

Disadvantage Business Enterprise Program Triennial Goal Update Fiscal Years 2026-2028



Houston-Galveston
Area Council

Disadvantaged Business Enterprise Program
Houston-Galveston Area Council Transportation
Triennial Goal Update, 2026-2028

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

Goal Period: October 1, 2025, through September 30, 2028

Estimated Anticipated 2026-2028 Contract Amount: \$71,963,219

Proposed DBE Goal: 26%

Introduction

Pursuant to Section 49 Code of Federal Regulations Part 26, the Houston-Galveston Area Council (H-GAC) has selected an overall goal of 26% 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, 2025, through September 30, 2028. The following is the list of U.S. DOT associated plans and projects anticipated for FY2026-FY2028 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 2026, 2027, and 2028. It identifies the new triennial DBE goal and describes the methodology used to derive it.

I. All Contract Opportunities:

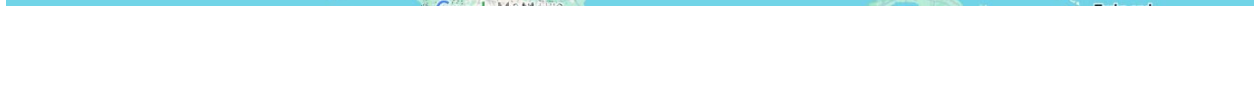
Major Projects	NAICs Description	Potential Amt. to be Spent (2026-2028)	% of Total Potential Budget	# DBE Bidders	# Bidders	% GOAL
Administration	541511 Custom Computer Programming Services; 541611 Administrative Management and General Management Consulting Services; 541612 Human Resources Consulting Services; 611340 professional and management development training; 541930 Translation and Interpretation Services	\$433,500	1%	6	17	35%
Data/GIS/Modeling	541370 Geographic information system (GIS) base mapping services	\$1,064,930	1%	2	4	50%
Freeway Management	488410 Motor Vehicle Towing; 922120 Law Enforcement	\$39,750,000	55%	1	28	4%

Planning	561320; 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	\$13,712,118	19%	22	91	24%
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; 541910 Marketing Research and Public Opinion Polling; 516210 Media Streaming Distribution	\$1,800,000	3%	18	42	43%

	Services, Social Networks, and Other Media Networks and Content Providers					
TDM/Transit	336991 Motorcycle, Bicycle, and Parts Manufacturing; 541810 Advertising Agencies; 611699 All Other Miscellaneous Schools and Instruction; 999300 Local Government	\$15,202,671	21%	2	11	18%
	Total:	\$71,963,219	-----	51	193	26%

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 (51) was divided by the total number of firms that perform those professional services (193), producing a base figure of 26%.

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

The Application:

= 51/193

=26% 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	6	17	35%	\$433,500	1%	.21%
541370 Geographic information system (GIS) base mapping services 541511 Computer Programming 5111210 Software Publisher	Data/GIS/Modeling	2	4	50%	\$1,064,930	1%	.74%
488410 Motor Vehicle Towing; 922120 Law Enforcement	Freeway Management	1	28	4%	\$39,750,000	55%	1.97%
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	22	91	24%	\$13,712,118	19%	4.61%

[illegible]

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:

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

y 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.

ir 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 Ent

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) City of Houston Disparity Study 2023

The City of Houston, Texas, enlisted the services of MGT of America Consulting Group (MGT) to conduct its 2023 Disparity Study. The purpose was to assess whether there are any disparities in the utilization of minority- and women-owned business enterprises (MWBs) compared to their availability in the marketplace. Additionally, the Study examined disparities in U.S. Department of Transportation Disadvantaged Business Enterprise (DBE) and Federal Aviation Authority (FAA) Airport Concessions Disadvantaged Business Enterprises Programs. This study was not used to adjust the H-GAC Transportation step one base figure for various reasons.

