

# **PROPERTY MATTERS**

## **POLICY FOR RENOVATION AND CONSTRUCTION**

### **POLICY OVERVIEW**

#### **Governing Authorities**

- This policy is set forth for the purpose of permitting the Ordinary and the parishes/institutions of the Diocese of Springfield to meet all canonical, legal, and pastoral **responsibilities to both any and all facilities and maintenance project (remodeling, additions, demolitions, new constructions, renovations, etc.)**. All **Projects** (see definition below) are required to adhere to this policy.
- Civil and Canon Law Consideration
  - All property in the Diocese of Springfield is held in the name of the **Roman Catholic Bishop of Springfield, a corporation sole**.
  - The Bishop, in addition to being the Canonical Ordinary for the Diocese of Springfield, is also the sole officer of the civil corporation: Roman Catholic Bishop of Springfield, a Corporation Sole.
  - **To be valid, all contracts of more than \$25,000 must be co-signed by the following: Pastor/administrator, and Vicar General between \$25,001.00 thru \$350,000.00, and/or the Bishop if over \$350,000.00.**
- The Diocesan Facilities and Maintenance Commission, Chancery staff, and all applicable Diocesan consultants are available to assist the pastors/administrators in all of their respective facilities and maintenance needs.

## **Diocesan Facilities and Maintenance Commission (DFMC)**

Members are appointed by the Bishop for a term of 3 years, which is either renewable indefinitely or for a period of time agreeable to both parties. The members are to advise the Bishop on property matters related to new construction, renovation, liturgical changes and major repairs (**i.e., remodeling, additions, demolitions, new constructions, renovations, etc.**).

- Composition of members shall be drawn from, but no exclusive to, former or current building professionals including the following:
  - Priests and Deacons
  - Liturgist
  - Lay professionals in the fields of architecture, mechanical, and/or electrical engineer, civil engineer, and general contractor.
  - Diocesan officials with financial expertise.
  - Committee Chair

## **Director of Facilities and Maintenance (DFM)**

- The DFM of the Diocese of Springfield serves as **technical resource** for parishes, institutions, and DFMC for matters concerning the initiation, planning and implementation of construction, repair, or alteration of properties.
- The DFM acts as the liaison between the Bishop, Vicar General, and the Diocesan Facilities and Maintenance Commission, and the parishes and other institutions of the Diocese of Springfield.
- Directors Essential Functions/Major Responsibilities are the following:
  - Carry out tasks as may be assigned by the parish through the DFMC during the planning and implementation phase of a project.
  - To the extent requested, the DFM provides assistance to parishes and institutions with the initiation and prosecution of building, repair, and renovation projects.
  - Negotiate, as required with contractors, equipment supplies, and parties involved with any and all projects.
  - Physically inspect the progress and completion of assigned projects.
  - Maintain a project status report containing basic data for each project. The project status reports are updated as the project develops. The project status report shall be presented to the Chairman of the DFMC on a monthly basis and to the full DFMC for their review, input, advice, and deliberation.

- Collect all necessary plans, reports, contracts, insurance certificates, photos and any other pertinent information as may be required for the project's permanent file. The permanent file shall be kept in the vault in the Chancellor's office of the Diocese of Springfield.
- Examine requisitions for payment for accuracy before documents are submitted through the proper channels for payment.
- Ensure that a copy of all signed contracts is submitted to the Diocesan Finance Office and placed in the Chancery Office vault.
- Job Skills, Knowledge, and Experience
  - A professional reputation for effectiveness, honesty, and integrity.
  - The willingness to work with various individuals in a polite and respectful manner as a representative of the Roman Catholic Bishop of the Diocese of Springfield.
  - An in-depth working knowledge of current building and repair procedures.
  - An in-depth working knowledge of the Policy for Renovation and Construction of the Diocese of Springfield and other Diocesan related policy matters.
- Specific Exclusions to Stated Duties
  - The DFM shall neither perform any service nor engage in any activity for which the Commonwealth of Massachusetts requires registration, which is normally performed by attorneys, registered architects, registered professional engineers, environmental consultants, or any other design professionals.
  - The DFM will neither act as a design professional nor prepare plans, and/or technical specifications for any project, which the Commonwealth of Massachusetts or local building code requires a licensed design professional.

