

SUCCESS STORY: ACCURATE FIRESTOP, INC.



When Alameda County undertook the renovation of its main hospital, including a new acute care facility, the County's Bonding and Assistance Program (CBAP) helped small local contractors participate in this sizeable project. With the support of the services provided by CBAP, Accurate Firestop, Inc.'s owner Javier Lucatero was able to increase his business' bonding capacity by 80% to provide expert fire suppression services for the hospital construction.

“Without the program’s assistance, [we] would not have been able to obtain the requisite bonding for the Highland Hospital ATR project. Due to the quality work we have completed, and the strong relationships we have built while working with Performance Contracting Inc. and Clark Construction on Highland Hospital, we have been requested to complete additional projects. CBAP has since helped facilitate an additional increase in our bonding capacity.”

– Javier Lucatero , owner Accurate Firestop, Inc.

A jackhammer and crane are not the only tools of the trade.

Our participating contractors have successfully completed work with a **less than 1% default rate**, compared with a standard construction industry default rate of over 20%. The basis for this award-winning success is rooted in our **4 Essentials of Contractor Development**, offered to contractor program participants, through which we provide:



Assessment

- One-on-one consultations to determine individual contractor strengths and opportunities for growth.
- Customized contractor development plans to provide support where needed.
- Subsidies for contractors to have their financial statements professionally reviewed and put in order by local CPAs.



Technical Support

- Collateral guarantees so that contractors can secure loans and bonds.
- Assistance with obtaining or increasing bonding capacity.
- Access to contract-specific financing.
- Funds administration to ensure that contractors have solid project funds management.
- Individualized proposal review, project assessment, and field support for program-bonded contracts.
- Assistance with project risk identification and mitigation.



Education

- Specialized classes on all aspects of running a successful contracting business.
- Training by industry experts on public construction best practices.
- Personal account managers to assist step-by-step through the development process.



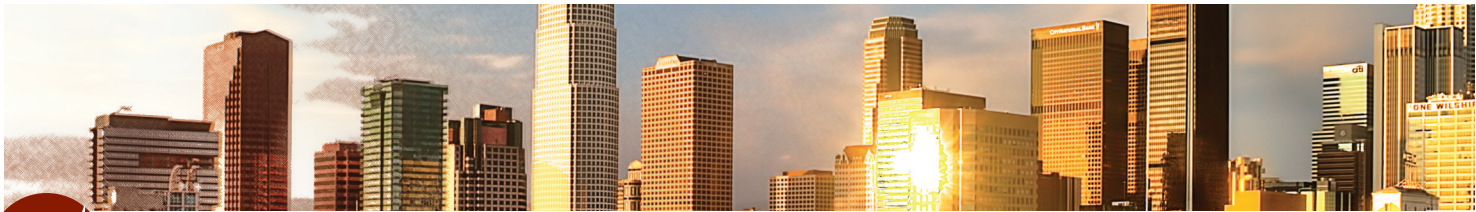
Prime Partner Networking

- Matchmaking to help contractors find available opportunities.
- Referrals to Program Partners and resources.
- Networking with public agency staff and peer contractors.
- Access to a local and statewide contractor resource network.
- Notification of upcoming projects, requests for proposals and industry events.

San Francisco
550 Montgomery Street, Suite 550
San Francisco, CA 94111
(415) 986-3999

Los Angeles
550 South Hope Street, Suite 1835
Los Angeles, CA 90071
(213) 258-3000

Oakland
1970 Broadway, Suite 1225
Oakland, CA 94612
(510) 740-6922



Merriwether & Williams
INSURANCE SERVICES

Contractor Development & Bonding Programs

Expanding Opportunities for Inclusion

Whether you are a public agency seeking to meet inclusion and equity goals, a large contractor needing reliable sub-contractors, or a small contractor hoping to grow your business, Merriwether & Williams has an expert team to support your goals. We’ve coined the phrase “aligned risk management” to articulate that good risk management can in fact align with other objectives, particularly providing opportunities and inclusion of diverse businesses. Our clients who share these values and invest in resources to remove barriers open up greater access for businesses to compete and benefit directly in new innovations and more robust competition.



Over the past 20 years, this has proven to be a winning combination, enabling small, minority, women and disabled veteran-owned companies to bid on over \$830 million in public works construction, while saving our sponsor-partners over \$14 million in contract savings. By sponsoring our contractor programs, our partners create more local job opportunities within their communities, generate cost savings through an expanded and more competitive bidding pool, and contribute to robust local economic growth.

Fostering sustainable business and community development.

SUCCESS STORY: PILOT CONSTRUCTION MANAGEMENT, INC.



By implementing small business-friendly policies of unbundling contracts, creating sheltered bidding opportunities, and providing vital support through the Surety Bond and Finance Program, the City and County of San Francisco has helped hundreds of contractors gain access to local business opportunities, including the many ongoing projects at the San Francisco International Airport. As the seventh busiest transit airport in the United States, San Francisco International Airport serves over 47 Million passengers annually and is a major contributor to Northern California's overall economy. Hundreds of thousands of workers are employed either directly for the airport or indirectly through suppliers of goods and services related to the airport.

“The Airport was the key organization that helped me stay in business during the economic downturn. With technical assistance and education through the City’s Program, I have grown my business from doing \$300,000 projects to \$3,000,000 projects. I can’t thank the City enough for their support.”

