

APPROVED  
APR 18 2011

REPORT OF GENERAL MANAGER

NO. 11-110

DATE April 18, 2011

BOARD OF RECREATION  
and PARK COMMISSIONERS

C.D. 10

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: SYLMAR RECREATION CENTER – PARK DEVELOPMENT (#1140A)  
PROJECT – RELEASE OF MONEY WITHHELD UNDER CONTRACT  
NO. 2529

R. Adams	_____	K. Regan	_____
H. Fujita	_____	*M. Shull	<u>mf</u>
V. Israel	_____	N. Williams	_____

[Signature]  
General Manager

Approved \_\_\_\_\_ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATIONS:

That the Board:

1. Approve the forfeiture of \$1,792.62 on the Sylmar Recreation Center – Park Development (#1140A) project for wage restitution and state penalties;
2. Authorize the Chief Accounting Employee to transfer funds in the amount of \$775.00 to Revenue Source 4331 – Penalties and Forfeitures for Fund 100 Department 76 of the City’s General Fund; and,
3. Direct the Chief Accounting Employee to prepare a draft in the amount of \$1,017.62 payable to the State of California, and forward the draft to the Bureau of Contract Administration, Office of Contract Compliance for processing to the California Labor Commission.

SUMMARY:

The Board of Recreation and Park Commissioners, at its meeting held on May 4, 1994, accepted work performed by G & G Solar, Inc. dba G & G, Inc. (G & G) for work performed on the Sylmar Recreation Center - Park Development (#1140A) project, Contract No. 2529.

REPORT OF GENERAL MANAGER

PG. 2 NO. 11-110

At the time of acceptance, the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance had determined that the prime contractor, G & G, failed to comply with the labor compliance requirements of the contract. Based on the evaluation of the inspector's logs, certified payroll records, worker interviews, and other pertinent payroll documents, it was determined that G & G failed to pay the correct prevailing wage rate and under-reported the number of workers employed on the project. As a result of the evaluation, it was determined that G & G underpaid wages by \$1,017.62 and incurred penalties in the amount of \$775.00 for a total \$1,792.62. Consequently, this amount was withheld from the retention payment to G & G to cover all labor compliance issues on this project. These funds are to be paid to the State of California.

The total amount of wage restitution and State penalties to be forfeited is \$1,792.62 as detailed below:

<u>CONTRACTOR</u>	<u>ALLOCATION</u>	<u>AMOUNT</u>
G & G Solar, Inc., dba G & G, Inc.	Wage restitution	\$1,017.62
	State penalties	<u>\$ 775.00</u>
TOTAL		\$1,792.62

FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund, as funds for this project have already been appropriated for this purpose.

This report was prepared by LaTonya D. Dean, Commission Executive Assistant, Department of Recreation and Parks and reviewed by Chris Jenson, Management Analyst II, Department of Public Works, Office of Contract Compliance.