

**Date:** March 5, 2014  
**To:** All City Department CBI Liaisons  
**From:** Nancy Rosado, Charlotte Business INCLUSION Manager  
**Subject:** CBI Formal Guidance Memo #1 – Counting MWSBE Hauler/Regular Dealer Participation towards MWSBE Construction Project Goal

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### **CBI Policy Definitions**

**Hauler** is defined as: “A Business Enterprise that delivers materials or supplies to a jobsite or hauls away materials, supplies or waste from a jobsite, but is not a Broker, Manufacturer, or Regular Dealer. A Hauler may or may not take title to such materials and supplies it delivers. Only bona fide fees earned by a Hauler for performing a Commercially Useful Function (not the cost of the materials, supplies, or waste it hauls) shall be counted toward the SBE or MWBE Goal, provided such fees are reasonable and not excessive as compared with fees customarily allowed for similar services.”

**Regular Dealer** is defined as: “A Business Enterprise that owns, operates or maintains a store, warehouse or other establishment in which the materials or supplies required for the performance of a Contract are bought, kept in stock and regularly sold to the public in the usual course of business. To be a Regular Dealer, the Business Enterprise must engage in, as its principal business and in its own name, the purchase and sale of the products in question. A Regular Dealer in such bulk items as steel, cement, gravel, stone and petroleum products need not keep such products in stock if it owns or operates distribution equipment. Manufacturers, Brokers, Conduits, Packagers, Haulers and manufacturer's representatives shall not be regarded as Regular Dealers within the meaning of this term. Expenditures for materials, supplies and equipment obtained from a Regular Dealer shall count 60% toward the SBE and MWBE Goal.”

### **Example Scenarios**

**Scenario 1:** If the MWSBE is designated as a Hauler in the City’s vendor database. Primes will receive credit towards the MWSBE Goal for the fees and commissions charged by the MWSBE for hauling. No credit will be given towards the MWSBE Goal for the materials and/or supplies the MWSBE Hauler delivers.

**Scenario 2:** If the MWSBE is designated as a Regular Dealer in the City’s vendor database. Primes will receive credit towards the MWSBE Goal for 60% of the total cost of the materials and/or supplies provided by the MWSBE Regular Dealer.

**Scenario 3:** If the MWSBE is designated as both a Hauler **AND** Regular Dealer in the City’s vendor database. Primes will receive credit towards the MWSBE Goal for 60% of the total cost of the materials and/or supplies provided by the MWSBE Regular Dealer. Primes will also receive credit towards the MWSBE Goal for the fees and commissions charged by the MWSBE for hauling those same materials and/or supplies.