



Materials on Hand

Alternative Delivery Program

Materials on Hand

This is a self-directed overview of Design-Build contracting based on Version 6.0 of the Programmatic Documents



This symbol when shown on a slide provides reference to the Section of the Design-Build Contract (DBC) Programmatic Documents



Sample



Training Goals:



1. Understand what materials are considered Materials on Hand (MOH)
2. Become familiar with the conditions for payment of MOH
3. Learn more about the submittal and documentation requirements for MOH

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1. Definitions





Materials on Hand (MOH) are:

- Non-perishable materials that do not have a shelf life or characteristics that would materially change when exposed to the elements.
- Material samples tested, approved and certified for incorporation into the Work.

Examples of materials considered as MOH:

- Structural steel
- Reinforcing steel
- Pre-cast concrete elements
- Illumination poles
- Traffic signal poles
- Other non-perishable materials at TxDOT discretion

Examples of materials not considered as MOH:

- Cement
- Lime
- Fine aggregate
- Concrete mixtures
- HMAC mixtures
- Joint sealing materials
- Other perishable materials



2. Meetings



Materials on Hand Meetings



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DBA GC
Section
5.10.1.4.1



DB Contractor conducts a meeting with TxDOT in advance of NTP2 to discuss:

- MOH anticipated to be incorporated into the Work.
- TxDOT expectations for Buy America compliance documentation required by DB GC Item 6.
- Allowable permanent incorporation of foreign iron and steel, under the minimal use exceptions.
- Tracking of the temporary use of foreign iron, steel and construction materials.

DB Contractor conducts additional meetings as needed to discuss changes to the anticipated Materials on Hand.



3. Payment





CONTRACT REFERENCE
DBA GC
Section
9.4.2

TxDOT will not pay for materials not yet incorporated in the Work unless materials qualify as MOH by meeting the following conditions:

CONTRACT REFERENCE
DBA GC
Section
9.4.2.1

- Delivered to the Site.
- Delivered and stored by DB Contractor in a location approved by TxDOT.
- Stored at a Supplier's fabrication site approved by TxDOT, prior to submitting MOH request.

If storage site of such materials is not approved by TxDOT, then DB Contractor accepts full responsibility for any and all costs associated the storage of such material (property taxes for example)



Prior to submitting MOH invoices for payment, the Independent Quality Firm (IQF) must:

- Inspects and certifies that MOH is in conformance with approved materials submittals and specifications in accordance with Design-Build Quality Assurance Program (DB QAP)
- Authorizes MOH for construction

Payment for MOH does not constitute acceptance of the material.





Responsibilities of DB Contractor prior to payment:

- Ensure MOH meets Contract Documents requirements for incorporation into the Work.
- Provide TxDOT proper bills of sale or other documentation, in writing, and in a form acceptable to TxDOT showing that materials are free and clear of all Liens.

Invoice Documentation

CONTRACT REFERENCE

DBA GC
Section
9.4.2.2



DB Contractor provides invoices and documentation seven days in advance of the Draw Request



The seven days allows TxDOT time to verify requested amount

Verification of requested amounts is a condition of payment for MOH.

Invoices must also include Buy America compliance documentation.

Invoices shall not include freight and handling costs.

Payment must not exceed actual cost of materials as established by invoice or the total cost of the associated Payment Activity less reasonable placement, freight and storage costs, whichever is less.



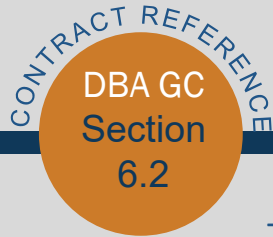
TxDOT pays only the amount represented by these invoices as is consistent with the reasonable cost of such materials.

Buy America Compliance Documentation



DB Contractor shall comply with Buy America requirements set forth in **Exhibit 7 to Attachment 3-1:**

- Submittals are notarized original forms:
 - **Form 2806** – Construction Materials Buy America Certification
 - For construction materials, which include:
 - Non-ferrous metals
 - Plastic and polymer-based products
 - Glass
 - Lumber, or dry wall
 - **Form 1818** – Material Statement
 - For iron and steel materials



Form 2806
1/10/2024
Page 1 of 1

Construction Materials Buy America Certification

Per Statewide Special Provision SP 006-030 "Control of Materials", Form 2806 must be completed to certify compliance with Buy America, Buy America Act (BABA Act). Construction Materials are classified as an article, material, or supply—other than an item of primarily iron or steel; a manufactured product; cement and cementitious materials; aggregates such as stone, sand, or gravel; or aggregate binding agents or additives—that is or consists primarily of:

- Non-ferrous metals,
- plastic and polymer-based products (including polyvinylchloride, composite building materials, and polymers used in fiber optic cables),
- Glass (including optic glass)
- Lumber, or
- Drywall.

