U.S. DEPARTMENT OF AGRICULTURE

Rural Development

And

Northern Border Regional Commission

Project Specific Non-Availability Waiver Build America Buy America Product Waiver: door closure hardware

1. Summary

Agency: Department of Agriculture (USDA) Rural Development (RD) and the Northern Border Regional Commission (NBRC)

Common Governmentwide Accounting Classification (CGAC):

NBRC: 573 USDA: 012

<u>Proposed Waiver</u>: USDA is joining NBRC in proposing a project-specific nonavailability waiver of the manufactured product requirements of Section 70914 of the Build America, Buy America Act (BABA) included in the Infrastructure Investment and Jobs Act (Pub. L. 117-58) for Beth Brunswick Memorial Fund for Children. This limited non-availability waiver would allow the recipient to purchase and use non-compliant door closure hardware.

<u>Applicability</u>: This waiver action permits the use of non-domestic door closure hardware. This product will be obtained by Beth Brunswick Memorial Fund for Children childcare center in Rangley, Maine, and incorporated into the subject project, prior to the expiration date of the waiver.

<u>Waiver Type</u>: Nonavailability waiver of the BABA manufactured product requirements for door closure hardware.

Summary of Items Covered in Waiver: Door closure hardware.

Waiver Justification Summary: The door closure hardware incorporated into the design are unavailable from a BABA-compliant manufacturer.

Length of the Waiver: This waiver will be in effect upon approval and will remain in effect until September 30, 2027 the estimated remainder of the project's construction schedule.

2. Background

The Buy America Preference set forth in section 70914 of the Build America, Buy America Act included in the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58), requires all iron, steel, manufactured products, and construction materials used for

infrastructure projects under Federal financial assistance awards be produced in the United States.

Under section 70914(b), the Agency may waive the application of the Buy America Preference, in any case in which it finds that: applying the domestic content procurement preference would be inconsistent with the public interest; types of iron, steel, manufactured products, or construction materials are not produced in the United States in sufficient and reasonably available quantities or of a satisfactory quality; or the inclusion of iron, steel, manufactured products, or construction materials produced in the United States will increase the cost of the overall project by more than 25%. All waivers must have a written explanation for the determination; provide a period of not less than 15 days for public comment on the waiver; and submit the waiver to the Office of Management and Budget Made in America Office for review to determine if the waiver is consistent with policy.

Door closures/ hardware

This infrastructure project includes a total of 16 door closure parts. The door closure hardware for this project covers a total of \$11,618,88 (NAICS Code: 332510, PSC Code: 5340.

3. Description of Award

<u>Title of Project</u>: Beth Brunswick Memorial Fund for Children New Childcare Facility

Infrastructure Project Description and Location: The project is located on a 2.74-acre lot on Loon Lake Road in Rangely, Maine. They are intending to construct a 5,000 sq foot single story building. The property currently has an entry road to the property that will be extended; an additional connecting road will also connect the facility to the neighboring K-12 school. The building will consist of 5 classrooms, a multi-use room playroom, vestibule entrance, office, warming kitchen, staff room, laundry/janitor room, and age-appropriate bathrooms. There will be a 2100 sq ft parking area and 5 separate playgrounds totaling 8642 sq ft.

<u>Description of Project</u>: The Beth Brunswick Memorial Fund for Children received a \$1 million grant from NBRC, obligated in 2024, to build a childcare center in Rangeley, Maine. The facility will accommodate up to 76 children ages 6 months to 5 years old. This grant assists with the increased costs and financing gap needed to complete construction for this project. The project and use of funds are eligible for CDS grant purposes, and the applicant has the legal authority to enter into an agreement with Rural Development. Beth Brunswick Memorial Fund for Children has substantial community support, and it is within the means of the organization to successfully own and operate the facility. The Beth Brunswick Memorial Fund for Children also received a \$750,000 CDS Grant that is to be administered through USDA Rural Development.

Recipient Name: Beth Brunswick Memorial Fund for Children

<u>Unique Entity Identifier</u>: WKADMV7SN2E4

Federal Award Identification Number (FAIN)

NBRC: FAINGTCAT00017 USDA-RD: CLSS00000088308

Federal Financial Assistance Listing Number and Name:

NBRC: 90.601 Northern Border Regional Development

USDA-RD: 10.766 - Community Facilities Loans and Grants

Federal Financial Assistance Funding Amount:

NBRC award amount: \$1,000,000.00 USDA-RD award amount: \$750,000.00

Total Cost of Infrastructure Expenditure: \$3,234,853.00

4. Description of Covered Items

<u>Manufactured Products</u>: The waiver seeks an exception to the Buy America requirements for the hardware for 16 door closure parts.

NAICS: 332510PSC: 5340

o Total Cost: \$ 11,618.88

5. Waiver Justification Summary

Anticipated Impact if No Waiver is Issued: Absent a waiver issued, the recipient would be unable to move forward with project as the items specked by the Architect are required to meet State licensing for a Child Care facility in the State of Maine. Deviating from these specs would cause licensing to be revoked for the project and stop the project from moving forward.

<u>Description of Efforts Made to Identify Domestic Products</u>: Market research and industry outreach was conducted from August 2024 to Spring 2025. These door closures are considered manufactured products. The recipient's market research was not able to yield product manufacturers who were able to meet the 55% cost of components requirement for the manufactured products that are required for the project's completion. The recipients market research consisted of searching multiple manufacturers online and making calls to known suppliers and inquiring within their trade network. The research found that the door closures assembled in the United States do not meet the licensing requirements for daycare

facilities. The recipient also reached out to Maine Manufacturing Extension Partnership; however, MEP scouting did not yield any BABAA compliant products. After comprehensive outreach, no domestic manufacturer was able to provide the materials necessary to meet the BABAA requirements for all products specified in this waiver.

In addition, NBRC's outreach included their own internet searches and review of the scouting report by Maine MEP. Their review did not yield any compliant hardware.

USDA conducted market research to determine if there are domestic manufacturers that can produce or supply compliant door hardware. USDA RD contacted several door hardware manufacturers to verify that their products do not comply with BABAA. The manufacturers contacted include ASSA ABLOY, Dorma, Cal Royal, Corbin Russwin, LCN, and Liberty. There was only one manufacturer that has a door closure that complies with BABAA. However, it is a heavy duty closure designed for doors in high security and institutional facilities. According to the door supplier for this project, it will not work with the doors for a childcare facility with pinch proof hinges.

Assessment of Cost Advantage of a Foreign-Sourced Product: Under OMB M–24–02, agencies are expected to assess "whether a significant portion of any cost advantage of a foreign-sourced product is the result of the use of dumped steel, iron, or manufactured products or the use of injuriously subsidized steel, iron, or manufactured products" as appropriate before granting a nonavailability waiver. NBRC's analysis has concluded that this assessment is not applicable to this waiver as this waiver is not based on the cost of foreign-sourced products.

Solicitation for Comments: The waiver was posted for fifteen days on both NBRC and USDA's public facing webpage and the Made in America website to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with the opportunity to submit comments. No comments were received.

For more information on the Build America, Buy America Preference, please reference https://www.nbrc.gov/content/BABAA and https://www.usda.gov/about-usda/general-information/staff-offices/office-chief-financial-officer/federal-financial-assistance-policy/usda-buy-america-waivers-federal-financial-assistance.