AGENDA

Members of the Public may address the Economic Development Policy Committee on any agenda item by submitting a written request prior to the meeting. Two (2) minutes are allowed per person in total for each item.

1. CALL TO ORDER

2. GENERAL PUBLIC COMMENT

3. PRESENTATION/DISCUSSION ITEM(S):
   A. Legislative Update – 10 mins
      • Traci Kawaguchi, CEO Legislative Affairs and Intergovernmental Relations
   B. Contractor Development & Bonding Assistance Program – 40 mins
      • Ingrid Merriwether, CIC, President and CEO, Merriwether and Williams
   C. Worker Protections: Minimum Wage Increase – 25 mins
      • Rafael Carbajal, Director, Consumer and Business Affairs
      • Rose Basmadzhyan, Consumer and Business Affairs

4. PUBLIC COMMENT

5. STANDING ITEMS
   A. Progress on American Rescue Plan Act Program Implementation and Outcomes
   B. Economic Development Optimization: New Department Transition
   C. Poverty Alleviation Initiative

6. ADJOURNMENT
Los Angeles County Economic Development Objectives:

- Attract, develop and retain businesses that provide quality jobs in high growth industries
- Increase employment opportunities by improving workforce development skills and employer partnerships
- Invest in infrastructure needs to improve and maintain competitiveness of LA County Region
- Coordinate across multiple County agencies to ensure that services to workers, businesses and entrepreneurs are coordinated and streamlined to facilitate a “no wrong door approach” to serving our constituents
- Work to balance jobs with housing

IF YOU WOULD LIKE TO EMAIL A COMMENT ON AN ITEM ON THE ECONOMIC DEVELOPMENT POLICY COMMITTEE AGENDA, PLEASE USE THE FOLLOWING EMAIL AND INCLUDE THE AGENDA NUMBER YOU ARE COMMENTING ON:

DKELEHER@CEO.LACOUNTY.GOV
Introductions
The Team

Merriwether & Williams
INSURANCE SERVICES
...Of Like Minds

3D NETWORKS
A PUBLIC AFFAIRS CONSULTING FIRM

G&C

Contractor Development and Bonding Program
May 19, 2022
City of Los Angeles, LA Metro and LA County seek to more successfully engage small local, including diverse and women-owned contractors in your public construction contracting.

Inherent bidding / contracting requirements and practices are less conducive for small firms and require innovative strategies and targeted support services to change the paradigm.

Our Sponsor Agencies recognize there are a multitude of barriers, including systemic and institutional which impede contracting access, and inhibit opportunity and inclusion of smaller diverse contractors.

Access to technical assistance, bonding and contract financing support and capacity development is an investment with multiplicative returns – an increased pool of enabled contractors who can compete, lowers contracting costs, and generates more equitable distribution of public funded contracting dollars to help grow local small and diverse businesses and the jobs they stimulate.
Program Origins & History

- Program Launched with City of Los Angeles in February 2005
- Contractor Services include technical assistance and bonding support including bond guarantees (contract financing added fall 2021)
- $240M in Bid Bonds Issued of which $96.8M resulted in awarded contracts, supported by $11.6M in City Backed Bond Guarantees. (Largest single program contract $9.6M with <3% bond guarantee)
- $7.1M in Gross Direct Cost Savings for City
- 1 Program Default ($33K) in 15 Years and 214 program supported contracts

- Started as Pilot Program in January 2018, Formally Adopted in 2019
- $13.9M in Bid/Final subcontractor Bonds Issued, $13.9M in Contract Awards
- Provide Metro Policy and Practice Consulting to Expand Contract Access to Small and Diverse Contractors
- $500K Contract Financing Assistance Program (CFAP) Loan– Global Electric

- Pilot Program Start - October 2021
Program Goals

- Remove the barriers which have prevented small and diverse contractors from bidding and engagement on project contracts with Sponsors.

