

DBE 101

Internal Training for WSDOT and Local Agencies

OFFICE OF EQUITY AND CIVIL RIGHTS
Rosa Covarrubias, External Civil Rights Lead

April 3, 2025

Terminations, Substitutions, & Change Orders



Terminations & Substitutions



Two applications of the termination process:

1. Remove/replacement of a DBE becomes a necessary action
2. Partial termination (shift/change in commitment)



The **contractor cannot reduce** the amount of work committed to a Condition of Award (COA) DBE without a **good cause**.

Examples of Good Cause

49 CFR 26.53(f) (3)

- (3) For purposes of this paragraph, good cause includes the following circumstances:
- (i) The listed DBE subcontractor fails or refuses to execute a written contract;
- (ii) The listed DBE subcontractor fails or refuses to perform the work of its subcontract in a way consistent with normal industry standards. Provided, however, that good cause does not exist if the failure or refusal of the DBE subcontractor to perform its work on the subcontract results from the bad faith or discriminatory action of the prime contractor;
- (iii) The listed DBE subcontractor fails or refuses to meet the prime contractor's reasonable, nondiscriminatory bond requirements.
- (iv) The listed DBE subcontractor becomes bankrupt, insolvent, or exhibits credit unworthiness;
- (v) The listed DBE subcontractor is ineligible to work on public works projects because of suspension and debarment proceedings pursuant [2 CFR Parts 180, 215](#) and [1,200](#) or applicable state law;
- (vi) You have determined that the listed DBE subcontractor is not a responsible contractor;
- (vii) The listed DBE subcontractor voluntarily withdraws from the project and provides to you written notice of its withdrawal;
- (viii) The listed DBE is ineligible to receive DBE credit for the type of work required;
- (ix) A DBE owner dies or becomes disabled with the result that the listed DBE contractor is unable to complete its work on the contract;
- (x) Other documented good cause that you determine compels the termination of the DBE subcontractor. Provided, that good cause does not exist if the prime contractor seeks to terminate a DBE it relied upon to obtain the contract so that the prime contractor can self-perform the work for which the DBE contractor was engaged or so that the prime contractor can substitute another DBE or non-DBE contractor after contract award.

Termination Process

1. The contractor shall **give notice in writing** to the DBE & Engineer of the contractor's intent to terminate DBE & the reasons for doing so.
2. The DBE has **five (5) days to respond**. The DBE's response shall either support the termination or advise the Engineer and the contractor of the reasons it objects to the termination.
3. Request for termination and DBE response **must be provided to the contracting agency for review and approval/disapproval prior to contractor termination of DBE**.
4. The Contractor **must receive prior written approval from the Engineer with the concurrence of OECR** to terminate.



Consequences of Improper Termination

1. If the termination and substitution process is not followed, the Contractor **will not be entitled to any payment for COA work not performed by the existing DBE**. Substitution of a COA DBE cannot occur without termination.
2. Each federal-aid contract containing a DBE goal includes the contract clause required by Part 26.13(b) stating that, “failure by the contractor to carry out the requirements of this part is a material breach of the contract and **may result in the termination of the contract or such other remedies that WSDOT deems appropriate** if the the Prime Contractor/Prime Consultant fails to comply with the requirements of this section.”
3. Federal scrutiny with potential loss of funding and additional oversight and review.



Substitution Process

1. All substitutions **must be approved** by the contracting agency with OECR having final approval
2. After receiving a termination with good cause approval, contractor may replace a DBE with another DBE or provide a GFE.
3. The contractor **must submit a plan** to the Engineer on how they intend to achieve the revised *DBE Utilization Plan* **within two (2) days**. Need before approval of the termination.
4. Complete packet **must include**:
 - a. Substitution DBE
 - b. Amounts
 - c. Bid items
 - d. A copy of the *Partial Termination* documentation

Change Orders



1. Need for a change order: Changes in specifications, materials, quantities, and change in condition of award (COA).
2. Changes to COA: OECR Compliance Officer should be involved and concur on any COA related change orders.
3. OECR should receive a copy of executed change order to upload into DMCS.
4. You cannot do a change order after project has reached physical completion, prime will need to do a good faith effort (GFE).

Resources

ECONOMIC INCLUSION TEAM



Nina Jones
Assistant Director
Business Diversity & Inclusion
(360) 947-6788

Nina.Jones@wsdot.wa.gov



TBD

OECSoffice@wsdot.wa.gov

DBE Administration
(360) 705-7090



Michael Carpenter
Manager
Technical Services
(360) 705-6864

DBESS@wsdot.wa.gov



Diane Gard
Manager
Tribal Employment
Rights Office (TERO)
&
DBE Small Business
Compliance
(360) 522-0851

TERO@wsdot.wa.gov



Fatema Aboutaleb
DBE Compliance Lead
Goal Setting & Bid Clearance
(360) 522-0843

GoalRequests@wsdot.wa.gov



Tonya Ahsoak-Stevens
External Civil Rights Specialist
Consultant Services Northwest
Region, Olympic Region and
Headquarters & TERO/EEO
(360) 741-1895

NWregionoeo@wsdot.wa.gov
TERO@wsdot.wa.gov



Rosa Covarrubias
DBE Compliance Lead
South Central Region &
State Ferries
(509) 424-1941

SCregionoeo@wsdot.wa.gov
Ferriesoeo@wsdot.wa.gov



Stephanie Enochs
DBE Compliance Lead
Eastern Region & North
Central Region
(360) 742-1896

ERregionoeo@wsdot.wa.gov
NCregionoeo@wsdot.wa.gov



Breanne Higginbotham
External Equal
Employment
Opportunity (EEO)
Officer
(360) 522-0850

Breanne.Higginbotham@wsdot.wa.gov SWregionoeo@wsdot.wa.gov



Tracey Johnson
DBE Compliance Lead
Southwest Region
(360) 701-9823



Brooke Leslie
External Civil Rights
Specialist
(360) 705-7085

DBESS@wsdot.wa.gov



Naomi Melendez
DBE Compliance Lead
Northwest Region
Construction
(564) 233-8605

NWregionoeo@wsdot.wa.gov



Andrew Olson
DBE Compliance Lead
Northwest Region Local
Programs
(360) 628-0651

NWregionoeo@wsdot.wa.gov



Laurie Rasmussen
DBE Compliance Lead
Olympic Region
Local Programs
(360) 742-7995

Oregionoeo@wsdot.wa.gov



Justin Satiacum
DBE Compliance
Lead Olympic Region
Construction
(360) 706-3323

Oregionoeo@wsdot.wa.gov

Resources

Regional Map



Resources

Emails

REGION	EMAIL
Headquarters	HQoeo@wsdot.wa.gov
Eastern Region	ERRegionOEO@wsdot.wa.gov
North Central Region	NCRRegionOEO@wsdot.wa.gov
Northwest Region	NWRRegionOEO@wsdot.wa.gov
Olympic Region	ORegionOEO@wsdot.wa.gov
South Central Region	SCRegionOEO@wsdot.wa.gov
Southwest Region	SWRegionOEO@wsdot.wa.gov
Washington State Ferries	Ferriesoeo@wsdot.wa.gov
Tribal Employment Rights (TERO)	TERO@wsdot.wa.gov