

LA CONTRACTOR CONNECTION

FALL 2023

A NEWSLETTER FROM THE LOS ANGELES REGIONAL
CONTRACTOR DEVELOPMENT AND BONDING PROGRAM

**CONTRACTOR SUCCESS STORY:
QUALITY ENVIRONMENTAL, INC.**

**OVERVIEW OF OUTREACH
& TRAINING EVENTS**

CDABP IN THE NEWS



MESSAGE FROM THE PROGRAM ADMINISTRATOR

Welcome to the latest issue of the *L.A. Contractor Connection!*

The Los Angeles Regional Contractor Development and Bonding Program's (CDABP's) efforts to increase diversity, equity and inclusion (DEI) in public contracting continues – and the benefits of this multi-agency sponsored program (City of L.A., L.A. Metro and L.A. County) are increasingly being recognized. On June 16, 2023, KABC-TV Channel 7 said in a broadcast about the CDABP that “the result has been nothing short of phenomenal, with more diversity, talent, and savings for everyone involved.”

In this issue, which covers the CDABP's work from March 1 through June 30, 2023, we share some of our meaningful work.

During the period covered, the CDABP held three outreach workshops, each hosted respectively by L.A. City Councilmembers Bob Blumenfield, John Lee, and Curren D. Price, Jr. Our team also assisted Los Angeles World Airports (LAWA) with three contractor outreach events introducing billions of dollars in upcoming construction procurement opportunities.

To put human faces on those served by the CDABP, Quality Environmental is profiled in our Contractor Success Story, which shows the ability of small contractors to reach new levels of success when provided with the kind of individualized support and training that we offer.

To help create more success stories, we continue to provide advanced training to more contractors. In March and April, the CDABP held construction bidding and estimating training academies focused on the City of Los Angeles, and in June and July, focused on Metro. Mark Penn, Director of the Small Business Unit at Metro, offered praise for our participants, commenting that “the graduating class of the academy demonstrated its dedication and commitment to excellence.”

We also held a training session in May on certified payroll and a workshop in May-June that helped firms get contract ready with the City of Los Angeles.

From March through June, thirteen news items were published in a diverse range of publications. With this heightened media coverage, a larger audience is learning about the

regional CDABP's training sessions and program benefits. We've included a summary of some of this coverage and links to the news stories, including the KABC-TV Channel 7 story mentioned in our opening paragraph.

To complement our recap of events and contractor profile, in "CDABP by the Numbers" we also present the data behind our work, showing statistics for CDABP training events, attendees, technical assistance interactions and enrollees, as well as our Contract Financing and Assistance Program (CFAP) and cumulative program achievements.

If you are a local contractor interested in public works contracting in the Los Angeles region, we invite you to explore how the CDABP's personalized development and bonding support can help your business grow. If you are already enrolled in our program, we hope that these contents inspire you to continue your engagement with us. We are here to help you reach your goals!

Warm Regards,

The Los Angeles Regional Contractor Development and Bonding Program Team



Merriwether & Williams
INSURANCE SERVICES

... Of Like Minds





Contractor Success Story: Quality Environmental, Inc., story [page 14](#)

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CDABP OUTREACH WITH ELECTED OFFICIALS

Councilmember Bob Blumenfield



Bob Blumenfield, City of Los Angeles Councilmember

For small and diverse contractors to succeed in the Los Angeles contracting arena, they need support systems, extensive contractor networks, bonding and development assistance, and guidance. The Contractor Development and Bonding Program (CDABP) is an excellent resource for contractors seeking help to overcome the inherent challenges of public contracting. On March 23, 2023, the CDABP held a webinar, “Navigating City Contracting Opportunities with Councilmember Bob Blumenfield,” to raise awareness of the capital and staff available to contractors looking to bid on public works projects. Highlighted were upcoming construction opportunities with the City of Los Angeles’ proprietary departments, and encouragement for contractors to join the CDABP program and take part in these exciting projects.

A long-time friend and advocate of the CDABP, Councilmember Bob Blumenfield sponsored the webinar and kicked off the event by welcoming attendees. His encouragement to join the free CDABP program couldn’t have come at a better time, as the city is gearing up for multi-billion-dollar construction projects. “I hope that this workshop will help you maximize your potential because we’re counting on you to play a critical role,” admonished Councilmember Blumenfield. After his inspiring greeting, representatives from Los Angeles World Airports (LAWA), the Los Angeles Department of Water and Power (LADWP), and the Los Angeles Bureau of Contract Administration (BCA) shared tips and expertise on doing business with their respective departments.



Anabel Barragan, Manager of
Community Economic Impact,
LAWA

“Terminal 9 is LAWA’s gem. Just imagine – there’s not much land, yet we are going to be adding 1.4 million square feet of terminal space.”

- Anabel Barragan, Manager of Community Economic Impact, LAWA

Anabel Barragan, LAWA’s Manager of Community Economic Impact, shared the inside scoop on an upcoming construction RFP. “Terminal 9 is LAWA’s gem,” she explained, “Just imagine – there’s not much land, yet we are going to be adding 1.4 million square feet of terminal space.” She invited participants to attend a LAWA-hosted industry showcase for Terminal 9 the following month.

Jason Kim, LADWP Management Analyst, gave a quick overview of how to do business with LADWP. In his presentation, Jason spoke of contracts awarded to firms in the past and encouraged contractors’ participation. “We awarded \$1.2 billion in contracts for goods and services in 2020. So, there are many opportunities in LADWP,” he noted. In discussing a vital step toward procuring these contracts, he emphasized the importance of getting certified by the City of LA.

