

AD
R628
19695

STATEMENT OF EQUIPMENT OWNED					
DESCRIPTION AND CAPACITY OF ITEM	AGE	PURCHAS PRICE	UNPAID BALANCE	PRESNET VALUE	CONDITION
5	Services leased on a Stock Exchange owned by the applicant				
NAME	DESCRIPTION				

STATE OF
COUNTY OF

In the presence and in the presence of a Notary Public for the State of New Jersey, I, the undersigned, do hereby certify that the above and foregoing is a true and correct copy of the original as the same appears in my files and records.

DISCLAIMER NOTICE

Unless these plans have been approved by the Board of Engineers of the State of New Jersey, they are not to be used for the purpose of engineering or other technical work. Plans prepared by the applicant are to be used for information only and are not to be construed as a contract. This page, properly completed, may be used as a basis for a contract in such a case. These plans are to be used only for the purpose of engineering or other technical work. Plans prepared by the applicant are to be used for information only and are not to be construed as a contract. This page, properly completed, may be used as a basis for a contract in such a case.

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NO.	DATE	AMOUNT	REMARKS	PAID BY	ESTIMATED COMPLETION DATE

NEW JERSEY STATE HIGHWAY DEPARTMENT
CONTRACTOR'S CLASSIFICATION AND RATING RECOMMENDATION IN ACCORDANCE WITH REGULATORY REGULATIONS AND PROCEDURES.

1

NAME OF FIRM

LOCATION

2

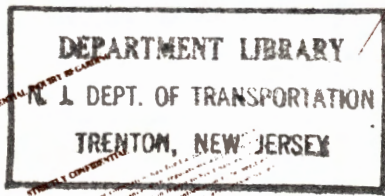
TYPE OF CONTRACT

DATE OF COMPLETION

CLASSIFICATION

of

CONSTRUCTION CONTRACTORS



State of New Jersey
STATE HIGHWAY DEPARTMENT

NEW JERSEY STATE HIGHWAY DEPARTMENT
1895 PARKWAY S.W.
TRENTON 25, NEW J.S.

PART I
CONTRACTOR'S FINANCIAL AND EQUIPMENT STATEMENT

Statement of Assets and Liabilities at Close of Business on

THIS APPLICANT IS:

Individual

Address

TO

NEW JERSEY STATE HIGHWAY DEPARTMENT

TO

NEW JERSEY STATE HIGHWAY DEPARTMENT

TO

NEW JERSEY STATE HIGHWAY DEPARTMENT

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PREFACE

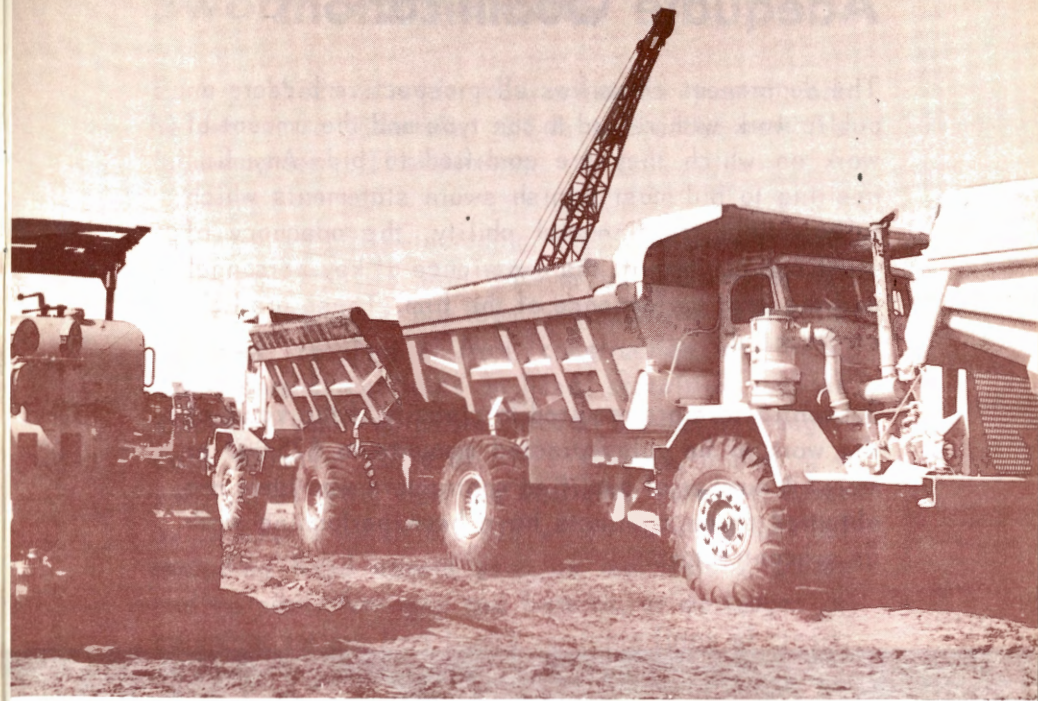
The New Jersey Department of Transportation classifies prospective bidders on public work in accordance with a statute enacted in 1931 and revised on several occasions, the latest on June 30, 1966. This law permits the department to establish reasonable regulations for the classification of contractor applicants.

