WORKFORCE DEVELOPMENT BOARD/LOCAL ELECTED ELECTED OFFICAL (WDB/LEO) APPEALS BOARD MEETING
CITY OF LOS ANGELES
WORKFORCE DEVELOPMENT BOARD (WDB) MEETING

Tuesday, October 24, 2023
10:00 AM - 12:00 P.M.

Economic & Workforce Development Department (EWDD)

1200 West 7th St. 6th Fl., Main Conf. Rm. Los Angeles, CA 90017

AGENDA

1. Call to Order/Roll Call
2. Public Comment on Non-Agenda Items

ACTION ITEM(S):

3.	Minutes of August 3, 2023	Charles Woo
4.	An Overview from the Economic and Workforce Development Department (EWDD) on the YouthSource Center Operators (YSC) Request for Proposals (RFP) Process	Gerardo Ruvalcaba
5.	Guidance from the City Attorney on Appeals Parameters:	Chris Lee/Regina Mills

   a. What can be Presented to the WDB/LEO Appeals Board
   b. Time Alloted for a Presentation to the WDB/LEO Appeals Board
   c. What can be Considered and Decided by the WDB/LEO Appeals Board

6. Equus Workforce Solutions - Southeast LA / Watts (5 Min
   EWDD Response (15 minutes)

7. Adjourn

WORKFORCE DEVELOPMENT BOARD: Charles Woo, Patricia Perez, Garrett Gin, Allison Anaya, Chad Boggio, Agustin Cabrera, Priscilla Chavez, Veronica Corona, Michelle Crenshaw, David Crippens, Jesse Cuevas, Dr. Alex Davis, Kathy A. Finn, Jaleesa Hazzard, Hrag Hamalian, Terri Hollingsworth, Robert A. Lake, Casey O'Neill, Kelly Nguyen, Linda Nguyen-Perez, Ruth Lopez Novodor, LaShondra Mercurius, Hector Perez-Pacheco, Gabriel Pimentel, Jonathan Port, Carmen Rad, Sergio Rascon, Steve Simon, Alexanda Suh, Maria Turrubiartes, Nancy Hoffman Vanyek, Faye Washington, Steven Zimmer

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3.

DATE: October 24, 2023

TO: Workforce Development Board (WDB)/Local Elected

FROM:

SUBJECT: **Minutes of August 3, 2023**

REQUESTED ACTION:

BACKGROUND:

ADDITIONAL BACKGROUND:

ATTACHMENTS:

Description

- Item 3 - Draft Minutes_WDB_LEO_Appeals Hearing_06.05.2023

CITY OF LOS ANGELES
WORKFORCE DEVELOPMENT BOARD (WDB) MEETING
WORKFORCE DEVELOPMENT BOARD/LOCAL ELECTED OFFICIAL (WDB/LEO)
APPEALS BOARD MEETING
MONDAY, JUNE 5, 2023
1:00 P.M. – 3:00 P.M.

DRAFT MINUTES

MEMBERS PRESENT: Charles Woo, David Crippens, Curtis Earnest (Council District 9), Tammy Ortuno (Mayor's Office Representative)

Carolyn Hull, WIOA Administrator – was present, but recused herself for the proposals related to the EWDD and the Watts Center

1. Call to Order – WDB Chair and Appeals Board Chair Charles Woo called the Hearing to order at 1:08 p.m.

2. Public comments on Non-Agenda Items – None

ACTION ITEM(S):

3. An Overview from the Economic & Workforce Development Department (EWDD) on the YouthSource Center Operators Request for Proposals (RFP) Process

   Economic and Workforce Development Department (EWDD) Assistant General Manager, Gerardo Ruvalcaba presented an overview of the YouthSource Center Operators (YSC) RFP. Its purpose was to solicit proposals for Community Based Organizations (CBO's) and other entities for the operation of the City of Los Angeles' 14 YouthSource Centers (YSC) that are charged with assisting high barriered and disconnected youth in achieving academic credentials, acquiring job related skills, and qualifying for living-waged employment in the region's labor market.

