Grant Agreement, such as those governing bidding, adherence to the Prevailing Wage Act and use of domestic steel and (2) satisfy all of the special conditions identified in the agreement between the Office of the Budget and the grant recipient before access to the RACP funding is granted. After the project reaches 100% completion, a portion of the grant may be retained pending satisfactory compliance of all RACP program requirements.
5. **WHERE MAY I DOWNLOAD THE PAYMENT REQUEST FORMS?** All reimbursement materials can be downloaded from [RACP Handbook & Forms](#) section on the RACP section of the Office of the Budget Web site.
6. **CAN I BE REIMBURSED FOR LAND ACQUISITION COSTS?** The allowance of RACP funds for land acquisition costs is at the discretion of the Office of the Budget. If allowed, RACP funding for acquisition costs is generally limited to no more than 30% of the total grant amount. This 30% maximum allowance includes any land acquisition and/or equipment costs. Land Acquisition Costs cannot be the sole use of RACP funds. The primary focus of the RACP scope of work should be construction. For land acquisition costs to be reimbursable, the purchase date must occur after the authorization date of the itemized project and have RACP scope construction activity occur on the site.
7. **CAN I BE REIMBURSED FOR EQUIPMENT COSTS?** The allowance of RACP funds for equipment costs is at the discretion of the Office of the Budget. If allowed, RACP funding for equipment costs is generally limited to no more than 30% of the total grant amount. This 30% maximum allowance includes any equipment and/or land acquisition costs. Equipment costs cannot be the sole use of RACP funds. The primary focus of the RACP scope of work should be construction. For equipment to be reimbursable, it must be fixed to the realty, have a substantial useful life, and be directly related to the RACP project. Documentation of the useful life must be provided.
8. **WHEN SUBMITTING A REIMBURSEMENT REQUEST, WHAT SUPPORTING DOCUMENTATION IS REQUIRED FOR MATCH ONLY COST CATEGORIES?** Payment Request submissions must include all supporting documentation, including copies of invoices and proof of payment, for all cost categories whether they are reimbursable or match only. Typical proof of payment consists of the front & back of canceled checks. Alternate proof of payment can consist of the front of a check & bank statement confirming withdrawal from the payor's account, electronic payment records (provided they clearly identify the payor, payee, dollar amount and date), or something similar. The Office of the Budget also reserves the right to request additional information and/or documentation after review of an initial payment request submission up to and including during performance of the legislatively mandated close-out audit.
9. **WHAT CAN BE USED AS MATCH COSTS?** Typically, match costs include administration, legal, financing/accounting, architectural/engineering, land, furniture, fixtures, equipment, and relocation costs that are directly related to the RACP project. Expenses paid before the authorization date are not eligible RACP costs (use of land as match ONLY is permissible.)

- 10. IS ANYONE FROM THE OFFICE OF THE BUDGET AVAILABLE TO MEET WITH ME TO GO OVER THE RACP PROCESS AND EXPLAIN HOW TO PREPARE THE PAYMENT REQUEST FORMS?** Yes, the Grantee/Sub-Grantee (or their designated representatives) may request, at no cost to them, a facilitation meeting with an Office of the Budget employee involved in the RACP program. It is strongly suggested that meetings be held at the beginning of construction to go over the process and the preparation of the Payment Request forms. Requests for meetings should be made to the Office of the Budget RA-OB-RACP@pa.gov. Past experience has shown that these meetings are very beneficial to the successful culmination of the grant process.
- 11. MAY I RECEIVE MY GRANT DISBURSEMENT DIRECTLY INTO MY CHECKING ACCOUNT?** Yes, all grant disbursements are now being made to Grantees through the Commonwealth's Automated Clearing House (ACH) Network, which are commonly known as direct deposits. All Grantees must submit or must have already established its ACH information in the Commonwealth's Master Database. Grantees/grant recipients should register as a [Non-Procurement Vendor](#). Non-procurement vendor help is available [here](#). Note: It is the responsibility of the Grantee to ensure that the ACH information contained in the Commonwealth's Master Database is accurate and complete. Failure to maintain accurate and complete information may result in delays in grant disbursements.
- 12. DOES THE OFFICE OF THE BUDGET HOLD A CERTAIN PERCENTAGE OF THE PAYMENT? IF SO, HOW MUCH DOES IT HOLD?** Our retainage procedure differs from the typical procedure in the construction industry. The Office of the Budget reserves the right to retain up to 10% of the total grant amount. The retainage is calculated and applied after the Grantee submits the final Payment Request for reimbursement. The retained amount will be withheld from any amount due in the final Payment Request(s). The Grantees will be contacted, and the retainage will be released after the close-out audit has been successfully completed.
- 13. ARE RACP GRANTS TAXABLE, AND WILL I RECEIVE A 1099 FOR THE GRANT PROCEEDS?** The Office of the Budget enters into grant agreements with various entity types, per criteria established in the Capital Facilities Debt Enabling Act. The Office of the Budget does NOT provide tax, legal or accounting advice. Grantees/Sub-grantees should consult a qualified tax professional with respect to the tax consequences of receiving RACP funds. The Office of the Budget does not issue Form 1099-MISC for grants awarded through RACP.

Section 8 – Compliance/Bidding/PWA/Steel/etc.

- 1. IS COMPLIANCE WITH THE GRANT AGREEMENT MONITORED DURING THE PROJECT'S CONSTRUCTION?** One of the Commonwealth's consultants will contact you to go over the construction monitoring phase review procedures. Usually, some type of monitoring begins when the Project Management Proposal review report is submitted. Periodic construction monitoring reports will be prepared by the consultant and submitted to the Office of the Budget and to the Grantee/Sub-Grantee once construction has begun. These reports are the basis for the Payment Request review procedures performed to determine ongoing compliance before Commonwealth funds are released. The project must be in full compliance to receive and continue to receive any RACP funds.
- 2. I NEED TO LET OUT MY BIDS. WHAT ARE THE BIDDING REQUIREMENTS?** The sole and exclusive bidding requirement for RACP projects is in the Capital Facilities Debt Enabling Act (Act 1 of 1999, as amended), which states, "Notwithstanding any other provision of law, the solicitation of a

minimum of three written bids for all contracted construction work on redevelopment assistance capital projects shall be the sole requirement for the composition, solicitation, opening and award of bids on such projects. Notwithstanding the foregoing, the construction work shall be performed subject to the act of March 3, 1978 (P. L. 6, No. 3), known as the Steel Products Procurement Act." This means that all prime contractors, general contractors, and subcontractors must be bid. Please note that solicitation is meant to indicate the act of actively asking, seeking, or pursuing firms to complete construction-related services based on the RACP-defined project scope. The law mandates that three written solicitations must be pursued; therefore, phone solicitations will not meet RACP bid requirements. Please be advised that self-bidding election must be approved by our Legal Department prior to bidding the RACP-delineated project scope. Please be advised that the bidding requirements would be satisfied if the RACP-defined project is publicly bid. The bidding format is at the discretion of the project representatives and subject to local requirements on trades composition.