– Lina Tan, Owner, Pilot Construction Management, Inc.,

Creating Opportunities, Transforming Businesses

SUCCESS STORY: BIRDI & ASSOCIATES, INC.

Specializing in project management, electronic security systems, and software development, Birdi & Associates, Inc. learned about Los Angeles' Contractor Bonding Assistance Program (BAPLA) through the Los Angeles World Airport's (LAWA's) small business outreach. With BAPLA providing technical assistance and collateral support, owner Moninder Birdi was able to secure the necessary bond to successfully bid on a \$1.2 Million contract to provide a sophisticated surveillance system to the airport. LAWA's high satisfaction with his work led to a subsequent \$3.1 Million contract with the airport, and since then, Birdi & Associates, Inc. has also been awarded additional contracts with other City agencies, including the Port of Los Angeles, to improve and expand their infrastructure, creating "win-win" relationships for the public agencies and the contractor.



"The program helped us bid for and win jobs that we did not have the capacity to bond for. I highly recommend this program to other contractors. It gives small businesses the opportunity to bid for bigger projects and [...] the bond assistance program [can] provide support and assistance to the contractor."

– Moninder Birdi, Owner, Birdi & Associates, Inc.

Helping small contractors reach new heights of business success.

Recognizing the importance of encouraging the economic stability and potential of small contractors within this vibrant community, the City of Los Angeles established their Bond Assistance Program (BAPLA) in 2005, which helps diversify and expand opportunities for small, minority, women and veteran contractors to participate in City projects, as well as assisting them to grow their capacity. To highlight the vital nature of capacity building in our efforts, the BAPLA was renamed the "Contractor Development and Bonding Program." By eliminating bonding barriers, the City has increased the pool of qualified contractors able to bid on City projects, resulting in a greater number of competitive bids and generating significant contract cost savings to the City.

SUCCESS STORY: OROCHENA CONSTRUCTION SERVICES, INC.



When the Los Angeles Unified School District (LAUSD) was planning several new projects, the District created "Contractor BondWorks," to help open the door for smaller local contractors to prepare for and participate in the bidding process, which provided woman and minority-owned Orochena Construction Services, Inc. their first opportunity to significantly increase their capacity and bid on a public sector project. The experience they gained and the quality of their work on their first project led to other successful bids on projects for LAUSD and other municipal agencies.

"We have been in business for over 12 years, however, we had never been bonded before and we were limited to work on projects for the private sector only. With the assistance and support provided within this program, my participation has allowed me to double my bonding capacity in less than a year. I have been able to hire 12 new employees purely based off this program."

– Raquel Orochena, Owner, Orochena Construction Services, Inc.

Supporting Growth, Building Capacity, Investing in the Future

SUCCESS STORY: MARCON ENGINEERING

Civil engineer and President and CEO of Escondido-based MarCon Engineering, Maryory Contreras originally enrolled in the Bonding and Contract Financing Assistance Program to get assistance in securing bonding to be able to bid on a project for the airport's new Rental Car Center. Not only did Contreras' company get the necessary bonding, but she won a \$1.9 Million contract to work on the Rental Car Center.



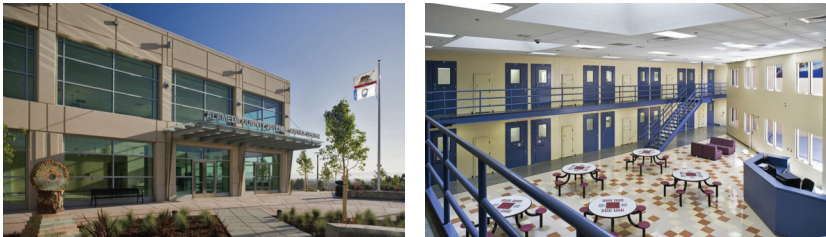
"Working at the airport is a great opportunity for small businesses. This project enabled us to employ a 10-person crew to install underground water and sewer lines and stormdrains for the facility. And now we have even more work at the airport."

– Maryory Contreras, President and CEO, MarCon Engineering

Celebrating and empowering a diverse and vibrant community.

San Diego County has a diverse population of over 3 Million, making the second-most populated county in California and the fifth-most in the United States. With San Diego International Airport consistently setting new records in the numbers of passengers served, the airport's maintenance, upgrades and expansion are ongoing priorities, and the San Diego County Regional Airport Authority's Bonding & Contract Financing Assistance Program was established to provide a range of assistance to small businesses seeking to participate in airport construction projects.

SUCCESS STORY: HENSEL PHELPS



In October 2005, Hensel Phelps Construction Company asked our assistance in helping a group of contractors that they sought to work with in the construction of the Alameda County Juvenile Justice Center. Hensel Phelps wanted the contractors to be bonded, but knew that these small contractors would need assistance to qualify. With guidance from Merriwether & Williams Insurance Services, Hensel Phelps partnered with Alameda County to implement a project-specific contractor bonding assistance program.



This unique program allowed the prime builder to negotiate subcontracts to correlate with the bonding capacity that we were able to secure for the targeted small local contractors. Through contract phasing and utilization of material and supply bonds, the program was able to secure \$8.7 million in contracts for small local firms. In almost all cases, program contractors received their first bond through the program, with the largest individual contract awarded being \$ 1.8 Million. The success of this initial effort led to Alameda County instituting a county-wide program in 2008.