The material(s) provided by the listed producer/fabricator and order number below are made in the United States and meet the requirements of the BABA Act.

CSI: Area Engineer:

Prime Contractor:

Subcontractor:

Item Code:

Material Statement

Sheet of

Supplier: County:

Address: Project:

Contract No.: Control:

Purchase Order # No.	Quantity (Amount)	Material Description	Mill Name	Heat No.	Material Use	Required Spec.	Documentation MTR	Cert.

This is to certify that the materials listed above and on the attached supplement (if attached) are in conformance with the preceding specifications. This is to also certify that all manufacturing processes for steel and iron materials or for the application of coating (epoxy, galvanizing, painting or any other coating that protects or enhances the value of the steel or iron metal) to these materials occurred in the United States of America. Manufacturing processes are defined as all processes required to change the raw iron or scrap metal into the finished in-place steel or iron product. The attached mill test reports (MTRs) and Certifications (Cert) are offered in proof of Domestic Origin.

Subscribed and sworn to before me this day of I declare under penalty of perjury under the laws of the United States of America and the State of Texas that the foregoing is true and correct, and that I am

Buy America – Item 4 Scope of Work



DB Contractor shall complete and submit to TxDOT:

- **Buy America Materials Summary Form** as part of Exhibit 3 to Attachment 4-2,
 - Quality Management Plan (QMP) submittals to TxDOT: Table 4-3
 - Submittal schedule: Monthly
 - Department Action: For Information

CONTRACT REFERENCE

DBA GC
Section
4.3.6

Project shall be subject to FHWA Utility Requirements:

- Build America, Buy America Act (BABA Act)
- 23 CFR Part 645 Subpart A (Utility Adjustment Work)
- 23 CFR 635.410 (Buy America)

CONTRACT REFERENCE

DBA GC
Section
4.5.7.2



BUY AMERICA MATERIALS SUMMARY FORM - SAMPLE

Project:
Project CCSJ:
DB Contractor Name:
Reporting Date:
Sheet ___ of ___

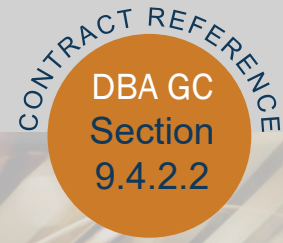
Material Description	Quantity	MOH Draw Request # (if applicable)	Supplier, Subcontractor, or Utility	Invoice Number	Iron/Steel (IS) or Construction Materials (CM)	Comments

EXHIBIT 3 TO ATTACHMENT 4-2

Form Number	Form Name	Revision	Date
[Insert Form No.]	Certification of Compliance	(#)	XXXXXXXX
	Daily Inspection Form		
	Request for Information Form		
	Buy America Materials Summary Form		
	[Add additional forms as required, including but not limited to the following: <ul style="list-style-type: none"> • Material Haul Summary • Construction Audit • Construction Inspection forms] 		

FORM TEMPLATES

Receipt of Payment Documentation



DB Contractor must provide a paid invoice within sixty (60) days of receiving payment for Materials on Hand



- If DB Contractor fails to provide such evidence of receipt of payment within sixty (60) days
 - DB Contractor will not be eligible for any additional payments for MOH.
 - Payment will be withheld from future Draw Requests in amount equal to the payments for MOH that were not supported by paid invoice.



The total amount eligible for payment for MOH shall not exceed the cumulative maximum payment schedule amount.

