

Disadvantage Business Enterprise Program
Triennial Goal Update Fiscal Years 2023-2025



Houston-Galveston
Area Council

Disadvantaged Business Enterprise Program
Houston-Galveston Area Council Transportation
Triennial Goal Update, 2022-2024

Name of Recipient: Houston-Galveston Area Council (H-GAC)

Goal Period: October 1, 2022 through September 30, 2025

Estimated Anticipated 2023-2025 Contract Amount: \$55,777,916.00

Proposed DBE Goal: 25%

Introduction

Pursuant to Section 49 Code of Federal Regulations Part 26, the Houston-Galveston Area Council (H-GAC) has selected an overall goal of 25% for the participation of Disadvantaged Business Enterprises (DBE) in its Transportation Department contracts funded by the U.S. Department of Transportation (DOT) through the Federal Aviation Administration (FAA), Federal Highway Administration (FHWA), and Federal Transit Administration (FTA). The goal will be effective October 1, 2022 through September 30, 2025.

The following is the list of U.S. DOT associated plans and projects anticipated for FY2023-FY2025 that will need consultant assistance:

- Transit and Travel Demand
- Regional Freeway Management
- Regional Safety Planning and Implementation
- Mobility and Corridor Studies
- High Capacity Feasibility Studies
- Bicycle and Pedestrian Planning Studies
- Livable Centers Planning Studies
- The Unified Planning Work Program (UPWP)

It is H-GAC's policy that DBE firms can have the opportunity to receive and participate in contracts without regard to the funding source utilized. Consequently, H-GAC fully applies the requirements of its DBE program to non-U.S. DOT assisted contracts.

Background

The Houston-Galveston Area Council (H-GAC) Transportation Department receives federal financial assistance from the U.S. Department of Transportation (DOT) through the Federal

Highway Authority (FHWA), the Federal Transit Authority (FTA), and the Federal Aviation Administration (FAA). Recipients of these federal funds are required to set an overall goal for participation by Disadvantaged Business Enterprises in their DOT-assisted contracts in accordance with 49 CFR Part 26: “Participation by Disadvantaged Business Enterprises (DBE) in Department of Transportation Programs.” The triennial goal is established to ensure that DBE firms have reasonable opportunity to participate in DOT-assisted contracts. The FHWA requires local governments and other entities that receive federal funds through the Texas Department of Transportation (TxDOT) to sign a Memorandum of Understanding adopting TxDOT’s federally approved DBE Program. Each recipient is expected to set their own DBE goals based on their individual circumstances. This document provides information about the DOT-assisted contracts which the H-GAC Department of Transportation anticipates awarding during the three federal fiscal years 2023, 2024, and 2025. It identifies the new triennial DBE goal and describes the methodology used to derive it.