   During the first phase of the RFP process, operators were selected for 12 of the City's 14 YouthSource Centers. Absent a sufficient number of proposals for the South San Fernando Valley and Watt/Southeast Los Angeles YouthSource Centers, the EWDD reissued the RFP for the selection of operators for those areas/regions on October 17, 2022. The due date for receipt of proposals was December 9, 2022.

A total of eight YouthSource Center proposals were received for the two areas/regions previously mentioned regions of which two have been recommended for funding after a procurement process conducted in accordance with City procurement policies and practices.

Two organizations/entities that submitted proposals to operate the South San Fernando Vally and Watts/Southeast Los Angeles YouthSource Centers have now submitted letters appealing the operator award recommendations of the EWDD.

El Nido Family Centers and Equus Workforce Solutions are appealing EWDD's recommendation regarding the selection of the Watts/Southeast Los Angeles YouthSource Center operator. Equus Workforce Solutions is also appealing EWDD's recommendations regarding the South San Fernando Valley operator.

According to EWDD Assistant General Manager Ruvalcaba, the proposals were scored on a 100 point scale broken down as follows: Demonstrated Ability (30 points), Program Design (60 points), and Cost Reasonableness (10 points). Seventy points are required for a proposal to be considered for funding.

Demonstrated Ability involves an examination/determination/assessment of an proposer's/organization's experience and past performance in managing and operating similar programs.

EWDD did not require all proposers to submit a narrative explaining Demonstrated Ability. For existing City workforce development providers, EWDD used approved Annual Plan performance evaluations for determining Demonstrated Ability.

As to Program Design and Cost Reasonableness, EWDD followed the City's processes and procedures for such determinations.

Appeals Board panelist Curtis Earnest, representing the City Council, asked EWDD to further elaborate on its use of city contract performance data.

EWDD Assistant General Manager Gerardo Ruvalcaba explained that existing City contractors were given the benefit of having their performance during the two years prior to the COVID-19 pandemic considered in determining Demonstrated Ability.

Mr. Ruvalcaba further explained that service delivery and performance were severely impacted by the pandemic.

Mr. Ruvalcaba also mentioned that California State University Northridge aided the EWDD in the YouthSource Center procurement process and determining, among other things, Demonstrated Ability. Moreover, he stated that external proposal raters, two per area/region were used to score proposals.

Mr. Earnest asked why only two external raters were involved in evaluating proposals. In his opinion it might have appeared or seemed more fair to have three external raters, especially in cases of close scores and tie scores.

Mr. Ruvalcaba provided additional details on the selection of external raters and the process they follow in scoring proposals. He said the external raters are trained on rating proposals.

Mr. Earnest then mentioned the perceived conflict of interest and concerns and appearance of fairness with EWDD being so involved in an RFP process for which it is an applicant to operate a YouthSource Center.

A discussion then ensued between members of the Appeals Board about the scoring and appeals process.

4. Guidance from the City Attorney on Appeals Parameters:
   a. What can be Presented to the WDB/LEO Appeals Board
   b. Time Alloted for a Presentation to the WDB/LEO Appeals Board
   c. What can be Considered and Decided by the WDB/LEO Appeals Board

Workforce Development Board (WDB) Executive Director Gregg Irish asked Deputy City Attorney Chris Lee to explain how the appeals process is to be conducted and what can be considered in making decisions regarding the appeals before them.

Deputy City Attorney Chris Lee stated that the appeals procedures were outlined in the RFP. Proposers may appeal only procedural issues. He added that grounds for an appeal must have been included in the appellant's letters of appeal and discussion by the appellant and the Appeals Board should be limited to how those procedural issues impacted EWDD's recommendations.

Mr. Lee also indicated that appellants will be given five minutes to make their case before the Appeals Board and EWDD will have an equal amount of time to respond. The Appeals Board can then choose to deliberate on these matters, including asking the appellants and EWDD to answer questions.

Appeals Board Chair Charles Woo stated that the five-minute period is a guideline, and the Appeals Board may extend the time for additional input, questions and answers.

