

# PEPS Fireside Chat Q&A

## HUB and DBE Program Reviews - August 2025

Q1: As part of Compliance with these documents, Method A, Attachment A requires an "Approximate Dollar Amount" in this form. Submitting these TxDOT proposals is a Qualifications-Based process that does not allow pricing. Would you consider changing the instructions to include the "Approximate Dollar Amount" only after award?

A1: Correct, while this is common, the HSP should include a percentage % in the place of the dollar amount. If the % changes after the award a change request can be completed and updated. We cannot change any language that is the part of a State of Texas Form or language.

Q2: PEPS changed the wording in the Requests for Proposal at the direction of the Civil Rights Division in 2024. "Method" was removed, and "Version" was introduced. We anticipated the HSP form being changed in the same way. Do you think the Comptroller will get the update to the HSP out this year? And will it remove "Method 1, 2, 3, and 4"?

A2: As of now we have not received any update on this.

Q3: What is the purpose of Method 4, if the HUB program is intended to encourage to utilize the Historically Underutilized Business? I think the Method 4 contradicts to the purpose of the HUB program. Please clarify it.

A3: The state of Texas gives the opportunity to everyone, no matter who it is. And if a Prime can complete the contract, they have to prove they are able to meet the requirements.

Q4: Is the HUB contract goal still the HUB commitment on the HSP and not the 23.7 advertised goal? So if you show 30% HUB on the HSP, 30% will be the HUB goal the prime is held to instead of the 23.7% advertised goal?

A4: The goal for all Professional Services is 23.7%. If the Prime exceeds the goal, the expectation is to meet the goal they have listed on the HUB Subcontracting Plan.

Q5: If the HUB firm is acquired by a non-HUB firm, does that follow that the HUB is only applicable for the remainder of the FY?

A5: No. This pertains to the certification expiration of HUB firms.

Q6: If a DBE firm is acquired by a non-DBE, does the prime get credit for the DBE through the remainder of the contract?

A6: The DBE firm is required to inform the certifying agency of the change in ownership. The certifying agency should update the status of the DBE. Once the DBE is decertified the DBE credit should end as the firm is no longer a certified DBE.

Q7: Under Method A - is it valid for a non-HUB prime to sub out x% (less than the HUB goal) to a HUB sub and then be able to self-perform the rest? So 95% non-HUB prime and 5% HUB sub is ok?

A7: Yes, but always make sure your sub is certified and that their certification isn't going to expire during the life of the contract and or if it is, that there is no laps in that certification. Also, if a Prime is a HUB, they still need to meet the 23.7% goal and cannot use themselves a **"HUB"**. **The Self Preforming method is saying that a Prime can** complete the job because they have ALL the means necessary to do so. When using ONLY HUBs, that is the only time the State of Texas is flexible on the goal. Meaning the prime can do the work but not 5%, therefor they are using ONLY HUBs to complete that 5%. Using ONLY HUBs is different than Self Preforming. Using only HUBs gives the flexibility but they can also meet or exceed the goal.

Q8: What is the anticipated timeframe for TxDOT to release an updated DBE plan?

A8: A release date has not been determined at this time.