I. All Contract Opportunities:

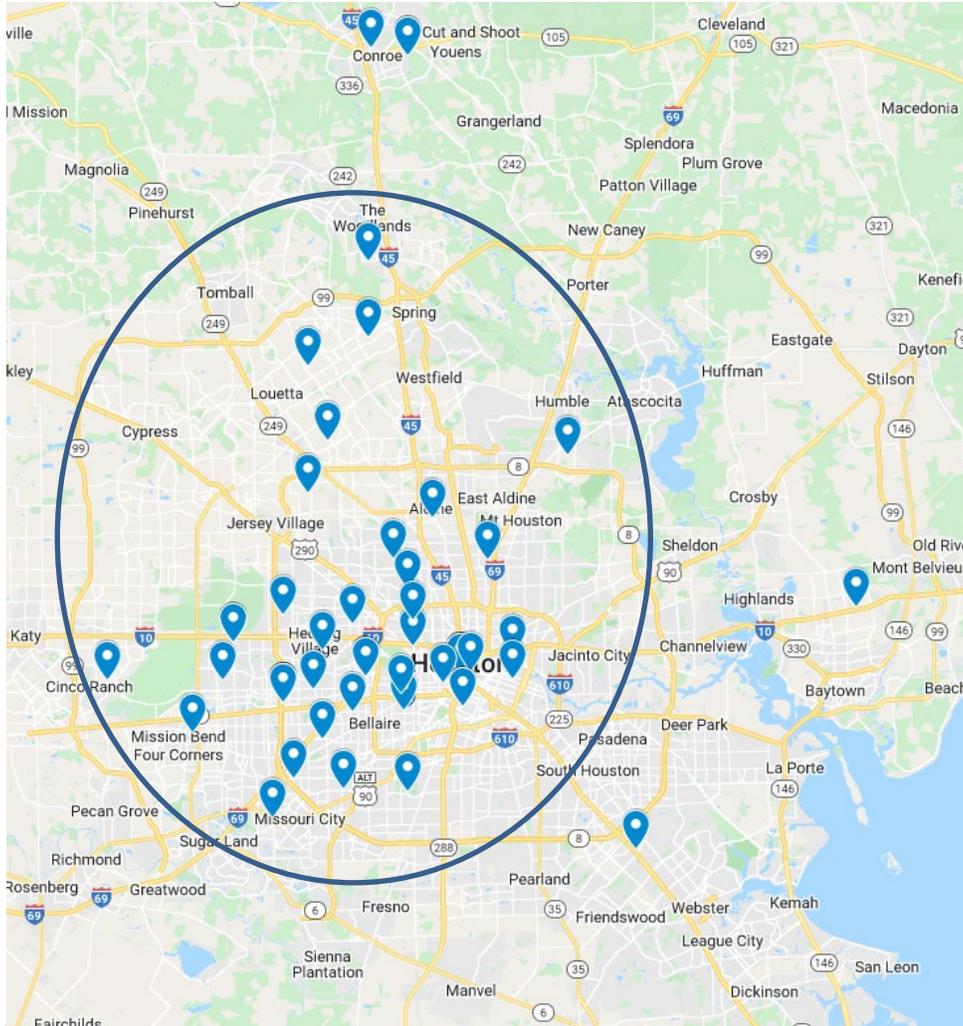
Major Projects	NAICs Description	Potential Amt. to be Spent (2023-25)	% of Total Potential Budget	# DBE Bidders	# Bidders	% GOAL
Administration	541511 Custom Computer Programming Services; 541611 Administrative Management and General Management Consulting Services; 541612 Human Resources Consulting Services; 611340 professional and management development training	\$450,000.00	1%	3	8	38%
Data/GIS/Modeling	541370 Geographic information system (GIS) base mapping services	\$6,399,000.00	11%	4	15	27%
Freeway Management	488410 Motor Vehicle Towing; 922120 Law Enforcement	\$24,600,000.00	44%	1	21	5%

Planning	561320; 237990 Other Heavy and Civil Engineering Construction; 334290 Traffic advisory and signaling systems manufacturing; 541310 Architectural Services; 541320 Architectural Design Services, Landscape Design; 541330 Engineering Services; 541614 Transportation management consulting services; 541620 Environmental Consulting Services; 541690 Technical Consulting, 541990 All Other Professional, Scientific, and Technical Services; 611310 Colleges, Universities, and Professional Schools	\$13,421,363.00	24%	15	38	39%
Public Outreach	511110 Newspaper Publishers; 511120 Periodical Publishers; 515112 Radio Stations; 515120 Television Broadcasting; 518210 Data Processing, Hosting, and Related Services; 519130 Internet Publishing and Broadcasting and Web Search Portals; 541430 Graphic design services; 541512 Social Media; 541613 Marketing consulting; 541820 Public relations services;	\$4,160,000.00	7%	4	22	18%

	541910 Marketing Research and Public Opinion Polling					
TDM/Transit	336991 Motorcycle, Bicycle, and Parts Manufacturing; 541350 Remote Work Consulting; 541810 Advertising Agencies; 611699 All Other Miscellaneous Schools and Instruction; 999300 Local Government	\$6,747,553.00	12%	1	6	17%
	Total:	\$55,777,916.00	-----	28	110	25%

II. The Market Areas

The overall DBE goal is determined by apportioning a percentage of the anticipated contracting opportunities to DBE firms, based on the current bidders list compiled by H-GAC transportation and procurement department. The majority of H-GAC's DBE market areas for firm availability, are located in the Houston/Harris County area followed by adjacent Waller, Montgomery, and Fort Bend counties. The DBE firms available in the H-GAC market areas are obtained from the H-GAC Transportation bidders list and confirmed through the Texas Unified Certification Program (TUCP) database. Firms certified as DBE in the TUCP database are presumed to be ready, willing, and able to participate in the DOT assisted contracts within their declared areas of specialty. H-GAC also ensures that all DBEs are vetted to do business with H-GAC transportation and has their DBE certification and other necessary documents on file. The H-GAC transportation bidders list records information such as firm name, firm address and other contact information, firms DBE status, the age of the DBE firm, the annual gross bracket, the NAICS code, and the market area.