Representing the Bureau of Contract Administration, Jian Jiang followed with an informative overview of the certification process. His presentation explored each type of certification and detailed the requirements needed to qualify, providing an excellent guide for anyone seeking certification.

You can view this outreach event [online](#).



Jason Kim, LADWP Management
Analyst

Councilmember John Lee



*John Lee, City of Los Angeles
Councilmember*

Hosted on April 13, 2023 by Los Angeles City Councilman John Lee, CDABP's "Navigating City Contract Opportunities" outreach workshop informed local small and diverse construction contractors about opportunities available to them through the city's Contractor Development and Bonding Program (CDABP), administered by Merriwether & Williams Insurance Services (MWIS).

The growth and development of small and diverse contractors are priorities for the city's elected officials, which led them to launch the CDABP years ago. The CDABP is a diversity, equity, and inclusion (DEI) program which offers technical assistance, financial support (such as helping contractors secure bonds, so they can bid on public contracts), and other capacity-building services to

help local small and diverse contractors.

Councilmember Lee spoke about the importance of getting the help needed to overcome the inherent challenges of public contracting. "As many of you have experienced, bonding can sometimes be an obstacle to participating in public construction opportunities," he said. "But the CDABP assists contractors in obtaining bonds and increasing your bonding capacity."

Ernie Moreno, owner and president of Marne Construction, described how the CDABP was integral to his success in procuring a \$9.7 million contract with Los Angeles World Airports (LAWA). "We didn't have that trust with the bonding agencies or with the banks to be able to get the bonding for the size that this project required," he explained, "[...] so we needed the bonding to be able to cover that project, which was pretty hard

"As many of you have experienced, bonding can sometimes be an obstacle to participating in public construction opportunities. But the CDABP assists contractors in obtaining bonds and increasing your bonding capacity."

– John Lee, City of Los Angeles
Councilmember



Ernie Moreno, owner and president of Marne Construction

to get. We wouldn't have gotten it, basically, without the CDABP." Historically, bonding has been an obstacle for small and diverse construction firms. However, the success of program participants like Marne Construction shows that, with the help and support of programs like the CDABP, these construction firms can become as competitive as other, traditional firms.

Webinar attendees also heard from representatives of the City's proprietary departments regarding small business opportunities and the importance of obtaining certifications for public contracts. The city's Bureau of Contract Administration (BCA) described the basics of the certification process. A LAWA official presented current and future bid

opportunities, including those related to upcoming construction work at Terminal 9. The Los Angeles Department of Water and Power (LADWP) closed the program by describing the essentials needed to do business with their department.

You can view this outreach event [online](#).

Councilmember Curren D. Price, Jr.



Curren D. Price, Jr., City of Los Angeles Councilmember

On April 26, 2023, the Los Angeles Regional Contractor Development and Bonding Program (CDABP) co-hosted an in-person "Navigating City Contracting Opportunities" workshop with the Office of Los Angeles City Councilman Curren D. Price, Jr., who represents Council District 9. The event was held at the Southeast Los Angeles Business Resource Center and featured presentations by speakers from the Los Angeles Department of Water and Power (LADWP), Los Angeles World Airports (LAWA), and the city's Bureau of Engineering (BOE). Attendees networked with the speakers, visited exhibitor booths and connected with fellow contractors. The CDABP is administered by Merriwether & Williams Insurance Services (MWIS).



Mike Castillo, Executive Director,
District 9 Business Resource
Center

Mike Castillo, executive director of the Business Resource Center for Councilmember Price, opened the workshop, graciously welcoming the audience on behalf of the Councilmember. He encouraged participants to enroll in the CDABP, which is offered at no cost to contractors, stating, "Now is the time for you to get involved and grow your business."

There is a focus in the Los Angeles region on developing critical projects in the near term, in part as preparation for the 2028 Olympics, which will be hosted by the City of Los Angeles. The \$1.2 trillion Infrastructure Investment and Jobs Act, which President Biden signed into law, is also providing significant construction opportunities.

"The program has helped reduce barriers of entry for small, local and diverse contractors in public contracting, which means they can now be part of building their cities and seeing their businesses flourish and thrive." – Lakeisha Bearden, Director of Program Development, MWIS



Lakeisha Bearden, Director of
Program Development, MWIS

Lakeisha Bearden, director of program development for MWIS, described the CDABP services and how they help contractors take advantage of these opportunities. She discussed the history and importance of bonding, its critical role in public contracting, and how the CDABP offers bonding support. She talked about contractor development services, such as trainings, workshops, and academies, which are led by industry experts. She also told attendees about technical services like bid document review, contract completion support, and certifications, emphasizing that, "the program has helped reduce entry barriers for small, local, and diverse contractors in public contracting, which means they can now be part of building their cities and seeing their businesses flourish and thrive."

Attendees also learned about the much-anticipated Slauson Connect Recreation Center project in Council District 9. Wayne Chow, an architectural associate within the city's Bureau of Engineering (BOE), gave a presentation on the upcoming project, which will include a 12,000-square-foot multifaceted facility that will house flexible multipurpose rooms to accommodate a variety of recreation-related programs, a childcare center, and after-school classrooms, with a primary focus on youth recreational programming.

