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# Setting MWSBE Goals by Leveraging the Certified Firm Directory

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# Overview of Presentation



- I. City's MWSBE Policy & Covered Groups**
- II. Goal Oriented and Regulated Contracts**
- III. Department Responsibilities**
- IV. Updated Forms: Waivers and Goal Revisions**
- V. Setting Contract Specific Goals**
- VI. Using the City Directory & U.S. Census to Set Goals**



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# The City of Houston's MWBE Policy



# City's MWSBE Policy



- **The City's MWBE Program was established in 1984 to remediate discrimination in the City's procurement process.**
- **Chapter 15 of the Code of Ordinances -**  
*It is the policy of the City to stimulate the growth of local minority, women and small business enterprises by encouraging the full participation of these business enterprises in various phases of city contracting.*
- Mayor Parker has charged OBO with **reviewing and approving all contract goals** prior to bid advertisement that are lower than the default Citywide goals.



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# Covered Groups



# Groups Covered by the City's Diversity Program



## OBO Certifies:

- **Minority Business Enterprise (MBE)** – certification applies to firms owned and operated by minority entrepreneurs.
- **Women Business Enterprise (WBE)** – certification applies to firms owned and operated by female entrepreneurs.
- **Small Business Enterprise (SBE)** – certification is race and gender neutral.
  - *Applies to construction only.*

# Certification Types (continued)



- **Persons with Disabilities Business Enterprise (PDBE)** – certification applies to firms owned and operated by disabled veterans or individuals with a medically determined physical or mental impairment that is chronic or permanent in nature.
- **Disadvantaged Business Enterprise (DBE)** – certification is a federal certification and applies to firms owned and operated by socially and economically disadvantaged individuals.
  - *Federal certification; DBE goals only apply to U.S. Department of Transportation contracts that receive Federal financial assistance.*



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# MWBE Goal Oriented and Regulated Contracts



# Which Contracts Require Goals under Chapter 15?

## Goal-Oriented Contracts

- Any contract, agreement or other undertaking anticipated for construction work in excess of \$1,000,000 ; **or**
- The supply of goods or non-personal or non-professional services in excess of \$100,000; **and**
- For which Competitive bids are required by law
- Not within the scope of the DBE programs of the U.S. EPA or U.S. DOT

## Regulated Contracts (Professional Services)

- Any contract that meets the following requirements:
  - Competitive bids are not required by law **and**
  - Contracts not covered by the MWBE programs of the U.S. EPA or the U.S. DOT

# Citywide Aspirational Goals & Default Contract Goals



- **Construction contracts** – related to construction projects. Citywide MWBE goal = 34%
- **Professional Services contracts**– require a professional license (e.g. Architect, Engineer, Attorney, Accountant, etc.). Citywide MWBE goal = 24%
- **Purchasing contracts**– provide the supply of goods and non-professional services. Citywide MWBE goal = 11%

# Annual Citywide Goals



Progress made towards meeting annual citywide goal is measured by counting the participation of minorities, women and small business enterprises (Construction) on prime contracts, subcontracts, and joint ventures.





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# Departments' Roles



# Chapter 15: Contracting Department Responsibilities



- Engage in educating certified firms on procurement procedures.
- Send bid solicitations and RFPs to MWSBEs in a timely manner.
- Refer certified and presumed MWSBEs to OBO for certification and technical assistance services.
- Directors review requests for waivers or modification of citywide goals on solicitations prior to advertisement to OBO for approval.
- Monitor departmental procurement activities to ensure compliance with progress towards the citywide participation goal.
- Departments with procurement budgets over \$3 million shall submit annual procurement forecasts and utilization plans to OBO.

# OBO Department Services Unit



Ensures meaningful MWSBE participation in the City's procurement process **prior to award** on all goal-oriented & regulated contracts.

## **Unit works with contracting departments to:**

- Evaluate all City department goal waiver requests.
- Review MWBE participation plans and Good Faith Efforts pre-bid and post-bid.
- Assist departments with setting contract specific goals.
- Facilitates departmental trainings to address common compliance issues and best practices.



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# Waivers and Goal Revisions



# Waivers and Goal Revisions



- Department Directors must review each waiver request **prior to submission** to OBO for approval.
- **Waivers** are generally granted when there are limited MWSBEs available in the market (*3 or fewer*) to perform the scope of work identified for the contract or the contract does not lend itself to divisibility
- **Goal Revisions:** changes to the goal, by the Department, after advertisement but before vendor selection or contract award.
- A *Goal Modification Request* Form should be submitted to OBO with required info completed:  
[http://citypointe/FASvcs\\_DEPT/DEPT/obo/Pages/DepartmentServicesArea.aspx](http://citypointe/FASvcs_DEPT/DEPT/obo/Pages/DepartmentServicesArea.aspx)

# When Goals are not Required



- A public or administrative emergency exists which requires the goods or services to be provided with unusual immediacy
- Services or goods requested are of such a specialized, technical or unique as to require the city department to be able to select its contractor without application of MWSBE provisions
- Applying MWSBE goals would impose an unwarranted economic burden or risk on the city or unduly delay acquisition of the goods or services, or would otherwise not be in the best interest of the city
- MWSBE participation based on known availability would produce negligible participation