They include Austin County in the Relevant Geographic Market Area in addition to our eight counties. "City procurements occur in 243 NAICS industry groups. In Construction, City procurements occur in 74 NAICS industry groups. In Professional Services, City procurements occur in 82 NAICS industry groups. Within Other Services, City procurements occur in 105 NAICS industry groups. In Goods, City procurements occur in 137 NAICS industry groups. In Airport Concessions, City procurements occur in 59 NAICS industry groups" *-Executive Summary COH 2023* These groupings do not align with the types of procurements relevant to H-GAC's transportation and planning focus. The COH Disparity Study encompasses municipal contract types, including large-scale construction and airport concessions, which differ from the transportation-related contracts managed by H-GAC. Therefore, it has been determined that the City of Houston 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 25% and the current is 26% 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 26% 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 10, 2025, with two opportunities for attendance by participants. A virtual public meeting was held June 17, 2025, with a 30-day public comment period beginning June 17, 2025, until July 17, 2025. 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 LinkedIn.


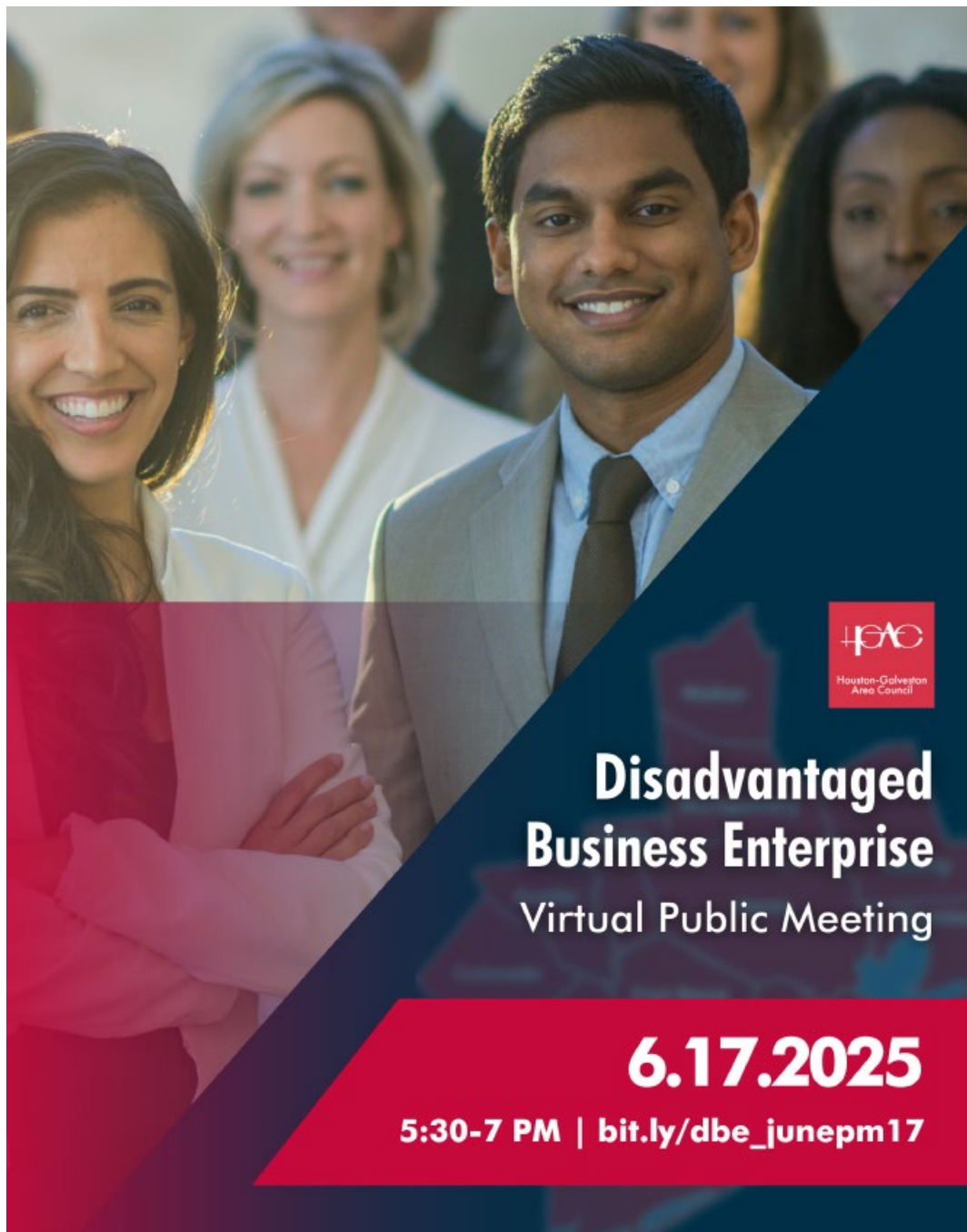


Disadvantaged Business Enterprise

Virtual Consultation
Workshops

TUESDAY, JUNE 10, 2025

10 AM MEETING: [BIT.LY/DBE_JUNEAM](https://bit.ly/DBE_JUNEAM)
5:30 PM MEETING: [BIT.LY/DBE_JUNEPM](https://bit.ly/DBE_JUNEPM)



**Disadvantaged
Business Enterprise**
Virtual Public Meeting

6.17.2025
5:30-7 PM | bit.ly/dbe_junepm17

VIII. Proof of Publication

IPLHOU0085709 HOUSTON-GALVESTON AREA COUCI

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HOUSTON CHRONICLE

AFFIDAVIT OF PUBLICATION

STATE OF TEXAS:

Before me, the undersigned authority, a Notary Public in and for the State of Texas, on this day personally appeared, a Newspaper Representative for the Hearst Newspapers, LLC – dba HOUSTON CHRONICLE, a newspaper published in Harris County, Texas, and generally circulated in the Counties of HARRIS, TRINITY, WALKER, GRIMES, POLK, SAN JACINTO, WASHINGTON, MONTGOMERY, LIBERTY, AUSTIN, WALLER, CHAMBERS, COLORADO, BRAZORIA, FORT BEND, GALVESTON, WHARTON, JACKSON, and MATAGORDIA and that the publication, of which the annexed herein, or attached to, is a true and correct copy, was published to wit.