This booklet is for the layman who is interested in learning how construction contractors are classified to bid on public highway and other transportation work in this state.

It is not intended to reflect all details concerning the procedures. Rather it is presented as background material for those who have an interest in our overall approach to this subject.

Anyone wishing specific questions answered, especially those of a legal nature, may write to the Bureau of Contract Administration at department headquarters in Trenton, or telephone 609-292-3940.

August 1969



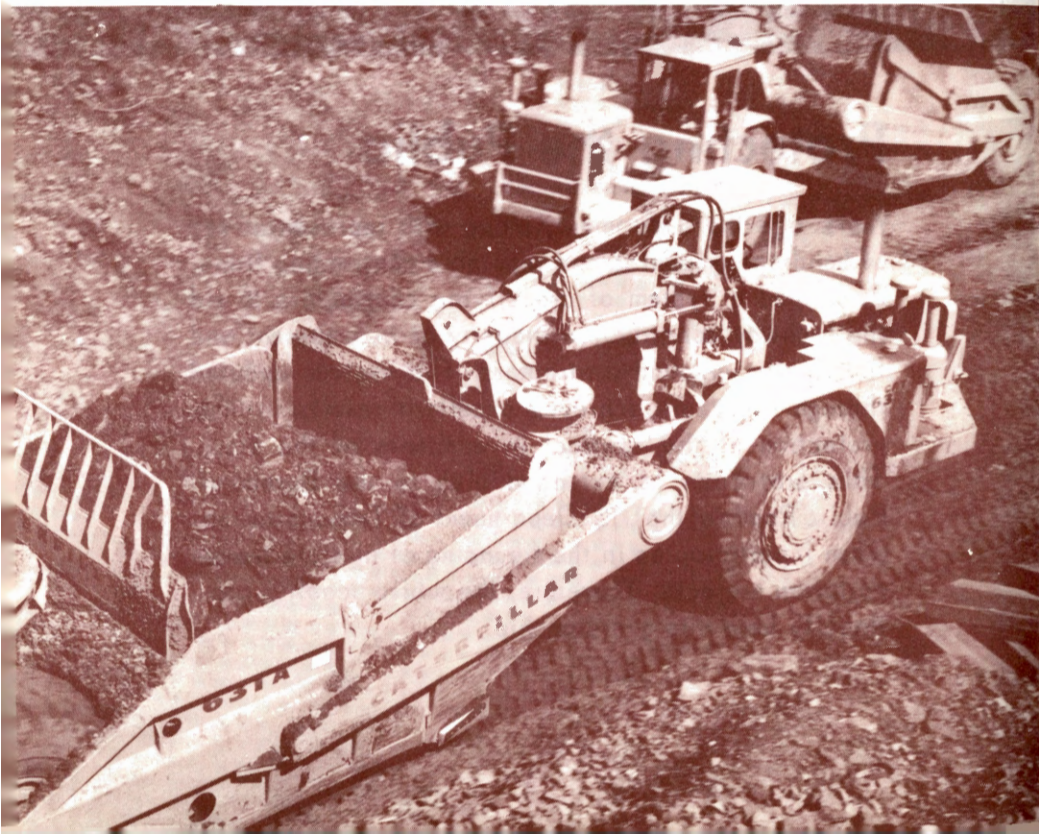
Protecting the Public

Years ago the department, along with representatives of bonding companies and reputable contracting firms, developed a system of classifying contractors to rid the highway construction industry of incompetent and financially unsound contractors. The system, updated through the years, achieves excellent results in the protection of the contract investments of the state. This protection is extended also to the Bureau of Public Roads of the U.S. Department of Transportation, when it participates in the financing of in-state transportation projects. Therefore, the public benefits continually from this guardianship.

Adequate Qualifications

The department classifies all prospective bidders on public work with regard to the type and the amount of work on which they are qualified to bid. Any firm desiring to bid must furnish sworn statements which fully reflect its financial ability, the adequacy of plant and equipment, the experience of key personnel and the past performance of the firm. These are held confidential.

Subcontractors are required to classify if the value of the work to be subcontracted amounts to \$25,000 or more. A number of qualified contractors who have not obtained prime contracts have been performing work as subcontractors.