- Using an Aligned Risk Management strategy, increase contractors’ capacity to successfully participate on Sponsor projects both as subcontractors and primes, while maximizing protection of Sponsor resources.

- Assist Sponsor with synthesizing the Program with other initiatives aimed at increased utilization of small local contractors such as modification of contracting practices and qualification requirements.
Contractor Development and Bonding Program

County of Los Angeles

CONTRACTOR DEVELOPMENT AND BONDING PROGRAM

The Contractor Development Program assists contractors with their contracting capacity and business growth.

Assessment & Technical Assistance
• Enrollment in the Contractor Development and Bonding Program.
• Personal Account Manager to provide a professional assessment of your current capacity and growth needs.
• One-on-one consultation to develop a work plan aligned with your business needs and goals.
• Facilitated referrals to Program Partners and resources.
• Contracting opportunities and industry-related workshops and events sent via our LA Contractor Weekly bulletin.
• Referrals to specific project opportunities.

Bonding, Contract Financing & Project Assistance
• Assistance with obtaining or increasing bonding capacity.
• Access to collateral support for bid, performance and payment bonds for qualified contractors.*
• Assistance with project risk identification and mitigation.
• Access to project cash flow funding.
• Contract review, project assessment and field support for Program bonded or financed contracts.
• Accounting cost subsidy for CPA-prepared financial statements.

*limited capacity

THE FOUR Pillars OF CONTRACTOR DEVELOPMENT

EDUCATION, TRAINING & CONTRACT SUPPORT
BONDING, CONTRACT FINANCING & PROJECT ASSISTANCE
ASSESSMENT & TECHNICAL ASSISTANCE

Prime Contractor Partnerships
• Strategic alliances with Program Prime contractors including matchmaking and referrals.
• Networking with public agency staff and peer contractors.

Education, Training & Contract Support
• Group Classes on public construction best practices led by industry experts.
• Contract-specific support on County of Los Angeles Bond Program supported contracts.
• Creation of Individualized Contractor Profile to assist with business marketing.

Sponsored by:
Merriwether & Williams
...Of Like Minds

May 19, 2022
## Program Contractor Services

### Contractor Development Services
- One-on-one Technical Assistance including meetings and various communication with Contractors
- Creation of Assessments, Work Plans and Profiles
- Provide assistance to contractors with County certifications, registrations on County solicitation portals, and DIR registration
- Collaborate with Brokers, Surety Companies and CPA’s on behalf of Contractors

### Bond Transaction Services
- Bond / Bond Guarantee Transactions
- Letters of Credit
- Contractor Status Reports & Principal Status Reports
- Risk Mitigation, including contract monitoring with Field Support Project oversight from initiation through close out
- Third Party Funds Administration

### Contract Financing Assistance Program (CFAP) Services
- Underwrite Loan Requests
- Supplemental Accounting/Bookkeeping Assistance
- Originate Loan Documents
- Service Loans Post Funding Approval
- Risk Mitigation, including contractor support and monitoring with Field Support Project oversight from initiation through close out

### Contractor Education & Training
- Program sponsored trainings on industry specific topics, including planning, day-of and post event follow up
- Semi-Annual Immersive Contractor Training Academy hosting a series of six (6) weekly sessions currently on:
  - 1-Bidding & Estimating
  - 2-Contract Award & Management

### Program Outreach
- Participate in Pre-Bid Meetings and Project Specific Outreach
- Various Workshops
- Co-Sponsor Elected Official Events
- Present at Prime Sponsored Events
- Trade association events
- Department specific events
- Industry related forums
- Training events
Identify and Provide Technical Assistance and Support Based on Individual Assessment

