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This policy makes it mandatory that the past safety record of a contractor be considered as part of the pre-qualifying process. Every effort should be made to select only those sub-contractors with good safety records to perform sub-contractor for SHECO Services in the shop or in the field. Preference in awarding sub-contract purchase orders must acknowledge the criteria that follow.

The intent of this policy is to identify and hire those sub-contractors who can meet the requirement of subsections A1 and A2. If sub-contractors are not able to meet these requirements and may still be the most desirable sub-contractor for the work to be performed, they must (at a minimum) be able to meet the requirements of subsections A3 and A4. Sections B, C, and D of this policy apply to all sub-contractors. Appendix A (or equivalent) must be used to evaluate sub-contractors for selection.

A. Performance History


1. A Workers Compensation Experience Modification Rate (EMR) less than or equal to 1.0 is required.
2. Bureau of Labor Statistics' Occupational Injury and Illness incident rate for the last 3 years less than or equal to the most recent SIC (Standard Industrial Classification) average for their industry/trade.
3. Three-year history trend showing steady decreases in EMR and/or injuries.
4. Documented references from two previous customer of the sub-contractor acknowledging appropriate safety performance on the job and approval by the SHECO Services General Manager.

B. OSHA Compliance

Sub-Contractors must also supply their history of OSHA Citations for the last 3 years (within the state) and current abatement status of open citation(s), if any. If the sub-contractor has a history of being cited for inappropriate work practices, then consideration will be given as to whether SHECO Services can find a more appropriate sub-contractor for the work to be done.

C. OSHA 300 log for last 3 years

For review of injury types. If the sub-contractor is too small to maintain OSHA 300 log (fewer than 11 employees during the most recent full calendar year), the contractor must submit injury reports for the same period. The purpose of this review is to determine the nature of injuries occurring on the contractors' work

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sites and whether these injuries should be (have been) reasonably preventable with good management practices on behalf of the sub-contractor.

D. Minimum requirements per Category of Contract

The amount of insurance coverage required of sub-contractors is dependent upon the nature of work to be performed or service(s) provided. These requirements are specified on the SHECO Services insurance certificate and must be adhered to. Each category of insurance has a level of coverage to be provided, please refer to SHECO Services insurance certificate for specific minimum amounts required.