



September 12, 2015

VIA ELECTRONIC MAIL ONLY AT ([johndon.martinez@dot.gov](mailto:johndon.martinez@dot.gov))

Mr. Don Martinez, Division Administrator  
Federal Highway Administration (FHWA), New Mexico Division Office  
4001 Office Court Drive, Suite 801  
Santa Fe, New Mexico, 87507

**Re: 2<sup>nd</sup> quarter Special Experimental Projects No. 14 (SEP-14) New Mexico Department of Transportation (NMDOT) Contractor Prequalification Program Update**

Dear Mr. Martinez,

In accordance with FHWA's SEP-14 reporting requirements outlined in the FHWA letter of February 26, 2015 the NMDOT is required to submit quarterly reporting to the FHWA. The NMDOT requests that the New Mexico Division Office forward this correspondence and all attachments to Mr. Gerald Yakowenko and Mr. Walter Waidelich with SEP-14's approval office in the FHWA's Office of Infrastructure. The 2015 second quarter reporting for the NMDOT Contractor Prequalification Program (Program) is as follows:

**Experience Modifier Rating or Rate (EMR)**

Since the implementation of the Contractor Prequalification Rule (Rule) there have been questions regarding EMR. Two questions were posed: 1) Does the NMDOT accept an EMR from another state? 2) How does the NMDOT treat an entity seeking prequalification status that does not have an EMR because the entity is self-insured?

To address the first question the NMDOT sent correspondence dated August 17, 2015 to the Associated Contractors of New Mexico (ACNM), see attachment. In short the NMDOT will accept an EMR from another state absent an EMR from New Mexico.

To address the second question the NMDOT will accept a prequalification packet provided that the entity indicates "none" in the EMR section of the packet and that it is self-insured. This process will be added to the next update of the Frequently Asked Questions (FAQs) web link described below.

**Susana Martinez**  
Governor

**Tom Church**  
Cabinet Secretary

Commissioners

**Ronald Schmeits**  
Chairman  
District 4

**Dr. Kenneth White**  
Secretary  
District 1

**David Sepich**  
Commissioner  
District 2

**Keith Mortensen**  
Commissioner  
District 3

**Butch Mathews**  
Commissioner  
District 5

**Jackson Gibson**  
Commissioner  
District 6

### FAQ Web Link

Since the implementation of the Rule the NMDOT has published a FAQ link on its external website. The FAQs can be found by accessing the link located at <http://dot.state.nm.us/en/PSE.html#a> and a printed copy is attached. If additional questions are posed then the NMDOT established an email address for the submission of prequalification questions, [NMDOT-#GO-pregual-questions@state.nm.us](mailto:NMDOT-#GO-pregual-questions@state.nm.us). At a monthly meeting, the NMDOT prequalification team discusses the questions submitted and develops the response for posting to the FAQ if necessary.

### Information Sharing Meetings

The NMDOT prequalification team meets monthly to address questions from the project offices and other entities regarding the implementation of the prequalification program. At the last monthly meeting the prequalification team discussed data base development, updates to the compass form, development of a process to respond to questions, EMR reporting, prequalification packet changes and non-conformance reporting.

Members of the NMDOT prequalification team and ACNM meet quarterly to discuss the implementation of the prequalification program. These discussions fulfill a SEP-14 commitment of continued dialogue between the NMDOT and the contracting community. At the last quarterly meeting the NMDOT clarified when it will count claims for performance factor reporting and situations which would result in a non-conformance.

### Western Association of State Highway and Transportation Officials (WASHTO)

The NMDOT was selected to present on the track of Innovation and Funding/Policies at the annual WASHTO meeting held in Boise, Idaho. The presentation was well received.

Should there be questions or comments please contact me.

