

APPROVED
05-18-2016

BOARD OF RECREATION
& PARK COMMISSIONERS

BOARD REPORT

NO. 16-123

DATE May 18, 2016

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: 109TH STREET POOL AND BATHHOUSE REPLACEMENT PROJECT (PRJ1501P) (W.O. #E1906494) – REVISED DIRECTIVE TO WITHHOLD CONTRACT PAYMENTS ON CONSTRUCTION CONTRACT NO. 3462

for AP Diaz _____	V. Israel _____
R. Barajas <i>CBP</i> _____	K. Regan _____
H. Fujita _____	N. Williams _____

Ramon Barajas for
General Manager

Approved Disapproved _____ Withdrawn _____

RECOMMENDATION

Direct the Chief Accounting Employee to increase the withhold amount from Three Hundred Thirty-Two Thousand, Three Hundred Twenty-Seven Dollars and Sixteen Cents (\$332,327.16) to Seven Hundred Forty-Nine Thousand, Nine Hundred Ninety-five Dollars and Ninety-two cents (\$749,995.92) as assessed by the Revised Directive to Withhold Contract Payments dated April 11, 2016 from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) for Construction of 109th Street Pool And Bathhouse Replacement (PRJ1501P) (W.O. #E1906494) Project (Project) with Simgel Company, Inc. (Contractor), Contract No. 3462.

SUMMARY

On November 3, 2015, the Department of Recreation and Parks (RAP) received a memorandum from the Bureau of Contract Administration, (OCC File No. P13-365) for the Disposition of the Case by the Labor Commissioner, DLSE #2805, in the amount of Three Hundred Thirty-Two Thousand, Three Hundred Twenty-Seven Dollars and Sixteen Cents (\$332,327.16), which represents restitution and penalties incurred by the Contractor for the underpayment of prevailing wages and other labor violations.

On April 20, 2016, the Board of Recreation and Park Commissioners (Board) withheld Three Hundred Thirty-Two Thousand, Three Hundred Twenty-Seven Dollars and Sixteen Cents (\$332,327.16) from the Contractor, Contract No. 3462, in accordance with the Directive dated November 3, 2015 from the Office of Contract Compliance (Report No. 16-097).

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The Revised Directive to Withhold Contract Payments dated April 11, 2016 from OCC was received by the RAP, Board Office to increase the amount from Three Hundred Thirty-Two Thousand, Three Hundred Twenty-Seven Dollars and Sixteen Cents (\$332,327.16) to a not-to-exceed amount of Seven Hundred Forty-Nine Thousand, Nine Hundred Ninety-Five Dollars and Ninety-Two cents (\$749,995.92) for underpayment of prevailing wages and other labor violations for the project.

FISCAL IMPACT STATEMENT

Acceptance of the Revised Directive to Withhold Contract Payments has no impact on the RAP's General Fund.

This Report was prepared by Iris Davis, Commission Executive Assistant I, Board Office.

LISTS OF ATTACHMENTS

- 1) Revised Request to Withhold Contract Payments

Date: April 11, 2016

OCC File No: P13-365

To: Armando X. Bencomo
Commission Executive Asst. II
Dept. of Recreation & Parks
Mail Stop # 625/15

From: Hannah Choi, Program Manager
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
by Jacqueline Basuel
Management Analyst II

REVISED

Subject: **REQUEST TO WITHHOLD CONTRACT PAYMENTS**

109TH STREET POOL AND BATHHOUSE REPLACEMENT

E1906494

Prime Contractor: Simgel Company, Inc.

Please increase the withhold amount from **\$332,327.16** to **\$749,995.92** from the contract payments on the above listed project. This amount represents restitution and penalties incurred by Simgel Company, Inc. for underpayment of prevailing wages and other labor violations. The total withholding should **not exceed \$749,995.92** which includes the amount of the March 2016 withhold request.

If you have any questions regarding this matter, please contact Jacqueline Basuel at (213) 847-2661.

cc: jb/chrono/file

Frank Rinaldi, BCA Principal Construction Inspector

Jaime Contreras, BOE Architect
Mail Stop #549

Willis Yip, BOE Architect/PM I
Mail Stop # 507

Iris Davis, RAP Commission Exec Asst I
Mail Stor #625/15