3. **CAN THE BIDDING REQUIREMENT BE WAIVED?** Unless the terms of the law change, the Office of the Budget cannot grant waivers for bidding requirements to Grantees.
4. **DO I NEED TO BID FOR EACH SEPARATE TRADE IF MY GENERAL CONTRACTOR WAS BID FOR THE WHOLE CONTRACT AMOUNT?** RACP projects are not subject to separation of trades. You simply need to solicit three bids for "all generally contracted work,". You do not need to take the lowest bid however; you must provide the Office of the Budget with an explanation as to why the lowest bidder was not selected.
5. **DOES MY CONSTRUCTION MANAGER POSITION HAVE TO BE BID?** Construction manager services do not have to be bid. However, if the construction manager is not bid and serves mostly as a project manager/administrator, his or her costs could count only as match. The Office of the Budget will not reimburse any of the construction manager costs if they self-perform any of the construction work, since that work was not bid. Additionally, in order to protect the project/owner, performance and payment bonds must cover 100% of the total value of the construction.
6. **MAY RACP FUNDS BE USED TO COMPLETE A DESIGN/BUILD PROJECT?** You may proceed with a design/build approach and select whomever you want. However, in order to meet the RACP bidding requirement, the Office of the Budget will examine the bidding of the various subcontractors. To the extent the winning design/build contractor self-performs some of the construction work, you will need to demonstrate that you solicited three bids for the design/build approach. In addition, design costs are not reimbursable. Only the following costs are reimbursable: Construction, interest during construction, land (subject to certain restrictions) and permits.
7. **I INTEND TO SOLICIT BIDS VIA ELECTRONIC MEANS. WHAT DOCUMENTATION DO I NEED TO PROVIDE TO SUPPORT BID COMPLIANCE WITH RACP REQUIREMENTS IF THE BID SOLICITATION METHOD WAS PERFORMED VIA ELECTRONIC MEANS?** Please, be advised that the use of an electronic bidding software packages or free/paid website to solicit bids does not preclude/waive the requirement that documentation to support compliance with RACP bidding requirements be submitted for review. Please also note that if an electronic bidding software package or free/paid website is utilized to conduct the bid solicitation, a signed and notarized explanation on letterhead of the entity that conducted the bid solicitation will need to be submitted. The letter should include details, such as the name of the bidding software package or free/paid website used, how

it works, date and time the solicitation was sent out, and any relevant information deemed appropriate by OB. Please ensure that copies of the electronic records are maintained, saved and available for submission to support compliance with RACP bidding requirements. The types of electronic records, which should be maintained and saved for submission should include, but is not limited to, copies of 1) emails - regular/standard and/or invitation to bid sent to the various contractors; 2) replies/queries; 3) emails/other written documentation, which indicate a decline to bid or will not bid status 4) documentation (i.e. bid forms, description of work, plans and specifications, etc.) emailed or made available for download as part of the bid solicitation; 5) transaction-type logs, which contain information, such as a) the work being solicited, b) the contractors solicited, and c) the date and time-stamp of when the solicitation was sent out; 6) screenshots; and 7) proposals received.

8. OUR GENERAL CONTRACTOR / CONSTRUCTION MANAGER WAS SELECTED. MAY OUR GENERAL CONTRACTOR / CONSTRUCTION MANAGER SELF-BID ON THE CONSTRUCTION WORK WITHIN THE RACP-DEFINED PROJECT SCOPE?

Please be advised that any self-bidding election must be reviewed and approved by our Legal Department prior to its occurrence in any phase of the construction work within the RACP-defined project scope. To assist you better, please forward the following detailed information, which includes, but is not necessarily limited to:

- the exact method the bid solicitation will be conducted.
- who will be in charge of the bidding process.
- who will solicit the contractors.
- who will receive the proposals.
- what method will the proposals be submitted.
- who will open the proposals.
- who will be present at the opening of the proposals.
- who will conduct any negotiations (i.e., value engineering) prior to contract award;
- who will determine who the contract is awarded to, etc.
- Please note that the above requested information will need to be reviewed by our Legal Department. The review process could take a number of weeks before a decision is rendered. If a project pursues and/or completes any self-bidding process prior to the review and approval of OB Legal, the project does so at its own risk. Contracts that have deemed to be non-bid complaint are not eligible for reimbursements, nor match.

9. ARE BID SOLICITATIONS REQUIRED FOR EQUIPMENT PURCHASES?

Bid solicitation is not required for equipment purchased separately. Please note that IF the purchase of equipment also includes installation services, the contract is NOT subject to PA Prevailing Wage Act. However, if the equipment contract does not include the installation, then the labor associated with the installation IS subject to PA Prevailing Wage Act AND the labor associated with the installation of the equipment must be bid. Please be advised that in both cases, the labor component cannot be disassociated from the purchased equipment. It is discretionary to the Office of the Budget what type of items fall into the equipment category and are RACP-eligible costs. Please be further advised that equipment and the labor associated with the installation of the equipment must both be present and directly related to the RACP-delineated scope.

10. WE DO NOT HAVE ANY CERTIFIED PAYROLLS TO DEMONSTRATE COMPLIANCE WITH THE PENNSYLVANIA PREVAILING WAGE ACT. CAN THIS REQUIREMENT BE WAIVED TO FACILITATE THE RECEIPT OF THE STATE GRANT?

The Office of the Budget cannot grant waivers for the

Prevailing Wage Act. All Grantees must comply with the act. Grantees that fail to abide by the Prevailing Wage Act do so at their own risk. Additionally, the Grantee/Sub-Grantee must provide a copy of the Department of Labor & Industry's Pennsylvania Prevailing Wage Determination Letter issued for the specific project to demonstrate compliance with the Prevailing Wage Act. The project should apply to the Department of Labor & Industry for the determination letter before construction begins. If necessary, the Department of Labor & Industry can issue determination letters after construction has begun. Prevailing wage information and forms can be found at: [Visit the Labor and Industry website to obtain Prevailing wage information and forms.](#)

- 11. WE DO NOT HAVE ANY STEEL CERTIFICATES TO DEMONSTRATE COMPLIANCE WITH THE PENNSYLVANIA STEEL PROCUREMENT ACT. CAN YOU WAIVE THIS REQUIREMENT TO FACILITATE THE RECEIPT OF THE STATE GRANT?** The Office of the Budget cannot grant waivers for the Pennsylvania Steel Procurement Act unless the terms of the law change. All Grantees must comply with the Steel Procurement Act. Steel certificates noting milled/manufactured in the United States are required to document compliance with the Steel Act and must be supplied for all structural steel. The appropriate ST form or DGS Exemption letter will be necessary for non-structural steel to be in compliance. If a Grantee fails to abide by the Pennsylvania Steel Procurement Act in anticipation of a waiver, it does so at its own risk.
- 12. OUR CONSTRUCTION CONTRACTOR CANNOT OBTAIN THE 100% OF CONSTRUCTION COST PERFORMANCE AND PAYMENT BOND REQUIREMENT. CAN THIS BE WAIVED?** The requirement for 100% performance and payment bonds is a state law. The Office of the Budget cannot waive that requirement.
- 13. THE GRANT AGREEMENT REQUIRES EVIDENCE OF FIDELITY BOND COVERAGE, IS THERE A MINIMUM AMOUNT OF COVERAGE NEEDED?** Grantees should submit certificates of insurance to support fidelity bond coverage is in effect and the coverage amount meets or exceeds the RACP grant amount, or the coverage amount meets or exceeds the monthly project funding schedule contained in Appendix C of the grant agreement. For Grantees with multiple projects and/or grants larger than \$5,000,000 the coverage amount can be the lesser of either \$1,000,000 or 20% of the RACP grant amount(s).
- 14. DO I NEED A PROJECT SIGN OR ACKNOWLEDGEMENT FOR MY RACP FUNDED PROJECT?** Yes, the RACP grant agreement requires the acknowledgement of Commonwealth financial assistance. Depending on the timing of the RACP award, Commonwealth funding acknowledgment should be displayed upon the commencement of the project, but no later than the effective date of the project's grant agreement. The erected project sign should state "Financial Assistance provided by the Commonwealth of Pennsylvania, Honorable [name of current governor], Governor." Any publications concerning the project should also acknowledge Commonwealth financial assistance in the same manner. Acknowledgement of Commonwealth financial assistance may be combined with an acknowledgement of other funding sources on the project sign(s) and in project publications, provided that the acknowledgement of Commonwealth assistance shall be listed first and no less prominently than any other source.
- 15. CAN I USE A PURCHASING COOPERATIVE, SUCH AS COSTARS, KEYSTONE PURCHASE NETWORK (KPN), OR TIPS-USA PURCHASING COOPERATIVE, TO MEET RACP BIDDING REQUIREMENTS?** Selecting pre-qualified contractors from a purchasing cooperative does NOT meet RACP bid requirements. If a RACP project wishes to utilize a purchasing cooperative for bidding, their written solicitation must be for the specific stated RACP scope of work / trades covered under

the RACP scope. Further, it must be sent to a minimum of three construction contractors - whether all from the purchase cooperative list OR partly from the purchase cooperative list and partly "outsiders" (i.e., those not part of the purchasing cooperative) - to comply with RACP bidding requirements. Please note one of the key important components here is that when the written solicitation occurs, it covers the specific RACP scope and not a general scope of work. Prior to proceeding with any contractor selection via purchasing cooperatives, project representatives can request a preliminary bid compliance review and further guidance by sending an email to RA-OB-RACP@pa.gov.

