

## EXHIBIT A

### CONTRACTOR PREQUALIFICATION

In accordance with Nebraska State Statutes 39-1351 & 39-1352, and Title 409 of the Nebraska Rules and Regulations; any person desiring to submit to the department a bid for the performance of this contract shall apply to the department for prequalification not later than 10 days before the letting of the contract.

As part of the prequalification process, each contractor will be required to submit a "Contractor's Statement of Experience, Equipment and Financial Condition" which can be found on the Department's website, and will be the basis for establishing a Maximum Qualification Rating. As a part of the Statement, the contractor will be required to furnish financial information regarding their assets and liabilities via either an 'Audited Financial Statement' or 'Letter of Credit for Prequalification' from their financial institution.

A contractor's bidding qualifications are determined by multiplying the appropriate dollar amount (derived from the submitted financial information) by the sum of a "base factor" and a "premium factor". The "base factor" is based upon the contractor's years of experience with our agency (minimum value of 3; maximum value of 5), while a "premium factor" is assigned based on the contractor's documented performance in the field (minimum value of 0; maximum value of 10).

For example, a brand new company with no experience with NDOT would begin with a base factor of 3, and a premium factor of 0 – bringing the total multiplier to 3. If the contractor submits a 'Letter of Credit for Prequalification' with a net line of credit amount of \$100,000, then the contractor's Maximum Qualification Amount would be \$300,000 ( $\$100,000 \times 3$ ).

For further information regarding contractor prequalification, contact the Contract Lettings Office at 402479-4525 or visit the NDOT website at <http://dot.nebraska.gov/business-center/business-opp/pre-maint/>

### PROPOSAL GUARANTEE BID BOND

**Each bid shall be bonded with a bid bond made payable to the Department in an amount equal to at least five (5) percent of the amount bid.** The bid bond shall be executed on the Department bid bond form by corporations authorized to contract as a surety in the State of Nebraska. **A Department bid bond form may be requested from the Department by contacting the Operations Division at (402) 479-4350 or by e-mail to [ndot.operationsprocurement@nebraska.gov](mailto:ndot.operationsprocurement@nebraska.gov).**

**Option 1: The completed bid bond and bid shall be placed in separate sealed envelopes, attached to each other and furnished by the Department.** Any alterations, conditions, or limitations added to the Department's bid bond form will be unacceptable and cause the bid not to be read.

**Option 2: (Annual Bid Bond)** The Department at its discretion may allow a bidder to place an "Annual Bid Bond" on file with the Department. This bond would cover all projects on which the bidder bids on for a 12-month period shown in the bond. The bidder must indicate in the bid submittal to the Department that their "annual bid bond" applies to the submitted bid. If the "annual bid bond" is applicable the bidder shall indicate this in writing on the bid bond envelope. The envelope containing the bid shall be marked by the bidder to indicate its content. The annual bid bond shall be executed on the Department of Transportations' bid bond form, copies of which may be obtained from the Department.

In the event the low bidder fails to comply with any requirement regarding the execution of the contract, the Department shall immediately be entitled to recover the full amount of the bid bond as liquidated damages.

### **PREQUALIFICATION CLASS OF WORK REQUIREMENT FOR THIS PROJECT**

Only bids from contractors prequalified for SPECIALTY (Class 8) will be opened and read.

### **CONTRACT BOND**

The bidder to whom the Contract is awarded shall furnish within thirty days after the award a Contract bond in a sum equal to the full amount of the Contract. The Contract bond must be executed on the form furnished by the Department. Contract bonds must be executed by corporations authorized to contract as a surety in Nebraska. **This requirement shall apply to any extensions and /or renewal periods.**

### **EXECUTION OF CONTRACT**

The Contract shall be signed by the successful bidder and returned, together with a satisfactory bond, within thirty days from the date of award. The Department will not execute a contract until satisfactory bonds, certificate of insurance, and other required documents have been received. No bid shall be considered binding upon the Department until the execution of the Contract.