## **Handicapped Accessibility**

- Freedom of access for the handicapped to all church programs, services, properties, and celebrations should be a priority, especially in renovations.
- All diocesan and parish buildings, including churches, schools, halls, offices, and other facilities should be accessible to the handicapped.
  - New buildings, renovations, and remodeling **projects** must provide for the needs of the physically handicapped.
  - Existing structures should be examined to determine the feasibility of alterations providing free access to all.
- Accessibility designs should be consistent with the requirements of federal, Commonwealth, and local laws.

## **Procedures**

- All **requests related to this policy** are initially directed to the Ordinary and referred by him to the DFMC for its recommendation prior to his making a final decision on any and all property related matters.
  - Requests in writing to either the Bishop or the Vicar General are required.
  - **Requirements for Bishop's approval:**
    - Description of the scope of the **project** and the needs of the parish.
    - Approved by the Parish Council and the Parish Finance Council.
    - Summation of their deliberation and conclusion.
- **Worship Space:** All remodeling/renovations of a worship space within a Church, chapel, or established oratory request go directly to the Bishop. If the Bishop agrees with the concept for the proposed modifications of the worship space, then the Bishop will refer the project to the DFMC. In such cases, the DFMC will consult with the Diocesan Liturgist on the DFMC to review the proposed worship space modifications and/or seek the advice of an individual both skilled in liturgical matters and selected by the Bishop.
- **Project** is defined as all work and costs related to the following the Building Code Definitions:
  - Repair, renovation, maintenance, alterations, and modifications.
  - New construction.
  - Addition to, and/or renovation of or relocation of a building.
  - Completion of any unfinished building.
  - Any liturgical changes, especially to the sanctuary.
  - Demolition of buildings.
  - Work as defined by MA State Building Code and/or MA General Statutes
- **Pastor's Signing Authority:**
  - Canonically, the Pastor has the authority to sign related documents for project whose cost, **in the aggregate, is not greater than \$ 25,000.** **It is recommended that** the pastor seeks the advice of the parish Finance Council on all projects. The advice of the Finance council should be documented in writing and included in the Finance council meeting minutes.
  - For projects with **aggregate costs over \$25,000**, the Bishop or the Vicar General (if under \$ 350,000.00) is required to co-sign all related documents.

- **Projects must be reviewed as a whole.** Projects cannot be divided into component parts in order to meet the cost requirement level of under \$25,000.00.
  - **Notwithstanding the above, all projects, regardless of the dollar amount, where environmental issues regulated by federal, Commonwealth, or local laws are present (i.e., asbestos, lead paint, oil, or hazardous materials, mold, waste disposal, wetlands, demolition, etc.) shall be brought to the attention of the DFM for review. Oversight must be done by the Diocesan Environmental Consultant. See Asbestos and Hazardous Materials section.**
- **Diocesan Facilities and Maintenance Commission meetings:**
- The DFMC typically meets bi-monthly on the 2<sup>nd</sup> Tuesday of the month.
  - **Any work that requires a Building Permit needs to notify the Director of Facilities and Maintenance of the potential work**
  - Requests for approval of projects received by either the Bishop or the Vicar General are required 5 working days before the DFMC meeting. These requests will be placed on the agenda of the DFMC meeting.
  - Outside of the bi-monthly DFMC meetings, all DFMC members can be convened (i.e., in-person, teleconference, electronic/digital means, etc.) to make recommendations on any and all projects, especially in either emergency or time-sensitive projects on a case-by-case basis.
- DFMC meeting with pastor/administrator and the relevant parish/institution's committee
- If the DFMC or Pastor feels that this is necessary
  - Either will be held at a regularly scheduled DFMC meeting or at a special interim meeting to address either the issues or needs at hand.
  - **No negotiations** of any sort should be entered into with any design professional or contractor **until appropriate written permission** has been obtained from either the Bishop or the Vicar General, or through their delegate(s) (i.e., DFMC Chairman).
- **In the case of emergency Projects** regarding immediate and necessary repairs
- Sufficient funds must be on hand to proceed with immediate and necessary repairs/needs in times of crisis i.e. damage due to weather, fire, etc.
  - **Interim Permission may be gained:**
    - Through a direct call to the Chairman of the DFMC.
    - Through an Emergency DFMC meeting.
    - For any expenditure with interim permission to be presented at