- Contractor Consultation and Assessment for Technical Assistance/ Bonding/Contract Financing and prequalification requirements
- Assess/Underwrite bonding/contract financing capacity, discern deficiency reduction and collateral support (bonding) to facilitate needed bonding/contract financing
- Facilitate Training Sessions for Contractors on industry specific topics (In depth multi-week coverage of specific topics such as “Bidding & Estimating” & “Contract Award & Management”)
- Facilitate referrals and convene matchmaking opportunities with Prime Contractors
- Provide project specific technical consultation, i.e. contract assessment, specifications review, and field support as requested
- Provide contract support and monitoring as risk mitigation on all projects with collateral/contract financing support
It Starts with Individual Assessments and Work Plans...
Examples of One-On-One Assistance

**KPA Construction:** A-General Engineering Contractor C-10 Electrical Contractor. Certifications: DBE, SBE (Metro), SLB (City of Los Angeles), State of California SBE (Micro)

**CDABP Technical & Bonding Assistance:**
- Enrolled in 2017
- Bonding Assistance to support $3.692M Required Bond in Jan. 2020
- August 2020 – Approved for Metro CDBP collateral assistance -$250,000
- CDBP Implemented Third Party Funds Control on contract proceeds
- Awarded second Metro contract September 2021 – Subcontract (Prime – Skanska Traylor Shea) Westside Purple Line, Section 1 – $911,900
- Contract Completion Support and Monitoring is On-going
Examples of One-On-One Assistance

SJN: B—General Building Contractor, C-08 Concrete Contractor. Certifications: SBE (State of California), DBE (DOT), MBE (City of Los Angeles).

CDABP Technical Assistance, Bonding, and Contract Completion Support:

- Contractor awarded $5,091,101 subcontract and provided with 5% collateral support to secure required bond
- Held Project Kick-off Meeting with SJN and Prime and reviewed Job Start Checklist Template
- Reviewed Contract & Principal Status Reports with SJN and Prime to provide understanding of what data must be included in monthly reports used to analyze project progress.
- Established routine Monthly Check-in with SJN to discern progress and identify areas needing additional support to keep the project on track.
- Reviewed Billings & Payments with the contractor for completeness.
- SJN provided a Construction Schedule that was used to monitor the 3 week look ahead schedule.
- Visited Willowbrook/Rosa Parks Station Improvement Project and walked site with SJN’s Superintendent to view progress, performed safety review, and provided suggestions to overcome obstacles impacting project timeline. All interaction documented on Site Visit Report with accompanying photos.
- Attended Change Order Request Review Meetings with SJN, Prime and the design team. Worked with SJN to properly package CORs.
Examples of One-On-One Assistance

V.T.P. Inc. - Established in 1992 and holds a C-15 license specializing in Flooring and Floor Coverings.

CDABP Bonding Assistance & Contractor Monitoring to Completion:

- Enrolled in 2018
- Awarded a 3yr $2mm project with LAWA to install and maintain carpet and flooring for LAX and Van Nuys.
- Bond Assistance to support $1M required bond.
- $250K CDABP Bond Collateral support – The challenge for this contractor was that although they’re firm performed this contract for the previous 18 years a bond and had never been required. (multi-year bonds are particularly difficult for smaller firms). CDABP provided $250K in bond guarantee enabling the firm to qualify for the required bond. The contractor has now successfully completed the 3-year term and has now graduated from the CDABP program. They are now approved for the required bond without collateral and have established bonding capacity.
- Risk mitigation included funds administration and contract support and monitoring to contract completion.
Awarded Contracts Without Collateral Support

**JL Moody Construction & Development:** B – General Building Contractor, C-61 Limited Specialty Construction, D-50 Suspended

City of LA Sidewalk Repair Package #11 $66,510.63
- Established Bond Line of $250K without collateral
- Assessment, Work-Plan, Contractor Profile
- Training Academy Graduate (Bidding & Estimating, Contract Award & Management)
- SOQ Preparation Workshop
- SOQ Review
- SOQ Qualified
- Sidewalk Repair Contract Awarded

**Global Electric:** C-07 Low Voltage Systems, C-10 Electrical Contractor. Certifications: SBE (METRO), MBE (City of Los Angeles), DBE (DOT)

METRO Westside Purple Line, Section 1 Fiber Optics Project $2.6M, 2nd Contract Collateral Not Required
- Provided Bond Collateral for $3.1M contract
- Contractor secured additional $2.6M contract without collateral
- Subcontract is with Program Prime Partner
- Approved for CFAP Funding of $500K
It Starts with Individual Assessments and Work Plans...