Section 9 – Risk and Compliance

- 1. I HAVE BEEN CONTACTED BY A STATE RISK AND COMPLIANCE OFFICER TO SET UP A CONFERENCE FOR ACLOSE-OUT AUDIT OF MY RACP PROJECT FOR WHICH I RECENTLY SENT IN MY LAST PAYMENT REQUEST. IS THIS NORMAL?** Yes. All RACP projects must have a legislatively mandated close-out audit performed to comply with Act 39 of 1993 and in accordance with Article 5 of your grant agreement.
- 2. THE LIST OF DOCUMENTS THE RISK AND COMPLIANCE OFFICER SENT ME TO HAVE AVAILABLE FOR THE CLOSE-OUT AUDIT INCLUDES DOCUMENTATION PREVIOUSLY SUPPLIED TO THE STATE CONSULTANT FOR MY PROJECT. DOES THE SAME DOCUMENTATION NEED TO BE REVIEWED AGAIN?** Yes. Keep in mind that the state consultant is part of the monitoring process. The risk and compliance officer will need to examine documentation to be able to render a close-out audit opinion. The Grantee/Sub-Grantee must keep all documentation concerning the project costs and RACP compliance and make it available during the close-out audit period. Many times, the list will include documentation previously submitted to the Office of the Budget in order to satisfy special conditions.
- 3. WHO WILL BE PERFORMING THE CLOSE OUT AUDIT OF MY RACP PROJECT?** A close-out audit will be performed by the Office of the Budget or its representative for all projects. The Grantee will not be required to pay for this close out audit.
- 4. MY RACP PROJECT WILL BE COMPLETED IN PHASES, WILL AN AUDIT BE COMPLETED AFTER EACH PHASE OR AT THE COMPLETION OF ALL PHASES?** In the interest of document availability, once a specific phase is completed the Office of the Budget will perform an audit on that phase. After completion of all phases, a final close-out audit will be performed.

Redevelopment Assistance Capital Program (RACP)



Key Compliance Guidelines

November 2024

KEY COMPLIANCE GUIDELINES

It is suggested that a copy of this complete document be given to your Project, Construction Manager, and/or Architect so that they are fully aware of the RACP requirements related to each. This document should be included in your bid packages and should be made an addendum to any and all construction contracts, plans and specifications related to the RACP project.

Compliance with all RACP requirements, including the key items in these guidelines will be monitored frequently throughout the construction phase of your project and will be reviewed once more during the legislatively mandated close-out audit.

COMPETITIVE BIDDING REQUIREMENTS

The sole and exclusive bidding requirement for RACP projects is in the Capital Facilities Debt Enabling Act (Act 67 of 2004), which states "Notwithstanding any other provision of law, the solicitation of a minimum of three written bids for all contracted construction work on redevelopment assistance capital projects shall be the sole requirement for the composition, solicitation, opening and award of bids on such projects." Unless the terms of the law change, the Office of the Budget cannot grant waivers for bidding requirements to Grantees.

RACP projects are not subject to separation of trades. You are REQUIRED to solicit a minimum of three (3) bids for "all generally contracted work" being performed within the RACP defined scope of work. You are not required to receive three (3) bid responses. However, you should provide documentation to prove that at least three bids were solicited by providing copies of the solicitation letters (preferably on letterhead of the bidding entity) used in the bidding process. You are not required to select the lowest bidder, but if you do not, you will have to provide a brief written justification for your selection. Note: there is NO threshold level under the RACP program regardless of the size or dollar amount associated with the work to be performed. You need to show that you solicited a minimum of three (3) bids for any contract to be eligible for RACP.

Bidding is acceptable at either the general contractor level (described in option a. below) or at the sub-contractor level (described in option b. below):

- **General Contractor (GC) Level** - If you chose to bid at the GC level, please note that the bid should encompass the entire RACP scope of work to be performed including all associated construction work. The dollar amount bid on the project must include 100% of the work to be performed by the GC and the sub-contractors. Bidding at the GC level will require submission of bidding and construction related documents at the GC level only (see Sub-Contractor level below for a distinction)
- **Sub-Contractor Level** - If you choose not to solicit three bids for a General Contractor, then you are required to solicit a minimum of three bids for EACH Sub-Contractor covering all trades involved in the project. Note that any self-performed work by a non-bid GC is NOT an eligible cost for reimbursement OR match purposes. Bidding at the Sub-Contractor level will require submission of bidding and construction related documents at the sub level...meaning proof of

bidding, construction contracts, payment and performance bonds, insurance etc. will need to be provided for every sub-contractor in the RACP scope.

Professional Services: Professional services associated with the project are not required to be bid as these associated costs are only eligible as match.

Change Orders: Grantees and/or Sub-Grantees are not required to competitively bid out change orders as long as the work was within the RACP scope of the original bid and is less than 20% of the total contract. If a change order is for work beyond the RACP scope of work originally bid, the Grantee will be required to competitively bid out the new scope of work in order to be considered RACP eligible.

PENNSYLVANIA STEEL PRODUCTS PROCUREMENT ACT

The Office of the Budget (OB) cannot grant waivers to the Pennsylvania Steel Products Procurement Act (SPPA) unless the terms of the law change. All RACP Grantees must comply with the SPPA. If a Grantee/RACP project fails to abide by the SPPA, it does so at its own risk.

[A full explanation on the RACP steel requirements is available as a PDF download.](#)

Up to 2011, OB only accepted the ST-4 Form (justification for the use of foreign steel) that the Department of General Services (DGS) had exclusively devised to address exceptions linked to the requirements of the SPPA, when it was necessary. Since 2011, OB has approved the acceptability of two more DGS ST Forms (ST-2, ST-3) with some caveats, providing that the forms are properly filled out. The ST-1 Form will not be accepted by OB. It is not necessary for the ST-2, ST-3, and ST-4 Forms to be notarized.

Since 2013, OB has utilized the DGS Exempt Machinery and Equipment Steel Products listings as part of the RACP steel policy. DGS published a Statement of Policy - Steel Products Procurement in the Pennsylvania Bulletin Volume 43, Number 6 dated February 9, 2013 (See PA Bulletin #43, pages 85-86) that discussed their production of an annual list, based on their analysis of submitted ST-4 forms, which exempts certain steel products not produced domestically in sufficient quantity. DGS publishes an updated "Exemption List" annually.

Please be aware that ST forms are acceptable only in cases where nonstructural steel needs to be addressed. The DGS ST forms do not replace the steel certification forms associated with structural steel. OB will continue to require the submission of steel mill certifications to demonstrate compliance with the steel requirements for structural steel.

The PDF copies of the three acceptable ST Forms for RACP listed below can be obtained from the RACP website:

- [ST-2 Steel Origin Certification: Non-Identifiable, Non-Structural Steel](#)
- [ST-3 75% U.S. Manufacture Certification](#)
- [ST-4 Not Domestically Manufactured: Prime Contractor](#) (only to be used when requesting items to be exempted that are not found on the current year's List of Exempt Machinery and Equipment Steel Products)

It is suggested that the certifications be collected at the time any steel for the project is purchased and delivered to ease the collection process.

Be advised that OB DOES NOT need to approve the ST forms prior to the start of the construction period. The ST forms need to be submitted to demonstrate that compliance, when and where necessary, has been met.

We shall deem as ineligible all contracts that are unable to demonstrate compliance via the submission of steel certifications for Structural Steel and for Non-structural Steel the submission of steel certifications and/or ST forms and/or DGS Exempt Machinery and Equipment Steel Products List. Therefore, the value of construction contracts associated with non-compliant steel will be removed (both materials and labor costs) from the scope of the project, which may in turn affect the project's ability to leverage their full grant amount (project may not receive its full grant).

Recycled products, melted from previously used steel, are acceptable, providing that adequate documentation from the supplier has been furnished. The supplier shall certify that the recycled steel product was produced in the USA.