the next DFMC meeting for formal written approval issued in the normal manner.

- **Projects that require a Designed Professional or will exceed \$100,000 in aggregate:**
  - MA State Building Code requires “Controlled Construction” (Registered Design Professional) in any structure that has 35,000 cubic feet of enclosed space, measured to the exterior surfaces of walls and roofs and to the top of a ground supported floor, or in the case of a crawl space, to the bottom surface of the crawl space. In the case of basement floors or levels, the calculation of enclosed space shall include such spaces for any size modifications within the structure. For additions to existing buildings, the volume of the enclosed space shall include the entire existing building and all proposed additions.
  - DFM will assist Parishes in this determination and advise both the Vicar General and DFMC Chairman of all projects.
  - DFM will assist Parishes in obtaining the Design Professional with approval of both the VG and DFMC Chair.
  - Projects that requires a Building Permit and submission of both plans and specifications
  - Projects that require Level II or Level III alterations
- **Approved requests** are not needed for project outlays which are under \$25,000.00 aggregate for one project:
  - It is recommended that the solicitation of two to three bids be obtained.
  - It is recommended that the Pastor always consults his Finance Committee.
  - Pastors/administrators are advised to contact the DFM before finalizing any project.
  - DFM will assist and advise as to bidding requirements.
- Total **expected costs** within one project **less than \$25,000**
  - Pastors/administrators are advised to contact the DFM before finalizing any projects.
  - DFM will assist and advise as to bidding requirements.
  - It is recommended that the Pastor always consults with the Parish Finance council.

## **Contracts and Bidding**

### **Permission to Proceed**

- Once **Permission is granted** to enter into preliminary discussions with architects, engineers, design professionals and/or contractors for any **project**:
  - The DFM will assist in preparing and reviewing proposed specifications before any business is solicited.
    - Commonwealth Law requires that specification for certain types of **projects** be prepared by an architect and/or a licensed engineer.
    - In all **projects**, the DFM's responsibility is to determine whether an architect is required, or whether specifications prepared by the DFM or by a design professional are acceptable for the project.

### **Architectural Services**

If architectural services are required, either the pastor may suggest the name of an architectural firm to the DFMC or

- The DFMC can provide the parish/institution a list of approved architects.
- At least three architects should be interviewed before an architectural firm is selected for the project.
- The Bishop reserves the right to make a selection of an architectural firm for the project.

## **Contracts**

### **Architect's Contract**

- **Before the architectural work begins:**
  - A fee for services will be mutually agreed upon and a contract signed.
- The latest edition of the American Institute of Architects (AIA) contractual form (DFM has access to AIA online and will prepare the contract).
  - The contract will be modified to meet diocesan standards as determined by either the Bishop and/or the **Vicar General**, and legal counsel for the Diocese.
  - no other forms of contract will be used unless another form is recommended by Diocesan legal counsel and approved by either the Bishop and/or the Vicar General.
- The contract will be issued in quadruple and signed in the following order:

- The architect
  - The pastor or administrator
  - The Vicar General (if the project is over \$25,000.00 and under \$350,000.00).
  - The Roman Catholic Bishop of Springfield (if the project is over \$350,000.00).
  - Pastors may exercise the option to have a second signature (i.e., the Bishop and/or Vicar General) for any projects under \$25,000.00, which assists in future financial controls and provides answers to questions that might arise from parishioners.
- The Diocesan Legal Counsel has advised that any agreements requiring the Bishop's signature should **not be signed by the Bishop until all other necessary signatures have been obtained.**
- After the **architectural services contract** has been **signed**
- The DFM will coordinate the **Project** with the pastor/administrator and the architectural firm through the design phase, construction document phase, and the bidding phase.
  - For all Projects, it will be the DFM's responsibility in consultation with the pastor/administrator to determine whether a **General Contractor** is required for the project.