**Prior to award of contract, unless an emergent condition exists, Department Directors must specify in writing the reasons for the above determination and submit to OBO for review and approval.**

# Contract Goal Modifications



- Departments must provide detailed reason for requesting waiver, goal revision or goal reduction
- Request must be submitted prior to advertisement unless goal revision.
- Goals cannot be waived or reduced after a contract has been awarded
- **Good Faith Efforts** prior to contract award must be submitted by the Prime contractor only



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## Updated Forms

- *Goal Modification Request Form*
- *Contract-Specific Goal Request Form*
- *Contract-Specific Goal Setting Instructions*

# Goal Modification Request Form



## Goal Modification Request Form

1. Date: \_\_\_\_\_ 2. Requesting Department: \_\_\_\_\_ 3. Solicitation Number: \_\_\_\_\_  
 4. Solicitation Name: \_\_\_\_\_ 5. Estimated Dollar Amount: \$ \_\_\_\_\_  
 6. Description of Solicitation (Attach Specifications/Supporting Documents): \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**PLEASE INDICATE WHETHER A PREVIOUS CONTRACT EXISTED FOR THIS SOLICITATION.**

A. Previous Contract (if any): Yes  No  B. Previous Contract #: \_\_\_\_\_ C. Goal on Last Contract: \_\_\_\_\_  
 D. Was Goal Met? Yes  No  E. If goal was not met, what percentage did the vendor achieve? \_\_\_\_\_  
 F. Why wasn't goal achieved: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**SELECT ONE TYPE OF GOAL MODIFICATION REQUEST FROM THE FOUR OPTIONS BELOW.**

**1. WAIVER**

A. I am requesting a waiver of the MWBE Goal: Yes  No   
 B. Reason for waiver: (Check One)  
 A public or administrative emergency exists which requires the goods or services to be provided with unusual immediacy  
 If goods and services are specialized, technical or unique nature as to require the City department to select its contractor without application of MWSBE provisions (such as contracts for expert witnesses, certain financial advisors or technical consultants);  
 MWSBE provisions impose an unwarranted economic burden or risk on the City or unduly delay acquisition of the goods or services, or is not in the best interest of the City; or  
 Level of MWSBE availability would produce minimal MWSBE participation.  
 Other: \_\_\_\_\_  
 C. Detailed Explanation for Waiver Reason: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

**2. COOPERATIVE OR INTER-LOCAL AGREEMENT**

A. Is this a Cooperative/Inter-Local Agreement? Yes  No   
 B. If yes, please specify the name of the Agreement: \_\_\_\_\_  
 C. Did the Department explore opportunities for using certified firms? Yes  No   
 D. Please explain how the Department explored opportunities for using certified firms: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_  
 E. Please explain why the Department did not explore opportunities for using certified firms: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_



## Goal Modification Request Form

**3. REDUCED GOAL** (To be completed by the department prior to advertisement)  
 A. I am requesting a MWBE contract-specific goal below the following citywide goals:  
 Construction (34%); Professional Services (24%); Purchasing (11%)  
 Yes  No  If yes, complete a Contract-Specific Goal Request Form and submit with this form.

**4. GOAL REVISION AFTER ADVERTISEMENT**

A. I am requesting a revision of the MWBE Goal that has already been advertised: Yes  No   
 B. Original Goal: \_\_\_\_\_ C. New Proposed Goal: \_\_\_\_\_ D. Advertisement Date: \_\_\_\_\_  
 E. Will Project be Re-Advertised: Yes  No  F. Estimated Dollar Amount: \$ \_\_\_\_\_  
 G. Detailed reason for request: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

Concurrence:

Requesting Department Initiator \_\_\_\_\_ Date \_\_\_\_\_ Department Director or Designee \_\_\_\_\_ Date \_\_\_\_\_

**FOR OBO OFFICE USE ONLY:**

APPROVED:			
OBO Assistant Director or Designee	Date	OBO Reason	Tracking #
DENIED:			
OBO Assistant Director or Designee	Date	OBO Reason	Tracking #



# Goal Modification Request Form



**Step 1 – Provide solicitation details and provide supporting documentation:**

- 1. Date of waiver request**
- 2. Requesting Department**
- 3. Solicitation Number**
- 4. Solicitation Name**
- 5. Estimated Dollar Amount**
- 6. Description of Solicitation**
  - ❖ **Attach Supporting Documentation**

# Goal Modification Request Form



**Step 1 (Continued) – Supporting documentation includes:**

- 1. Sole Source Letter**
- 2. Specifications**
  - **Scope of Work**
  - **Scope of Services**
- 3. Vendor Quotation**
- 4. Previous Outline Agreement Number**
  - ❖ **If no previous OA, submit documentation to support reason for request**

# Goal Modification Request Form



## Step 1: Provide solicitation details and supporting documentation.



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### Goal Modification Request Form

1. Date: \_\_\_\_\_ 2. Requesting Department: \_\_\_\_\_ 3. Solicitation Number: \_\_\_\_\_

4. Solicitation Name: \_\_\_\_\_ 5. Estimated Dollar Amount: \$ \_\_\_\_\_

6. Description of Solicitation (*Attach Specifications/Supporting Documents*): \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