Sample Contractor Profile

Access General Contracting, Inc.

Certifications
CPR, 1st AID, OSHA 30, SDG
License No. 992223
Class A
3 Years in Business

Bond Limits
$750K

Notable Projects
Los Nieto School District
Excavation, Grading & concrete
$212K

Guys Ponds City of Industry
Excavation, Grading & concrete
$275K

Ck Produm, Perris CA
Excavation, Grading & concrete
$114K

Access General Contracting, Inc.

Started in 2012 by Albert Teas, who came from a General Engineering Contracting background, with some expertise in highway and infrastructure construction. In 2013, the company was renamed by Albert Teas, who brought a business and financial management background. Access General Contracting is now fully owned by a brother and a sister team and a nephew and minority shareholders.

With background in road building, ADA upgrades & Improvements, Commercial and Industrial upgrades & Improvements. Access General Contracting has you covered. Our well proven team of professionals deliver every time, from providing value engineered to on time and on budget completion of your project, our team has the right solutions for all your exterior construction needs.

From Service to Solutions
Pavement Patch, Federal Lot, Concrete work, ADA Complaint Concrete, Roadway work, Lighting, Striping, Parking, Parking lot striping, Striping, Signing, Striping, Drainage, Utilities, and Retaining & Silos. Retaining walls. EUROPEAN LINE Center of Excellence: Orange County, Southern California, Nevada and Arizona.

Our company works on any job that you may require our services, no job too small or too big. You will get quality work at affordable prices.

Core Values
Honesty and Integrity
Professionalism and Excellence
Value and Support for Our Clients, Teamwork
Safety
Fairness, Honesty, and Integrity

NAICS Codes:
237110 - Highways, Streets & Bridges
238110 - Site Preparation Contractors
238210 - Foundations Contractors
238240 - Specialty Trade Contractors
238291 - Structural Steel Contractors
238211 - Masonry Contractors
238210 - General Contractors

Access General Contracting, Inc.

12745 Glendale Way, Ste. A
Westminster, CA 92683
(714) 937-0950

http://www.accessgncontracting.com

Website:
INFO@accessgncontracting.com

DRE Registration No. 10006718

We strive to build not only our customer’s needs, but long lasting business relationships that you can trust and depend on.

— Access General Contracting, Inc.
Program Bond Request

- Assess Contractor / Project
- Discern best approach to secure bond
- Underwrite Collateral If Required
- Process Collateral Documents
- Execute Funds Administration
  - Execute Irrevocable Directive of Draw directing contract proceeds to Program Third Party Funds Administrator (TPFA)
- TPFA processes and distributes all progress payments for project duration
- Ongoing Contractor Support and Monitoring to Completion
- Review Project Status Updates
- Assist contractor and Address and deficiencies or concerns
- Manage Collateral to Return
Program & Data Results
From Bond Transactions
Program Bond Transaction Results

ADMINISTERED PROGRAMS

$1.08B VALUE OF BID BONDS

$329M VALUE OF CONTRACTS AWARDED TO PROGRAM CONTRACTORS

$22M COST SAVINGS TO OWNERS BY LOW-BID PROGRAM CONTRACTORS

1105 BOND PROGRAM TRANSACTIONS

$4.5M CONTRACT FINANCING

$56.7M SPONSOR BACKED GUARANTEES

$129K IN LOSSES (2 Defaults)

<1% PROGRAM LOSS RATIO
**Contractor Development and Bonding Program**

**May 19, 2022**

**Program Data & The Power of Leverage**

- **214** Bond Transactions
- **102** Distinct Contractors

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### Data from City & Metro Programs