5. El Nido Family Centers – Watts/Southeast Los Angeles Appeal (5 Minutes)

Michelle Harris, Chief Financial Officer of El Nido Family Centers and the organization's Program Director, Maria Aguilar addressed the Appeals Board.

Both appellants challenged the fairness of the procurement process. They mentioned EWDD's lack of accountability, lack of transparency, and communications delays.

Ms. Harris was disappointed she had not been informed that EWDD's operation of the Watts/Southeast Los Angeles YouthSource Center would be extended. She also mentioned EWDD's delays in notifying prospective applicants that a new RFP would be issued for operation of the Watts/Southeast Los Angeles YouthSource Center.

Ms. Harris cited the lack of advanced notice and tight timeline for submitting an appeal of EWDD's recommendation regarding the selection of an operator for the Watts/South Los Angeles YouthSource Center, as well as the date for presenting an appeal to the Appeals Board.
She said that EWDD had only notified proposers of this Appeals Board meeting last Thursday afternoon.

El Nido Family Centers had established multiple partnerships and collaborations with other organizations that committed to the joint delivery of services at the Watts/Southeast Los Angeles YouthSource Center. Insufficient time was given to renew those arrangements to successfully compete for funding during the second iteration of the RFP.

Also, El Nido Family Centers is at a disadvantage in not being given sufficient time to prepare for this appeal.

Ms. Harris further questioned why EWDD did not share the scores of other competing proposers.

In closing, Ms. Harris said that she appreciated Assistant General Manager Gerardo Ruvalcaba visiting them when they were reviewing their scores, but the organization wants EWDD to consider changing its process for procuring service providers. She noted that the process used by the City's Community Investment and Family Development Department (CIFD) is very different, truly competitive and more transparent, when compared to EWDD's.

EWDD Response:

EWDD Assistant General Manager Gerardo Ruvalcaba acknowledged that there is room for improvement in EWDD's communications with organizations that submit proposals.

EWDD had notified the Workforce Development Board in December of plans to extend existing contracts with the operators of the South San Fernando Valley and Watts/Southeast Los Angeles WorkSource Center operators, but not the organizations that had submitted proposals for those regions/areas.

Mr. Ruvalcaba said EWDD could have done a better job of advising outside entities of the procurement process delays. It's something we will certainly try to improve on in the future.

Appeals Board member Curtis Earnest asked Mr. Ruvalcaba whether the delays and lack of communications were material to the whole process and its outcomes.

Mr. Ruvalcaba said there was no impact on the scoring of the proposals.

Ms. Harris again responded that the process was not fair. While she understood the requirements for procuring the operators of the WorkSource Centers, EWDD seemed as if it was just checking the boxes.

Mr. Ruvalcaba repeated his previous statement that proposal scoring was not impacted. He said the rating process moved forward as planned and the same rating tools were used.

WDB Executive Director Gregg Irish asked if the process allows for proposers to review the scores of their competitors.

Ms. Harris responded that in other procurements conducted by the City, proposers have been able to view the scores of their competitors.

Ms. Harris again argued that not being notified in a timely manner of the follow-up procurement process put her organization at a disadvantage. She said the organization had potential partners lined up to deliver services under the original procurement.

6. Equus Workforce Solutions – Watts/Southeast Los Angeles Appeal (5 Minutes)

Representatives of Equus, Adrineh Terantonians and Nicole Ganier, echoed some of the previous concerns about the RFP and appeals processes expressed by the representatives of El Nido Family Centers. They were joined by one of their partners in the Watts/Southeast Los Angeles two YouthSource Center proposals, Adine Forman, Executive Director of the Los Angeles Hospitality Training Academy.

Ms. Terantonians, Ms. Ganier, and Ms. Forman also said that they had met with an EWDD representative to discuss their scores for the proposals Equus submitted for designation as the operator of the Watts/Southeast and South San Fernando Valley YouthSource Centers. At said meeting, they allege that the EWDD representative, who oversaw the procurement process, told them Equus' score was lower than its competitors because it does not provide youth services in Los Angeles. Yet Equus is a youth services provider in other jurisdictions throughout the country.