---

**PLEASE INDICATE WHETHER A PREVIOUS CONTRACT EXISTED FOR THIS SOLICITATION.**

---

A. Previous Contract (if any): Yes  No  B. Previous Contract #: \_\_\_\_\_ C. Goal on Last Contract: \_\_\_\_\_

D. Was Goal Met? Yes  No  E. If goal was not met, what percentage did the vendor achieve? \_\_\_\_\_

F. Why wasn't goal achieved: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Goal Modification Request Form



**Step 2: Select one type of goal modification request from the four options:**

- 1. Waiver**
- 2. Cooperative or Inter-Local Agreement**
- 3. Reduced Goal**
- 4. Goal Revision after Advertisement**

# Goal Modification Request Form



## Step 2: Option # 1: Waiver

### I. WAIVER

A. I am requesting a waiver of the MWBE Goal: Yes  No

B. Reason for waiver: (Check One)

- A public or administrative emergency exists which requires the goods or services to be provided with unusual immediacy
- If goods and services are specialized, technical or unique nature as to require the City department to select its contractor without application of MWSBE provisions (such as contracts for expert witnesses, certain financial advisors or technical consultants);
- MWSBE provisions impose an unwarranted economic burden or risk on the City or unduly delay acquisition of the goods or services, or is not in the best interest of the City; or
- Level of MWSBE availability would produce minimal MWSBE participation.
- Other: \_\_\_\_\_

C. Detailed Explanation for Waiver Reason: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Goal Modification Request Form



## Step 2: Option # 2: Cooperative or Inter-Local Agreement

---

### 2. COOPERATIVE OR INTER-LOCAL AGREEMENT

A. Is this a Cooperative/Inter-Local Agreement? Yes  No

B. If yes, please specify the name of the Agreement: \_\_\_\_\_

C. Did the Department explore opportunities for using certified firms? Yes  No

D. Please explain how the Department explored opportunities for using certified firms: \_\_\_\_\_

E. Please explain why the Department did not explore opportunities for using certified firms: \_\_\_\_\_

1

# Goal Modification Request Form



## Step 2: Option # 3: Reduced Goal

### 3. REDUCED GOAL *(To be completed by the department prior to advertisement)*

A. I am requesting a MWBE contract-specific goal below the following citywide goals:

Construction (34%); Professional Services (24%); Purchasing (11%)

Yes  No  *If yes, complete a Contract-Specific Goal Request Form and submit with this form.*



# Goal Modification Request Form



## Step 2: Option # 4: Goal Revision after Advertisement

### 4. GOAL REVISION AFTER ADVERTISEMENT

A. I am requesting a revision of the MWBE Goal that has already been advertised: Yes  No

B. Original Goal: \_\_\_\_\_ C. New Proposed Goal: \_\_\_\_\_ D. Advertisement Date: \_\_\_\_\_

E. Will Project be Re-Advertised: Yes  No  F. Estimated Dollar Amount: \$ \_\_\_\_\_

G. Detailed reason for request: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

# Goal Modification Request Form



## Step 3: Sign and date form.

Concurrence:

\_\_\_\_\_

Requesting Department Initiator

\_\_\_\_\_

Date

\_\_\_\_\_

Department Director or Designee

\_\_\_\_\_

Date





# Contract Specific Goal Request Form



## **Step 1 – Provide solicitation details:**

- 1. Date of waiver request**
- 2. Requesting Department**
- 3. Solicitation Number**
- 4. Solicitation Name**
- 5. Description of Solicitation**
- 6. Contract Value**

# Contract Specific Goal Request Form



## Step 1: Provide solicitation details.



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**Contract-Specific Goal  
Request Form**

**Purchasing & Professional Services**

**STEP 1: PROVIDE SOLICITATION / PROJECT INFORMATION.**

1. Date: \_\_\_\_\_ 2. Department: \_\_\_\_\_ 3. Solicitation #: \_\_\_\_\_

4. Solicitation /Project Name: \_\_\_\_\_ 6. Contract Value: \_\_\_\_\_

5. Description of Project: \_\_\_\_\_

# Contract Specific Goal Request Form



## Step 2: Calculate Contract Specific Goal.

### STEP 2: CALCULATE CONTRACT-SPECIFIC GOAL.

*Please see Instructions for assistance with calculations.*

A	B	C	D	E	F	G	H
Work Element Description	NAICS Code	Cost for Each Work Element	% Cost of Contract	# of MWBE Firms (B2G)	# of All Firms	MWBE Availability	Goal % for Work Element
Totals		\$ -	0%				0.00%

# Contract Specific Goal Request Form



## Step 3: Provide goal calculation information.

### STEP 3: PROVIDE GOAL CALCULATION INFORMATION FOR ITEMS # 7 - 10.

7. List method used to calculate # of All Firms in Column F: \_\_\_\_\_

8. Calculated Contract-Specific Goal (Column H) 0.00%

9. If contract goal should be more or less than calculated Contract-Specific Goal, please explain further goal adjustments:

---

---

10. List Proposed Contract Goal: MWBE \_\_\_\_\_



# Contract Specific Goal Request Form



## Step 4: Sign and date form.

STEP 4: SIGN AND DATE FORM.

