

**It is the policy of H-GAC to assist small, DBE, MBE, women-owned businesses and HUBs in learning how to do business with H-GAC. It is also a further policy H-GAC that these sources shall have the maximum feasible opportunity to compete. “DBE” means, collectively, HUB’s, MBEs, WBEs, and SBEs, or other designation as identified by the applicable recognized certifying agency.**

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### **Disadvantaged Business Enterprise (DBE) Program**

H-GAC’s DBE goals are separated by which funding source the project or procurement uses and H-GAC strives to ensure equitable participation of minority, women and underutilized businesses in projects and procurements. This is achieved in several ways, including but not limited to, actively soliciting DBE Firms, setting DBE participation goals on contract specific projects and procurements, and utilizing existing federally funded program guidance.

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### **Governing Law/Statute Language**

*Texas Local Government Code Chapter 252*

§252.0215. COMPETITIVE BIDDING IN RELATION TO HISTORICALLY UNDERUTILIZED BUSINESS. A municipality, in making an expenditure of more than \$3,000 but less than \$50,000, shall contact at least two historically underutilized businesses on a rotating basis, based on information provided by the comptroller pursuant to Chapter 2161, Government Code. If the list fails to identify a historically underutilized business in the county in which the municipality is situated, the municipality is exempt from this section.

*Code of Federal Regulations 2 CFR 200*

§200.321 CONTRACTING WITH SMALL AND MINORITY BUSINESSES, WOMEN’S BUSINESS ENTERPRISES, AND LABOR SURPLUS AREA FIRMS. (a) The Non-Federal entity must take all necessary affirmative steps to assure that minority businesses, women’s business enterprises, and labor surplus area firms are used when possible. (b) Affirmative steps must include: (1) Placing qualified small and minority businesses and women’s business enterprises on solicitation lists; (2) Assuring that small and minority businesses, and women’s business enterprises are solicited whenever they are potential sources; (3) Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation by small and minority businesses, and women’s business enterprises; (4) Establishing delivery schedules, where the requirement permits, which encourage participation by small and minority businesses, and women’s business enterprises; (5) Using the services and assistance, as appropriate, of such organizations as the Small Business Administration and the Minority Business Development Agency of the Department of Commerce; and (6) Requiring the prime contractor, if subcontracts are to be let, to take the affirmative steps listed in paragraphs (1) through (5) of this section.

### **General Procedure**

H-GAC's Procurement team is responsible for outreach and recruitment of firms and in navigating H-GAC's procurement process, including identifying certified firms for projects.

H-GAC utilizes the State of Texas Historically Underutilized Business (HUB) Directory, maintained by the State of Texas. The directory lists the firm's name, address, phone number, date of the most recent certification, and the type of work the firm has been certified to perform. As appropriate, H-GAC will also strive to utilize other state and federal certifying agencies for locating DBE businesses, including, but not limited to, the agencies listed below:

- City of Houston, Office of Business Opportunity
- City of Austin, Small Business Development
- Corpus Christi Regional Transportation Authority
- North Central Texas Certification Agency
- South Central Texas Certification Agency
- Texas Department of Transportation
- The Small Business Administration
- Women's Business Enterprise National Council (WBENC)
- National Women Business Owners Corporation
- National Minority Supplier Development Council (NMSDC)
- U.S. Women Chamber of Commerce
- U.S. Department of Transportation DBE Program
- SBA Women-Owned Small Business (WOSB) Program Certification

**Note: The Houston-Galveston Area Council is NOT a certifying agency.**

H-GAC will implement a monitoring mechanism that will include written certification that we have reviewed contracting records for this purpose. This will be accomplished by monitoring quarterly pay requests for payments to DBE's H-GAC will also require all DBE's to certify that such payments were made.

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### **Goals**

H-GAC will establish DBE goals on a fiscal year basis and on a contract specific basis. However, H-GAC reserves the right to not establish a DBE contract goal on every such contract, and the size of the contract goals will be adapted to the circumstances of each such contract (e.g., type and location of work, availability of DBE's to perform the type of work.) Goals will be expressed as a percentage of the total amount of a contract or anticipated funding amount. H-GAC reserves the right to establish agency-specific goals for each procurement category outlined and can set the goals higher or lower as deemed appropriate. Factors that H-GAC will consider when setting agency-specific goals include:

- 1) Fiscal year expenditures;
- 2) Availability of DBE's in each procurement category;
- 3) Historical utilization of DBE's in the category;
- 4) Other relevant factors as deemed appropriate.

## Houston-Galveston Area Council: H-GAC Disadvantaged Business Program Summary

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The following chart represents the timeline and goals (where applicable) that H-GAC anticipates utilizing as a five (5) year DBE goal plan 2020-2024, these goals may be increased or decreased based upon fiscal year funding and applicable projects per category:

Category	Goal				
	Year 1	Year 2	Year 3	Year 4	Year 5
*H-GAC ordinarily does not utilize services in these categories	2020	2021	2022	2023	2024
Heavy Construction (other than building contracts)*	1.0%	1.0%	1.0%	1.0%	1.0%
All Building Construction (including general contractors and operative building contracts)*	2.0%	2.0%	2.0%	2.0%	2.0%
All Special Trade Construction Contracts*	1.0%	1.0%	1.0%	1.0%	1.0%
Professional Services Contracts	24.0%	25.0%	26.0%	27.0%	28.0%
Other Services Contracts	2.0%	2.5%	3.0%	3.5%	4.0%
Commodities Contracts	3.0%	3.5%	4.0%	4.5%	5.0%

For all Transportation projects, H-GAC will utilize the DBE Goal established under the Memorandum of Understanding between H-GAC and the Texas Department of Transportation in compliance with 49 CFR Part 26 (Currently 24%). H-GAC Transportation Department will continue to set its own bi-annual DBE goals for projects funded with federal transportation dollars. This goal will be automatically incorporated into every applicable procurement/contract.

Only businesses listed under the Texas Unified Certification Database Diversity Management System (<https://txdot.txdotcms.com/>) are qualified to meet the stated goal requirement for the Transportation funded projects. If you have questions about certification or placement into this database please contact The Texas Department of Transportation Small Business Program <http://www.txdot.gov/business/partnerships/dbe.html>

For all Workforce projects, Contractors must be able to document that they have made a good faith effort to award at least thirty percent (30%) of the total value of all subcontracts and supplier contracts to DBEs. This goal will be automatically incorporated into every applicable procurement/contract.