HOUSTON-GALVESTON AREA COUCISIZE BEING : 3.18" x 2.69"

06/02/2025 Houston Chronicle

May 29, 2025 Houston-Galveston Area Council

PUBLIC NOTICE

Notice of Proposed Disadvantaged Business Enterprises Goal for U.S. Department of Transportation-Assisted Contracts

The Houston-Galveston Area Council (H-GAC) invites representatives of Disadvantage Business Enterprise (DBE) and non-DBE firms, and other interested stakeholders, to a virtual public meeting from 5:30 to 7 p.m., Tuesday, June 17, 2025, to provide input on the proposed Disadvantaged Business Enterprise triennial goal, years 2026-2028. The proposed goal and methodology are available for public inspection by appointment between 9 a.m. and 4 p.m., Monday through Friday at:

Houston-Galveston Area Council
3555 Timmons Lane, Suite 120
Houston, Texas 77027

The goal and supporting materials can also be viewed online at: www.h-gac.com/disadvantaged-business-enterprises.

Comments on the proposed DBE goal and the methodology will be accepted through Thursday, July 17, 2025. Your comments may be submitted in one of two ways:

1. Email: DBEPublicComments@h-gac.com (include "DBE Comments" in the subject line)
2. Postal mail:

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

You may also send a copy of your comments to:

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

IPLHOU0085709

Proof of Website publication

Disadvantaged Business Enterprise (DBE) Public Meetings

Disadvantaged Business Enterprise Consultation Workshops

H-GAC will be hosting two virtual Disadvantaged Business Enterprise workshops on June 10, 2025, to discuss the agency's FY 2026 - 2028 Disadvantaged Business Enterprise goals. The meetings will be held virtually from 10:00 to 11:30 AM and 5:30 to 7:00 PM. We invite you to attend the workshop online to join the discussion on our upcoming goal and provide your comments on our previous goal.

[Join 10:00 AM Virtual Event](#)

[Join 5:30 PM Virtual Event](#)

Disadvantaged Business Enterprise FY 2026-FY 2028 Triennial Goal Public Meeting

H-GAC is inviting representatives of DBE and Non-DBE firms and other interested stakeholders to meet on Tuesday, June 17, 2025, where they can provide feedback on the proposed goal. The meeting will be held virtually from 5:30 PM to 7:00 PM. Information will also be provided about contracting and procurement opportunities with H-GAC Transportation Department.

[Join Virtual Event](#)

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