III. Base Figure:

Methodology

H-GAC followed the methodology for calculating the overall DBE Goal described in the federal DBE regulations (49 CFR § 26.45). The regulations outline several approaches for determining the overall DBE goal and the recipient is given relatively wide latitude in selecting the method that works for their jurisdiction. The DOT guidance reiterates the options described in the federal DBE regulations but also includes examples of calculations that support the analyses. The 49 CFR § 26.45 outlines a two-step process for setting the overall DBE goal. Step One is to determine a base figure for the relative availability of DBEs, while Step Two involves adjusting the base figure to improve its precision when this is feasible. H-GAC's methodology for determining its overall DBE goal is outlined below.

STEP 1: Determine a Base Figure

One of the approaches stated in the 49 CFR § 26.45 (c) is the use of a bidders list to determine the DBE base figure. This approach determines the number of DBEs that have bid or quoted (successful and unsuccessful) on the DOT-assisted prime contracts or subcontracts in the past three years. Also required is the determination of the number of all businesses that have bid or quoted (successful and unsuccessful) on the DOT-assisted prime contracts or subcontracts in the same time period. Once the DBEs and all businesses totals are determined H-GAC will divide the number of DBE bidders and quoters by the number of all businesses to derive a base figure for DBEs in the market area.

H-GAC Transportation and Procurement retain and update a transportation bidders list which records bidder's business name, address, DBE status, age of the firm, and the annual gross receipts bracket. H-GAC uses the Texas Unified Certification Program (TUCP) DBE Directory (<https://txdot.txdotcms.com/FrontEnd/SearchCertifiedDirectory.asp?XID=490&TN=txdot>) to confirm each of the firms on the bidders list that are referenced as DBE consultants.

To calculate the base figure, the number of DBE firms listed as available to work on these contracts for professional services (28) was divided by the total number of firms that perform those professional services (110), producing a base figure of 25%.

$$\text{Base Figure} = \frac{\text{Ready, Willing, and Able DBEs}}{\text{All Ready, Willing, and Able Firms}}$$

The Application:

=28/110

=**25% overall goal**

STEP 1: Base Figure Weighted

The base figure is weighted to provide a more narrowly tailored model of availability and to proportion dollars spent within each industry. This results in a percentage that is more heavily influenced by availability in industries where more dollars are spent.

NAICS Code	Category	# DBE Firms	# All Firms	Firms Ratio	Potential Budget Amount	Weighted %	Weighted % Goal
541511 Custom Computer Programming Services; 541611 Administrative Management and General Management Consulting Services; 541612 Human Resources Consulting Services; 611340 professional and management development training	Administration	3	8	38%	\$450,000.00	1%	.38%
541370 Geographic information system (GIS) base mapping services 541511 Computer Programming 5111210 Software Publisher	Data/GIS/Modeling	4	15	27%	\$6,399,000.00	11%	2.97%
488410 Motor Vehicle Towing; 922120 Law Enforcement	Freeway Management	1	21	5%	\$24,600,000.00	44%	2.2%
561320; 237990 Other Heavy and Civil Engineering Construction; 334290 Traffic advisory and signaling systems manufacturing; 541310 Architectural Services; 541320 Architectural Design Services, Landscape Design; 541330 Engineering Services;	Planning	15	38	39%	\$13,421,363.00	24%	9.36%

541614 Transportation management consulting services; 541620 Environmental Consulting Services; 541690 Technical Consulting, 541990 All Other Professional, Scientific, and Technical Services; 611310 Colleges, Universities, and Professional Schools							
511110 Newspaper Publishers; 511120 Periodical Publishers; 515112 Radio Stations; 515120 Television Broadcasting; 518210 Data Processing, Hosting, and Related Services; 519130 Internet Publishing and Broadcasting and Web Search Portals; 541430 Graphic design services; 541512 Social Media; 541613 Marketing consulting; 541820 Public relations services; 541910 Marketing Research and Public Opinion Polling	Public Outreach	4	22	18%	\$4,160,000.00	7%	1.26%
336991 Motorcycle, Bicycle, and Parts Manufacturing; 541350 Remote Work Consulting; 541810 Advertising Agencies; 611699 All Other Miscellaneous Schools and Instruction; 999300 Local Government	TDM/Transit	1	6	17%	\$6,747,553.00	12%	2.04%
Weighted Total Based on Contract Award:							18.21%