Sincerely,

for:   
Ernest D. Archuleta, P.E.  
Operations Director

cc: Tom Church, Cabinet Secretary NMDOT  
Anthony Lujan, Deputy Secretary, NMDOT  
Loren Hatch, Deputy Secretary, NMDOT

Armando Armendariz, Division Director, NMDOT  
Michael Moehn, ACNM Chapter President  
Mike Beck, ACNM Executive Director



**New Mexico** DEPARTMENT OF  
**TRANSPORTATION**

August 17, 2015

VIA ELECTRONIC MAIL ONLY AT [mbeck@aconm.org](mailto:mbeck@aconm.org)

Associated Contractors of New Mexico (ACNM)  
Mike Beck, Executive Director ACNM  
6135 Edith Boulevard NE  
Albuquerque, New Mexico 87125

Re: Contractor Prequalification and EMR

Mr. Beck,

The New Mexico Department of Transportation (NMDOT) requires, as part of obtaining prequalification status with the NMDOT, an applicant's Experience Modification Rate or Experience Rating (EMR) number to be reported annually on the applicant's prequalification packet. This correspondence is to advise your membership that if an applicant, seeking to obtain prequalification status, does not have a New Mexico EMR then the NMDOT will accept an EMR from another state if certain conditions are met.

The applicant must provide a letter with the submission of its prequalification packet from its insurance/bonding agent verifying that the applicant does not have a New Mexico EMR and providing the EMR from another state.

Delays in supplying the appropriate information may result in the rejection of the prequalification packet, delays in approval of the applicant's prequalification status or denial of prequalification status and will negatively impact that applicant's ability to bid.

The NMDOT is also updating its website, <http://dot.state.nm.us/en/PSE.html> to include a frequently asked questions section. Please refer the website for this upcoming feature.

Should you have any questions or comments please do not hesitate to contact me.

Thank you,

Ernest Archuleta, PE  
Operations Divisions Director

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Governor

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Cabinet Secretary

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Cc: Tom Church,  
Cabinet Secretary  
Anthony Lujan,  
Deputy Secretary  
Loren Hatch,  
Deputy Secretary  
Armando Armendariz, Division Director  
Prequalification Team  
Marcus Wilner, FHWA  
Mike Moehn, ACNM President

## **Prequalification Packet Frequently Asked Questions:**

### **Data Universal Numbering System or D-U-N-S**

#### **What is the D-U-N-S (DUNS) number?**

*DUNS are an acronym that stands for Data Universal Numbering System. The DUNS number is a federal funding tracking number that is assigned to all contractors and subcontractors who participate in federal projects. The DUNS number is issued by Dun and Bradstreet (D&B).*

#### **Why is the D-U-N-S (DUNS) number required to obtain prequalification status with the NMDOT?**

*The NMDOT requires each Contractor and Subcontractor to have a current DUNS number to be eligible to receive prequalification status. The NMDOT uses the DUNS number in its process to verify whether a contractor or subcontractor seeking prequalification status with the NMDOT is currently responsible and not excluded from federal contracting. The NMDOT inputs the DUNS number and/or the business name into the System for Award Management (SAM) at SAM.gov. The SAM system maintains a database of information about whether a contractor or subcontractor is restricted from participation in federal contracts through debarment, suspension or voluntary exclusion which in turn affects present responsibility.*

#### **How do I verify my D-U-N-S (DUNS) number?**

*There are two ways of verifying a DUNS number:*

1. *Online:* Go to <https://iupdate.dnb.com/iUpdate/viewiUpdateHome.htm> OR
2. *Phone:* Call Dun and Bradstreet at 1-866-705-5711.

#### **How do I obtain a D-U-N-S (DUNS) number?**

*There are two ways of obtaining a DUNS number if your business does not already have one:*

1. *Online:* Go to <https://iupdate.dnb.com/iUpdate/viewiUpdateHome.htm> and follow the directions to obtain a DUNS number; OR
2. *Phone:* Call Dun and Bradstreet at 1-866-705-5711.

