

APPROVED

10-19-2016

BOARD OF RECREATION

REPORT OF GENERAL MANAGER AND PARK COMMISSIONERS

NO. 16-222

DATE October 19, 2016

C.D. 2, 15

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LOS ANGELES RIVERFRONT PARK – PHASE II (W.O. #E170406F) PROJECT; 109TH STREET POOL AND BATHHOUSE REPLACEMENT (PRJ1501P) (W.O. #E1906494) PROJECT; — REQUESTS FOR PARTIAL RELEASE OF CONTRACT PAYMENT ON CONSTRUCTION CONTRACTS NO. 3385 AND NO. 3462

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

Ramon Barajas for
General Manager

Approved _____ Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Direct the Department of Recreation and Parks' (RAP) Chief Accounting Employee to release One Hundred Twenty-Five Thousand Dollars and No Cents (\$125,000.00) of the amount withheld on Construction Contract No. 3385 with Simgel Company, Inc. (Simgel), in accordance with the Request for Partial Release of Contract Payment(s) dated October 7, 2016 from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC), herein included as Attachment 1, for the Los Angeles Riverfront Park – Phase II (W.O. #E170406F) Project;
2. Direct the RAP's Chief Accounting Employee to release One Hundred Twenty-Five Thousand Dollars (\$125,000.00) of the amount withheld on Construction Contract No. 3462 with Simgel, in accordance with the Request for Partial Release of Contract Payment(s) dated October 7, 2016 from OCC, herein included as Attachment 2, for the 109th Street Pool and Bathhouse Replacement (PRJ1501P) (W.O. #E1906494) Project and,
3. Direct the RAP's Chief Accounting Employee to make any necessary technical corrections to accomplish the intent of this Board Report.

SUMMARY

Contract No. 3385 – Los Angeles Riverfront Park – Phase II Project

On April 20, 2016, the Board of Recreation and Park Commissioners (Board) approved the withholding of Six Hundred Fifteen Thousand, Five Hundred Seventy-Eight Dollars, and Eighty-Eight cents (\$615,878.88) on Construction Contract No. 3385 pursuant to OCC's Directive to Withhold Contract Payments dated November 3, 2015, which represented restitution and penalties incurred by Simgel for the underpayment of prevailing wages and other violations.

BOARD REPORT

PG. 2 NO. 16-222

The Board also approved the release of One Hundred Fifteen, Seven Hundred Dollars (\$115,700.00) of the amount withheld on April 20, 2016 pursuant to OCC's Request for Partial Release of Contract Payment(s) dated January 28, 2016 (Report No. 16-096).

On May 18, 2016, the Board approved a subsequent request from OCC to decrease the amount withheld to Four Hundred Eighty-Eight Thousand, Five Hundred Twelve Dollars and Sixty Cents (\$487,512.60) pursuant to the Revised Request to Withhold Contract Payments dated April 15, 2016 (Report No. 16-124). On September 9, 2016, the Board approved another request from OCC to decrease the amount withheld to Three Hundred Fifty-Seven Thousand Four Hundred Fifty-Five Dollars and Fifty-Five Cents (\$357,455.55) pursuant to the Request for Partial Release of Contract Payment dated August 23, 2016 (Report No. 16-198).

RAP is in receipt of a Request for Partial Release of Contract Payment(s) dated October 7, 2016 from OCC (Attachment 1) to release an additional One Hundred Twenty-Five Thousand Dollars and No Cents (\$125,000.00) of the amount withheld, leaving a balance of Two Hundred Thirty-Two Thousand, Four Hundred Fifty-Five Dollars and Fifty-Five Cents (\$232,455.55) for Contract No. 3385.