TRADE PRACTICES ACT

In accordance with the Trade Practices Act of July 23, 1968, P.L. 686 (71 P.S. § 773.101 et seq.), the Grantee cannot and shall not use or permit to be used in the work any aluminum or steel products made in a foreign country which is listed below as a foreign country which discriminates against aluminum or steel products manufactured in Pennsylvania. The countries of Argentina, Brazil, South Korea, and Spain have been found to discriminate against certain products manufactured in Pennsylvania. Therefore, the purchase or use of those countries' products, as listed below, is not permitted:

- **Argentina:** carbon steel wire rod and cold-rolled carbon steel sheet.
- **Brazil:** welded carbon steel pipes and tubes; carbon steel wire rod; tool steel; certain stainless steel products, including hot-rolled stainless steel bar; stainless steel wire rod and cold-formed stainless steel bar; pre-stressed concrete steel wire strand; hot-rolled carbon steel plate in coil; hot-rolled carbon steel sheet; and cold-rolled carbon steel sheet.
- **South Korea:** welded carbon steel pipes and tubes; hot-rolled carbon steel plate; hot-rolled carbon steel sheet; and galvanized steel sheet.
- **Spain:** certain stainless steel products, including stainless steel wire rod, hot-rolled stainless steel bars; and cold-formed stainless steel bars; pre-stressed concrete steel wire strand; and certain steel products, including hot-rolled steel plate, cold-rolled carbon steel plate, carbon steel structural shapes; galvanized carbon steel sheet, hot-rolled carbon steel bars, and cold-formed carbon steel bars.

Penalties for violation of the above paragraphs may be found in the Trade Practices Act, which penalties include becoming ineligible for public works contracts for a period of three years.

This provision in no way relieves the Grantee of responsibility to comply with those provisions which prohibit the use of foreign-made steel and cast iron products.

PUBLIC WORKS CONTRACTORS' BOND LAW (PAYMENT & PERFORMANCE BONDS)

The requirement for 100% payment and performance (P&P) bonds is a state law; the Office of the Budget cannot waive this requirement.

A performance bond must be obtained at 100% of the contract amount, conditioned upon the faithful performance of the contract in accordance with the plans, specifications, and conditions of the contract. Such bond shall be solely for the protection of the contracting body which awarded said contract.

A payment bond must be obtained at 100% of the contract amount. Such bond shall be solely for the protection of claimants supplying labor or materials to the Grantee, its contractor or to any of its subcontractors, in the prosecution of the work provided for in such contract, and shall be conditioned for the prompt payment of all such material furnished or labor supplied or performed in the prosecution of the work. "Labor or materials" shall include public utility services and reasonable rentals of equipment, but only for periods when the equipment rented is actually used at the site.

PA PREVAILING WAGE ACT (PWA)

The Office of the Budget cannot grant waivers for the PA Prevailing Wage Act. All Grantees must comply with the act. Grantees that fail to abide by the Prevailing Wage Act do so at their own risk. Please do not assume that PA Prevailing Wage is always consistent with your local union wages.

All projects should apply for a wage determination letter prior to the start of construction by registering the project with the PA Department of Labor and Industry to obtain the prevailing wage rates relevant to your project. This determination sheet will provide the necessary trade classifications for the project, along with their corresponding hourly wage and hourly fringe rates that are required for the certified payrolls required as part of RACP. The wage determination should be obtained within 120 days of the award of construction contracts. If necessary, the Department of Labor and Industry can issue determinations letters after construction has begun.

The prevailing wage information and forms can be found on the [PA Department of Labor & Industry website](#).

AMERICANS WITH DISABILITIES ACT (ADA)

Typically your architect should provide a letter stating the plans and specs are in compliance with ADA regulations. Additionally, the Grantee agrees to comply with the General Prohibitions Against Discrimination, 28 C.F.R. § 35.130, and all other regulations promulgated under Title II of The Americans with Disabilities Act which are applicable to all benefits, services, programs, and activities provided by the commonwealth through contracts.

FIDELITY BONDS

The Grantee shall procure and furnish evidence to OB, of fidelity bonds with coverage to be maintained under the administrative title of the position, in amounts and for such positions as are reasonably determined by OB. Fidelity Bonding is also commonly known as "Employee Dishonesty Insurance."

Grantees should submit certificates of insurance to support fidelity bond coverage is in effect and the coverage amount meets or exceeds the RACP grant amount, or the coverage amount meets or exceeds the monthly project funding schedule contained in Appendix C of the grant agreement. For Grantees with multiple projects and/or grants larger than \$5,000,000 the coverage amount can be the lesser of either \$1,000,000 or 20% of the RACP grant amount(s).

INSURANCE REQUIREMENTS

- Worker's Compensation Insurance - The Grantee shall provide Worker's Compensation Insurance where required, and shall accept full responsibility for the payment of premiums for Worker's Compensation Insurance and Social Security, as well as income tax withholding and any other taxes or payroll deductions required by law for its employees who are performing services related to the project.
- General Liability & Property Damage Insurance - The Grantee will provide and maintain comprehensive general liability and property damage insurance in the minimum amount of \$250,000.00 per person for injury and death in a single occurrence; \$1,000,000.00 per occurrence for injury or death of more than one (1) person in a single occurrence; and \$500,000.00 for a single occurrence of property damage, and which shall be endorsed to protect the commonwealth.
- Flood Insurance – If the project is wholly or partially within a floodplain, proof of sufficient flood insurance coverage must be provided. In any case, a project is required to provide a copy of a floodplain map of the project area, with the project site being delineated thereon.

Identify Commonwealth as Additional Insured: The commonwealth shall be listed on the above insurance policies as an additional insured. Upon request, the Grantee shall furnish proof of insurance as required by this section to OB.

RESTRICTIONS ON GOVERNMENTAL ENTITIES SELLING RACP PROJECTS

Article 8 of the RACP Grant Agreement spells out sale price restrictions for a governmental entity that sells property that was acquired and/or improved with RACP funds. The restrictions are required to insure that the Grantees CANNOT sell the property for a net gain or even recoup the value of the grant in the sale price. [A PDF download is available that contains more information on Article 8.](#)

Redevelopment Assistance Capital Program (RACP)



Steel Guidance

November 2024

GUIDANCE ON STEEL CERTIFICATION

The following guidance is a clarification from the Office of the Budget (OB) regarding the requirements associated with the Pennsylvania Steel Products Procurement Act (SPPA) relative to the RACP program whose statutes are regulated under Act 1 of 1999, as amended. In the past, many grantees have inquired about specific cases and we were able to provide each individual project with specific directions. Additionally, we had only accepted the ST-4 form that the Department of General Services (DGS) had exclusively devised to address exceptions linked to the requirements of the SPPA in the handling of special cases or exceptions. Please note that cost consideration (or convenience) is not an acceptable justification that the ST-4 form can address. Filled out ST-4 forms premised on cost consideration will not be accepted by OB.

OB accepts two DGS ST forms (ST-2 and ST-3) with some caveats, providing that the forms are properly filled out. The ST-1 form is NOT a valid option and shall NOT be accepted by OB. It is not necessary for the ST-2, ST-3, and ST-4 forms to be notarized. Please, be advised that this guidance is specifically tailored to suit the published and programmatic needs of OB as the overseer of RACP program. This is not a commonwealth-wide policy. Any attempt to impose this guidance on other state agencies is strongly discouraged.

Please, be aware that the aforementioned ST forms are acceptable only in cases where non-structural steel needs to be addressed. The DGS ST forms do not replace the steel certification forms associated with structural steel. It remains the responsibility of the project representatives to provide documented evidence that a non-structural steel product is not domestically produced in sufficient quantities.

OB shall continue to require that steel mill certifications be submitted to demonstrate compliance with the steel requirements. Please, be further advised that OB DOES NOT need to approve the ST forms prior to the start of the construction period. The ST forms need to be submitted to demonstrate that compliance, when and where necessary, has been met. The ST forms exceptions are displayed below. Please submit questions to RA-OB-RACP-Steel-Cost@pa.gov.

It is suggested that the certifications be collected at the time any steel for the project is purchased and delivered to ease the collection process.