Ms. Terantonians, Ms. Ganier, and Ms. Forman stated that EWDD could not conduct a fair procurement for YouthSource Center operators while competing itself in the same process for this designation in two regions/areas. They said EWDD's handling of the procurement went beyond just bad optics and the appearance of conflict.

As to Equus' score for Demonstrated Ability, Ms. Terantonians, Ms. Ganier, and Ms. Forman said it was based on the organization's performance as a WorkSource Center operator. Yet Workforce Innovation and Opportunity Act (WIOA) regulations and performance metrics for Adult and Dislocated Worker program recipients are different than those for Youth Programs, which are assigned to YouthSource Centers.

Ms. Terantonians and Ms. Ganier said that EWDD should have asked for proof of youth services delivery and performance from Equus' youth services contracts elsewhere. Hence, they are questioning the RFP scoring process, in treating Equus differently from other proposers who do not have contracts with the City for youth services.

Ms. Terantonians, Ms. Ganier, and Ms. Forman further complained about the evaluation of Equus' proposals as to cost reasonableness by EWDD's fiscal personnel. They said that this constituted a conflict of interest, which was also a concern of El Nido Family Centers.

As to the differences between Equus proposals for operator of the South San Fernando Valley and the Watts/Southeast Los Angeles WorkSource Centers, Ms. Terantonians and Ms. Ganier had only made changes to reflect the differing demographics and service needs of each region/area. They wanted an explanation as to why the scoring for the two proposals, some sections which were similar in terms of program design, were so different.

Moreover, Ms. Terantonians, Ms. Ganier, and Ms. Forman questioned EWDD's use of two scorers in each region/area as being insufficient.

EWDD RESPONSE: Assistant General Manager Gerardo Ruvalcaba asked that Equus' appeal be denied. He said the appellants had not demonstrated any instance when the prescribed processes for review of proposals and consideration of appeals were not followed.

Mr. Ruvalcaba indicated that there were consensus documents where the external raters for the South San Fernando Valley and Watts/Southeast Los Angeles raters agreed on the scores for Equus and rated its proposals down.

Mr. Ruvalcaba said Equus was an existing workforce development services provider and rated accordingly. That rating was based on the proposer's ability to deliver the prescribed services and achieve the prescribed objectives/outcomes.

Deputy City Attorney Chris Lee commented that it is important that there be consistent scoring within a region/area.

Appeals Board and Workforce Development Board member David Crippens commented that there may be multiple explanations for why ratings are different from one region/area to another.

He said there are different raters scoring proposals in different regions/areas. There are also different levels of competition from one region/area to another. This could explain the differences between the scores Equus received for its South San Fernando Valley and Watts/Southeast Los Angeles proposals.

7. Equus Workforce Solutions – South San Fernando Valley Appeal (5 Minutes)

Adrineh Terantonians, Nicole Ganier appealed EWDD's recommendation regarding the selection of an operator for the South San Fernando Valley YouthSource Centers. They were joined by Adine Forman, Executive Director of the Los Angeles Hospitality Training Academy.

{Carolyn Hull, General Manager of EWDD arrived and was seated as a member of the Appeals Board}

Again, the parties asked that their appeal be granted based on a number of procedural issues associated with EWDD's handling of the YouthSource Center procurement.

They repeated their concerns about EWDD's conflicts of interest in handling the procurement of YouthSource Centers while, at the same time competing in the process.

They repeated their concerns about having only two external reviewers scoring proposals.

They repeated EWDD having incorrectly used Equus' WorkSource Center performance in the City to evaluate its Demonstrated Ability, instead of checking on the organization's youth services provider performance in other jurisdictions.

They elaborated on their multiple industry sector and apprenticeship and pre-apprenticeship partnerships, including with the Orange County Building & Construction Trades Council and UNITE HERE Local 11, who collectively represent over 170 employers that have job opportunities paying living wages.

Again, they repeated the allegation that the EWDD employee overseeing the RFP process said their score was lower than the competitions' because Equus was not a current City youth service provider. Therefore, Equus could not win the competition, especially against EWDD as a proposer.

