



Railroad Commission of Texas

HUB Subcontracting Plans

An Overview

Detailed Instructions for Completion

HUB Subcontracting Plans (HSPs)

- Texas Procurement and Support Services (TPASS) HUB Program Goals & Objectives
- When is a HUB Subcontracting Plan (HSP) required?
- Completing the HSP
- FAQs/Notes
- Contact Information

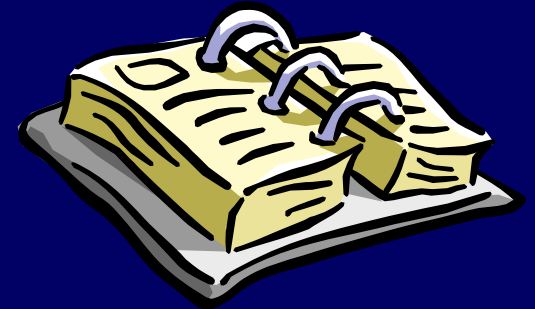


Texas Procurement & Support Services' HUB Program


- **TPASS' Goals & Objectives**
 - ❖ **Develop & administer HUB rules & statutes to ensure full & equal access to state procurement opportunities for minority & women-owned businesses;**
 - ❖ **Administer the certification & compliance functions for the State of Texas minority & women-owned business program;**
 - ❖ **Assist state agencies & institutions of higher education with training, planning, & implementing HUB education & outreach efforts; and**
 - ❖ **Compile & report the State's HUB expenditures & contract awards semi-annually and annually.**

HUB Subcontracting Plan (HSP)

- An HSP must be completed when bidding for any state contract expected to exceed \$100,000
- Prime contractors are required to contact HUB companies when subcontracting opportunities are available
- “Good Faith Effort” is required when contacting these HUB vendors



HUB Subcontracting Plans

 **HUB SUBCONTRACTING PLAN (HSP)**

In accordance with Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, respondents, including State of Texas certified Historically Underutilized Businesses (HUBs), must complete and submit a State of Texas HUB Subcontracting Plan (HSP) with their solicitation response.

NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Gov't Code §2161.252(b).

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the State of Texas Disparity Study. The HUB goals defined in 34 TAC §20.13 are: **11.8 percent for heavy construction other than building contracts, 26.1 percent for all building construction, including general contractors and operative builders contracts, 37.3 percent for all special trade construction contracts, 30 percent for professional services contracts, 33 percent for all other services contracts, and 12.8 percent for commodities contracts.**

-- Agency Special Instructions/Additional Requirements --

SECTION 1 - RESPONDENT AND SOLICITATION INFORMATION

a. Respondent (Company) Name: _____ State of Texas VID #: _____
Point of Contact: _____ Phone #: _____

b. Is your company a State of Texas certified HUB? -Yes -No

c. Solicitation #: _____

SECTION 2 - SUBCONTRACTING INTENTIONS

After having divided the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, the respondent must determine what portion(s) of work, including goods or services, will be subcontracted. Note: In accordance with 34 TAC §20.13, a HUBcontractor means a person who contracts with a vendor to work, to supply commodities, or contribute toward completing work for a governmental entity. Check the appropriate box that identifies your subcontracting intentions:

Yes, I will be subcontracting portion(s) of the contract.
(If Yes, in the spaces provided below, list the portions of work you will be subcontracting, and go to page 2.)

No, I will not be subcontracting any portion of the contract, and will be fulfilling the entire contract with my own resources.
(If No, complete SECTION 9 and 10.)

Line Item # - Subcontracting Opportunity Description	Line Item # - Subcontracting Opportunity Description
(#1) - _____	(#1) - _____
(#2) - _____	(#2) - _____
(#3) - _____	(#3) - _____
(#4) - _____	(#4) - _____
(#5) - _____	(#5) - _____
(#6) - _____	(#6) - _____
(#7) - _____	(#7) - _____
(#8) - _____	(#8) - _____
(#9) - _____	(#9) - _____
(#10) - _____	(#10) - _____

If you have more than twenty subcontracting opportunities, a continuation page is available at <http://www.window.state.tx.us/procurement/proghub/hub-forms/HUBSubcontractingPageContinuationPage1.doc>

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Step-by-step instructions to completing the forms

HSPs: Main Points to Remember

- ✓ Prime contractors (HUB or non-HUB) are required to contact at least three (3) HUB vendors for each subcontracting opportunity identified;
- ✓ Notification must be received by HUB vendors at least five (5) days prior to the bid opening date; and
- ✓ Submit ALL documentation used to contact HUB vendors for subcontracting opportunities
- ✓ FULLY COMPLETE ALL SECTIONS THAT ARE APPLICABLE

Section 1 : Respondent & Solicitation Information

It is important that you fully complete this section. Should there be any questions regarding the HSP, the HUB Coordinator will easily be able to contact the right person.