IV. Identify Sources

Source 1: Houston-Galveston Area Council Bidders List

Company	Company Address	First Name	Last Name	E-mail Address	Business Phone	Job Title	DBE	NAICS	ZIP CODE	Market Area	Actual Location	Age of Firm (years)	Revenue
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Source 2:

The screenshot shows the Texas Department of Transportation website. The header includes the TxDOT logo and the tagline "Connecting You With Texas Shopping". Navigation links include "A - Z Site Index", "Contact Us", and "Español". A search bar labeled "Search TxDOT" is present. Below the header, there are links for "Driver", "Government", "Business", "Inside TxDOT", and "Careers". A secondary navigation bar includes "Inside TxDOT" and links for "Get Involved", "Media Center", "Projects", "Forms & Publications", "Administration", "Districts", and "Divisions". The main content area shows a "Divisions" dropdown menu with "Texas Unified Certification Program" selected.

Texas Unified Certification Program (TUCP) DBE/ACDBE and TxDOT SBE Directory

By entering search criteria and clicking Search. You must select at least one certification type. You can also search by a variety of other fields which are listed below.

When search results are displayed. To download the full Certification Directory do not enter search criteria, scroll to the bottom of the page and click the "Download Entire Directory" link.

Link: <https://txdot.txdotcms.com/FrontEnd/SearchCertifiedDirectory.asp?XID=1944&TN=txdot>

Source 3: 49 CFR § 26.11 Record Information (for bidders list)

V. Determine Goal Adjustment

Step two of the goal setting calculation process is intended to adjust the step one base figure to make it as precise as possible. Guidance from the DOT presents several options for performing this action when relevant and reliable data is available. The goal setting process considered two of these options, (1) available disparity studies, and (2) participation by DBE firms in recent years.

(1) Harris County Disparity Study-2020

Harris County conducted a disparity study of its County-funded contracts, looking at the County's utilization of Minority-and Women-Owned Business Enterprises (M/WBEs). This study was not used to adjust the H-GAC Transportation step one base figure for various reasons. First, the study did not assess the availability of DBE businesses described by the same NAICS codes as H-GAC in its bidders list and analysis in full. The range of contract opportunities available for DBE participation for Harris County differ vastly in types of contract opportunities from H-GAC Transportation. Furthermore, data used in the study was collected in the years between 2016 and 2019 which could be considered outdated for the task at hand. Therefore, it has been determined that the Harris County Disparity Study will not be used to adjust the base figure provided by step one.

(2) Past DBE Participation-H-GAC

Since, H-GAC records suggest levels of past participation to be very similar to the current step one base figure calculated, it has been determined that it is not necessary to make any adjustments for past participation. Our past triennial goal was at 24% and the current is 25% which is not such a large a difference that it should be considered for an adjustment calculation.

VI. Race-Neutral/Race-Conscious Participation

Federal regulations direct that recipients must meet the maximum feasible portion of their overall goal by using race neutral means (49 CFR Part 26.51). For reporting purposes, race neutral participation includes DBE participation on a prime contract obtained through customary competitive procurement procedures, or DBE participation through a subcontract on a prime contract that does not carry a race (or gender) specific DBE goal.

The DOT-assisted contract awards by the H-GAC Transportation Department have consistently been made on a race neutral basis. H-GAC consequently resolves that the proposed overall DBE goal of 25% will be achieved by race neutral means, and that no race conscious measures will be applied towards meeting the goal.

It is H-GAC's policy to require the participation of DBE firms in the awarded contracts without regard to the funding source utilized. Consequently, all contracts for services, not just those funded by the DOT, are required to meet the DBE requirements where feasible. H-GAC will continue to track and report its DBE participation to the oversight agencies as required by law.

