



# Updated OBO Policies and Procedures

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January 19, 2022



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# Authority for Policies and Procedures

- City Ordinance requires that OBO establish procedures for the implementation of Chapter 15, Article V: *Minority, Women and Small Business Enterprises*.
- Previous procedures in effect until September 2021:
  - MWBE/DBE Certification Procedures (1994)
  - MWBE Procedures (1995)
  - Policies and Procedures: Part I (2015)
- In September 2021, OBO published a new Policies and Procedures manual, replacing all previously published versions.
- These September 2021 Policies and Procedures were **approved by the City Attorney and Mayor**.

# Objective of Updates



- Comprehensive Policies and Procedures addressing OBO-administered programs and functions.
- Provide transparency and clarity regarding OBO's programs and processes.
- Updates reflect current business landscape.



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# MWSBE Certification & Hire Houston First Designation

- Details certification eligibility requirements, appeal process and graduation.
- Details the HHF local preference procurement program's eligibility review process.
- Reflects 3-year renewal process for the MWSBE Program.
- Reflects new online application process for programs.

# MWBE Goal Setting & Pre-Award Compliance

This section details:

- Contracts which require MWBE goals, unless waived.
- How to set MWBE goals on individual contracts.
- MWBE Goal Waivers.
- Contracting Department's responsibilities regarding goal setting and compliance.
- Assessing Good Faith Efforts prior to Council award.
  - Describes process for compliance review of submitted MWSBE plans.

# Contract Compliance



## MWSBE Program

- Allows MWBE Primes to meet advertised goals by self-performing up to 50% of the total contract goal.
  - This new policy serves to assist MWBE Primes to build their capacity by retaining more dollars on each contract, while not losing focus on ensuring MWBE subcontractor participation on City contracts.
- Discusses impact of the change in certification status during contract.
- For resolution of disputes between MWSBE subcontractors and Primes, replaced arbitration with mediation services.
  - OBO has invested in training mediators outside the CC Division.

# Counting MWSBE Credit

## Subcontractor

- Perform specific work items with own forces or actively supervising on-site the execution of the tasks by another entity for whose work the MWSBE is responsible.
- Be certified in the specific designations related to the contract and provide the services in the appropriate NAICS code.

## Supplier

- 1.Negotiate price;
- 2.Determine quality and quantity;
- 3.Order the materials;
- 4.Show that the invoice is in the certified firm's name;
- 5.Pay for the material itself;
- 6.Control delivery; and
- 7.Be certified to provide the supplies in the appropriate NAICS code



# Counting MWSBE Credit

## Trucker

- MWSBE trucker uses trucks it owns, insures, and operates using drivers it employs.
- MWSBE may lease trucks from another MWSBE firm, including an owner-operator who is certified as a MWSBE. The MWSBE who leases trucks from another MWSBE receives credit for the total value of the transportation services the lessee MWSBE provides on the project.
- MWSBE may also lease trucks from a non-MWSBE firm, including from an owner-operator. The MWSBE that leases trucks equipped with drivers from a non-MWSBE is entitled to credit for the total value of transportation services provided by non-MWSBE leased trucks equipped with drivers not to exceed the value of transportation services on the project provided by MWSBE-owned trucks or leased trucks with MWSBE employee drivers. Additional participation by non-MWSBE owned trucks equipped with drivers receives credit only for the fee or commission it receives as a result of the lease arrangement.
- The MWSBE may lease trucks without drivers from a non-MWSBE truck leasing company. If the MWSBE leases trucks from a non-MWSBE truck leasing company and uses its own employees as drivers, it is entitled to credit for the total value of these hauling services.

## Broker

- Only the entire amount of fees or commissions charged for assistance in the procurement of the supplies and materials, or fees or transportation charges for the delivery of supplies or materials required on a job site will be counted towards the MWSBE goal.
- To be counted, proof must be provided of the fees paid and the fees must be reasonable and not excessive as compared with fees customarily allowed for similar services.
- Do not count any portion of the cost of the materials and supplies themselves toward MWSBE goals.



# Contract Compliance



## ➤ Labor Standards

- Details authority for prevailing wage, certified payroll and EEO compliance requirements.
- Includes discussion of final labor standards ratings on contracts.

## ➤ Refers to Standard Operating Procedures on file with OBO for more granular processes.

- OBO has invested in training mediators outside the CC Division.



# Thank You & Questions

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