<table>
<thead>
<tr>
<th>Totals Per Dept</th>
<th>Percentage</th>
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</thead>
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<tr>
<td>Public Works</td>
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<td>LAWA</td>
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<td>Port</td>
<td>$13,674,876.65</td>
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<td>Rec &amp; Parks</td>
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<td>LADOT</td>
<td>$1,225,432.00</td>
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<tr>
<td><strong>METRO</strong></td>
<td>$13,886,191.00</td>
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<tr>
<td><strong>Totals</strong></td>
<td><strong>$253,551,223.62</strong></td>
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</tbody>
</table>

- **0.04%** Loss Ratio 1 Default in 13 Years
- **$253,551,223.92** Bid Estimate Amounts
- **$112,604,008.61** Final Contract Awards 44% of Bid Value Pursued
- **$7,150,786.90** Cost Savings
- **$12,840,471.08** Credit Enhancements Approved
- **$28,764,195.56** Credit Enhancements Issued
- **$121,528.52** Average Collateral Amount
- **16.74%** Average Collateral Percentage

- Collateral guarantee limits are 40% of the bond/contract amount to a maximum of $250,000.

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**19**
### Bond Transaction Activity – Collateral Analysis

#### City of Los Angeles

<table>
<thead>
<tr>
<th>Contract/Bond Amount Range</th>
<th># of Projects in Range</th>
<th>Smallest Contract within Range</th>
<th>Largest Contract within Range</th>
<th>Average Contract within Range</th>
<th>Lowest Collateral Issued</th>
<th>Largest Collateral Issued</th>
<th>Average Collateral Issued</th>
<th>% Low</th>
<th>% HI</th>
<th>Average % in Band</th>
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<td>40.00%</td>
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<td>$250,000.00</td>
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<td>4.57%</td>
<td>4.57%</td>
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</table>

#### City & County of San Francisco

<table>
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<tr>
<th>Contract/Bond Amount Range</th>
<th># of Projects in Range</th>
<th>Smallest Contract within Range</th>
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<th>Lowest Collateral Issued</th>
<th>Largest Collateral Issued</th>
<th>Average Collateral Issued</th>
<th>% Low</th>
<th>% HI</th>
<th>Average % in Band</th>
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<td>5.34%</td>
<td>5.34%</td>
<td>5.34%</td>
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## Program Data

### Sample Transactions Generating Cost Savings

<table>
<thead>
<tr>
<th>Construction Firm</th>
<th>Department</th>
<th>Bid Estimate or Bond Amount</th>
<th>Credit Enhance Approved</th>
<th>Bid Result</th>
<th>Final Contract or Bond Amount</th>
<th>Credit Enhance Issued</th>
<th>Awarded Contract Price</th>
<th>2nd Bidder Price</th>
<th>Difference</th>
<th>BID SPREAD %</th>
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<td>Consolidated Commercial Contractors</td>
<td>Comm. Dev</td>
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<td>Rec &amp; Parks</td>
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</table>

**CITY & METRO**

**Bond Guarantee Report**

**Cost Savings**

**Program Data**

**Sample Transactions Generating Cost Savings**

May 19, 2022
Contractor Development and Bonding Program

May 19, 2022

Contract Financing Assistance Pilot Program

REAL ACCESS TO CAPITAL...