The sustainable design features for the project include photovoltaic panels, a vegetated (green) roof, a stormwater treatment system, and energy-efficient mechanical, electrical, and plumbing systems. Councilmember Price has been instrumental in securing the funding needed for the project.



Wayne Chow, architectural associate at the Los Angeles Bureau of Engineering



*Sophia Cavalli, LAWA DEI
Industry Relations Advisor*

Sophia Cavalli, economic inclusion advisor with LAWA, talked about major projects in the works, including the LAX Terminal 9, Signage and Wayfinding Enhancement, and Multiple Award Task Order Contracts (MATOC). The new international Terminal 9 facility will cover roughly 1.4 million square feet, have a parking structure, and include an Automated People Mover station, among other notable features. With the Signage and Wayfinding Enhancement project, LAWA seeks to deliver a series of new signage improvements throughout LAX, thereby creating an intuitive guest experience navigating to and through the LAX campus. Upcoming MATOC pre-proposal outreach events will present the professional services needed to support LAWA's capital improvement projects.

LAWA PROCUREMENT OUTREACH EVENTS



A large and diverse group of vendors attended the June 23 LAWA project scope presentation to learn more about upcoming construction-related opportunities at LAX.

In the second quarter of 2023, the Los Angeles Regional Contractor Development and Bonding Program (CDABP) team, comprised of Merriwether & Williams Insurance Services (MWIS) and 3D Networks Corp., supported Los Angeles World Airports (LAWA) in the planning and execution of three successful outreach events announcing and outlining three separate upcoming requests for qualifications

(RFQs) for construction opportunities at Los Angeles International Airport (LAX).

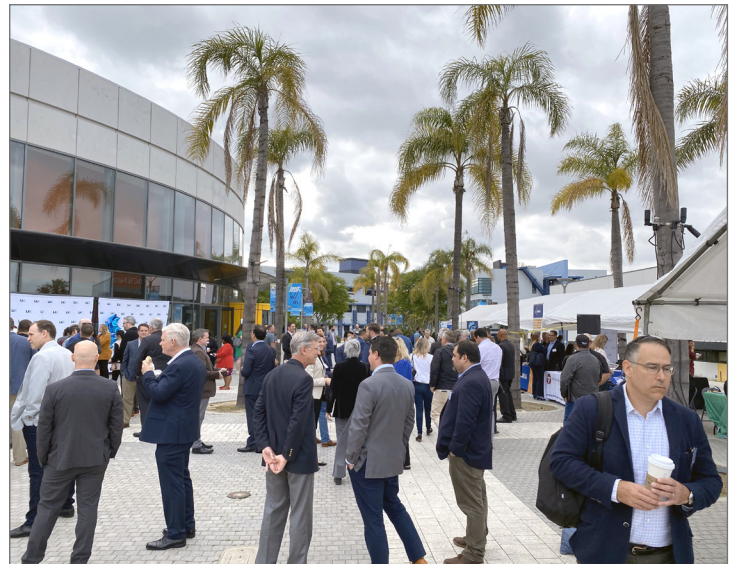
LAWA is building interest in the communities it aims to partner with by implementing updates to the procurement process including broader operational transparency, a refreshed design and construction handbook, expansive inclusivity goals and requirements,

LAWA PROCUREMENT OUTREACH EVENTS

new opportunities for microbusinesses, industry mentor and protégé programs, as well as internship and educational learning opportunities. These updates will continue to evolve and grow, all in support of fostering equitable economic growth and sustainability in Los Angeles and the greater Southern California region.

“At LAX, we are not only transforming the airport with vital infrastructure but also reshaping our procurement model to foster greater opportunities for diverse vendors, especially those from our local community,” said Terri Mestas, Chief Development Officer, LAWA. “Through this effort, we aim to create a model that other agencies and peers within aviation and beyond can use to restructure their own sourcing methods. The calls for qualifications that we are issuing this summer are just the beginning of this work.”

On April 14, LAWA welcomed over 1,100 guests from its surrounding community, across the U.S., and around the world at LAX’s



Attendees at the June 23 LAWA outreach event networked with other vendors after the presentation.

officials about its newest transformation project. Terminal 9 will bring roughly 1.4 million square feet of ground-up construction to LAX’s campus to serve an estimated 7.2 million annual departing domestic and international passengers.

On May 12, the CDABP team helped LAWA to execute the LAX Program Services Multiple Award Task Order Contract (MATOC)

“At LAX, we are [...] reshaping our procurement model to foster greater opportunities for diverse vendors, especially those from our local community.”

– Terri Mestas, Chief Development Officer, LAWA

Terminal 9 Industry Showcase, held at the Sheraton Gateway Los Angeles Hotel, making it one of the highest-attended procurement events in the airport’s history. During the showcase, the audience heard from Airport Board Commissioner Karim Webb, LAWA CEO Justin Erbacci, Ms. Mestas, and other airport

Pre-Proposal Outreach event held at Los Angeles Southwest College. Over 600 people attended. Via the Program Services MATOC, LAWA seeks to establish a pool of prequalified professional consulting firms that will subsequently be invited to submit task order proposals to provide services, including,

but not limited to, project management, construction management, project controls, inspection and testing, among others. Furthermore, responders may, but are not required to, submit their qualifications for one or more optional categories including quality and safety services, inclusivity, workforce and economic impact support services related to LAWA's Capital Improvement Program. This contract has an estimated value of up to \$950 million over a term of five years. The CDABP team supported LAWA with planning, registration, name badge distribution, and Q&A facilitation. Attendees were also provided with CDABP collateral and information.