\_\_\_\_\_

Department Director / Designee

\_\_\_\_\_

Signature

\_\_\_\_\_

Title

\_\_\_\_\_

Date



# Instructions for Setting Contract Specific Goals



## Contract-Specific Goal Request Form Instructions

### INSTRUCTIONS FOR SETTING CONTRACT-SPECIFIC GOALS

1. Provide Solicitation/Project details for items # 1 – 6 on Contract Specific Goal Request Form.

2. Calculate Contract-Specific Goal by completing Columns A through H.

A. List all Work Elements in the Scope of Work or Scope of Services.

A
Work Element Description Transportation

B. Enter the NAICS Code that matches the identified Work Element by visiting: [http://www.fedreg.com/naics/naics\\_codes.cfm](http://www.fedreg.com/naics/naics_codes.cfm)

B
NAICS Code 484110 & 484211

C. Identify dollar value for each work element.

C
Cost for Each Work Element \$ 25,000.00

D. Calculate % Cost of Contract by dividing Cost for Each Work Element (C column) by Total Contract Value

<table border="1"><tr><th>C</th></tr><tr><td>Cost for Each Work Element \$ 25,000.00</td></tr></table> / Total Contract Value	C	Cost for Each Work Element \$ 25,000.00	=	<table border="1"><tr><th>D</th></tr><tr><td>% Cost of Contract 1.96%</td></tr></table>	D	% Cost of Contract 1.96%
C						
Cost for Each Work Element \$ 25,000.00						
D						
% Cost of Contract 1.96%						



E. Obtain # of City of Houston-Certified Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) for each Work Element by one of the ways listed below: (Note: Major Construction Related Projects can include Small Business Enterprises (SBE) and MBE and WBE Goals are listed separately.)

- City's Online Directory: <http://www.ci.houston.tx.us/procurement/procurement.asp?TheMenu=0&ID=1460>
- Department of Transportation Texas Unified Certification Program Directory (DUOP) (for DBE Goals): <http://www.tdot.texas.gov/procurement/duop.htm>

E
# of MBE Firms (SBE)
20

F. Obtain # of Total Firms for Each Work Element by using one of the following methods. (This is not an exhaustive list.)

- U.S. Census Bureau for Houston Area: <http://www.census.gov/hhes/geo/data/states.html>
  - City's Directory Study Data: <http://www.ci.houston.tx.us/procurement/procurement.asp?TheMenu=0&ID=1460>
  - Builders List: <http://www.builderslist.com>
  - Vendor's List: <http://www.vendorlist.com>
- Search in SAP System via WSP Code Search. Place WSP Code in SAP System search screen. A list of vendors that fit the category will appear as potential bidders.
- Industry data base: Hoovers, Dun & Bradstreet

F
# of All Firms 846

G. Calculate MBESE Availability by dividing # of certified firms from BDE by # of all firms.

<table border="1"><tr><th>E</th></tr><tr><td># of MBE Firms (SBE) 20</td></tr></table> / <table border="1"><tr><th>F</th></tr><tr><td># of All Firms 846</td></tr></table>	E	# of MBE Firms (SBE) 20	F	# of All Firms 846	=	<table border="1"><tr><th>G</th></tr><tr><td>MBESE Availability 2.36%</td></tr></table>	G	MBESE Availability 2.36%
E								
# of MBE Firms (SBE) 20								
F								
# of All Firms 846								
G								
MBESE Availability 2.36%								



H. Calculate Goal % for Work Element by multiplying Availability by % Cost of Contract:

<table border="1"><tr><th>G</th></tr><tr><td>MBESE Availability 2.36%</td></tr></table> X <table border="1"><tr><th>D</th></tr><tr><td>% Cost of Contract 1.96%</td></tr></table>	G	MBESE Availability 2.36%	D	% Cost of Contract 1.96%	=	<table border="1"><tr><th>H</th></tr><tr><td>Goal % for Work Element 0.46%</td></tr></table>	H	Goal % for Work Element 0.46%
G								
MBESE Availability 2.36%								
D								
% Cost of Contract 1.96%								
H								
Goal % for Work Element 0.46%								

3. Provide Goal Calculation Information for items # 7 – 10.

\* Item 8 is intended to calculate your base goal by listing each Goal % in Column H.

\* Item 9 is intended to adjust your base goal to make as precise as possible by considering incidents available in your jurisdiction to determine whether an adjustment is necessary.

4. Sign and Date Form.

5. Submit this form with a completed Goal Affidavit Request Form.

### CONTRACT-SPECIFIC GOAL EXAMPLE Painting & Professional Services

A	B	C	D	E	F	G	H
Work Element Description	NAICS Code	Cost for Each Work Element	% Cost of Contract	# of MBESE Firms (SBE)	# of All Firms	MBESE Availability	Goal % for Work Element
Transportation	484110 & 484211	\$ 25,000.00	1.96%	20	846	2.36%	0.46%
Medium Work	332710	\$ 31,000.00	0.99%	4	858	0.47%	0.47%
Electric Work	238210	\$ 100,000.00	4.72%	80	818	9.77%	0.46%
Office Supplies	424120	\$ 45,500.00	2.00%	13	70	17.14%	0.34%
Drug Testing	420999	\$ 29,500.00	0.91%	7	42	11.25%	0.10%
Air Compressors	333912	\$ 1,912,112.00	96.30%	0	50	0.00%	0.00%
<b>Total</b>		<b>\$ 3,119,912.00</b>	<b>100%</b>				<b>0.89%</b>