Draw Request Documentation



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DBA GC
 Section
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DB Contractor documents the amount requested each month for Balance on Hand and the Cumulative Amount Earned to-date using:

 **Appendix 1 to Exhibit 1 to Attachment 9-1 Materials on Hand Summary**

- Buy America Documentation
- Includes: MOH Record Log and Payment Activity Summary Log
- Submitted with each Draw Request



APPENDIX 1 TO EXHIBIT 1 TO ATTACHMENT 9-1

MATERIALS ON HAND SUMMARY

Draw Request No. _____

A. Cumulative Amount Earned to Date based on the Schedule of Values	\$
B. Previous MOH Invoices	\$
C. Installed to-date	\$
D. Current MOH Invoices	\$
E. Cumulative Amount Earned to Date (A+B-C+D)	\$

Materials on Hand Record Log

[Create smart pdf to sum amounts and (+/-) toggle to ADD and DELETE line items in table]

Invoice Number	Sub/Vendor	Payment Activity ID(s)	Item Number and Description	Material Description	Buy America Documentation (Y/N)	Invoice Total	Paid on D.R. #	Installed	Installed on D.R. #

Payment Activity Summary Log

Payment Activity ID(s)	Total Value based on SOV	Total Earned Value to Date	Total MOH
	\$	\$	\$

Draw Request Documentation

CONTRACT REFERENCE
DBA GC
Section
9.4.2.2



DB Contractor includes the amount requested on:

Exhibit 1 to Attachment 9-1

Form of Draw Request and Certificate

Cumulative Amount Earned to Date on, Line E

Attachment 9-1

Form of Draw Request and Certificate Requirements

ATTACHMENT 9-1
FORM OF DRAW REQUEST AND CERTIFICATE REQUIREMENTS

<u>Exhibit Description</u>	<u>No. of Pages</u>
Exhibit 1 – Form of Draw Request and Certificate	2
Appendix 1 to Exhibit 1 – Materials on Hand Summary	1
Appendix 2 to Exhibit 1 – Deductions Summary	1
Exhibit 2 – Draw Request Certifications	2
Exhibit 3 – Draw Request Contents Checklist	2

EXHIBIT 1 TO ATTACHMENT 9-1
FORM OF DRAW REQUEST AND CERTIFICATE¹

Draw Request # _____ Date: _____
month/day/year

Texas Department of Transportation
[Address]

"Entry Required in Cell"

to _____
month/day/year

A. Draw Request for Work performed for the period: month/day/year _____ month/day/year _____

B. Original Contract Amount _____

C. Approved Change Order Amounts _____

D. Revised Contract Amount (B+C) \$0.00

E. Cumulative Amount Earned to Date (Amount "E" from Appendix 1 to this Exhibit 1) _____

F. Cumulative Maximum Payment Schedule Allowance (this Draw Request from DBA Exhibit 10) _____

G. Cumulative Amount of Previous Draw Requests _____

H. Amount Qualified for Payment this Draw Request (Lesser of "E-G" or "F-G") (includes Landscaping Allowance Work described below) \$0.00

I. Total deductions from progress payment per Section 9.4.1 (from Appendix 2 to Exhibit 1) \$ _____

J. Current Amount Due ("H" - "I") \$ _____

¹ [Revise Form of Draw request as needed for applicable project requirements.]

Texas Department of Transportation
Name of Project _____
Date _____

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Request for Proposals
General Conditions
Version 5.2 – April 2023



CONTRACT REFERENCE

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9.4.2.4

MOH costs and charges included in Draw Request for materials that are subsequently lost, damaged, unsatisfactory or impacted by Nonconforming Work may be deducted from subsequent Draw Requests as deemed appropriate considering the insurance coverages and the replacement costs.

CONTRACT REFERENCE

DBA GC
Section
9.4.2.5

Payment for MOH furnished and delivered does not exceed the amount paid by DB Contractor as evidenced by a bill of sale supported by a paid invoice.



4. Resources





Resources – Alternative Delivery Projects

Programmatic Documents:

- [Programmatic DBA General Conditions Items 1-9 – Final Version 6.0 \(txdot.gov\)](#)
 - Item 3 Federal Requirements, Attachment 3-1
- [Programmatic DB Specifications Items 10-28 – Final Version 6.0 \(txdot.gov\)](#)
 - Item 14 Utility Adjustments
- [Sample Materials on Hand Log](#)
- [Buy America Training](#)



Questions & Discussion



TxDOT Website:

(<https://www.txdot.gov/business/road-bridge-maintenance/alternative-delivery/resources.html>)



HELP
#EndTheStreakTX

End the streak of daily deaths on Texas roadways.

TxDOT.gov (Keyword: #EndTheStreakTX)



#EndTheStreakTX Toolkit