EWDD RESPONSE: EWDD Assistant General Manager Gerardo Ruvalcaba stated that he does not know the specifics about a comment that the EWDD staff member supposedly made. But the EWDD believes Equus' appeal should be denied, since the EWDD followed all established policies and procedures for the procurement.

He said the appellant has not demonstrated that the process outlined in the RFP was not followed.

He also mentioned that the scoring of proposals involved other factors above and beyond partnerships with employers and apprenticeship sponsors in industry sectors.

As to only having two external proposal raters, Mr. Ruvalcaba said that the process did not involve casting votes but arriving at total scores through consensus. Every proposal was rated by two external raters using the same criteria. The process was explained in the RFP.

Deputy City Attorney Chis Lee stated that it is important for the City to have raters in a region/area that are consistent in their ratings, rather than having different sets of raters where scores are inconsistent.

WDB member and Appeals Board member David Crippens commented there is no one size fits all and that this is the reason there were different raters by region.

Ms. Ganier said that in South Los Angeles, Equus scored 66.94. She and her colleagues asked the Appeals Board to not only take into consideration the close score between the supposed winner in the competition and Equus, but also the discrepancies in following procedures discussed earlier and the issues of fairness in having EWDD handle the procurement while competing in the process.

WDB member and Appeals Board member David Crippens commented there is no one size fits all and that this is the reason why there were different raters for different regions/areas.

Ms. Ganier stated that Equus is currently an operator of a WorkSource Center in the San Fernando Valley and familiar with the needs of customers there. She believes there should be a unified system. You want to make sure that the hardest to serve are provided consistent and effective services.

WDB and Appeals Board Chair Charles Woo announced that the appeals process is now closed.

WDB Executive Director Gregg Irish reminded everyone that the Mayor's Office, the City Council and the Board are all represented here today on the Appeals Board and that their decisions regarding appeals will be final. Nothing is appealable beyond today.

APPEALS BOARD DISCUSSIONS/DELIBERATIONS:

(5) El Nido Family Centers – Watts/Southeast Los Angeles Appeal

WDB and Appeals Board members David Crippens made a motion to deny the appeal, which was seconded by WDB and Appeals Board Chair Charlie Woo.

Vote: Woo – yes, Crippens - yes, Earnest - no, Ortuno - yes.

The appeal was denied. EWDD's recommendation was sustained.

(6) Equus Workforce Solutions- Watts/Southeast LA Appeal

WDB and Appeals Board member David Crippens made a motion to deny the appeal.

The motion died for lack of a second.

Appeals Board member Curtis Earnest, representing the City Council, made a motion to approve the appeal.

The motion died for lack of a second.

Deputy City Attorney Chris Lee mentioned that the Appeals Board has the choice of approving a new competition and allowing bidders to elaborate on their experience and demonstrated ability in delivering youth services elsewhere.

Appeals Board member Tammy Ortuno, representing the Mayor's Office, made a motion to see the breakdown of the point system. She would like to review the score cards for the proposals.

The motion died for lack of a second.

Adine Forman, a partner in Equus' Watts/Southeast Los Angeles YouthSource Center proposal asked if it would be possible to have two winners for the same site.

WDB Executive Director Gregg Irish was concerned about deviating from the requirements of the procurement.

EWDD Assistant General Manager Gerardo Ruvalcaba said that funding is not sufficient for two YouthSource Centers in Watts/Southeast Los Angeles. He mentioned that WIOA requires certain levels of direct participant costs.

WDB Executive Director Gregg Irish repeated Deputy City Attorney Chris Lee's rebid suggestion as a possible option.

WDB and Appeals Board Chair Charles Woo made a motion that the Watts/southeast Los Angeles YouthSource Center be rebid. In his judgement and in consideration of the feedback about process received today, EWDD and Equus' score are essentially tied.

The motion died for lack of a second.

WDB Executive Director Gregg Irish suggested that the Appeals Board ask EWDD to come back with some viable options, including rebidding or working together.