### CONTRACT-SPECIFIC GOAL EXAMPLE Construction

A	B	C	D	E	F	G	H
Work Element Description	NAICS Code	Dollar Cost	% Cost of Contract	MBESE Firms	Total # of All Firms	Availability	Goal % for Work Element
Industrial Building	250000	\$ 4,320,000.00	38.4%	12	2	15.00%	5.76%
Painting, Walling and Air-Conditioning	230000	\$ 70,000.00	0.71%	44	1,507	3.22%	0.23%
Electrical and Other Wiring Substation	220000	\$ 24,700.00	0.21%	45	8	4.88%	0.10%
Site Preparation	200000	\$ 3,771,000.00	33.2%	50	8	6.25%	2.08%
<b>Total</b>		<b>\$ 10,295,000.00</b>	<b>100%</b>	<b>151</b>	<b>21</b>		<b>14.93%</b>





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## Setting Contract Specific Goals\*

*\*Per Chapter 15, Departments Directors are responsible for setting goals on regulated and goal-oriented contracts, taking into consideration local availability of certified MWSBEs.*

# Setting Contract Specific Goals



- Emphasis on setting contract specific goals rather than defaulting to the citywide aspirational goals
- Contract specific goals are determined by the subcontracting work elements of each contract and the availability of certified firms.
- Where departments (PWE and GSD) have repetitive contracts types, categorical goals have been set.
- OBO has created guidance and a worksheet for contract specific goal setting – on Citypointe:  
[http://citypointe/FASvcs\\_DEPT/DEPT/obo/Pages/DepartmentServicesArea.aspx](http://citypointe/FASvcs_DEPT/DEPT/obo/Pages/DepartmentServicesArea.aspx)

# Goal Modification Request Form



## Goal Modification Request Form

1. Date: \_\_\_\_\_ 2. Requesting Department: \_\_\_\_\_ 3. Solicitation Number: \_\_\_\_\_  
 4. Solicitation Name: \_\_\_\_\_ 5. Estimated Dollar Amount: \$ \_\_\_\_\_  
 6. Description of Solicitation (Attach Specifications/Supporting Documents): \_\_\_\_\_

**PLEASE INDICATE WHETHER A PREVIOUS CONTRACT EXISTED FOR THIS SOLICITATION.**

A. Previous Contract (if any): Yes  No  B. Previous Contract #: \_\_\_\_\_ C. Goal on Last Contract: \_\_\_\_\_  
 Was Goal Met? Yes  No  E. If goal was not met, what percentage did the vendor achieve? \_\_\_\_\_  
 Why wasn't goal achieved: \_\_\_\_\_

**SELECT ONE TYPE OF GOAL MODIFICATION REQUEST FROM THE FOUR OPTIONS BELOW.**

**1. WAIVER**

A. I am requesting a waiver of the MWBE Goal: Yes  No   
 B. Reason for waiver: (Check One)  
 A public or administrative emergency exists which requires the goods or services to be provided with unusual immediacy  
 If goods and services are specialized, technical or unique nature as to require the City department to select its contractor without application of MWSBE provisions (such as contracts for expert witnesses, certain financial advisors or technical consultants);  
 MWSBE provisions impose an unwarranted economic burden or risk on the City or unduly delay acquisition of the goods or services, or is not in the best interest of the City; or  
 Level of MWSBE availability would produce minimal MWSBE participation.  
 Other: \_\_\_\_\_  
 C. Detailed Explanation for Waiver Reason: \_\_\_\_\_

**2. COOPERATIVE OR INTER-LOCAL AGREEMENT**

A. Is this a Cooperative/Inter-Local Agreement? Yes  No   
 B. If yes, please specify the name of the Agreement: \_\_\_\_\_  
 C. Did the Department explore opportunities for using certified firms? Yes  No   
 D. Please explain how the Department explored opportunities for using certified firms: \_\_\_\_\_  
 E. Please explain why the Department did not explore opportunities for using certified firms: \_\_\_\_\_



## Goal Modification Request Form

3. **REDUCED GOAL** (To be completed by the department prior to advertisement)  
 A. I am requesting a MWBE contract-specific goal below the following citywide goals:  
 Construction (34%); Professional Services (24%); Purchasing (11%)  
 Yes  No  If yes, complete a Contract-Specific Goal Request Form and submit with this form.

**4. GOAL REVISION AFTER ADVERTISEMENT**

A. I am requesting a revision of the MWBE Goal that has already been advertised: Yes  No   
 B. Original Goal: \_\_\_\_\_ C. New Proposed Goal: \_\_\_\_\_ D. Advertisement Date: \_\_\_\_\_  
 E. Will Project be Re-Advertised: Yes  No  F. Estimated Dollar Amount: \$ \_\_\_\_\_  
 G. Detailed reason for request: \_\_\_\_\_

Concurrence:

Requesting Department Initiator \_\_\_\_\_ Date \_\_\_\_\_ Department Director or Designee \_\_\_\_\_ Date \_\_\_\_\_

**FOR OBO OFFICE USE ONLY:**

APPROVED:			
OBO Assistant Director or Designee	Date	OBO Reason	Tracking #
DENIED:			
OBO Assistant Director or Designee	Date	OBO Reason	Tracking #