Sworn Statements

Each prospective bidder must state the type of work he desires to undertake, and furnish under oath the following series of statements:

Financial Ability—including cash on hand; bank deposits; deposits with bids or as guarantees; accounts receivable not from construction contracts; accounts receivable from construction contracts, and status of contracts on hand; securities such as stocks and bonds which are listed on a stock exchange; cash surrender value of life insurance, including a verification letter from the insurance company; other quick assets which are due within 90 days, but not including fixed assets such as real estate, stores and material, furniture and fixtures, or mortgages receivable; letters from banks verifying lines of credit; and a list of all liabilities.

Plant and Equipment—a listing of all pieces of construction equipment, with type, make, model and serial numbers, capacity, year of manufacture, purchase price, unpaid balance, book value and condition. Any liens against this equipment must be noted.

Experience—a listing of all key personnel in the organization with their positions or titles, years of construction experience, magnitude and type of work supervised and the capacity in which the experience was obtained.

Performance Record—a listing of all contracts completed during the past five years. Include the name of the owner, the name and location of the work, the type of work performed, whether as prime or subcontractor, the engineer in charge for the owner, the contract price and the date completed. Any time extensions, penalties, liens or stop notices, and any labor troubles must be fully explained.

Other Evidence—any other pertinent and material facts that might justify the rating requested. A recent addition to the classification regulations requires an affidavit that the prospective bidder has adopted an Affirmative Action Program of Equal Employment Opportunity. This is designed to prevent discrimination because of race, color, creed, national origin, sex or age.

Amounts of Work Classification

A.	\$ 50,001	to	\$ 100,000
B.	100,001	to	150,000
C.	150,001	to	200,000
D.	200,001	to	300,000
E.	300,001	to	400,000
F.	400,001	to	500,000
G.	500,001	to	750,000
H.	750,001	to	1,000,000
I.	1,000,001	to	2,000,000
J.	2,000,001	to	3,000,000
K.	3,000,001	to	4,000,000
L.	4,000,001	to	6,000,000
M.	6,000,001	to	8,000,000
N.	8,000,001	to	10,000,000
O.	10,000,001	to	15,000,000
P.	15,000,001	to	20,000,000
Q.	20,000,001	to	25,000,000
R.	OVER		25,000,000

A prospective bidder whose sworn statements do not qualify him even for Class A will be graded and classified according to his actual ability to undertake a project as shown by an analysis of his statements.

Types of Work Classification

GRADING—Work involving grading and drainage, including drainage structures.

PAVING—Work involving all types of paving.

GRADING and PAVING—Work involving grading, drainage including drainage structures, and all types of paving.

BRIDGE—Work involving bridges, viaducts, retaining walls and foundations.

HEAVY HIGHWAY—Work involving any combination of the above types of work.

All other types of work such as blasting, boring, demolition, electrical, erection of iron and steel, fencing, landscape, painting, pile driving, signing, trenching, waterproofing and welding. Other special types of work are added as required.



Procedure For Rating

The Transportation Department's Bureau of Contract Administration checks all statements fully and obtains verification of items shown on the financial questionnaire. In the case of a contractor who has performed work for the department, the confidential past performance reports on his work are reviewed.

The prospective bidder is graded on the basis of a maximum of 25% for plant and equipment, 25% for financial ability and 50% for past performance. If the applicant has not performed previous work for the department, the organizations that are listed on his forms for the work done in the previous five years are contacted to obtain their opinions as to his effectiveness.

The type of work which he may undertake is controlled by the past performance of the firm and the experience of key personnel. After review and approval by the Department's Prequalification Committee, the applicant is notified by mail of his classification, its effective date and its expiration date.

The prospective bidder must submit his statements to the department at least 15 days before the date set for accepting bids on work he is interested in obtaining. It usually takes from eight days to two weeks to check his statements, obtain approval of the Committee and notify the contractor of his classification. When the prospective bidder receives his rating, he may bid on work in that classification during the time in which it is effective. However, he must submit new classification statements annually thereafter or as required. The rating will be effective 15 days after receipt of the questionnaire or 15 days after receipt of any additional information requested, and it will expire 15 months from the date of the financial information furnished.

Hearings and Appeals

If the prospective bidder is not satisfied with his classification (or the classification of another prospective bidder), he may request a hearing before the Prequalification Committee and may present further evidence regarding the financial responsibility, organization, plant and equipment, or experience of his firm (or of a competitor).

When he requests a hearing concerning another bidder, he must notify that organization of his intent by registered mail.

After the hearing, the Committee may change or affirm the classification which was the subject of the hearing.