Since 2013, OB has utilized the DGS Exempt Machinery and Equipment Steel Products listings as part of the RACP steel policy. DGS published a Statement of Policy - Steel Products Procurement in the Pennsylvania Bulletin Volume 43, Number 6 dated February 9, 2013 (See PA Bulletin #43, pages 85-86) that discussed their production of an annual list, based on their analysis of submitted ST-4 forms, which exempts certain steel products not produced domestically in sufficient quantity.

No other changes in RACP steel policy resulted from this new adjustment; consequently, the use of steel certificates for structural steel will still be required. Please note that the use of ST 2, 3, and 4, as requested for other steel products, will still be utilized unless an exemption based on the list has been formulated and forwarded to OB.

OB's guidance is to make sure the Grantee/Subgrantee's are aware that it's their responsibility to certify all applicable steel components incorporated within RACP projects. In some

instances, OB/RACP staff and/or the state assigned consultant may limit their compliance analysis to significant steel components. The projects' architect/engineers are responsible for preparing/providing a significant steel component listing, not the RACP assigned consultant.

Two distinct approaches are presented below for steel products that are structural and/or have a significant building component.

Structural Steel Products

Pursuant to the SPPA, OB will require a mill certificate containing the statement "milled, melted, and manufactured in the USA" for all structural steel products used on RACP projects. We shall deem as ineligible all contracts that are unable to demonstrate compliance via the submission of steel certifications. Therefore, the value of construction contracts associated with non-compliant steel will be removed (both materials and labor costs) from the scope of the project.

Non-Structural Steel Products

Pursuant to the SPPA, OB will require, either a mill certificate containing the statement "milled, melted, and manufactured in the USA" or the appropriate ST form or an **Exemption Request** to utilize the DGS current years' Final List of Exempt Machinery and Equipment Steel Products to demonstrate compliance associated with the non-structural steel products used on RACP projects. OB shall deem as ineligible all contracts that are unable to demonstrate compliance via the submission of **steel certifications /ST forms/Exemption Request** based on the DGS Exempt Machinery and Equipment Steel Products listing. Therefore, the value of construction contracts associated with non-compliant steel will be removed (both materials and labor costs) from the scope of the project.

Recycled products, melted from previously used steel, are acceptable, providing that adequate documentation from the supplier has been furnished. The supplier shall certify that the recycled steel product was produced in the USA.

Furthermore, the burden of proof for all non-structural steel products not produced domestically in sufficient quantities is still the project's responsibility to provide.

Please be aware that the acceptance of ST forms is contingent upon the form being fully filled-in and compliant with the submission guidelines for steel certifications for DGS projects with the following exceptions:

- A. It is not necessary for the forms to be notarized; however, all ST forms must be signed. Original signatures or electronic signatures through Adobe fill/sign, DocuSign, or Nuance (program which allows electronic signature similar to Adobe fill/sign) are acceptable.
- B. Any questions regarding steel certification submissions and/or compliance with the Act shall be submitted to the OB Steel Resource Account (RA-OBRACP-Steel-Cost@pa.gov).
- C. The Steel certification forms do NOT need to be submitted and approved by OB before the steel product arrives on site so as not to interfere with the project construction schedule.
- D. OB assumes responsibility for acceptance of the DGS ST forms in accordance with this policy.

Completion of the ST-2, ST-3, and ST-4 forms shall follow the DGS directions attached to the form with the following exceptions:

- ST forms do NOT need to be submitted and approved by OB before the steel product arrives on site so as not to interfere with the construction schedule.
- RACP ME# assigned to the project shall be inserted in all areas requiring the DGS contract number (Line#5).
- RACP official project name shall be inserted in all areas requiring the contract title (Line #6).

Note:

Acceptance of each ST form shall be determined by OB at its sole discretion. All documents and other information to be delivered in order to demonstrate compliance with the steel requirements shall be and are, in form, content and substance, subject to the approval of OB, which approval may be withheld or delayed at OB's discretion. OB reserves the right to reject all improperly filled out or unsupported ST forms.

Below are links to PDF copies of the three acceptable ST Forms that can be obtained from the RACP website:

- [ST-2 Steel Origin Certification: Non-Identifiable, Non-Structural Steel](#)
- [ST-3 75% U.S. Manufacture Certification](#)
- [ST-4 Not Domestically Manufactured: Prime Contractor](#) (only to be used when the items requested to be exempted are not found on the appropriate year's List of Exempt Machinery and Equipment Steel Products [see section below entitled "Year of DGS Exemption Listing to Use"])

To implement the RACP policy on Non-structural Steel Exemption Request utilizing the DGS's current years' Final List of Exempt Machinery and Equipment Steel Products, referred to as the "Exemption List", please follow the below requirements:

1. The Project must be under "active" construction (workers on site) on or AFTER 1/01/2013 (RACP effective date) to use the "Exemption List".
2. "Active" construction does not include performance of just "punch list" items.
3. Effective date is based on the "active" construction date and not the date the machinery and equipment were purchased.
4. There is no retroactive application of utilization of the "Exemption List".
5. No ST-4 form is required for a RACP Exemption Request based on the "Exemption List".
6. RACP Exemption Request (to utilize the "Exemption List") must come from a contractor involved in the construction of the project and be:
 - On Construction Company Letterhead.
 - Dated and signed by appropriate company official (does not need to be notarized).
 - Should be addressed to Office of Budget
 - Should contain RACP project name and/or ME #
 - Lists any/all machinery and equipment that the Company is requesting to have exempted from ST-4 documentation.
 - All items listed on RACP Exemption Request letter must clearly match-up to an item

on the appropriate year's "Exemption List" and the Exemption List year should be notated for each item.

- There can/may be multiple construction company RACP Exemption Request letters utilized for various machinery and equipment, as applicable, per project.
- Exemption Request can be submitted directly by the project to OB or through the State Assigned Consultant for their project.
- Any questions regarding the exemption request submission and/or compliance with the Act shall also be submitted to OB (RA-OB-RACP-Steel-Cost@pa.gov)

Year of DGS Exemption Listing to Use:

A project should be using the exemption listing for when they are in active construction. For example, if construction was active (and complete) in 2021 they would use the 2021 listing. If a project overlaps a calendar year, they should use the latest listing in which construction is active. For example, if construction is active in 2021 and 2022, they would use the 2022 listing.

If a project is phased, they should use the listing for the year they are in active construction for each phase. For example, if the first phase starts and ends in 2021 whereas the second phase starts and ends in 2022, the first phase would use the 2021 listing while the second phase would use the 2022 listing. If a phase overlaps a calendar year, follow the 1st paragraph above.

Among other items, the DGS web page for Steel Products Procurement Act information includes links for a copy of the Act; the current year's Final List of Exempt Machinery and Equipment Steel Products; the PA Bulletin's Steel Products Procurement Act Statement of Policy; and Frequently Asked Questions. Certain prior years DGS Exemption Lists are downloadable from the RACP website.