The third outreach event was held on June 23 at Los Angeles Southwest College. CDABP supported the LAWA team on the execution of the LAX Planning & Design Services MATOC & Wayfinding Enhancement Program Industry forum. Over 700 attendees arrived to listen to the presentation of the project scope, which includes planning and concept design, full design and permitting, schematic design and the progressive design build services necessary to develop a comprehensive, multi-channelled, integrated wayfinding system across LAX. Following the presentation, attendees had the opportunity to network and make team connections. At the event, the CDABP team staffed a resource booth and shared information about the inclusive and supportive CDABP.

The three LAWA outreach events were informative and productive for many attendees. For example, Rick Vaughn,



The MWIS/3D team set up name badges for the large number of attendees at the May 12 event, held at LA Southwest College.

Regional Community Relations Director, Swinerton, said, "Attending the series of LAWA events allowed Swinerton the opportunity to change several contacts into contracts. Tabling at these events not only assists our outreach efforts for the projects we engage on with LAWA, but they also support other external and internal project goals around diversity and inclusion as a whole."

You can read more about these events on LAWA's website:

LAWA's Terminal 9 Industry Showcase Attracts over 1,100 Attendees

LAWA Seeks Qualifications for up to \$950 Million in Program Services Through the new MATOC RFQ

QUALITY ENVIRONMENTAL, INC.



Quality Environmental's field staff participate in monthly meetings and receive ongoing training to keep them on the cutting edge of industry safety and best practices.

Quality Environmental, Inc.: Where Taking Care of Business Means Taking Care of Clients, Employees and Community

Full-service environmental remediation, clean-up and removal provider Quality Environmental is owned by siblings Gustavo Escutia and Lizbeth Delval Escutia, who initially founded the business with their father. Having immigrated to the U.S. from Mexico in search of better opportunities, securing employment in the environmental remediation niche in the early 90's enabled the hardworking Escutia family to find a path out of poverty-level factory work and, eventually, to become successful small business owners. "When he

was still in his teens, Gus started working alongside our father in the demolition, asbestos and lead abatement field – going from being a laborer to supervisor, to operations manager and then estimator,” shares Lizbeth. “So, although Gus and I were only in our 30’s when we started Quality Environmental Inc., he already had extensive field experience and I had been honing my administrative skills.

While working for other remediation companies, Gus had frequently witnessed profit being prioritized over worker and client well-being and vowed that he would never do that in his own business. As Lizbeth explains, “He saw companies cutting corners to save money, treating their workers as dispensable, providing minimal and low-quality PPE [personal protective equipment] and not following important safety procedures.” In contrast, Gus and Lizbeth founded their company based on core values that include doing business with integrity, adhering to all regulations and best practices, treating others with respect, and putting their employees’ and clients’ safety first.

In 2005, after Gus obtained his state license for asbestos remediation and demolition, Quality Environmental was launched from his home garage. The company found its first clients the old-fashioned way – by going through the phone book. “We looked up general contractors in the Yellow Pages and sent them our cover letter introducing ourselves and our areas of expertise,” recalls Lizbeth. “We started full force, so for

my part, the biggest challenge was being taken seriously as a young woman and minority in this industry. We had to prove ourselves. We had to show them that we had the knowledge, experience and could save them money by doing things the right way.” Orange Coast College, the company’s first major prevailing wage project, is one of many original clients who have remained with Quality Environmental over the decades.



Gus Escutia, President, and Lizbeth Delval Escutia, Vice President, Quality Environmental, Inc.



Quality Environmental's crew is highly trained to provide a wide range of remediation, clean-up and removal services.

"We conduct our business in a manner that allows us to sleep well at night," observes Lizbeth, pointing out that even many general contractors don't understand the small details of how to safely remove hazardous materials. "In this field, we can never rush through a job or assume that a material is safe – regulations require a survey report even to cut a hole in the wall, because – as just one example – although the U.S. stopped manufacturing asbestos products in 1985, many imported products, including drywall, still contained asbestos.

There are also many different types of asbestos, each with specific safe handling and disposal procedures. We make it a point to educate our clients and employees on the importance of adhering to safety regulations, because the only job worth doing is a job done right." In addition to always providing their field team with the highest quality and most updated PPE, Quality Environmental conducts monthly meetings with them, providing constant training to stay on the cutting edge of industry safety practices.

This approach has proven highly successful – Quality Environmental went from earnings of \$1 million in 2005 to over \$18 million in 2022; the company currently has about 100 employees, over 30 different field vehicles (including regular and box trucks, vans and heavy equipment), and field staff who are certified in all the trades. They offer complex demolition, asbestos and lead abatement, mold remediation, infection control and viral disinfection services, fire and water damage clean-up, bead blasting, and 24/7 hazmat emergency response services. Their clients include hospitals, schools, government buildings, public housing, and both commercial and private renovation projects.

Because of the company leaders' proactive stance toward learning about various project requirements, Quality Environmental has avoided many of the steep administrative learning curves and challenging adjustments usually experienced by small businesses when moving into public works construction. "We've always done our research first so haven't had any surprises – when we were starting out, I got trained as much as possible on things that were new to me. When I asked general contractors for guidance, they willingly directed me to the resources required for us to handle each project in terms of insurance, compliance, bookkeeping and so forth. So now, when we prepare bids, we train our estimators to do their research in detail ahead of time – looking over plans, and key notes, and if it's a type of project that we haven't

"We make it a point to educate our clients and employees on the importance of adhering to safety regulations, because the only job worth doing is a job done right."