### **Bidding the Project**

- Once the documents/plans containing the project specifications are complete, the DFM, with the pastor/administrator's permission, will seek appropriate bids for the work specified.
- Bids must be received from a minimum of three qualified contractors.
  - The pastor/administrator may suggest potential bidders.
  - Bid Openings shall be private. Bid results will not be made public.
- **Lowest bid** will generally be accepted.
- However, cost will only be one factor.
    - Special facts or circumstance (i.e., contractor is a parishioner)
    - Pastor/Administrator recommendation
    - Recommendation of DFMC
    - Recommendation of Parish and/or Finance Council
- Contractor's Contract
- Contract will be prepared on the standard AIA form:
    - Modified to meet diocesan standards as determined by both the



- Bishop and legal counsel for the Diocese.
    - Other contractual forms only if recommended by Diocesan legal counsel and approved by either the Bishop or the Vicar General.
- The DFM and the Diocesan legal counsel will develop the contract.
- The contractor's contract will be issued, when signed, in quadruple and signed in the following order:
  - The contractor
  - The pastor or administrator
  - The Vicar General (if over \$25,000.00 and under \$ 350,000.00)
  - The Bishop of Springfield (if over \$350,000.00)
- No work shall begin until all parties have received their signed contract, bonds (required for projects over \$ 100,000.00) and insurance certificate are received by the Pastor/administrator and reviewed by the DFM.
- The pastor/administrator will be conversant with the terms of the contract and a signatory to the contract.
  - DFM and the DFMC will work with the pastor/administrator, architect, and contractor, as needed to assist the pastor/administrator and contractor in bringing the **Project** to completion.

## **Funding Matters**

- The **parish must have sufficient funds to complete the project:**
  - Meet the total cost of a contemplated **Project**
  - Total costs include architectural, engineering, and/or design professional fees and services.
  - Ability to continue paying the parish's current obligations.
  - Have deposits in a parish bank account, a parish chancery savings account, or unrestricted funds in a Diocesan Investment Account.
  - Pay ongoing maintenance costs of the **Project**.
- If sufficient funds are not on hand, then parish must engage in the following:
  - Determine if a feasibility study should be completed to validate fund raising.
  - Identify fundraising activities planned in conjunction with the **Project in project request letter to either the Bishop and/or the Vicar General.**
  - Funds need to be raised prior to commencing work

- A specific written request for approval from the Bishop's office to initiate fundraising.
  - Request an exemption from Cathedraticum for the specified fundraising granted in certain cases. All requests will be reviewed case by case. The Pastor should write a letter, which includes the following: (1) amount of money to be raised and (2) period of time to raise the money by various means/methods.

**The Bishop and/or the Vicar General will not approve any project unless all funding requirements are in place to complete the project.**

➤ **Exceptions**

- Only in very rare instances (i.e., weather or fire damage crisis for which Diocesan insurance will provide funding) will exceptions to the cash on hand policy be entertained.
- The Bishop and/or the Vicar General must approve any deviations in writing before a project begins.
- The DFMC must be made aware of the funding exceptions.

➤ **Outstanding Debts**

- The existence of debt does not automatically eliminate the possibility of approval for **Projects** but will be given sufficient consideration in the approval process.
- The Pastor should meet with either the Bishop and/or the Vicar General and the Diocesan Chief Financial Officer to discuss a reasonable financial arrangement.
- The Diocesan Chief Financial Officer's recommendation, along with the financial profile of the parish, will be presented to the DFMC for review and provide a recommendation to either the Bishop and/or the Vicar General for the project.