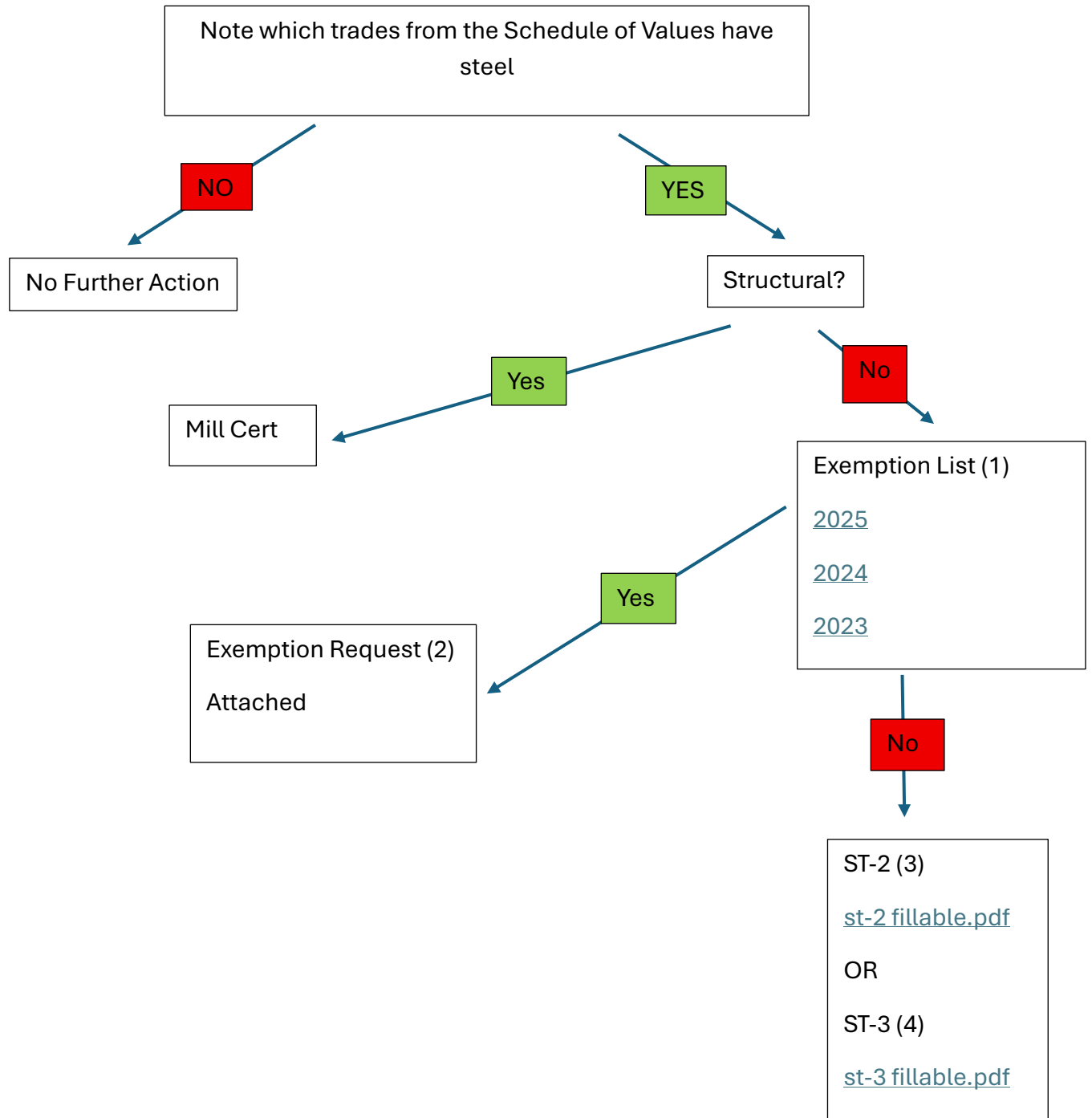
Please be aware that all other steel items not specifically exempted or that may require any type of interpretation would be discretionary to OB's policy. Be reminded that this exemption listing is not effective for structural steel.

Note:

Acceptance of each Exemption Request shall be determined by OB at its sole discretion. All documents and other information to demonstrate compliance with the steel requirements shall be in form, content, and substance, subject to the approval of OB, which approval may be withheld or delayed at OB's discretion. OB reserves the right to reject all improperly filled out or unsupported Exemption Request.

Steel Flow Chart

RACP Steel Guidance



RACP Steel Guidance

When looking to be compliant with steel for a RACP project, begin by noting which trades from the Schedule of Values have steel. If the answer is no for any of the trades, then there is no further action for that specific trade. If the answer is yes, then you must determine whether or not the steel is structural or non-structural. For structural steel, you must have a mill cert to ensure that the steel was milled, melted, and manufactured in the United States of America. There are no exceptions to this.

If the steel is non-structural, begin by looking at the exemption list attached for the corresponding year. If the piece of machinery or steel equipment is on the list, then complete an exemption request letter by following the template attached. If the piece of machinery or steel equipment does not appear on the exemption list then a ST-2 or ST-3 form is required. Be sure to complete these steps for each trade.

Attached Documents

- Steel flow chart
- Office of the Budget Steel Guidance
- Exemption Listing that corresponds to most recent year of construction
- Exemption Letter Template
- ST-2 Form
- ST-3 Form

Date

Mr. Scott Bowman, RACP Manager
Redevelopment Assistance Capital Program
Office of the Budget
Bureau of Redevelopment
Capital & Debt
333 Market Street Tower, 18th floor
Harrisburg, PA 17101-2210

Re: Official RACP Project Name – RACP Steel Exemption Request
Project Number: ME# XXXX

Dear Sir:

Contractor Name and its subcontractor Subcontractor Name respectfully request to utilize the Year DGS Steel Products Exemption List for exemption from the ST-4 documentation requirement, for steel materials we intent to utilize in the construction of the Official RACP Project Name, ME# XXXX.

We are requesting exemption on behalf of the following material:

Individually list each item in request for exemption. *Be sure to **exactly** match each item to the exemption list, including any typos and errors that may occur on the exemption list.*

Sincerely,

ST-2

This form must be filled out for non-identifiable, non-structural steel products.

SECTION A

To be filled out by the Purchaser, the firm that pays the Fabricator

Line #1 This is the name of the firm that is dealing directly with the Fabricator

Line #2 This is the purchaser's mailing address.

Line #3 This is the purchaser's business phone.

Line #4 This is the date the ST-2 form is sent to the fabricator.

Line #5 This is the ~~DGS contract number or~~ **RACP ME#** for the project.

Line #6 This is the ~~DGS project description~~ **RACP Project Name.**

Line #7 This is the "steel product" being certified, such as a chiller, condenser, hollow metal doors. The prime contractor may not fill in the line with a description like "structural steel", "heating unit" or "air conditioning Unit". The model number, if any, of the steel product must be listed as indicated.

<p>LINE #7 IS THE MOST CRITICAL PART OF THE FORM. FAILURE TO PROPERLY FILL OUT LINE #7 ON EACH ST FORM MAKES THE ENTIRE FORM INVALID AND A NEW FORM MUST BE SUBMITTED.</p>

SECTION B

To be filled out by the Fabricator, the firm that assembles the product listed on Line #7.

Line #1 This is the Fabricator's name.

Line #2 This is the Fabricator's mailing address.

Line #3 This is the Fabricator's business phone.

Line #4 This is the date the Fabricator receives the ST-2 from the Purchaser.

Line #5 This is the Fabricator's Federal I.D. number.

SECTION C

1. Language – **No modifications, cross-outs or alterations of any type may be made to the language of this certification paragraph.**
2. Signature – Two signatures are required on the ST-1 form. The Prime Contractor's President/Vice President must sign on one line and the Secretary or Treasurer must sign as a witness. The names should be typed or printed beneath the signature lines. Failure to type in the names **does not** invalidate the ST form.

ST-2 STEEL ORIGIN CERTIFICATION:
NON-IDENTIFIABLE, NON-STRUCTURAL STEEL

This form must be executed by the Purchaser and the Fabricator of any item containing steel that is not structural steel. This form must be submitted to the APM within 30 days from the date the Professional approved a submittal listing a "steel product". No steel product may be delivered on-site unless DGS has received the ST form. Structural steel is defined as steel products used as a basic structural element or a project (i.e. steel beams, columns, decking stairways, reinforcing bars, pipes, etc.). Purchasers of structural steel products (contractors or subcontractors) **must** provide bills of lading, invoices **and** mill certifications that the steel was manufactured in the United States instead of this form. The Fabricator shall be herein defined as the firm that assembles the component parts of the product to be purchased. The Department of General Services will accept the certification of firms that are earlier in the chain of purchase (i.e. manufacturers of components, steel suppliers) in lieu of the Fabricator.

A. TO BE COMPLETED BY THE PURCHASER:

1. Name of purchasing firm: _____
 2. Firm's address: _____
 3. Firm's phone number: _____ 4. Date submitted to Fabricator: _____
 5. Contract No. DGS _____ 6. Contract Title: _____
 7. Steel Product Certified: _____
- Model: _____

B. TO BE COMPLETED BY THE FABRICATOR/MANUFACTURER:

1. Name of firm: _____
2. Address of firm: _____
3. Firms phone number: _____ 4. Date Received: _____
5. Federal Employer ID. No: _____

CERTIFICATION: I, the undersigned officer of the Fabricator/Manufacturer, do certify that our firm assembled/fabricated the components to the steel products listed in Section A, Item 7, and that all steel components therein are comprised of steel that is melted and/or fabricated in the United States. I understand that, by signing this document, I certify that I have received assurances from the suppliers/manufacturers of the components that said components do not contain foreign manufactured steel. I further understand that this document is subject to the provisions of the Unsworn Falsification to Authorities Act (18 P.S. § 4904). I also understand that I am subject to the provisions of the Steel Products Procurement Act (73 P.S. § 1881, et. seq.) which provides penalties including, but not limited to, debarment from supplying any products for Commonwealth of Pennsylvania Public works projects for a period of five (5) years for violations therein. I agree to provide documentation supporting these facts if requested by the Commonwealth. The Commonwealth reserves the right to pursue any action deemed necessary to protect the Commonwealth's interest and ensure compliance with the laws of the Commonwealth.

