

## **Current Special Provision for Liability Insurance**

### **Local Public Agency (LPA) Projects**

The special provision that begins on the following page revises the 2017 Standard Specifications for Highway Construction effective December 1, 2017.

**LIABILITY INSURANCE  
(1-48-0118)**

Paragraphs 1.a.(5) and (6) of Subsection 107.15 in the Standard Specifications are void and superseded by the following:

- (5) The Owner and the State of Nebraska, Department of Transportation, shall be named as Additional Insureds on a primary and non-contributory basis including completed operations for three (3) years after final acceptance and payment.
- (6) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of Subrogation in favor of the Owner and the State of Nebraska, Department of Transportation shall be added to the policy.

Paragraphs 1.b.(4) and (5) of Subsection 107.15 are void and superseded by the following:

- (4) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of Subrogation in favor of the Owner and the State of Nebraska, Department of Transportation, shall be added to the policy.
- (5) Automobile liability coverage shall be obtained from an insurance carrier who is licensed in Nebraska and any other State in which the project is located.

Paragraph 1.c. of Subsection 107.15 is amended to include the following:

Limit: Statutory coverage for Nebraska and for any other State in which the project is located.

Paragraphs 1.c.(2) and (3) of Subsection 107.15 are void and superseded by the following:

- (2) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of Subrogation in favor of the Owner and the State of Nebraska, Department of Transportation shall be added to the policy.
- (3) Workers' compensation coverage shall be obtained from an insurance carrier who is licensed in Nebraska and any other State in which the project is located.

Paragraphs 1.d.(3) and (4) of Subsection 107.15 are void and superseded by the following:

- (3) The Owner and the State of Nebraska, Department of Transportation shall be "Additional Insureds".
- (4) Contractor agrees to waive its rights of recovery against the Owner and the State of Nebraska, Department of Transportation. Waiver of subrogation in favor of the Owner and the State of Nebraska, Department of Transportation shall be provided.

Paragraph 1.f.(5) of Subsection 107.15 is void and superseded by the following:

- (5) Prior to execution of the contract, Contractor shall provide the Owner and the State of Nebraska, Department of Transportation evidence of such insurance coverage in effect in the form of an ACORD® (or equivalent) certificate of insurance executed by a licensed representative of the participating insurer(s). Certificates of insurance shall show the Owner and the Nebraska Department of Transportation as the certificate holders.

Paragraph 1.f. of Subsection 107.15 is amended to include the following:

- (9) For so long as insurance coverage is required under this agreement, the Contractor shall have a duty to notify the Owner and the State of Nebraska Department of Transportation (State) when the Contractor knows, or has reason to believe, that any insurance coverage required under this agreement will lapse, or may be cancelled or terminated. The Contractor must forward any pertinent notice of cancellation or termination to both the Owner and the State by mail (return receipt requested), hand-delivery, email, or facsimile transmission within 2 business days of receipt by Contractor of any such notice by an insurance carrier. Copies of notices received by the Contractor shall be sent to the Owner at its proper address, and to the State at the following address:

Nebraska Department of Transportation  
Construction Division -- Insurance Section  
1500 Highway 2, P.O. Box 94759  
Lincoln, NE 68509-4759  
Facsimile No. 402-479-4854  
[NDOT.ConstructionInsurance@nebraska.gov](mailto:NDOT.ConstructionInsurance@nebraska.gov)

**NOTICE TO BIDDERS  
(1-48-1217)**

While the plans and specifications call for and make reference to the Department of Transportation and its various Divisions to make decisions and test materials for acceptance, this project has been delegated under 23 CFR 635.105 to the Local Public Agency Owner, who shall administer the project. Therefore, any reference to the Department of Transportation's responsibility to: interpretation of the plans and specifications, inspection of the work, testing and acceptance of materials, approval of the work, and final acceptance of the project, shall be delegated to the Local Public Agency Owner and their representative.

**LOCAL PUBLIC AGENCY RESPONSIBLE CHARGE**

Upon execution of the contract, the Contractor is to direct all project related communication to the Responsible Charge (RC) designated by the project owner (Local Public Agency).

Responsible Charge:

**SPECIAL PROSECUTION AND PROGRESS  
(Project Liquidated Damages)  
(1-48-1217)**

For this project, the formula used to determine Project Liquidated Damages, as determined in Paragraph 2. of Subsection 108.08 in the Standard Specifications, is amended to read:

$$LD = \frac{R \times C}{T}$$

Where: LD = Liquidated damages per working day or calendar (rounded to the nearest dollar).

C = Original contract amount (includes all work completed and unfinished).

T = Original number of calendar days or working days, whichever is specified in the contract.

R = 0.12 for LPA projects.

**SPECIAL PROSECUTION AND PROGRESS  
(Construction Signs & Barricades)  
(1-48-1217)**

With the exception of detour route signage and any non-standard signs not shown in the plans, the Contractor shall be responsible for furnishing, installing, maintaining and removing all construction signs and barricades, in accordance with the provisions of Section 422 in the Standard Specifications.