Step 1

Step 2

Step 3

Step 4







# Methodology for Setting Contract Specific Goals



## Step I:

- Determine if the contract has divisibility
- Determine each major work element
- Identify the NAICS (*North American Industry Classification System*) code for each major work element
- Various approaches to determining work elements:
  - Construction Contracts: Engineers Cost Estimate – use each bid item as defining work elements.
  - Professional Services – Scope of Services – use discrete deliverables to determine work elements.
  - Purchasing- Scope of Work-identify divisible work elements

# Methodology for Setting Contract Specific Goals



- **Step II:**
- Determine the percentage each work element represents of total contract value **or** the total anticipated dollar amount for each work element (excl. contingency):
  - Construction Contracts: Engineers Cost Estimate should already include the dollar value of each item, including materials and labor
  - Professional Services – Scope of Services – determine the percentage of scope.

# Methodology for Setting Contract Specific Goals



## Sample Scope of Work: Construction Project

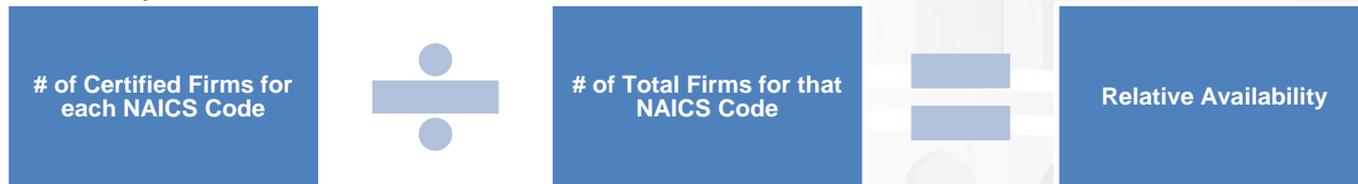
Work Element	NAICS Code	Dollar Cost	Percentage Costs
1	237110	\$500,000	50.00%
2	238910	\$40,000	4.00%
3	484220	\$40,000	4.00%
4	238120	\$250,000	25.00%
5	237990	\$145,000	14.50%
6	541380	\$25,000	2.50%
Total	--	\$1,000,000	100%



# Methodology for Setting Contract Specific Goals

## Step III:

- Determine the certified firm **availability** for each NAICS-work element.
  - *City Contracts*: Search City's Online Directory
  - *Federally Funded Contracts*: Search TUCP – Texas Unified Certification Program.
- Divide *Number Of Certified Firms (City Directory/TUCP)* by *Number of Total Firms (U.S. Census; City's Disparity Study, Bidder's List, etc.)*

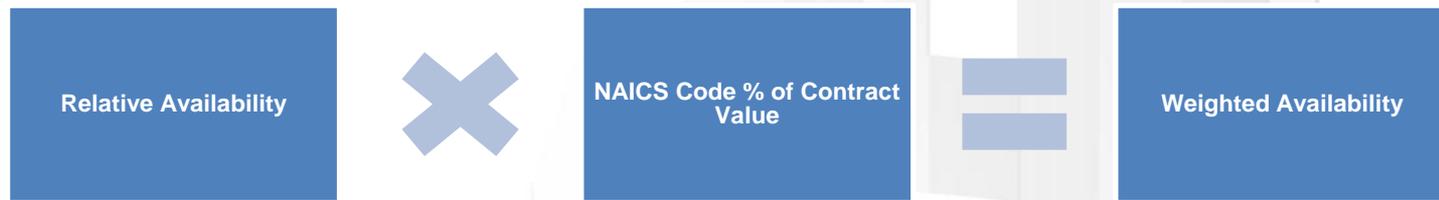


# Methodology for Setting Contract Specific Goals



## Step IV: Weighted Availability

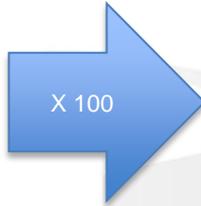
- Multiply the Relative Availability by the percentage/dollar value for each work element
- Add all weighted availability numbers to arrive at the **contract specific goal**.



# Methodology for Setting Contract Specific Goals

## Sample Goal Calculation

Work Element	NAICS Code	Dollar Cost	Percentage Costs	Availability/ Utilization	Goal % for each work element
1	237110	\$500,000	50.00%	25%	12.5%
2	238910	\$40,000	4.00%	40%	1.6%
3	484220	\$40,000	4.00%	30%	1.2%
4	238120	\$250,000	25.00%	35%	8.75%
5	237990	\$145,000	14.50%	25%	3.63%
6	541380	\$25,000	2.50%	45%	1.13%
Total	--	\$1,000,000	100%	---	28.81%



**Goal Adjustment:** Steps I thru IV yield the Initial goal of 28.81%. The final step requires refinement based on knowledge of projects and historical participation, subcontracting opportunities, and current market area. **Any refinement should be documented.** In the event goal cannot be met, good faith efforts should be documented by prime contractor.