WITNESS:

Name:
Secretary or Treasurer

Name: _____ (Seal)
President or Vice President

ST-3

2-STEP ELIGIBILITY ANALYSIS:

BEFORE A PRIME CONTRACTOR CAN SUBMIT AN ST-3, THE FOLLOWING ANALYSIS MUST BE SATISFIED

STEP #1: The contractor must establish that the “product” **contains BOTH:**

- Steel melted in the USA

AND

- Foreign Steel

Note: Step #1 focuses upon the **content** of the “product”.

Note: The % need not be close; it can be 99-1, so long as there is both foreign and domestic steel in the “product”.

STEP #2: The contractor must establish that 75% of the **cost** of the “product” has been mined, produced or manufactured in the USA.

Note: Step #2 focuses upon the cost of the entire “product”, not just the steel within it.

SECTION A

Line #1 This is the Prime Contractor’s name.

Line #2 This is the Prime Contractor’s business address.

Line #3 This is the Prime Contractor’s phone number.

Line #4 This is the date the ST-3 is submitted to the fabricator.

Line #5 This is ~~DCS contract number or~~ **RACP ME#** for the project for the project.

Line #6 This is the ~~DCS project description~~ **RACP Project Name.**

Line #7 This is the “steel product” being certified, such as a chiller, condenser, hollow metal doors. The prime contractor **may not** fill in the line with a description like “structural steel”, “heating unit” or “air conditioning unit”. The model number, if any, or the steel product must be listed as indicated.

<p>LINE #7 IS THE MOST CRITICAL PART OF THE FORM. FAILURE TO PROPERLY FILL OUT LINE #7 ON EACH ST FORM MAKES THE ENTIRE FORM INVALID AND A NEW FORM MUST BE SUBMITTED.</p>

SECTION B **To be filled out by the Fabricator/Manufacturer, the firm that fabricates the product listed on Line A7.**

Line #1 This is the Fabricator's name.

Line #2 This is the Fabricator's business address.

Line #3 This is the Fabricator's business phone.

Line #4 This is the date the Fabricator receives the ST-3 from the purchaser.

Line #5 This is the Fabricator's Federal I.D. Number.

Line #6 The Fabricator must insert the percentage of the cost of the articles, materials and supplies which have been mined, produced or manufactured in the U.S. for the product listed on Line #7.

SECTION C

1. Language – **No modifications, cross-outs or alterations of any type may be made to the language of this certification paragraph.**
2. Signature – Two signatures are required on the ST-3 form. The Fabricator's President/Vice President must sign on one line **and** the Secretary or Treasurer must sign as a witness. The names should be typed or printed beneath the signature lines. Failure to type in the names does not validate the ST form.

NOTES on ST-3 Forms:

- It is not necessary to submit an ST-1 with the ST-3.
- **DGS reserves the right to request additional documentation to support the percentage specified on Line 14. If the Fabricator/manufacturer refuses to produce such documentation and/or DGS deems it to be in the Commonwealth's best interests, DGS may request the Office of Inspector General to investigate the submission of the ST-3 form.**

ST-3
75% U.S. MANUFACTURE CERTIFICATION

The Steel Products Procurement Act (73 P.S. § 1881, et. seq.) allows the use of steel products with **both** foreign and domestic steel **if at least 75 percent of the cost** of the materials (including steel, rubber, wood, plastics, etc.) in the product are manufactured or produced, as the case may be, in the United States.

This form must be executed by a Fabricator of any item containing BOTH U.S. AND FOREIGN STEEL. The fabricator shall hereby be defined as the firm that assembles the component parts of the product to be purchased. The Department of General Services will accept the certification of firms that are **earlier** in the chain of purchase (i.e., manufacturers of components, steel suppliers) in lieu of the Fabricator.

This form must be submitted to the APM within 30 days from the date the Professional approves a submittal listing a "steel product". No steel product may be delivered on-site unless DGS has received an ST form.

A. TO BE COMPLETED BY THE PRIME CONTRACTOR (PURCHASER):

1. Name of Contractor: _____
2. Address of Contractor: _____
3. Phone Number: _____ 4. Date submitted to Fabricator: _____
5. Contract No. DGS: _____ 6. Contract Title: _____
7. Steel Product Certified: _____
Model: _____

B. TO BE COMPLETED BY THE FABRICATOR/MANUFACTURER:

1. Name of Firm: _____
2. Address of Firm: _____
3. Firm's Phone number: _____ 4. Date Received: _____
5. Federal Employer ID No. _____

6. Percentage of the cost of the articles, materials and supplies which have been mined, produced or manufactured in the U.S. for the product listed above on line 7: _____

CERTIFICATION: I, the undersigned Officer of the Fabricator/Manufacturer, do certify that our firm assembled/manufactured the components to the steel product listed in Section 7, that the steel in said product is both foreign and domestically manufactured, and that all the facts contained in this document are true. I agree to provide documentation supporting these facts if requested by the Commonwealth. I further understand that this document is subject to the provisions of the unsworn Falsification to Authorities Act (18 P.S. § 4904) and the Steel products Procurement Act (73 P.S. § 1881, et seq.) which provide penalties including, but not limited to, debarment from supplying any products for Commonwealth of Pennsylvania public works projects for a period of five (5) years for violations therein. The Commonwealth reserves the right to pursue any action deemed necessary to protect the Commonwealth's interest and ensure compliance with the laws of the Commonwealth.

WITNESS:

Name:
Secretary or Treasurer

Name: (Seal)
President or Vice President

2025 List of Exempt Machinery and Equipment Steel Products

The Department of General Services (DGS) has reviewed all comments and supporting documentation received prior to the end of the thirty-day (30) comment period and presents here its annual list of exempt machinery and equipment steel products. Contractors, subcontractors, suppliers, bidders, offerors and public agencies may rely on the list of exempt steel products in preparing bids and contracts for any project that is subject to the Steel Products Procurement Act.

Pursuant to the department's Statement of Policy and the Steel Products Procurement Act, DGS will not make any changes to this list during the calendar year for which it was created. In early 2026 DGS will identify, from ST-4 waivers approved in calendar year 2025, specific machinery and equipment steel products that have been recognized as not being produced in the United States in sufficient quantities to meet the 2025 contract requirements. Those items will be added to the list presented below and the resultant list will be published in the Pennsylvania Bulletin for a thirty-day (30) public comment period at that time.