SECTION 1 - RESPONDENT AND SOLICITATION INFORMATION

- a. Respondent (Company) Name: _____ State of Texas VID #: _____
Point of Contact: _____ Phone #: _____
- b. Is your company a State of Texas certified HUB? - Yes - No
- c. Solicitation #: _____

Section 2: Subcontracting Intentions

❖ Be sure to indicate whether or not a subcontractor will be utilized (check 'yes' or 'no')

❖ If the answer is 'no', skip to section 9

❖ List all line items (type of work to be subcontracted)

SECTION 2 - SUBCONTRACTING INTENTIONS

After having divided the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, the respondent must determine what portion(s) of work, including goods or services, will be subcontracted. Note: In accordance with 34 TAC §20.12., a "Subcontractor" means a person who contracts with a vendor to work, to supply commodities, or contribute toward completing work for a governmental entity. Check the appropriate box that identifies your subcontracting intentions:

- Yes, I will be subcontracting portion(s) of the contract.
(If Yes, in the spaces provided below, list the portions of work you will be subcontracting, and go to page 2.)
- No, I will not be subcontracting any portion of the contract, and will be fulfilling the entire contract with my own resources.
(If No, complete SECTION 9 and 10.)

Line Item # - Subcontracting Opportunity Description	Line Item # - Subcontracting Opportunity Description
(#1) -	(#11) -
(#2) -	(#12) -
(#3) -	(#13) -
(#4) -	(#14) -
(#5) -	(#15) -
(#6) -	(#16) -
(#7) -	(#17) -
(#8) -	(#18) -
(#9) -	(#19) -
(#10) -	(#20) -

Section 3: Subcontracting Opportunity

- ❖ List the line item and description (as seen in section 2)
- ❖ If you have several line items and will not be contacting the same three (3) HUBs for each opportunity, then make copies of this page (page 2).

Enter your company's name here: _____ Solicitation #: _____

IMPORTANT: You must complete a copy of this page for each of the subcontracting opportunities you listed in SECTION 2. You may photocopy this page or download copies at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanContinuationPage2.doc>.

SECTION 3 - SUBCONTRACTING OPPORTUNITY

Enter the line item number and description of the subcontracting opportunity you listed in SECTION 2.

Line Item # _____ Description: _____

Section 4: Mentor-Protégé Program

This section should only be completed if the HUB vendor selected for the subcontracting opportunity listed is in a State of Texas Mentor-Protégé Program with the prime contractor.

❖ Also, three (3) HUB vendors are not required to be contacted for that specific subcontracting opportunity

SECTION 4 • MENTOR-PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting their Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the portion of work (subcontracting opportunity) listed in SECTION 3, constitutes a good faith effort towards that specific portion of work. Will you be subcontracting the portion of work listed in SECTION 3 to your Protégé?

- Yes (If Yes, complete SECTION 8 and 10.) - No / Not Applicable (If No or Not Applicable, go to SECTION 5.)

Section 5: Professional Services Contracts

This section only applies to Professional Contracts

SECTION 5 - PROFESSIONAL SERVICES CONTRACTS ONLY

This section applies to Professional Services Contracts only. All other contracts go to SECTION 6.

Does your HSP contain subcontracting of 20% or more with HUB(s)?

- Yes (If Yes, complete SECTION 8 and 10.) - No / Not Applicable (If No or Not Applicable, go to SECTION 6.)

In accordance with Gov't Code §2254.004, "Professional Services" means services: (A) within the scope of the practice, as defined by state law of accounting; architecture; landscape architecture; land surveying; medicine; optometry; professional engineering; real estate appraising; or professional nursing; or (B) provided in connection with the professional employment or practice of a person who is licensed or registered as a certified public accountant; an architect; a landscape architect; a land surveyor; a physician, including a surgeon; an optometrist; a professional engineer; a state certified or state licensed real estate appraiser; or a registered nurse.

Section 6: Notification of Subcontracting Opportunity

- ❖ Written notification of the subcontracting opportunity must be provided and submitted with the HSP and bid
- ❖ This demonstrates a good faith effort on the part of the prime contractor

SECTION 6 - NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

Complying with a, b and c of this section constitutes Good Faith Effort towards the portion of work listed in SECTION 3. After performing the requirements of this section, complete SECTION 7, 8 and 10.

- Provide written notification of the subcontracting opportunity listed in SECTION 3 to three (3) or more HUBs. Use the State of Texas' Centralized Master Bidders List (CMBL), found at <http://www2.cpa.state.tx.us/cmb/cmbhub.html>, and its HUB Directory, found at <http://www2.cpa.state.tx.us/cmb/hubonly.html>, to identify available HUBs. **Note: Attach supporting documentation (letters, phone logs, fax transmittals, electronic mail, etc.) demonstrating evidence of the good faith effort performed.**
- Provide written notification of the subcontracting opportunity listed in SECTION 3 to a minority or women trade organization or development center to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. A list of trade organizations and development centers may be accessed at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>. **Note: Attach supporting documentation (letters, phone logs, fax transmittals, electronic mail, etc.) demonstrating evidence of the good faith effort performed.**
- Written notifications should include the scope of the work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person. Unless the contracting agency has specified a different time period, you must allow the HUBs no less than five (5) working days from their receipt of notice to respond, and provide notice of your subcontracting opportunity to a minority or women trade organization or development center no less than five (5) working days prior to the submission of your response to the contracting agency.