- Financing tool targeted for contractors to collateralize their contracts for contract funding
- CFAP loan funds are released on an "as needed" basis and tied to project specific cash flow projections
- Funds come directly from CDFI partners and are administered by Merriwether & Williams and TPFA
- Max of $250k (case by case up to 500k), interest rate at 6.25% + 1% origination fee

**CFAP Program Benefits**

- Strengthens Financial Position of Contractors
- Builds Financial/Contracting Capacity of Contractors
- Less Risk for Prime
- Additional Assistance to Small Contractors Using Existing Program Resources – multiplies impact
Contract Financing Assistance Pilot Program

$165K
AVERAGE LOAN SIZE

$200K
HIGHEST CREDIT TO DATE

16 WEEKS
AVERAGE TIME FOR REPAYMENT

*1 Year Average Loan Term

$1M
WORKING CAPITAL SUPPORT PROVIDED TO XBEs

$6.7M
CONTRACT VALUE

40 LOCAL HIRES FROM SUPPORTED CONTRACTORS

May 19, 2022
Contract Financing Assistance Pilot Program

Process Flow For CFAP

- Contractor Development & Bonding Assessment
- Loan Funding through *TPFA and Repayment from Progress Payments
- CFAP Pre-Approval for Bidding
- Final Approval – Final Cash Flow
- Bid and Win

CFAP Pre-Approval for Bidding

Loan Funding through *TPFA and Repayment from Progress Payments

Final Approval – Final Cash Flow

Bid and Win

*TPFA
CFAP Training

- 2-Day Training for Contractors Bidding Projects that will require funding to mobilize and pay workers during lifecycle of project.
- Loan Application Process Flow: Onboarding, Pre-approval/Cash Flow Preliminary, Bid & Win, Final Approval -Final Cash Flow & Loan Funding
- Key Things To Know
- How to develop a project Cash Flow Projection
- Work In Progress
- Financial Statements
- Application Checklist
Program Training & Education
Innovation Through Collaboration

- LAWA
  - Convening Forums and Focus Groups
  - Small Business Inclusion Policy Consulting (RFP/RFQ DEI Evaluation Scoring), Led to Increase of Small/Diverse Contractor Spend of $80M on APM project
  - Project Specific CDABP Contractor Alignment – APM Project
  - LAWA BuildLAX Academy
Innovation Through Collaboration

- Public Works – Community Level Contracting Program
  - Sidewalk Repair
  - Mobile Fleet Washing
  - Bus Stop Lighting
  - Solar
  - Landscape Median Island

Community Level Contracting

- $28M CLC Opportunities Identified
- 37 XBeS Received CDABP Technical Assistance
- $850K Bond Line Increase
- $90K Newly Established Letter of Credits
- $1.3M Newly Established Bond Line
Sample Monthly Trainings

- Accessing Bonding
- Joint Ventures
- Safety & Risk Management
- OSHA 10 and OSHA 30 Certification
- Successful Prime Connections
- Green Building & Sustainability
- Prevailing Wage and Labor Agreements
- PLAs and Labor Compliance
- Contract Financing
- Prequalification Assistance
- Certification Assistance
Sample Academies

- Understanding Your Construction Contract
- Funds Administration
- Project Funds & Cash Management
- Financial Reporting
- Cash Flow Projections
- Bidding & Estimating
- Project & Construction Management
- Prequalification Assistance
- Contract Review
Contractor Development & Technical Assistance

**TRAINING ACADEMY STATS**

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<th>329</th>
<th>109</th>
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<td>FIRMS ENROLLED</td>
<td>CONTRACTS AWARDED</td>
<td>FIRMS GRADUATED</td>
<td>AMOUNT AWARDED</td>
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Since 2015
Online Training Videos

COVID-19 Construction Safety Webinar
The Business Recovery Series: Profit Model to...
The Cash Management Workshop presented by Joh...
Navigating Metro Contracting Opportunities ...
CDABP: Construction Contract Review: In The...
Profit Model to Business Model Workshop
The Three C's of Accounting Workshop presented by the...

Merriwether & Williams Insurance Services

YouTube
Prime Partnership
Program and Outreach
& Communication
Prime Partnership Program

Objective

To engage the Prime community as full participants and benefactors of CDABP - enabling greater subcontractor utilization of CDABP supported contractors.