VII. Meaningful Consultation

The Houston-Galveston Area Council Transportation Department held a DBE workshop on June 2, 2022 with two opportunities for attendance by participants. An invitation was sent to all consultants and vendors on the H-GAC bidders list and public outreach was done for the public at large. The ad was posted on the H-GAC website and distributed through email and social media such as linked in.

H-GAC
Houston-Galveston
Area Council

2022

**Disadvantaged Business Enterprise
Consultation Workshop**

Virtual | June 2, 2022 | **10 AM** or **5:30 PM**

Learn more about the FY2023-FY2025
DBE goal update and topics around
contracting opportunities.

 Click on the time that works best for you!



H-GAC
Houston-Galveston
Area Council

2022

Disadvantaged Business Enterprise Public Meeting

Virtual | June 13, 2022 | 5:30 PM - 7 PM

CLICK HERE

Provide feedback on the proposed DBE goal. Information will also be provided about contracting and procurement opportunities with H-GAC and with the City of Houston.

www.h-gac.com/disadvantaged-business-enterprises

VIII. Proof of Publication

Ad Number	Ad Type	Production Method	Production Notes
0034205942-01	Legal 10c	AdBooker	
External Ad Number	Ad Attributes	Ad Released	Pick Up
		No	
Ad Size	Color		
3 X 33 II			

PUBLIC NOTICE

Notice of Proposed Goal for the Participation of Disadvantaged Business Enterprises (DBEs) in Department of Transportation (DOT) Assisted Contracts

The Houston-Galveston Area Council (H-GAC) Transportation Department has proposed an overall goal of 25% for participation by certified Disadvantaged Business Enterprises (DBEs) in contracts with financial assistance provided by the U.S. Department of Transportation (DOT). The proposed DBE goal will be effective from October 1, 2022 through September 30, 2025. The new goal and its rationale may be inspected at H-GAC Offices, by appointment, at 3555 Timmons Lane, Suite 120, Houston, Texas 77027. The goal may also be viewed online at: <http://www.h-gac.com/disadvantaged-business-enterprises/default.aspx>. H-GAC is inviting representatives of DBE and Non-DBE firms and other interested stakeholders to meet on Monday, June 13, 2022, where they can provide feedback on the proposed goal. The meeting will be held virtually from 5:30 PM to 7 PM. Information will also be provided about contracting and procurement opportunities with H-GAC and with the City of Houston. Comments on the proposed DBE goal and the methodology used to determine it are being accepted through July 13, 2022. Your comments may be submitted online, by email to publiccomments@h-gac.com (put "DBE Comments" on subject line) or by U.S. Mail Service directed to the agencies below.

Houston-Galveston Area Council
 Transportation Department
 Attn: Disadvantaged Business Enterprise Liaison Officer (DBELO)
 P.O. Box 22777
 Houston, Texas 77227
dbelo@h-gac.com
Texas Department of Transportation
 Civil Rights Division
 125 E. 11th Street
 Austin, Texas 78701-2409

Product	Placement	Position	First Run Date	Last Run Date
HOU Chronicle	Legals	Legal Notices	Monday, June 13, 2022	Monday, June 13, 2022
HOU Online	Legals	Legal Notices	Monday, June 13, 2022	Tuesday, July 12, 2022

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The new goal and its rationale may be inspected at H-GAC Offices between 9:00 a.m. and 4:00 p.m., Monday through Friday at 3555 Timmons Lane, Suite 120, Houston, Texas 77027 by appointment. The goal may also be viewed online at: <http://www.h-gac.com/disadvantaged-business-enterprises/default.aspx>.

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Houston-Galveston Area Council
 Transportation Department
 Attn: Disadvantaged Business Enterprise Liaison Officer (DBELO)
 P.O. Box 22777
 Houston, Texas 77227
dbelo@h-gac.com

Texas Department of Transportation
 Civil Rights Division
 125 E. 11th Street
 Austin, Texas 78701-2409

Proof of Website publication

Upcoming Disadvantaged Business Enterprise Public Meeting

H-GAC hosted two virtual Disadvantaged Business Enterprise workshops on June 2, 2022 to discuss the agency's FY2023 - 2025 Disadvantaged Business Enterprise goals. Now, we invite you to attend the virtual public meeting on **Monday, June 13 from 5:30 PM to 7 PM.**

Attend the Public Meeting

Link: <https://www.h-gac.com/disadvantaged-business-enterprises>

DRAFT