



TEXAS GENERAL LAND OFFICE
GEORGE P. BUSH, COMMISSIONER

Agency 305 Fiscal 2018 Annual HUB Report Supplemental Letter

The GLO made the following good faith efforts towards increasing economic opportunities for Historically Underutilized Businesses (HUBs) during FY18:

Outreach

- The GLO attended 11 Economic Opportunity Forums, 12 Annual meetings, 12 Advocacy Group meetings (TAAAC and TAMACC), hosted 36 HUB events (HUB Discussion Work Group meetings, internal HUB forums, pre-proposal conferences) and attended 16 other events.
- Three (3) on-going Mentor-Protégé teams are actively communicating on a regular basis, pursuing business with the state and federal governments. One new Mentor-Protégé team was added in July.

HUB Subcontracting

- HUB Subcontracting Plan compliance has increased in combination with GLO's HUB Outreach team attending all pre-proposal conferences and offering HSP "courtesy" reviews.
- Although Governor Abbott's disaster declaration for Hurricane "Harvey" exempted the agency from all purchasing and HUB requirements, all emergency solicitations included HUB Subcontracting Plans, providing opportunities to HUBs in the recovery work.
- Direct HUB expenditures were \$ 17,058,441
- HUB subcontracting reported to the agency were \$12,894,480
- Second tier HUB subcontracting reported to the agency totaled \$217,000
- Total agency HUB expenditures were \$29,952,921

Factors affecting HUB goal attainment

HUB goals set forth in the 2009 Disparity Study are not appropriate to the agency due to specialized program requirements such as geographic locations of the work, unique missions of the agency (State Energy Management Program), the operation of the 8 skilled veteran nursing homes, certified land appraisers in remote areas of the state, architects experienced in world-class historical museum design, economic re-development, or compliance with the agency's federal partner, Housing Urban Development Community Development Block Grant.

- The agency has exceeded its HUB goals in 4 of 5 applicable procurement categories.
- Expenditures with local governmental entities, in the amount of \$3.8m, were deleted from the agency's total expenditures.
- Special Trades: Remote locations of the skilled veteran nursing homes make it difficult to find HUBs.
- Professional Services: Included here are certified land appraisers outside of the metropolitan cities, mortgage land or loan processing services.
- Other Services: Expenditures included Harvey related home repair, construction, general disaster services, modular housing, veteran home and veteran cemetery operations.
- Commodities: The GLO expended \$4m in pharmaceuticals, for the residents of the state's skilled veteran nursing homes and natural gas pipeline distribution costs in the amount of \$67.6m.

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