

MINUTES OF THE MEETING OF THE
CADDO PARISH COMMISSION'S
ECONOMIC DEVELOPMENT COMMITTEE
HELD ON THE 5TH DAY OF SEPTEMBER, 2024

The Caddo Parish Economic Development Committee met in legal session on the above date at 12:00 p.m., in the Government Plaza Chambers, with Mr. Greg Young, presiding, and the following members in attendance: Commissioners Atkins, Burrell, Cothran, Gage-Watts, Thomas, G. Young, and J. Young (7). ABSENT: Commissioner Jones (1).

Mr. Thomas gave the invocation, and Mr. Atkins led the Committee in the Pledge of Allegiances.

There were no Agenda Additions, so the Committee moved onto public comments.

PUBLIC COMMENTS

Brian McNew came before the Committee and gave the following comment:

Brian McNew coming on behalf of Shreveport Chamber; uh yeah just coming on behalf of the Shreveport Chamber and new architecture 3556 Youree Shreveport 71105 I received a call today to come down and comment on this from a construction and design professional point of view for this. I'm not sure what the committee is considering as the living wage but a couple of things that I wanted to bring to the committee's attention that you may or may not be aware of in the construction industry the construction trades in our area are paid at or above recommendations in order to keep staff. There's such a lack of trades and labor right now that they are paying well that is why our building costs are \$200 a square foot in higher for buildings that we're putting down for bid it's because materials and labor cost are so high and how do we know this well and Jason's gonna come up and talk about this as well; but from the architect and design side we are required to on some projects to follow Davis Bacon wage rates that have public funds so those are minimum trade rates hourly rates that includes fringes for a whole litany of trades if a project has federal funds. So we have to go through and confirm that these throughout the project we have to do interviews on-site we have to get certified payroll and these Davis Bacon rates provide a minimum hourly rate say for a carpenter, plumber, a plumber electrician, helper so forth drywall painter, and when we go out and we get there certified payroll all of these people are making 50% to double of what these Davis Bacon wage rates are for our area. Additionally, we also on public projects, most private projects the general and supplement No conditions require the contractors to give us at the preconstruction meeting a list of their sub-suppliers at main hourly rates for so we can verify change order amounts are valid and our clients are not getting overcharged for at for hourly rates and so forth so we can bounce those off on the change orders. Well I can tell you that even laborers are making 15.00 to 20.00 dollars an hour already the electricians, the helpers, all of those guys their rights are if they're a union shop they're already dictated by the union and their agreements between the electrical sub and the union shop so they not only have their base salaries but they also have fringes, retirement plans, health benefits, and so forth. So, our recommendation is that it's already self-governing it's with the rates because we're trying to keep good employees already. So, our recommendation is to you know let's let that free market govern itself because we aren't already trying to keep good employees and good workers so appreciate it.

Jason Kram came before the Committee and gave the following comment:

Good afternoon, my name is Jason Kram, on behalf of the chamber as well as village design growth we're an architectural firm here in town, and ask do you know speak a little bit about the wage requirements and how that affects you know the industry that we are a part of. I think Bryan did a pretty good job of explaining some of the intended consequences of it. I can tell you that most of the trades it's just really not any issue trades are paid very well and we do have several projects that are with the federal guidelines for Davis Bacon one of the unintended consequences of it though is with those wage requirements that you get a certified payroll weekly; and as a result of that it drives your overhead cost up about 10% so you're already asking trades that are already paying those salaries to add additional funds for a monitoring that weekly, weekly payroll and with construction costs what they are right now they're up about a third after COVID it's gonna drive costs up even more and there's a reason why federal contracts are so much more expensive than private contracts. I would also you know one of the other things that would drive it up and not just on the construction side but on the architectural in the design side as these payroll comes in it has all the certified payroll that we have to reflect In order to make payments to those clients. So, it sounds great and you know it does you want everybody else there to be paid. I've I feel like most people that are legally able to work which this would end up affecting our being and paid those lower rates even down to the labor most of my I do some development on the side and even my labor guys are making don't make a mistake so I just think about that when you're making the decisions and how it's going to impact the construction costs which are already extremely high.

NEW BUSINESS

- *Continue Discussion on Living Wage Ordinance extending to those we contract with*

Mr. G. Young advised the discussion on this day is to discover the impact on Living wage would affect the community and the Parish. Mr. Young asked Kevin Lawrence the Director of Facilities and Maintenance to come up and speak. He thinks this will impact the Janitorial services most because they don't have many employees. The larger companies wouldn't be impacted but it may impact our

construction. The smaller companies didn't agree with the mandate. A small firm is considered 25 employees and below. Mr. G. Young advised Mr. Lawrence that is it the Parish's business if they are going to do business with us.

Mr. Burrell advised that he understood from a business standpoint how these entities don't like the government intervening but that they are at the government's trough. Mr. Lawrence mentioned that if this mandate was to go in place the Parish contract employees would be paid differently than other staff of the contractor.

Mrs. Bryant advised we do have to monitor these costs and we are seeing an increase because of inflation. Mr. Atkins mentioned that the compliance issues are the problem. Most contractors we work with are already above, unsure of the percentage; the main concern is the smaller companies.

One of the contractors didn't advise how much the employees make; while other contractors start at \$30 and up. Mr. G. Young wants to know who is going to pay while taxpayers subsidize funds.; he advised this is corporate welfare. Mr. G. Young would rather pay employees to have dignity and receive the money in their pockets.

Mr. Cothran mentioned the concern of the labor movement and the attempt to address employees at the lower level. He wants to attempt to share with others indirectly while understanding there will be pushback. He would like to forecast and educate how to get the least-paid employee to a higher wage rate. It was mentioned to possibly exempt contractors with less than 15 employees, it was suggested maybe 20-25 employees; the budget is limited for our current employees it would be a concern to take on more responsibility.

Mr. Weaver spoke about the 70 contracts and about 170 vendors that Public Works uses and he advised they are waiting on the commission's guidelines. Mr. Cothran wants to know the impact and what is a livable wage. It mentioned the difference between contractors and vendors. Feedback can be given once criteria are set. Mr. J. Young mentioned a private conversation with contracts may be better suited than a public meeting.

Mr. Cothran mentioned that training could be a different variable brought to the table. A free market was brought up by Mr. Atkins and mentioned in question by Mr. Burrell. Labor Laws were mentioned by Mr. Thomas who thinks that should be considered by those contractors and hearing their feedback and the cost associated.

Mr. Young mentioned that the top of the food chain loves the free market, it doesn't go to the benefit of the lower part of the food chain. Henry Ford analogies were used regarding the free market, so those people could enjoy, more input, and a private setting was suggested once more.

Mr. Atkins mentioned workforce development and advised it's more than wages, he included skill and willingness for the whole package. Mr. Young listed off several states that do not have a minimum wage and asked how their economy works.

Mrs. Gage-Watts mentioned equality and that information should be taken into consideration to provide the wage they are fighting for. Mr. Epperson advised that data will be compared from other states and information gained from NACO. Attorney Frazier advised she can provide more information as she completes her research. Mrs. Bryant expressed the commission is responsible for a lot of employees' wages and being mindful of what is required to fund and the changes made can make a long-term impact.

There being no further business to come before the Committee, the meeting was adjourned at 1:00 p.m.



Ashlyn King
Office Specialist