– Lizbeth Delval Escutia, Vice President, Quality Environmental, Inc.

done before, reaching out to the contract administrator to be sure that we understand the requirements."

Lizbeth initially learned about the Contractor Development and Bonding Program (CDABP) while researching accounting practices and small business enterprise certifications. The CDABP assisted Lizbeth with funds control and securing bonding for a 2008 LAX project, then in 2016, for a 1-year Housing Authority of the City of Los Angeles (HACLA) contract. HACLA was so pleased with Quality Environmental's work, reports Lizbeth, "that they invited us to bid on a 5-year contract, which we completed, and then on another 5-year contract, which we are currently in the middle of. They love our work, and we love working with them. The bonding support and funds control which CDABP provided enabled us to get our first \$2 million job. We would not have gotten our foot in the door with HACLA without what funds control taught us about keeping track of every single cost, because even putting gas in your truck has to be properly coded for these types of projects."



Century City COVID-19 disinfection by Quality Environmental, Inc.

Doing their homework has ensured that Quality Environmental has never gotten in over its head while pursuing increasingly larger and more complex work – including the recent transformation of the Martin Luther King Jr./Drew (MLK) Medical Center, in South Central Los Angeles. After being shut down in 2007 due to a long history of mismanagement and providing poor-quality care to the local community, a community-based plan emerged in 2017 for the creation of a new state-of-the-art medical center. In 2020, Quality Environmental was

awarded an approximately \$4 million hazardous materials abatement contract as part of the massive design-build renovation project. Prior to bidding, Gus and his team reached out to their suppliers to identify the safest and most efficient equipment for removing and containing the 5-story building's asbestos floor tiles and lead plumbing pipes.

With their team often having to work in full-body suits and full-face respirators inside of containment areas made from 6 Mil fire-retardant polyethylene sheeting (as they did for MLK Medical Center), Gus and Quality Environmental team leaders also have to plan carefully to ensure that their crew can safely take breaks and remain hydrated, and that any employees working in nearby areas are not affected by the hazmat work.

Quality Environmental stayed busy throughout the pandemic, as their services were considered essential. Fully trained and equipped to respond to a variety of hazardous materials emergencies, they have worked on many hospitals, currently have a 5-year job

order contract with the L.A. County Internal Service Department to provide emergency clean-up services for all Los Angeles courts, and are on call to provide these services for Los Angeles and Orange County. They were one of the companies brought to the City of Malibu to provide clean up and remediation after a fire destroyed a prominent clock tower in a busy retail area. “We have the necessary expertise to safely and efficiently do what others cannot,” affirms Lizbeth. “We recently worked on a project at Good Samaritan which had such hazardous conditions that no other contractors wanted to bid the project – and we got the job done faster than anticipated.”

Working on any HACLA project is a company favorite because it gives Quality Environmental the opportunity to collaborate with local community members through “train to hire” apprenticeships. “Although many businesses do this just to fulfill the contract requirements,” remarks Lizbeth, “we’ve been thrilled to witness the success stories of a number of the apprentices that we trained and hired.” Besides sharing important work and safety skills, Quality Environmental believes in teaching all staff to take pride in and ownership of their work, to work well with and look out for each other, to become leaders, and to aspire to grow and learn. “We don’t treat them as ‘just workers’ – we want them to feel appreciated, supported and encouraged to follow their dreams.”

In addition to the importance of doing research prior to jumping in to a new or

“We have the necessary expertise to safely and efficiently do what others cannot; we recently worked on a project [...] which had such hazardous conditions that no other contractors wanted to bid the project – and we got the job done faster than anticipated.”

– Lizbeth Delval Escutia, Vice President,
Quality Environmental, Inc.

bigger project, Lizbeth’s advice for other small contractors is to not get discouraged by roadblocks, but rather view them as challenges. “Gus and I have always had a positive attitude about challenges and taking calculated risks that we know we can handle. As immigrants, we always try to work harder – we were taught that if you want to get somewhere you haven’t been, you have to try something you have never done. We grew up with a lot of adversity, but our parents taught us how to overcome these with a good attitude and hard work.”

To learn more about Quality Environmental, visit their [website](#).

CDABP TRAININGS

Construction Bidding & Estimating Training Academy for City of LA



Academy graduates display their certificates of completion.

As part of the Los Angeles Regional Contractor Development and Bonding Program (CDABP), which Merriwether & Williams Insurance Services (MWIS) administers for the City of Los Angeles, Los Angeles Metro, and the County of Los Angeles, MWIS hosted a five-week

Construction Bidding & Estimating Training Academy in March and April.

Designed to help small business contractors develop and improve their estimating skills when bidding on public works projects, the

training program featured a range of expert speakers from the City of Los Angeles and notable construction companies such as Skanska, Clark Construction, Hensel & Phelps, and Swinerton. The speakers shared their industry insights, experience, and knowledge of best practices on bidding and estimating to attendees, 30 of whom graduated and received certificates of completion.

Participants worked together in teams to complete a mock bid project. Robert Lowery, MWIS field support project manager, said, "This is a significant feature of the academy

because it provides a practical opportunity for participants to put their newfound skills to the test while learning to work collaboratively with other contractors."