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# How to Search the City's Certified Firm Directory



# How Are Firms Certified



- Firms in the City directory are certified in the areas in which they have the capabilities; not just based on what they say they do
- Firms may be certified in multiple areas
- Firms may possess more than one NAICS code
- NAICS codes serve as an umbrella/overview for capability listing

# Accessing the Directory



To access the MWSBE/PDBE and DBE Directory, go to the Office of Business Opportunity homepage

<https://houston.mwdbe.com/Default.asp?>

# Directory Homepage



Click on MWSBE/PDBE and DBE Directory

The screenshot shows a web browser window displaying the Office of Business Opportunity System homepage. The browser address bar shows the URL: <https://houston.mwdb.com/Default.asp?>. The page has a navigation menu with links for Home, I Want To..., Government, Residents, Business, Departments, Visitors, and En Espanol. The main content area is titled "Office of Business Opportunity System" and includes a breadcrumb trail: [www.houstontx.gov](http://www.houstontx.gov) > Office of Business Opportunity > Office of Business Opportunity System.

On the left side, there is a sidebar titled "OBO Links" with a list of links including: About the Director, Advisory Board, Bus. Development for Certified Firms, Outreach Events and Workshops, Certification (Overview, Applications and Forms, Certification Benefits, Certified Firm Directory, Certification FAQs (pdf), Certification Process, DBE Certification), Contract Compliance, Current Contracting Opportunities, OBO Documents and Forms, Hire Houston First, Houston Business Solutions Center, Pay or Play, OBO Reports, Newsletter, and Related Links.

In the center, there is a "System Access Login" section with fields for Username and Password, a Login button, and links for Forgot Password, Account Lookup, and Help/First Time Visitors.

On the right side, there is a list of links: MWSBE/PDBE and DBE Directory, Apply for Certification, Apply for Hire Houston First, Contracts Database, Contact Us & Support, Information for City staff, and Information For Vendors. A red arrow points to the "MWSBE/PDBE and DBE Directory" link, with the text "Click here!" next to it.

At the bottom of the page, there is a paragraph of text: "The Office of Business Opportunity, in conjunction with the Finance and Administration and Information Technol departments, maintains the **Office of Business Opportunity System**. The web-based software system is acc all City departments, MWSBE/PDBE and DBEs, contractors and the public; and includes the following key featur". Below this text is a list of key features: Enhanced online MWSBE/PDBE and DBE Directory, with key-word search capabilities; Communication with contractors via email and fax, regarding compliance issues; Submission of contractors' monthly utilization reports online, and automated tracking of MWSBE/PDBE and goals; Automatic MWSBE/PDBE and DBE verification of payment notices; Tracking of MWSBE/PDBE and DBE certification applications from submission to completion; and Flexible reporting capabilities.

# Certified Firm Directory



Search the City of Houston's MWSBE/PDBE and DBE Directory by entering search terms and clicking Search. You must select at least one certification type.

This online directory lists firms certified by the City of Houston. Firms that appear in the City of Houston Directory are currently certified and approved to be utilized toward meeting established contract goals in their displayed certification type(s) (i.e. MBE, WBE, SBE, PDBE, DBE and/or ACDBE). Firms that do not appear in the City of Houston Directory as of the date of your search are not certified with the City of Houston.

For DBE firms, an agreement mandated by Federal DOT establishes a central directory (UCP) located on the State of Texas website. The combined TUCP directory contains DBE firms certified by all TUCP partner agencies, including the City of Houston. Please use this directory when searching for DBE certified firms.

DBA

Search by Business Name or DBA  
Business Name/DBA   
Tip: Try just a few letters of the firm's name.

Description

Search by Business Description  
Business Description

Code

Search by Commodity Code  
Commodity Code  [Click to Lookup Commodity Code](#)  
(popup window will appear to browse and search available Commodity Codes)

Owner

Search by Contact Person  
Contact Person/Owner  
First name  Last name   
Tip: Use the first letter. Tip: Try just the first few letters.

Location

Search by Location  
City   
State   
Zip Code   
Phone Area Code

Cert Type

Search by Certification Type  
Certifications  
 Airport Concessionaire Disadvantaged Business Enterprise (ACDBE)  
 Minority Business Enterprise (MBE)  
 Small Business Enterprise (SBE)  
 Women Business Enterprise (WBE)  
 Disadvantaged Business Enterprise (DBE)  
 Persons with Disabilities Business Enterprise (PDBE)

Reference

Search by Reference  
Category   
 Download Entire Directory:    
 Include Commodity Codes in download



# Hints For Easy Use



- Search one field at one time to obtain accurate result
- A certification type (i.e. MBE, SBE, DBE, etc.) must be selected for every probe
- Specify certification type(s)

# Search By Business Description

## Search by Business Description

Business Description

TRUCKING AND HAULING

Incorrect



# Search By Business Description

A screenshot of a web browser showing a search interface for businesses. The browser tabs include 'City of Houston -- Mayor's ...'. The search form has several sections: 'Search by Business Description' with a text input containing 'TRUCKING AND HAULING'; 'Search by Commodity Code' with a link to 'Lookup Commodity Code'; 'Search by Contact Person' with fields for 'First name' and 'Last name'; 'Search by Location' with fields for 'City', 'State', 'Zip Code', and 'Phone Area Code'; 'Search by Certification Type' with a list of checkboxes for various business enterprise types, all of which are checked; and 'Search by Reference' with a dropdown menu set to 'None selected'. A 'Search Again' button is located below the dropdown. Below the button, the text reads '>> 0 businesses with 0 certifications found <<'. At the bottom, a 'Search Results' section contains a message: 'Your search parameters did not return any matches. Modify the information in the fields above and click Search Again.' A second red arrow points from the left towards the 'Search Again' button.