**Contractor Pre-Qualification**

- **Any General or Sub-Contractor that would like to be pre-qualified to bid on Diocesan projects may request pre-qualification by submitting a completed AIA 305-1986 Contractor's Qualification Statement or a copy of their current DCAM certification by submitting them to the DFM. These documents will be reviewed by the DFM and Diocesan Chief Financial Officer in confidence. Their recommendations shall be made to the DFMC, Vicar General, and/or Bishop for approval. Diocesan pre-qualification forms are available on the Diocesan web-site.**

## **Volunteer Labor**

- Any construction, remodeling, renovation, or demolition work to be done with volunteer help must meet the following criteria:
  - Must first have the authorization of the DFM and/or DFMC.
  - Will be subject to approval by the provider(s) of the Diocesan property and liability insurance.
  - Must have a Certificate of Insurance per the coverage limits below.

## **Other Policy Specifics**

### **Insurance and Performance Bonds**

- The Contractor shall forward to the Roman Catholic Bishop an insurance certificate:
  - Reviewed by the DFM and applicable Diocesan personnel and made part of contract prior to Bishop's signature and prior to commencing work.
  - **COMMERCIAL GENERAL LIABILITY INSURANCE:**  
Occurrence Form, including products/completed operations and contractual liability, providing coverage in the minimum amount of:
    - (a) Where the total contract sum, including accepted alternates and allowances, does not exceed \$ 30,000.00: \$ 1,000,000.00 per occurrence; \$ 2,000,000.00 in the aggregate;
    - (b) Where the total contract sum, including accepted alternates and allowances, is between \$ 30,000.00 and \$ 160,000.00: \$ 2,000,000.00 per occurrence; \$ 4,000,000.00 in the aggregate;
    - (c) Where the total contract sum, including accepted alternates and allowances, is between \$ 160,000.00 and \$ 2,000,000.00: \$ 3,000,000.00 per occurrence; \$ 5,000,000.00 in the aggregate;
    - (d) Where the total contract sum, including accepted alternates and allowances, exceeds \$ 2,000,000.00: \$ 5,000,000.00 per occurrence and \$ 5,000,000.00 in the aggregate;
    - (e) These limits may be met by a combination of primary and excess coverage; and The CONTRACTOR agrees to provide a certificate of insurance to the PARISH/OWNER which names the PARISH/OWNER and their officers, directors, agents, employees, and invitees as

additional insured on CONTRACTOR'S liability policy for claims arising out of and/or related to activities or operations of the CONTRACTOR, its subcontractor, or subcontractors and their agents, employees, or invitees, at the PARISH/OWNER. CONTRACTOR must verify that its liability insurance policy is primary in the event of a covered claim against PARISH/OWNER.

(f) The "additional insured" language required on the CONTRACTOR'S certificate of insurance is: The Roman Catholic Bishop of Springfield, a Corporation Sole, 65 Elliot Street, Springfield, MA ("Diocese") and (insert Parish name/address)\_\_\_\_\_ ("Parish"), and their officers, directors, agents, employees, and invitees, are named as Additional Insureds with respect to all claims and/or liability arising of or related to activities or operations of the Insured, its subcontractor(s) or sub-subcontractor(s), and their agents, employees and invitees, at the Diocese or Parish. The Insured's liability insurance policy is primary in the event of a covered claim against the Diocese and/or Parish.

**AUTOMOBILE LIABILITY INSURANCE:** CONTRACTOR shall maintain automobile liability insurance for either any owned automobiles, hired automobiles, or non-owned automobiles used in connection with the contractor's business. Automobile liability coverage shall be maintained by the CONTRACTOR in the minimum amount of \$ 2,000,000.00 combined single limit.

