

**Notice from the Office of Contracts**

**Re: DBE Participation**

**Material Supply**

**&**

**Traffic Control/Maintenance of Traffic**

**May 5, 2011**

In accordance with 49 CFR Part 26.55, goal credit for participation may be counted in one or more of the following ways:

1. 100% goal credit - DBE prime contractor or joint venture (for the DBE’s portion of the work).
2. 100% goal credit - DBE construction subcontractor.
3. 100% goal credit - equipment rental from a DBE firm.
4. 100% goal credit - for materials purchased from a DBE manufacturer.
5. 100% goal credit - for materials purchased from a DBE fabricator.
6. 60% goal credit - for materials and supplies purchased from a DBE “regular dealer:”

A “regular dealer” is a firm that:

* engages in, as its principal business, and in its own name, the purchase and sale of the products in question;
* sells these items or services to the public in the usual course of business; and
* owns, operates, or maintains a store, warehouse, or other establishment in which the material or supplies required for the performance of the contract are bought and kept in stock, or owns or operates distribution equipment for bulk materials.

ODOT will evaluate the work to be performed by a DBE firm and determine the appropriate goal credit that will be allowed.

**Example:** A DBE firm may provide certain materials from inventory for which the firm is a regular dealer. In this transaction, goal credit for the DBE’s participation would be 60%. During that same transaction or an entirely separate transaction, the DBE firm may perform the role of an authorized distributor for a manufacturer and assist a prime contractor in the acquisition of materials. In this transaction, the applicable DBE goal credit would be equal to the fee or commission paid to the DBE firm by the manufacturer.

**Material Supply: DBE Goal Credit Information**

**Aggregate/Asphalt/Concrete:**

In order to receive **100%** DBE goal credit, the DBE firm must own or have a long-term lease for the exclusive operation and control of the production of a quarry, an asphalt mixing plant or a concrete mixing plant. The plants must be approved by ODOT’s Office of Materials Management.

**Electrical:**

In order to receive **60%** DBE goal credit, the DBE firm must:

1. engage in, as its principal business, and in its own name, the purchase, sale and delivery of the electrical product(s);
2. sell to the public in the usual course of business; and
3. own, operate, or maintain a store, warehouse, or other establishment in which the electrical supplies required for the project are bought and kept in stock.

**Miscellaneous Steel Fabrication/Reinforcing Steel Fabrication/Structural Steel Fabrication:**

In order to receive **100%** DBE goal credit, the DBE firm must alter the reinforcement bars (such as cutting and bending and/or coating with epoxy) to the requirements of the construction project at a facility owned and/or operated under the exclusive control of the DBE firm.

**Pipe (Drainage & Sewer):**

In order to receive **100%** DBE goal credit, the firm must manufacture precast concrete products according to ODOT approved specifications.

**Traffic Control/Maintenance of Traffic: DBE Goal Credit Information**

**Traffic Control/Maintenance of Traffic:**

In order to receive 100% DBE goal credit, DBE firms listed in this category must own the traffic control devices, i.e., message boards, attenuators, arrowboards, when the work consists of furnishing the device(s).100% DBE goal credit will be counted for installation only of the device.

“Traffic control devices” means all flaggers, signs, signals, markings, and devices placed or erected by authority of a public body or official having jurisdiction, for the purpose of regulating, warning, or guiding traffic, including signs denoting names of streets and highways and temporary concrete or steel barrier walls, for use on roadway sections.

“Traffic control signal” means any device, whether manually, electrically, or mechanically operated, by which traffic is alternately directed to stop, to proceed, to change direction, or not to change direction.

The Department will evaluate the work to be performed by the DBE firm and determine the appropriate DBE goal credit that will be allowed. Contractors with questions regarding applicable DBE goal credit should contact the Office of Contracts, DBE Services Section at (800) 459-3778.