Reasonable Regulations

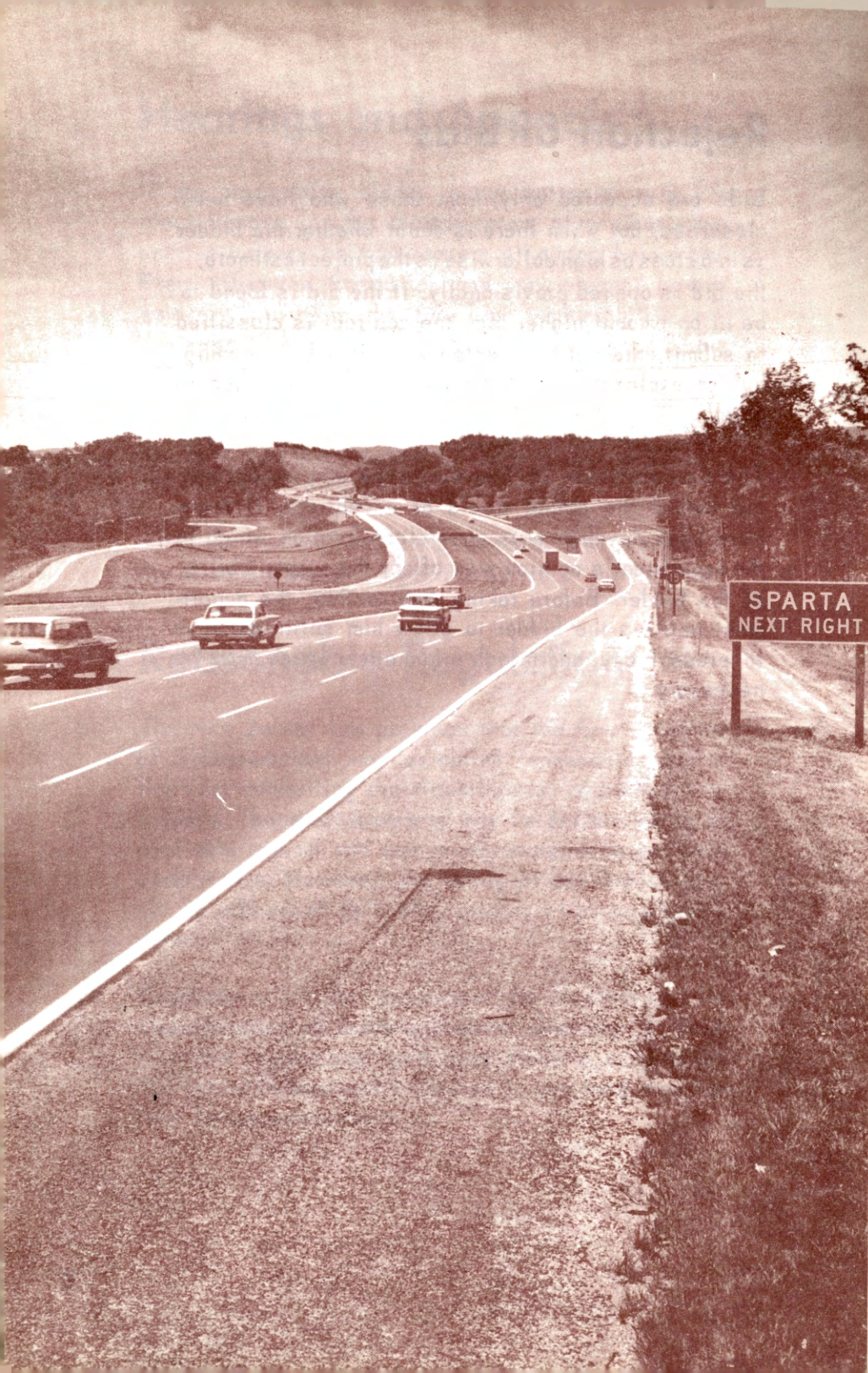
The New Jersey law provides that the Commissioner of Transportation may establish reasonable regulations for controlling the classification of prospective bidders. These requirements may be set according to available capital and equipment, experience and past performance. However, the rating of any bidder may not be influenced by his nationality or place of residence.

Regulations of the department for controlling the classification of bidders become effective 30 days after the regulations have been formally adopted by the Commissioner and published in not less than ten New Jersey newspapers.

Rejection of Bids

Bids are accepted only from those who have been classified, but when there is doubt whether the bidder is in a class as high dollarwise as the project estimate, the bid is opened provisionally. If the bid is found to be in an amount higher than the contract is classified to submit, the bid is rejected without public reading, but an explanation of the reason for the rejection is given.

The Commissioner of Transportation may reject any bid before the actual award of a contract, if there have been developments after classification which in the department's opinion may affect the responsibility of the bidder. Before taking such action, the department notifies the bidder to allow him sufficient time to present any additional information which may be necessary.





DIVISION OF CENTRAL SERVICES
NEW JERSEY DEPARTMENT OF TRANSPORTATION

1035 PARKWAY AVENUE - TRENTON, NEW JERSEY 08625