Deputy City Attorney Chris Lee suggested that they postpone the appeal and ask EWDD to come back with recommendations regarding the procurement that comply with WIOA regulations.

WDB and Appeals Board member David Crippens commented that the motions for EWDD to come back with recommendations may provide an opportunity to revisit the fairness factor. He said a timeline of 60 days makes sense.

Adine Forman, a partner in Equus' proposal, said that the Hospitality Training Academy had just won a $500,000 grant for youth services that could be used as leveraged funding for a joint effort with EWDD.

EWDD Assistant General Manager Gerardo Ruvalcaba recommended that, in the meantime, a modification be considered to continue services by the current Watts/Southeast Los Angeles YouthSource Center provider.

Deputy City Attorney Chris Lee stated that this request would be subject to the approval of the WDB.

Tammy Ortuno, an Appeals Board member and representative of the Mayor's Office, expressed concerns about the financial implications of delaying a decision or having an additional YouthSource Center in Watts/Southeast Los Angeles on the Annual Plan.

WDB and Appeals Board Chair Charles Woo made a motion to continue the hearing regarding the Watts/Southeast Los Angeles YouthSource Center appeal and asked EWDD to come back to the Appeals Board in 90 days with recommendations to either reprocure, or engage in a joint venture, or to deny the appeal.

The motion was seconded Appeals Board member Curtis Earnest.

Woo-Yes, Crippens- Yes, Earnest – Yes, and Ortuno – Yes.

The motion was unanimously approved.

(7) Equus Workforce Solutions – South San Fernando Valley Appeal

Deputy City Attorney Chris Lee commented that the Appeals Board could adjust Equus' score.

Mr. Lee also provided the following other options for the Appeals Board: denying the appeal or remanding it back to EWDD for reconsideration of the proposal.

WDB and Appeals Board Chair Charles Woo said he understands the appellants' their concerns about how the procurement was conducted. However, with such a disparity in

scores, he believes that EWDD's recommendation to deny Equus' appeal should be approved.

WDB and Appeals Board Chair Charles Woo made a motion to deny Equus' appeal.

Curtis Earnest, the Appeals Board member representing the City Council, seconded the motion, after expressing his concerns about the process and the appearance of it not being fair. He thinks that there is room for improvement in the performance and conduct of future procurements.

He was in favor of a vote on the appeal.

Tammy Ortuno, the Appeals Board member representing the Mayor's Office, commented that she agrees with Mr. Woo's comments and his recommendation.

EWDD General Manager Carolyn Hull returned to the Appeals Board meeting to cast a vote on the South San Fernando Valley YouthSource Center appeal by Equus.
Vote: Woo – yes, Crippens – yes, Earnest – No, Ortuno – yes, Hull – yes
The motion was approved by a vote of 4 Ayes and 1 No.

8. Adjourn: WDB and Appeals Board Chair Charles Woo adjourned the meeting at 3:16 p.m.

A

4.

DATE: October 24, 2023

TO: Workforce Development Board (WDB)/Local Elected

FROM:

SUBJECT: **An Overview from the Economic and Workforce Development Department (EWDD) on the YouthSource Center Operators (YSC) Request for Proposals (RFP) Process**

REQUESTED ACTION:

BACKGROUND:

ADDITIONAL BACKGROUND:

ATTACHMENTS:

Description

No Attachments Available

5.

DATE: October 24, 2023

TO: Workforce Development Board (WDB)/Local Elected

FROM:

SUBJECT: **Guidance from the City Attorney on Appeals Parameters:**

REQUESTED ACTION:

BACKGROUND:

ADDITIONAL BACKGROUND:

ATTACHMENTS:

Description

No Attachments Available

6.

DATE: October 24, 2023

TO: Workforce Development Board (WDB)/Local Elected

FROM:

SUBJECT: **Equus Workforce Solutions - Southeast LA / Watts (5 Min**

REQUESTED ACTION:

BACKGROUND:

ADDITIONAL BACKGROUND:

ATTACHMENTS:

Description

No Attachments Available