# Correct Search by Business Description



**Search by Business Description**  
Business Description

**Search by Commodity Code**  
Commodity Code [Click to Lookup Commodity Code](#)  
(popup window will appear to browse and search available Commodity Codes)

**Search by Contact Person**  
Contact Person/Owner  
First name   
Last name   
Tip: Use the first letter. Tip: Try just the first few letters.

**Search by Location**  
City   
State   
Zip Code   
Phone Area Code

**Search by Certification Type**  
Certifications  
 Airport Concessionaire Disadvantaged Business Enterprise (ACDBE)  
 Minority Business Enterprise (MBE)  
 Small Business Enterprise (SBE)  
 Women Business Enterprise (WBE)  
 Disadvantaged Business Enterprise (DBE)  
 Persons with Disabilities Business Enterprise (PDBE)

**Search by Reference**  
Category

Download Search Results:    
 Include Commodity Codes in download



>> 19 businesses with 43 certifications found <<

# Search By Commodity Code: NAICS

## Search by Commodity Code

Commodity Code

[Click to Lookup Commodity Code](#)

(popup window will appear to browse and search available Commodity Codes)

Click here!



# Search By Commodity Code: NAICS

B2Gnow - Windows Internet Explorer  
 https://houston.mwdbe.com/Common/Codes/CodeLookup.asp?XID=716

**Select Commodity Codes** CLOSE WINDOW HELP

Click any **Add** link to select a code. You can also search again, sort the list, or click **Browse Codes** to browse through the entire code list. If multiple code lists are available, you can change the selected list in the drop down list under the search box. When finished, click **Return** to close the window.

Step 1:

NAICS: North American Industry Classification System

1 - 20 of 41 records displayed: [Previous Page](#) < Page 1 > [Next Page](#)

To sort, click on column title.

Actions	Code Type	Code	Code Description
<a href="#">Add</a>	NAICS	4841	General Freight Trucking ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	48411	General Freight Trucking, Local ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484110	Container trucking services, local ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484110	General freight trucking, local ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484110	Transfer (trucking) services, general freight, local ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484110	Trucking, general freight, local ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	48412	General Freight Trucking, Long-Distance ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484121	Container trucking services, long-distance (TL) ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484121	General freight trucking, long-distance, truckload (TL) ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484121	Trucking, general freight, long-distance, truckload (TL) ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484122	General freight trucking, long-distance, less-than-truckload (LTL) ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484122	LTL (less-than-truckload) long-distance freight trucking ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	484122	Trucking, general freight, long-distance, less-than-truckload (LTL) ( <a href="#">More</a> )
<a href="#">Add</a>	NAICS	4842	Specialized Freight Trucking ( <a href="#">More</a> )

Step 2: (points to the table)

Step 3: (points to the Return button)

# Search By Commodity Code: NAICS

**Search by Commodity Code**

Commodity Code [Click to Lookup Commodity Code](#)  
(popup window will appear to browse and search available Commodity Codes)

Selected Code:  
NAICS-484121: Trucking, general freight, long-distance, truckload (TL)

[Clear Commodity Code](#)

**Search by Contact Person**

Contact Person/Owner

First name  Last name

Tip: Use the first letter. Tip: Try just the first few letters.

**Search by Location**

City

State

Zip Code

Phone Area Code

**Search by Certification Type**

Certifications

- Airport Concessionaire Disadvantaged Business Enterprise (ACDBE)
- Minority Business Enterprise (MBE)
- Small Business Enterprise (SBE)
- Women Business Enterprise (WBE)
- Disadvantaged Business Enterprise (DBE)
- Persons with Disabilities Business Enterprise (PDBE)

**Search by Reference**

Category

Download Search Results:

Include Commodity Codes in download

 >> 4 businesses with 10 certifications found <<

# Search By Certification Type



## Search by Certification Type

### Certifications

- Airport Concessionaire Disadvantaged Business Enterprise (ACDBE)
- Minority Business Enterprise (MBE)
- Small Business Enterprise (SBE)
- Women Business Enterprise (WBE)
- Disadvantaged Business Enterprise (DBE)
- Persons with Disabilities Business Enterprise (PDBE)



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# How to Search the U.S. Census Bureau





- Used to determine the number of total firms
- Search for firms that have NAICS codes that match contract work elements @  
<http://www.census.gov/econ/cbp/index.html>
- Step I: Access “View Data Tables”
- Step II: Select “Metropolitan and Micropolitan Statistical Areas” then from drop down menus, Select “Go”
- Step III: Find “Houston Woodlands-Sugar Land, TX Metro Area”

# Searching the U.S. Census Bureau (Contd)



- Step IV: Locate Industry code Column – Use First 2 digits of the NAICS Code
- Step V: Click “Detail”
- Step VI: Locate 6-digit NAICS Code (Verify industry code description)
- Step VII: Locate “Total Establishment Column”
- Step VIII: View the universe of firms for the identified work element



# Questions?

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**Thank You.**

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