With its hybrid format of in-person and virtual training sessions and practical project-based approach, the Construction Bidding & Estimating Training Academy served as a valuable resource for contractors looking to enhance their skills, collaborate with other professionals, and stay current with industry trends.

CDABP Hosts Certified Payroll and Labor Compliance Workshop



Veronica Avila (background, left) from Labor Compliance Enterprise, Inc., discusses certified payroll, labor compliance and prevailing wage.

On May 2-3, the Los Angeles Regional Contractor Development and Bonding Program (CDABP) hosted a two-day Certified Payroll and Labor Compliance Workshop for contractors. The workshop took contractors

on a deep dive into certified payroll, labor compliance, and prevailing wage. The topics covered included wage determinations, calculating prevailing wage rates, California labor code penalties, unionized agreements,

legislation changes, Department of Industrial Relations registration, and payroll systems.

The second day of the workshop was focused on certified payroll. Contractors walked away with pertinent information to help grow their businesses. "It's important to remain compliant while working on projects. Compliance directly impacts the profits you get to keep in your pockets," said presenter Veronica Avila from Labor Compliance Enterprise, Inc.

The small and emerging business owners who attended were given the opportunity to ask questions pertaining to their specific business needs, and expressed their appreciation for the wealth of information shared. As contractors continue to pursue work in the public works arena, they can use this workshop as a reference and work with Labor Compliance Enterprise, Inc. to successfully meet their contract requirements.

Getting Contract Ready with the City of Los Angeles

In the vast landscape of construction, ensuring successful project execution while adhering to contract requirements is essential for contractors. To equip small and diverse construction contractors with the necessary knowledge and skills, the City of Los Angeles and Merriwether & Williams Insurance Services (MWIS) co-hosted a three-week virtual training series entitled, "Get Contract Ready with the City of Los Angeles." The series, which concluded in June, is part of the Los Angeles Regional Contractor Development and Bonding Program (CDABP), which is administered by MWIS on behalf of the City of Los Angeles, Los Angeles Metro, and the County of Los Angeles.

The training series focused on the CDABP, contract financing, bonding, insurance, and labor compliance. Presenters from the City of Los Angeles and MWIS offered

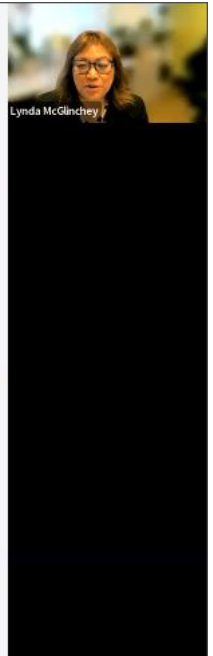
their expertise in each class, with the aim of enhancing the proficiency of construction contractors seeking opportunities on City of Los Angeles projects.

The series began with a presentation from Carlos Ray, Assistant Client & Community Relations Manager at MWIS, who explained the benefits and resources available through the CDABP, which assists small and diverse contractors in growing their contracting capacity and their overall business. The first week's class also covered the new Contract Financing Assistance Program (CFAP), administered by MWIS, through an insightful and thorough presentation from Janet Ramirez, Contract Based Financing Analyst at MWIS. "CFAP is an innovative program that helps contractors with cash flow needs on their projects," she explained. "The goal is to help contractors successfully complete their projects and increase their contracting

Contracting with the City of Los Angeles

LYNDA McGLINCHEY

Compliance Program Manager II
Office of Contract Compliance
Bureau of Contract Administration
Department of Public Works
City of Los Angeles



Lynda McGlinchey (upper right corner), Compliance Program Manager II, Bureau of Contract Administration, City of Los Angeles, discussed the many opportunities available for CDABP-enrolled contractors.

capacity.”

The last part of the week 1 class was dedicated to understanding how the City procures contracts, certifications available to contractors, and information required when responding to a contract opportunity. Lynda McGlinchey, Compliance Program Manager II, Bureau of Contract Administration, City of Los Angeles, led this presentation, setting the foundation for what participants learned during the following two weeks.

In week 2, participants learned about the importance of surety bonds in construction projects, the various types of bonds, why bonds are required on public projects, and the challenges small and emerging contractors face when attempting to obtain a bond. Participants gained insight into the purpose, requirements, and intricacies

of each bond type, along with the role of surety companies in the bonding process. Assistant Program Manager at MWIS, Rosa Osorio, facilitated the presentations and encouraged attendees to “get this [bonding] done as soon as possible. Don’t wait until you’re awarded a contract to apply for bonds. Once you’re pre-qualified, you will know how much you can qualify for and which size of projects you can go after.”

MWIS Contractor Development Project Manager Jennifer Elmore presented the second half of the bonding portion of the webinar, explaining how to submit a successful bond application package, why it is important, documents to include in the package, and timing.

The week 2 session concluded with a presentation on “Understanding Insurance for Contractors” by Ingrid Merriwether, the

Understanding Insurance for Contractors

Presented By:

Ingrid Merriwether

CEO, Merriwether & Williams Insurance Services



Ingrid Merriwether (upper right corner), CEO of MWIS, explains the different types of insurance coverage available to contractors.

CEO of MWIS. Leveraging her 40+ years of experience in this field, she discussed the types of insurance coverage available to contractors and standard insurance requirements for public works projects, noting that, “we recognize that insurance is one of the barriers that make it more challenging for you [small business contractors...] we want you to better understand what’s required of you, why it’s required, and most importantly [...] that insurance is there to protect your business and assets.”