Section 6: Notification of Subcontracting Opportunity (cont.)

The documentation sent to the HUB vendor(s) must include the following components:

- ✓ Type of work/services needed
- ✓ The location of the project
- ✓ Bonding and insurance requirements
- ✓ A contact person

A minority or women trade organization must be contacted as well as three (3) HUBs for each opportunity

Section 7: HUB Firms Contact for Subcontracting Opportunity

Please list the HUB vendors contacted for the subcontracting opportunity in this section

❖ As noted before, if the prime contractor will be contacting three (3) different HUB vendors for each opportunity, please make copies of page 2, which includes this section

SECTION 7 - HUB FIRMS CONTACTED FOR SUBCONTRACTING OPPORTUNITY

List three (3) State of Texas certified HUBs you notified regarding the portion of work (subcontracting opportunity) listed in SECTION 3. Specify the vendor ID number, date you provided notice, and if you received a response. **Note: Attach supporting documentation (letters, phone logs, fax transmittals, electronic mail, etc.) demonstrating evidence of the good faith effort performed.**

Company Name	VID #	Notice Date (mm/dd/yyyy)	Was Response Received?
_____	_____	/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No
_____	_____	/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No
_____	_____	/ /	<input type="checkbox"/> - Yes <input type="checkbox"/> - No

Section 8: Subcontractor Selection

Please list the subcontractor selection(s) in this section.

❖ If the selected subcontractor is NOT a HUB vendor, then a reason must be provided for the selection of the non-HUB vendor. (i.e. best price, availability, etc.)

SECTION 8 - SUBCONTRACTOR SELECTION

List the subcontractor(s) you selected to perform the portion of work (subcontracting opportunity) listed in SECTION 3. Also, specify the expected percentage of work to be subcontracted, the approximate dollar value of the work to be subcontracted, and indicate if the company is a Texas certified HUB.

Company Name	VID #	Expected % of Contract	Approximate Dollar Amount	Texas Certified HUB?
_____	_____	%	\$	<input type="checkbox"/> - Yes <input type="checkbox"/> - No*
_____	_____	%	\$	<input type="checkbox"/> - Yes <input type="checkbox"/> - No*

*If the subcontractor(s) you selected is not a Texas certified HUB, provide written justification of your selection process below:

Section 9: Self-Performance Justification

This section must be completed if the prime contractor will NOT be subcontracting any part of the contract and will perform all of the work themselves.

- ❖ A written explanation must be provided in the space provided
- ❖ If there is a written explanation within the bid/proposal, please indicate where it is notated

SECTION 9	- SELF PERFORMANCE JUSTIFICATION (If you responded "No" to SECTION 2, you must complete SECTION 9 and 10.)
Does your response/proposal contain an explanation demonstrating how your company will fulfill the entire contract with its own resources?	
<input type="checkbox"/> - Yes	<u>If Yes</u> , in the space provided below, list the specific page/section of your proposal which identifies how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.
<input type="checkbox"/> - No	<u>If No</u> , in the space provided below, explain how your company will perform the entire contract with its own equipment, supplies, materials, and/or employees.
<hr/>	

Section 10: Affirmation

Please sign and date this section.

SECTION 10 - AFFIRMATION

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP are true and correct. Respondent understands and agrees that, if awarded any portion of the solicitation:

- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying their compliance with the HSP, including the use/expenditures they have made to subcontractors. (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to their HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to debarment pursuant to Gov't Code §2161.253(d).
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are to be performed and must provide documents regarding staff and other resources.

Signature

Printed Name

Title

Date

Where Can I Find HUB Vendors to Contact Regarding Subcontracting Opportunities?

- **Centralized Master Bidders List (CMBL)**
 - ❖ The CMBL is a master database used by the State of Texas purchasing entities. HUB and non-HUB vendors and the types of products and services they provide can be found on this site.
 - ❖ Purchasing entities use this site to develop mailing list for vendors to receive bids

<http://www2.cpa.state.tx.us/cmb1/cmb1hub.html>





FAQs/Notes

- “If I can’t find a HUB vendor that can do the work, can I still bid on the contract?”

✓ **Answer: Yes**

- “If I contact the same HUB vendors consistently, may I just send out one letter instead of contacting them each time?”

✓ **Answer: No**

This is not demonstrating a good faith effort.



Commonly Found Errors

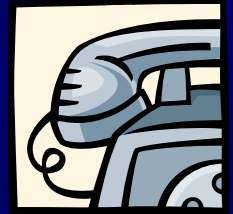
Incomplete sections

(Sections 8 & 9 of HSP)

Subcontracting intentions are not clear

All documentation is not included in the HSP/Bid packet

Any more questions? Contact the RRC



- Brandi Harrison- HUB Coordinator
(512) 463-3778 ph brandi.harrison@rrc.state.tx.us

- Tom Morgan- Purchasing Mgr./Sr. HUB Coordinator
(512) 463-7680 ph tom.morgan@rrc.state.tx.us

1701 N. Congress Avenue

Austin, TX 78701

www.rrc.state.tx.us/procurement/hub.html