

APPROVED  
MAY 18 2016

BOARD OF RECREATION  
& PARK COMMISSIONERS

BOARD REPORT

NO. 16-124

DATE May 18, 2016

C.D. 2

**BOARD OF RECREATION AND PARK COMMISSIONERS**

SUBJECT: LOS ANGELES RIVERFRONT PARK – PHASE II (W.O. #E170406F) PROJECT  
– REVISED DIRECTIVE TO WITHHOLD CONTRACT PAYMENT ON  
CONSTRUCTION CONTRACT NO. 3385

|                        |                |             |       |
|------------------------|----------------|-------------|-------|
| AP Diaz                | _____          | V. Israel   | _____ |
| <i>for</i> * R Barajas | <u>C&amp;D</u> | K. Regan    | _____ |
| H. Fujita              | _____          | N. Williams | _____ |

Ramon Barajas *Cor*  
General Manager

Approved ✓ Disapproved \_\_\_\_\_ Withdrawn \_\_\_\_\_

RECOMMENDATION

Direct the Chief Accounting Employee to decrease the withhold amount to Four Hundred Eighty-Seven Thousand, Five Hundred Twelve Dollars and Sixty Cents (\$487,512.60) from Six Hundred Fifteen Thousand, Eight Hundred Seventy-Eight Dollars and Eighty-Eight Cents (\$615,878.88) assessed by Revised Directive, April 15, 2016, from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) for Construction of Los Angeles Riverfront Park – Phase II (W.O. #E170406F) project (Project) with Simgel Company, Inc. (Contractor), Contract No. 3385.

SUMMARY

On November 3, 2015, the Department of Recreation and Parks (RAP) received a memorandum from the Department of Public Works, Bureau of Contract Administration (OCC File No. R13-001), Disposition of the Case by the Labor Commissioner, DLSE #2804, in the amount of Six Hundred Fifteen Thousand, Eight Hundred Seventy-Eight Dollars and Eighty-Eight Cents (\$615,878.88), 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 withheld Six Hundred Fifteen Thousand, Eight Hundred Seventy-Eight Dollars and Eighty-Eight Cents (\$615,878.88) from the Contractor, Contract No. 3385, in accordance with a Directive from the Office of Contract Compliance (Report No. 16-096).

Directive dated April 15, 2016, from OCC revised Request to Withhold Contract Payment was received by RAP, Board Office to decrease to Four Hundred Eighty-Seven Thousand, Five Hundred Twelve Dollars and Sixty Cents (\$487,512.60) from Six Hundred Fifteen Thousand,

BOARD REPORT

PG. 2 NO. 16-124

Eighty-Eight Cents (\$615,878.88), for underpayment of prevailing wages and other labor violations for the project.

FISCAL IMPACT STATEMENT

Acceptance of the Revised Request to Withhold Contract Payment 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) Request to Withhold Contract Payments

Date: April 15, 2016

OCC File No: R13-001

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**

LOS ANGELES RIVERFRONT PARK PHASE II

E170406F

**Prime Contractor: Simgel Company, Inc.**

Based on our revised assessment, please amend our original withhold amount of \$615,878.88 to \$487,512.60 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 \$487,512.60 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

Seffy Wiles, BCA Principal Construction Inspector

Jaime Contreras, BOE Project Manager  
Mail Stop # 549

Dora Leung, PWB Accountant II  
Mail Stop #477

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