The final week of the training series focused on labor compliance, the significance of prevailing wage, when it’s required, and how to identify the proper wage rates. Ian Monteilh, Compliance Program Manager, Bureau of Contract Administration, City of

Los Angeles, addressed the vital aspects of fair employment practices, compliance, and issues that could arise from being found non-compliant. Additionally, the presentation covered Project Labor Agreements (PLAs) and their role in how the project construction work will be distributed and executed. Contractors received important information on what a PLA covers, its purpose, how to work with apprentices, and best hiring practices when working on a PLA project.

The three-week construction training series on bonding, insurance, and labor compliance proved to be valuable in enhancing construction professionals’ proficiency and promoting compliance within the industry. By equipping

participants with comprehensive knowledge and practical insights, this intensive program empowered them to feel confident about meeting requirements and maintaining compliance on their projects.

As construction projects become increasingly complex, it is imperative for

professionals to stay updated with evolving industry norms and regulations. Training initiatives like the “Get Contract Ready with the City of Los Angeles” three-week program play an important role in equipping construction practitioners with the knowledge and skills necessary to succeed in a rapidly changing environment.



Ian Monteilh (upper right corner), Compliance Program Manager, Bureau of Contract Administration, City of Los Angeles, discussed in his presentation the significance of labor compliance, prevailing wages and fair employment practices.

Bidding and Estimating Training Academy for L.A. Metro

Los Angeles Metro and Merriwether & Williams Insurance Services (MWIS) co-hosted a five-week Construction Bidding and Estimating Training Academy that concluded in early July. The academy was designed to help small business contractors develop and improve their estimating skills when bidding on public works projects with Metro. The academy is part of the Los Angeles Regional Contractor Development

and Bonding Program (CDABP), which MWIS administers for Los Angeles Metro, the City of Los Angeles, and the County of Los Angeles.

The training program featured a range of expert speakers from LA Metro and notable construction companies such as Skanska, McCarthy, Flatiron, and Webcor.

The speakers shared their industry insights, experiences, and knowledge of best practices on general conditions, quantity takeoffs, pricing, and bid assembly and bid day activities with attendees, 11 of whom graduated and received certificates of completion.



Jeremy Hall (center), owner of Ascension Inspections, displays his graduation certificate, presented to him by Mark Penn (left), Director, Small Business Unit, LA Metro, and Rick Casillas (right), Contractor Development Manager, MWIS.

One of the academy graduates, Jeremy Hall, owner of Ascension Inspections, said, "This class was both informative and transformative. By making themselves available, even outside of the classroom, the MWIS team is thoroughly committed to providing you with their time and resources to help you and your business grow. I cannot emphasize enough just how much of an impact this has had on my own skill set in terms of bidding and networking considerations. I have many thanks to give to the entire team and their efforts all around. Sincerely, job well done!"

One of the significant features of the academy was a mock bid, which participants worked together in teams to complete. Robert Lowery, MWIS Field Support Project Manager, said, "The project provided a practical opportunity for participants to put their newfound skills to the test and learn to work collaboratively with other contractors."

"By making themselves available, even outside of the classroom, the MWIS team is thoroughly committed to providing you with their time and resources to help you and your business grow. I cannot emphasize enough just how much of an impact this has had on my own skill set [...]."

**– Jeremy Hall, Owner,
Ascension Inspections**

With its hybrid format of in-person and virtual training sessions and practical project-based approach, the academy proved to be a valuable resource for contractors looking to enhance their skills, collaborate with other professionals, and stay current with industry trends.

"This graduating class has demonstrated its dedication and commitment to excellence in the pursuit of advanced business opportunities at Metro through completion

of this curriculum,” said Mark Penn, Director, Small Business Unit, Diversity and Economic Opportunity Department (DEOD), LA Metro. “The academy and these critical thought-provoking classes are designed to assist small businesses in navigating the nuances of estimating, pricing, and preparation of proposals to seek an award/contract with Metro as a prime or subcontractor. This is exactly the type of skill set Metro seeks from the business community as we continue to build, enhance, and maintain the transit infrastructure within the County and embrace the ever-evolving impact of technology. One additional major benefit of the academy can be summed up in one word: networking.”

The Construction Bidding and Estimating Training Academy had good participation and reviews from those who attended, with contractors stating that they learned a lot, and, most importantly, forged new relationships while networking with other small and diverse construction peers. Potential partnerships were formed, and all agreed that the new knowledge they obtained by investing their time and effort during the academy will enable them to grow their businesses, increase their capacity, and allow them to fully take advantage of public works opportunities, not just with LA Metro but also with other public agencies in the region.



The graduating class of the academy, shown in the lobby of the LA Metro headquarters in downtown LA, “demonstrated its dedication and commitment to excellence,” according to Mark Penn, Director of the Small Business Unit at LA Metro.