- Educate Primes on unique small subcontractor risk mitigation with CDABP including bonding/contract funding support
- Align Prime subcontracting needs with prequalified CDABP contractors
- Collaborate on strategies to reduce small contractor obstacles and small contractor support and provide input on small contractor conducive practices
- Engage Prime participation in CDABP trainings
CDABP Communication & Program Outreach

The Objective:

- Overall Communication Strategy to Promote CDABP
  - LA County – Region Wide
- Reach and Promote to All Stakeholders
  - Small Contractors
  - Prime and Hiring Contractors
  - CBO’s
  - Sponsor Stakeholders / Elected Officials
- Outreach Mediums
  - Events, Pre-Bids, Trainings, Council District / Supervisor District Workshops, Social Media
  - Website, Contractor Weekly, Digital Newsletters
CDABP Communication & Outreach

Target LA Region - Small, Diverse, and Veteran Contractor Community

- Outreach & Inform
  - Program Benefits and Resources
  - Host and Produce Workshops/Seminars
- Strategic Communications – Program Marketing
  - Diverse Constituencies, Diverse Databases
  - Collateral Materials, Social Media
- Stakeholder Engagement, Partnership and Collaboration
  - Elected Officials – Board of Supervisors & City Councilmembers
  - Prime Contractors
  - Regional Business Organizations
  - Other Resource Providers
  - Project and Trade Specific Outreach
- Team Experience
  - Public Affairs Professionals with Local Government Experience
  - DVBE Construction Supplier with over 30 years of Experience
Program Tracking and Reporting
Program Tracking & Reporting

- Use Sponsor oriented MIS data tool to capture all contractor specific activity
- Ability to customize what's tracked and reported
Questions & Considerations

- Do all construction contracting opportunities with the County emanate from the County’s Departments of Public Works and Parks & Recreation?

- What other special initiatives are the various County departments considering to make construction contracting opportunities more accessible for XBEs?

- Does DCBA interface with Public Works and/or ISD to achieve policies and practices for maximum utilization of XBEs in County solicitations?

- How can we go about getting the County’s CDABP services promoted in:
  - County RFP/RFB/IFB Construction Solicitation Documents
  - Department Websites (PW, ISD, DCBA, LAEDC)
  - Are there other "Outlets" for CDABP promotion?
Questions & Considerations

- Can we request Department Leadership to present at key CDABP Outreach Events.

- Can your CDABP be promoted through your internal/external communication portals and publications such as the County Newsletter.

- How can CDABP be best promoted to your database of contractors?

- How will the ARDI initiative intersect with construction contracting?

- Are there other resource partners, consultants, programs (i.e., SoCalREN) for CDABP collaboration?

- Can CDABP be presented at construction related pre-bids – this is a key source for new contractor enrollment?
Thank You for Your Time
L.A Regional Contractor Development and Bonding Program

Merriwether & Williams
INSURANCE SERVICES...Of Like Minds

550 South Hope Street, Suite 1835
Los Angeles, CA 90071
(213) 258-3000
mwisinfo@imwis.com
Worker Protections: Minimum Wage Increase
• Minimum Wage Ordinance adopted in **October 2015**
(C)hapter 8.101 of the Los Angeles County Code)

• DCBA designated as the enforcement agency in **November 2015**

• Ordinance effective on **July 1, 2016**

• The County’s Minimum Wage Ordinance applies to employees who perform two or more hours of work in a particular week in the unincorporated areas of the County

• DCBA enforces the City of Santa Monica’s Minimum Wage Ordinance
Enhancing Worker Protections

In response to the Covid-19 Pandemic, the Board adopted additional protections for workers:

• Public Health Anti-Retaliation Ordinance
• Hero Pay Ordinance
• Employee Paid Leave for Expanded Covid-19 Vaccine Access Ordinance
• Prevention of Human Trafficking Ordinance
Since July 2016, the minimum wage rates for the county were based on scheduled increases.

Beginning 2022, the CEO was tasked with publishing the new County minimum wage rate based on the Consumer Price Index.

What is the County’s minimum wage rate for July 2022?