#### **Will I obtain prequalification status without a D-U-N-S (DUNS) number?**

*No. While a DUNS number is not required for a contractor or subcontractor to do business with the State, NMDOT requires the DUNS number for any contractor or subcontractor seeking prequalification status, for eligibility to bid on or perform work, regardless of the funding source for the underlying project.*

## **Bonding**

### **Do I need Contract Bonds if I'm a Subcontractor?**

*No, the NMDOT does not require a Subcontractor to obtain approved payment and performance bonds. However, a Contractor may require its Subcontractor to have payment and performance bonds.*

## **Experience Modification Rate or EMR**

### **What is EMR?**

*EMR is an acronym that stands for Experience Modification Rate or Experience Rating. This workers compensation term refers to the experience modification rating adjustment of a contractor's workers compensation policy. EMR is issued annually. The EMR is required to obtain prequalified status with the NMDOT and is used to calculate the safety performance factor.*

### **How do I obtain an EMR?**

*There are two ways:*

- 1. The EMR factor may be found on your workers compensation policy in the premium calculation area.*
- 2. The business' insurance/bonding agent may be able to provide you with your current EMR. Your agent should also be able to help you provide documentation about or to verify your EMR.*

### **What if I do not have an EMR for New Mexico?**

*A New Mexico EMR is preferred. However, if the company does not have a New Mexico EMR, the NMDOT will accept an EMR rating from the closest state geographically that the applicant possesses. The applicant, if unable to provide a New Mexico EMR, must provide a letter with its prequalification packet from its insurance/bonding agent verifying that the applicant does not have a New Mexico EMR and providing the EMR from another state. Delays in supplying the appropriate information may result in the rejection of the prequalification packet, delays in approval of the applicant's prequalification status or denial of prequalification status and will negatively impact that applicant's ability to bid.*

### **Can I use an EMR from a parent company?**

*Yes, the NMDOT will accept a parent company's EMR if the subsidiary company does not have an EMR of its own. The applicant, if unable to provide its own EMR, must provide a letter with its prequalification packet from its insurance/bonding agent verifying that the applicant does not have its own EMR. Delays in supplying the appropriate information may result in the rejection of the prequalification packet delays in approval of the applicant's prequalification status or denial of prequalification status and will negatively impact that applicant's ability to bid.*

## **Vendor Number**

### **Do I need an NMDOT Vendor Number?**

*Only contractors need a vendor number because the vendor number is necessary for the NMDOT to process payments due to the contractor. Subcontractors are not required to have a vendor number because the NMDOT does not process payments to a subcontractor. Subcontractors should indicate "NONE" on the prequalification packet.*

## **PRC/New Mexico Secretary of State Number**

### **Where can I obtain information to verify my business or corporate formation?**

*The New Mexico Public Regulations Commission is now operated by the New Mexico Secretary of State. You can obtain copies and information related to your business or corporate formation through the New Mexico Secretary of State's Corporations Bureau as it is statutorily mandated with the filing, maintenance and retention of corporate records for New Mexico and out of state corporations, limited liability companies, cooperative associations, foreign business trusts and other business entities. Also, domestic and foreign corporate entities and other business entities will be able to file their articles of incorporation, articles of organization, annual reports, dissolutions and other required filings as defined by statute with this bureau. Foreign entities will be able to obtain a certificate of authority to transact business in New Mexico.*

### **Where is the Corporations Bureau located?**

*The Corporations Bureau is located in the State Capitol Annex North Building, 325 Don Gaspar, Suite 300, Santa Fe, New Mexico 87501.*

### **How may I obtain replacement documents if they've been lost?**

*Contact the Secretary of State Corporations Bureau at (505)827-4387.*

## Links and Resources

1. **Obtain a DUNS:** *fedgov.dnb.com/webform* or <http://fedgov.dnb.com/webform/displayHomePage.do>
2. **Register DUNS with SAM:** <https://www.sam.gov/>
3. **New Mexico Gross Receipts Tax (NM GRT):**  
<http://www.tax.newmexico.gov/Businesses/register-your-business.aspx>
4. **NMDOT Vendor number:**  
Send request to- [NMDOT.Vendor-Reques@state.nm.us](mailto:NMDOT.Vendor-Reques@state.nm.us)
5. **USDOT number:**  
<http://www.fcmsa.gov/>
6. **PRC/Secretary of State number:**  
[https://portal.sos.state.nm.us/corps/\(S\(u0pcwtkkekplxcvvpvgi3jsd\)\)/Corplookup/Lookdn.aspx](https://portal.sos.state.nm.us/corps/(S(u0pcwtkkekplxcvvpvgi3jsd))/Corplookup/Lookdn.aspx)