MWIS/CDABP

IN THE NEWS

The Contractor Development and Bonding Program (CDABP), program sponsors, and participating contractors continue to receive media attention in print, radio, TV and online publications, appearing at least 13 times in various outlets, including:

KMEX-TV Channel 34, "El programa que le dará la oportunidad a pequeñas empresas de desarrollar grandes proyectos de infraestructura" (aired on March 7, 2023)

KMEX-TV Channel 34, "Al Punto California" (aired on March 12, 2023)

KEST-AM (1450), "Local News for Chinese" (aired on March 22, 2023)

Radio Bilingue, "Linea Abierta" (aired March 30, 2023)

KVEA-TV Channel 52, "Programa busca ayudar a pequeños empresarios crecer sus negocios en LAX" (Aired April 14, 2023)

KNBC-TV Channel 4, "New Program Aims to Help Small Business Contractors" (aired on April 21, 2023)

L.A. Watts Times, "Local Contractor Helps Build Metro Rail Project, Thanks to CDAB Program" (published June 8, 2023)

Los Angeles Sentinel, "Local Contractor Helps Build Metro Rail Project, Thanks to CDAB Program" (published June 11, 2023)

Railway Track & Structures (RT&S), "KPA Constructors Awarded \$3.7M Contract to Install Communication on LA Metro Project" (published June 13, 2023)

KABC-TV Channel 7, "LA County Small Contractors Getting Business Boost From Metro Program" (aired on June 16, 2023)

Los Angeles Downtown News, "Bridging Communities: Regional Connector Program Brings in Local Contractors" (published June 26, 2023)

KCAL-TV Channel 9, "Local business owner overcomes drug abuse and breaks barriers in construction world" (aired on June 28, 2023)

KCBS-TV Channel 2, "Local business owner overcomes drug abuse and breaks barriers in construction world" (aired on June 28, 2023)

CDABP BY THE NUMBERS

CONTRACTOR DEVELOPMENT AND BONDING PROGRAM STATISTICS



CONTRACTORS ENROLLED IN THE PROGRAM

One hundred and eleven contractors completed an enrollment form and joined the CDABP this year, which marks the beginning of engagement between the program and participant.

EDUCATION & TRAINING SESSIONS

Education and training are key in helping contractors increase their capacity. Each month, we host at least one workshop facilitated by industry experts addressing topics designed to assist contractors in reaching their business goals. Through the end of August, we offered a total of 17 educational and training sessions.



SPONSOR WORKSHOPS

Four sponsor workshops were conducted through August 31, 2023. Hosted by Los Angeles City Councilmembers, County Board of Supervisors, and participating agencies including Los Angeles World Airports, Department of Water and Power, Department of Public Works, and the Port of Los Angeles, sponsor workshops help inform contractors about upcoming contracting opportunities within their districts and help them understand and navigate the requirements for participation. Representatives from city and county agencies also provide information about agency-specific projects and contracting opportunities.



PRIME PARTNERS

Our 16 Prime Partners are Prime Contractors who lend their time and expertise to assist in training our contractors and readying them to take on project opportunities. Prime Partners often facilitate classes for our training academies and workshops. The support of and interaction with our Prime Partners can also lead to participating contractors building their network and being offered subcontracting opportunities.

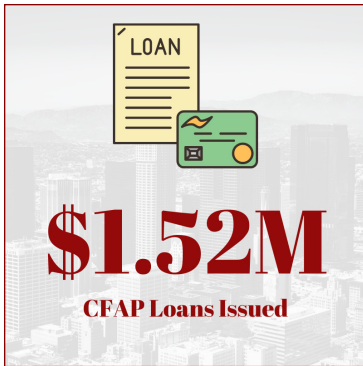
INSTANCES OF TECHNICAL ASSISTANCE

Contractor Development Managers (CDMs) and other CDABP staff provide contractors with technical assistance throughout their business journey – whether they are just starting out or already established and performing work on projects. Contractors receive individualized support in areas such as strategic planning, financial analysis, sales, relationship management, industry best practices and networking, helping them to make informed decisions and take advantage of opportunities. During the period covered, CDABP staff provided 23,569 instances of such assistance.



THE CONTRACT FINANCING ASSISTANCE PROGRAM (CFAP)

The Contract Financing Assistance Program (CFAP) provides contract-based financing for small and diverse contractors looking to bid and manage cash flow on public works construction contracts. The CFAP allows contractors to use awarded contracts to collateralize project cash flow funding. The CFAP participants also gain enhanced skills in understanding bid documents and their implications, conducting project cash flow analysis, and optimizing change order management.



VALUE OF CFAP APPROVED LOANS

Since CFAP's inception in 2019, a total of \$1.52 million in loans have been issued to assist participating contractors with meeting project-specific cash flow needs.

CUMULATIVE CDABP STATISTICS

The statistics below show additional results of CDABP's services and support to small contractors. Data shown are cumulative from when the Los Angeles CDABP was launched in 2005.

BID BONDS ISSUED

\$279 million is the total bid bond value, including program specific bonding support, issued to CDABP-enrolled contractors since the program's inception; in other words, this bonding support has enabled small local and diverse contractors to bid on and participate in \$279 million worth of program sponsor projects in which they otherwise would not have been able to take part.



DIRECT COST SAVINGS TO PROGRAM SPONSORS

Since the CDABP's inception, program sponsors have captured \$7.16 million in contract cost savings because a CDABP-enrolled contractor, who would not have been able to participate without the program's bonding support, bid on and was awarded a sponsor contract. This cost savings is the difference between the actual awarded contract amount and the amount of the second lowest bid; the second lowest bid amount is the contract cost that the sponsor would have incurred had the enrolled CDABP contractor not been able to submit a bid.

CONTACTING THE CONTRACTOR DEVELOPMENT AND BONDING PROGRAM

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PHOTO CREDITS

Cover photo: Downtown Los Angeles city skyline, photographer f11photo, via Getty Images (iStock).
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