July 1, 2022, both the County’s and Santa Monica’s minimum wage rate will be $15.96 for both small and large employers.
What is the City of Los Angeles minimum wage rate for July 2022?

July 1, 2022, the minimum wage rate for City of Los Angeles (City) is $16.04 for both small and large employers.

Why is there a difference between the County’s and City’s minimum wage rates?

County’s ordinance language requires publication of the County’s minimum wage rate in January of each year.

The City’s ordinance requires publication of the City’s minimum wage rate in February of each year.

County can only consider available CPI - County’s determination was made by calculating CPI rates between January 2021 to November 2021.

December CPI rate was not considered because the rate became available in mid January of 2022.
OUTREACH EFFORTS

Getting the Word Out:

• Strengthening information flow through workshops in collaboration with community-based organizations and partner agencies aimed to connect workers to information and potential opportunities
• Boots on the ground strategy: One on One visits to businesses in the unincorporated Los Angeles County
• Hyperlocal and Ethnic Media
• Online Strategies: Webinars in different languages, social media, online videos
• Physical Ads: Bus shelters, inside public transit, billboards in certain areas.
LOOKING INTO THE FUTURE

- **Office of Labor Equity (OLE)**
  - Expanding and Centralizing Worker Protection
  - Expanding Protection through Policies
  - Shifting from Reactive to Proactive Enforcement

  **Industries of Interest:**
  1. Private Households
  2. Food Services
  3. Personal and Laundry Services

  Collaborating with Community Based Organizations in creating safe space for reporting workplace violations

Through this expansion, OLE intends to work towards reducing workers and their families from experiencing wage theft and pay inequities, increasing worker and employer awareness of worker protection resources, advocating for worker protection and ensuring workers suffering from wage theft have access to free of cost and comprehensive government services.
• Community Based Organizations
  1. CHIRLA May Day Event
  2. Collaboration with Pilipino Worker Center for Townhall end of May and Future
     Collaboration for Hyperlocal Media Event
• Intergovernmental Agencies
  1. Treasurer Tax Collector (TTC), Department of Public Health (DPH), Los Angeles County Sheriff (LASD),
     and County Counsel to ensure compliance with worker protection policies adopted by the County.
  2. TTC and DPH to ensure dissemination of worker protection information to businesses each agency
     interfaces
  3. Collaboration with Department of Homeland Security (DHS) to elevate anti-human trafficking messaging
  4. Collaborating with TTC to make recommendations for licensing massage establishments
• Consulates
• Small Business Administration (SBA): Series of webinars both in English and Spanish on a monthly basis to veteran
  owned businesses on worker protection requirements in the County of Los Angeles
• WDACS: Collaborated in putting together career/resource fair for Afghan Community. Also working with Office of Small
  Businesses to share information to LA County businesses
HIGHLIGHTS

• Wage Enforcement Program (WEP) was able to assist over 2,000 workers working in the unincorporated areas of the County and the City of Santa Monica receive wages owed to them by their employers.

• Since 2016 over $2.2 million dollars were collected in back wages and fines collectively.

• Between 2021-2022 WEP collected over $885,000 in back wages and fines collectively for 518 affected employees.

• In 2021 DCBA Worker Protection investigated a grocery store in the unincorporated Pasadena for Hero Pay violations and was able to collect over $130,000 in back wages and fines collectively for 75 affected employees.

• Investigators tasked with enforcing the Public Health Anti-Retaliation Ordinance investigated a case against a construction company in Van Nuys and cited the business for retaliating against an employee for voicing her concerns over lack of PPE. The employer was issued a $3,000 citation and paid immediately.
Questions

Contact Us

Rose Basmadzhyan
Wage Enforcement Program and Worker Protection
Email: rbasmadzhyan@dcba.lacounty.gov

Website: www.dcba.lacounty.gov

General Inquiries: 1-800-593-8222
wagehelp@dcba.lacounty.gov