Exempt Machinery and Equipment Steel Products

Air Conditioning Units
Air Duct Housing w/Sample Tubes
Air Handling Units
Anchor Bolt
Audio RA Station
Annunciator Panel
AV Rack Kit
Back Box
Backflow Preventer
Battery Cabinet
Blank Filler Plate for Fiber (for rackmount and wall mount enclosures)
Blank Metal Door
Blank Plate for Outer Door
Bottom Dead Front Panel
Bridge for Cameras
~~Butterfly Valves~~ (No Longer Exempt)
Cabinet
Cardcage
Cast Iron Inverted Bucket Traps (**NEW**)
Cast Steel Gate Valve
CCTV Power Supply
Ceiling Flange
Central Control Unit

Centrifugal pumps
~~Check Valves~~ (No Longer Exempt)
Channel Video
Circulating Pump
Closers
Color Monitor
Combination Round Head Steel Zinc- Plated Toggle Bolts
Condensing Boilers
Conduit Fittings
Control Module Plate
Control Panel
Control Valve
Data Converter Unit
Deck Inserts
Deck and Rub Rail Fasteners
Digital Communicators
Digital Record
Door Protection
Door Trim/Handles
Drinking Fountain
Drip Pan ELL
Drop-In Anchors
Dry Tape Transformer
Drywall Screws
Dual Interface Module
Duct Detector w/Relay
Duct Housing
Ductless Split System
DVR Rack
Electric Traction Elevators
Electric Water Cooler
Electronically Operable Panel Partitions (**NEW**)
Elevator Controller
Elevator Hoistway
Encl. for Annunciator
Exit Devices
Exp Cage
Fence System Nuts and Bolts
Fire Alarm NAC Extender
Fire Alarm Peripherals
Fixed Door Station
~~Flanged Cast Iron Gate Valves~~ (No Longer Exempt)

Flexible Drops
Full Blank Plate
Galvanized Carriage Bolts
Garage Door Tracking
Gas Furnace
Gas Piping Butt Weld Tees
Generator
Globe Valve (Steam)
Hand Dryer
Hanger Mounting Plates
Hangermates
Hangers Supports
Horn/Strobe
Inclined Platform Wheelchair Lifts
Inner & Outer Door
Inner Door Blank Plate
Interface Module
Lag Bolts
Large Remote Cab
Lighting Fixtures, Interior/Recessed
Lighting Fixtures, Surface Wrap
Lighting Fixtures, Track Head
Lock Cylinders
Locknuts
Locksets
Low Temp. Detection Thermostats
Lubrication Unit
Machine Screws
Main Control Board
Metal Lockers
Manual Pull Station
Med. Enclosure
Middle Dead Front
Mini-Interface Module
Monitor Mount
Monitor Wall Brk
Mounting Plate
Network Fiber Switch
Overhead Door
Overhead Stops
Patient Wandering Alarm
Pipe Clamps


Pivots
Power Supply
Pull Station Box
RA Annunciator Panel
Rack Mount Card Cage
Rack Mount Kit
Radiant Panels
Reader Interface
Relay Module
Remote Chiller
Round Head Machine Screw
Safety Relief Valve
Sampling Tube
Security Panel
Security Unit
Security/CCTV Camera Housing
Self-Turn / Self Tapping Screw
Shower/eye Washers
Signal Extender Module
Single Blank
Smoke Detector Wire
Speaker
Speaker/Strobe
Split HVAC System
Split Ring Hangers
Split Rings
Split System Air Conditioning
SSD-C Remote Display w/Control
SSD-C-REM Rem Display
Stainless Flat Bars
Stainless Steel Cable
Strobe
Submersible pump
Sump Pump
Surface Mount Speaker
Surface Station Box
Surge Arrester
Surge Protector
T8 Light Troffer
Tamper Proof Screws & Nuts
Threaded Rod Hanger

Tie Wire 21 gauge
Tie Wire Anchor
Toggle Wing
Transformer
Turbine Pumps
Uninterruptible Power Supply
VRV Fan Coils/Cond. Units
Wall Mounted Boiler
Wall Mounted Fountain
Water Coolers
Water Fountain Mounting Frame
Water Heater
Wing Toggle

WEEKLY PAYROLL CERTIFICATION FOR PUBLIC WORKS PROJECTS

☐ Contractor or
 ☐ Subcontractor (Please check one)

ALL INFORMATION MUST BE COMPLETED

CONTRACTOR ADDRESS		SUBCONTRACTOR ADDRESS		 DEPARTMENT OF LABOR & INDUSTRY <small>COMMONWEALTH OF PENNSYLVANIA</small> BUREAU OF LABOR LAW COMPLIANCE PREVAILING WAGE DIVISION 7TH & FORSTER STREETS HARRISBURG, PA 17120 1-800-932-0665
PAYROLL NUMBER	WEEK ENDING DATE	PROJECT AND LOCATION PROJECT SERIAL # PROJECT #		

EMPLOYEE NAME	APPR. RATE (%)	WORK CLASSIFICATION	DAY AND DATE							S- TIME 0- TIME	BASE HOURLY RATE	TOTAL FRINGE BENEFITS (C=Cash) (FB=Contributions)*	TOTAL DEDUCTIONS	GROSS PAY FOR PREVAILING RATE JOB(S)	CHECK #
			HOURS WORKED EACH DAY												
											C:				
											FB:				
											C:				
											FB:				
											C:				
											FB:				
											C:				
											FB:				
											C:				
											FB:				

*SEE REVERSE SIDE

PAGE NUMBER _____ OF _____

THE NOTARIZATION MUST BE COMPLETED ON FIRST AND LAST SUBMISSIONS ONLY. ALL OTHER INFORMATION MUST BE COMPLETED WEEKLY.

*FRINGE BENEFITS EXPLANATION (FB): Bona fide benefits contribution, except those required by Federal or State Law (unemployment tax, workers' compensation, income taxes, etc.)

Please specify the type of benefits provided and contributions per hour:

- 1) Medical or hospital care _____
- 2) Pension or retirement _____
- 3) Life insurance _____
- 4) Disability _____
- 5) Vacation, holiday _____
- 6) Other (please specify) _____

CERTIFIED STATEMENT OF COMPLIANCE

1. The undersigned, having executed a contract with _____
(AWARDING AGENCY, CONTRACTOR OR SUBCONTRACTOR)
_____ for the construction of the above-identified project, acknowledges that:
 - (a) The prevailing wage requirements and the predetermined rates are included in the aforesaid contract.
 - (b) Correction of any infractions of the aforesaid conditions is the contractor's or subcontractor's responsibility.
 - (c) It is the contractor's responsibility to include the Prevailing Wage requirements and the predetermined rates in any subcontract or lower tier subcontract for this project.
2. The undersigned certifies that:
 - (a) Neither he nor his firm, nor any firm, corporation or partnership in which he or his firm has an interest is debarred by the Secretary of Labor and Industry pursuant to Section 11(e) of the PA Prevailing Wage Act, Act of August 15, 1961, P.L. 987 as amended, 43 P.S. § 165-11(e).
 - (b) No part of this contract has been or will be subcontracted to any subcontractor if such subcontractor or any firm, corporation or partnership in which such subcontractor has an interest is debarred pursuant to the aforementioned statute.
3. The undersigned certifies that:
 - (a) the legal name and the business address of the contractor or subcontractor are: _____

 - (b) The undersigned is: ☐ a single proprietorship ☐ a corporation organized in the state of _____
☐ a partnership ☐ other organization (describe) _____
 - (c) The name, title and address of the owner, partners or officers of the contractor/subcontractor are:

NAME	TITLE	ADDRESS

The willful falsification of any of the above statements may subject the contractor to civil or criminal prosecution, provided in the PA Prevailing Wage Act of August 15, 1961, P.L. 987, as amended, August 9, 1963, 43 P.S. § 165.1 through 165.17.

(DATE)

(SIGNATURE)

(TITLE)

SEAL

Taken, sworn and subscribed before me this _____ Day
of _____ A.D., _____

Naugle Hall Renovations



MESSIAH
UNIVERSITY

DERCK
& EDSON

JEM
Group

Financial Assistance Provided by The Commonwealth of Pennsylvania

Honorable Josh Shapiro, Governor

West Shore Theatre

CDA CHARLES DAVISON ARCHITECT



West Shore Theatre Revitalization

Financial Assistance
provided in part by the
Commonwealth of Pennsylvania
Honorable Tom Wolf, Governor



Libar

ASTON TOWNSHIP PUBLIC WORKS COMPLEX

1 CATANIA WAY, ASTON, PA 19014

FINANCIAL ASSISTANCE PROVIDED BY THE
COMMONWEALTH OF PENNSYLVANIA,
HONORABLE TOM WOLF, GOVERNOR

MAJOR FINANCIAL ASSISTANCE PROVIDED
BY ASTON TOWNSHIP

ASTON TOWNSHIP ADMINISTRATION

WILLIAM DEFEQ, TOWNSHIP MANAGER

KELLY A. PIPPIN, ASSISTANT TOWNSHIP MANAGER

ASTON TOWNSHIP PUBLIC WORKS DEPARTMENT

RUSS PALMORE, PUBLIC WORKS DIRECTOR

ARCHITECT

BONNETT ASSOCIATES, INCORPORATED

EDDYSTONE, PENNSYLVANIA 19022

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