

November 14, 2024

**Build America Buy America Act Proposed Public Interest Waiver
Compass Memorial Hospital, Marengo, IA
Addition and Renovation of Existing Hospital
Clock System
Nurse Call System
Fire Alarm System
Paging System**

1. Summary

Agency: United States Department of Agriculture (USDA)

Waiver: The United States Department of Agriculture is proposing a Public Interest 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. No. 117- 58) for the recipient to purchase clock, nurse call, fire alarm and paging systems for use at the hospital project in Marengo, IA.

Applicability: This proposed waiver action permits the use of non-domestic clock, nurse call, fire alarm and paging systems in the Hospital Addition and Renovation Project. These products will be obtained by Compass Memorial Hospital and incorporated into the subject project, prior to the expiration date of the waiver.

Waiver Type: Public Interest waiver of the BABA manufactured product requirements for the clock system, nurse call system, fire alarm system and paging systems.

Summary of Items Covered in Waiver: Clock, nurse call, fire alarm and paging systems

Waiver Justification Summary: The project involves the construction of three additions to an existing Critical Access Hospital (CAH). These additions are a new Emergency Department, an expansion of the Medical/Surgical Wing, and an addition to the Administrative Wing. It is in the best interest of public safety that the systems added match those currently used in the existing facility so that all of the equipment is able to seamlessly communicate between the new and existing systems. BABA compliance would require either replacement of each entire system, including in sections of the hospital that are outside of the scope and timeline of the project; or where alternative BABA compliant options are available, separate disjointed systems that are inoperable with each other. Entire replacement of each system would be very disruptive to the hospital staff and

operations and also add unanticipated construction costs that would require additional funding that may be difficult to attain since it is outside of the scope of the current project.

Length of the Waiver: This waiver will be in effect upon approval and will remain in effect until June 26, 2026, the estimated project completion date.

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 proposed 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.

3. Description of Award

Title of Project: Compass Memorial Hospital Addition and Renovation

Infrastructure Project Description and Location: Compass Memorial Hospital located in Marengo, IA is constructing an addition and renovation of their CAH facility that was original constructed in 1956.

Description of Project: The renovation and expansion will impact approximately 37,750 sq feet including 21 patient rooms, improvements to the emergency department with connected ambulance garage, improved flow within the imaging department with a "real" check-in, improved dressing rooms and right-sizing the space to meet ultrasound and CT equipment requirements.

Recipient Name: City of Marengo

Unique Entry Identifier (UEI): SLN8VRS68K52

Federal Financial Assistance Program: Community Facilities Direct Loans & Grants

Federal Financial Assistance Funding Amount: \$24,154,000.00

4. Description of Covered Items

Manufactured Products: The waiver seeks an exception to the Buy America requirements for the following manufactured products:

- Clock System
 - NAICS: 238210
 - PSC: 6645
 - Cost: \$5,688.00
- Nurse Call System
 - NAICS: 238210, 541330, 423610, 541310
 - PSC:
 - Cost: \$113,069.25
- Fire Alarm System
 - NAICS: 238210
 - PSC: 6350
 - Cost: \$38,789.40
- Paging System
 - NAICS: 238210
 - PSC: 5831
 - Cost: \$14,074.59

5. Waiver Justification Summary

Anticipated Impact if No Waiver is Issued:

This project is time sensitive. If the waiver is not approved, the project will not be able to move forward due to significant cost increase to replace the entire system throughout existing hospital. Alternately, if new separate systems are installed, each would not be interoperable with the existing systems, which would lead to unacceptable functional issues.

Description of Efforts Made to Identify Domestic Products: USDA conducted market research to determine if there are domestic manufacturers that can

produce the products listed above. USDA contacted multiple manufacturers for product availability.

- Two of the 10 manufacturers contacted for the clock system had similar clock systems that would be BABA compliant, however neither would be operable with the existing clock system.
- One of the 15 additional manufacturers contacted for the nurse call system has a possible BABA compliant product, which was not able to be confirmed. However, it would not be operable with the existing nurse call system.
- None of the manufacturers contacted for the fire alarm system or the paging system had BABA compliant products available.

Remaining manufacturers contacted either confirmed they cannot manufacture these products to meet the project specifications, did not respond to inquiries, or their products are not BABA compliant. Thus, they are not viable options for this project.

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 public interest waiver.

USDA’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 proposed waiver will be posted on USDA’s public facing webpage and a notice of the proposed waiver will also be posted to the Made in America website, to satisfy the requirement to publish any Build America, Buy America Act Project Waiver and provide the public with fifteen (15) days to submit comments. USDA is seeking public and industry comments from all interested parties and encouraging current manufacturers of the subject products to submit comments regarding potential availability. Public comments on this waiver should be submitted to FFAC@usda.gov. The email subject line must reference the title of this waiver.

For more information on the Build America, Buy America Preference, please reference <https://www.rd.usda.gov/build-america-buy-america>