**WORKERS COMPENSATION INCURANCE:** CONTRACTOR shall maintain workers' compensation insurance as required by law.

**INSURANCE REQUIREMENTS FOR ANY VENDOR PROVIDING LABOR SERVICES AT PARISHES:**

VENDOR shall maintain insurance coverage, including commercial general liability insurance, occurrence form, including products/completed operations and contractual liability, providing coverage in a minimum amount, as follows:

- (a) Commercial general liability insurance: - when the annual billings do not exceed \$ 30,000: \$ 1,000,000 per occurrence; \$ 2,000,000 in the aggregate; - when the annual billings are between \$ 30,000 and \$ 160,000: \$ 2,000,000 per occurrence; \$ 4,000,000 in the aggregate; -

when the annual billings exceed \$ 160,000: \$ 3,000,000 per occurrence; \$ 5,000,000 in the aggregate.

- (b) These limits may be met by a combination of primary and excess coverage.
- (c) Vendor also agrees to provide a Certificate of Insurance to the Parish and the Roman Catholic Bishop of Springfield, A Corporation Sole, which names them as additional insureds under Vendor's liability policy for claims arising out of or related to activities or operations of the vendor for its subcontractors, employees, invitees or agents in connection with Vendor's contract. Vendor must verify that its liability insurance policy is primary in the event of a covered claim or cause of action against the Parish or the Diocese.
- (d) Automobile liability insurance for either any owned vehicles, hired vehicles, or non-owned vehicles used in connection with Vendor's obligations under this contract. Automobile liability coverage shall be maintained by Vendor in the minimum amount of \$ 2,000,000 combined single limit for bodily injury and property damage.
- (e) Workers' compensation insurance as required by law.  
"Additional Insured" Language required is:  
The Roman Catholic Bishop of Springfield, a Corporation Sole, 65 Elliot Street, Springfield, MA ("Diocese") and (insert Parish name and address) \_\_\_\_\_ ("Parish"), and their officers, directors, agents, employees, and invitees, are named as Additional Insured with respect to all claims and/or liability arising out of or related to activities or operations of the Named Insured, its subcontractor(s) or sub-subcontractor(s), and their agents, employees, and invitees, for, on behalf, or otherwise connected to the Diocese or Parish. The Named Insured's liability insurance policy is primary in the event of a covered claim against the Diocese and/or Parish.

- 100% Performance and Payment Bonds are required on all projects over \$ 100,000.00 in value.

## **Asbestos and Hazardous Materials:**

- Handling and disposing of such materials are governed by strict federal, Commonwealth, and local laws.
- Diligent care must be exercised in the handling and removal of asbestos and hazardous waste in all Diocesan and Parish buildings.
- Strict coordination is required with the Diocesan legal counsel for environmental matters.
- Notification to DFM must be given prior to start of project.
- When removing vinyl asbestos tile, mastic, if testing confirms it contains asbestos, shall also be removed in its entirety.
- **A qualified Industrial Hygienic Consultant will be retained by the Diocese for all related environmental work.**
  - **The firm will be**
    - **Certified and licensed** in accordance with applicable laws.
    - Responsible for asbestos inspection and for the design, planning, and monitoring of asbestos abatement and other environmental work.
    - Required to file all necessary reports to governmental authorities and coordinate all environmental activities with diocesan legal counsel.
- **One firm shall be designated by the Diocese to handle and coordinate all environmental work within the Diocese of Springfield. Currently that firm is: O'Reilly, Talbot & Okun Associates, 295 Bridge Street, Springfield, MA 01103 Attn: Mr. Robert F. Kirchherr, CSP 413-531-1122 kirchherr@oto-env.com**
  - Provide a single point of contact for parishes, DFM, Diocesan legal counsel and the Bishop and or the Vicar General.
  - Provide basis for historical knowledge of Diocesan needs.
  - Shall be independent of any contractor or architectural firm.
    - Will work closely with the Diocesan legal counsel responsible for environmental matters.
    - Shall report directly to the DFM and the Diocesan legal counsel for environmental matters.

- List of qualified contractors is on file with the DFM and DFMC.