Contract No. 3462 – 109th Street Pool and Bathhouse Replacement Project

On April 20, 2016, the Board approved the withholding of Three Hundred Thirty-Two Thousand Three Hundred Twenty-Seven Dollars and Sixteen Cents (\$332,327.16) on Construction Contract No. 3462, pursuant to OCC's Directive to Withhold Contract Payments dated November 3, 2015, which represented restitution and penalties incurred by Simgel for underpayment of prevailing wages and other violations (Report No. 16-097). On May 18, 2016, the Board approved a subsequent request from OCC to increase the amount withheld to Seven Hundred Forty-Nine Thousand, Nine Hundred Ninety-Five Dollars and Ninety-two Cents (\$749,995.92) pursuant to the Request to Withhold Contract Payments dated April 11, 2016 due to the underpayment of prevailing wages and other violations (Report No. 16-123). On September 9, 2016, the Board approved two additional requests from OCC to decrease the amount withheld: the Request to Release Contract Payments dated August 4, 2016 reduced the amount withheld to Five Hundred Forty-Eight Thousand, Nine Hundred Sixty-Six Dollars, and Fifty-two Cents (\$548,966.52); and the Request for Partial Release of Contract Payment(s) dated August 17, 2016 further reduced the amount withheld to Four Hundred Twenty-Three Thousand, Nine Hundred Sixty-Six Dollars and Fifty-two Cents (\$423,966.52) (Report No. 16-197).

RAP is in receipt of another Request for Partial Release of Contract Payment(s) dated October 7, 2016 from OCC (Attachment 2) to partially release an additional One Hundred Twenty-Five Thousand Dollars and No Cents (\$125,000.00) of the amount withheld, leaving a balance of Two Hundred Ninety-Eight Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$298,966.52) for Contract No. 3462.

FISCAL IMPACT STATEMENT:

Acceptance of the Requests to Partially Release Contract Payment has no impact on RAP's General Fund.

BOARD REPORT

PG. 3 NO. 16-222

This Report was prepared by Paul Liles, Clerk Typist, Board Office.

LIST OF ATTACHMENTS

- 1) Request for Partial Release of Contract Payment(s) for Contract No. 3385
- 2) Request for Partial Release of Contract Payment(s) for Contract No. 3462

Date: October 7, 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 *HChoi*
Bureau of Contract Administration
Office of Contract Compliance
by Jacqueline Basuel
Management Analyst II

Subject: REQUEST FOR PARTIAL RELEASE OF CONTRACT PAYMENT

LOS ANGELES RIVERFRONT PARK PHASE IIE170406F**Prime Contractor: Simgel Company, Inc.**

Please release **\$125,000.00** of the amount withheld by the Office of Contract Compliance (OCC) of **\$357,455.55** from the contract payments on the above listed project. This release will reduce the amount being withheld by the OCC for prevailing wage violations to **\$232,455.55**

Listed below is the Summary of Withhold Requests on this project to date:

Date Withhold Requested	Date Release Requested	Contractor	Amount
04/15/16		Simgel Co., Inc.	\$ 487,512.60
	08/22/16	Simgel Co., Inc.	(\$ 66,692.05)
	08/22/16	Simgel Co., Inc.	(\$ 63,365.00)
08/23/16		Simgel Co., Inc.	\$ 357,455.55
	10/07/16	Simgel Co., Inc.	(\$ 125,000.00)
Total Amount Withheld			\$ 232,455.55

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

Rodrigo Corrella, PWB Accountant II
Mail Stor #477

Date: October 7, 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 *H Choi*
 Office of Contract Compliance
 by Jacqueline Basuel
 Management Analyst II

Subject: REQUEST FOR PARTIAL RELEASE OF CONTRACT PAYMENT(S)

109TH STREET POOL AND BATHHOUSE REPLACEMENT E1906494

Prime Contractor: Simgel Company, Inc.

Please release **\$125,000.00** of the amount withheld by the Office of Contract Compliance (OCC) of **\$423,966.52** from the contract payments on the above listed project. This release will reduce the amount being withheld by the OCC for prevailing wage violations to **\$298,966.52**.

Listed below is the Summary of Withhold Requests on this project to date:

Date Withhold Requested	Date Release Requested	Contractor	Amount
04/11/16		Simgel Co., Inc.	\$ 749,995.92
	08/04/16	Simgel Co., Inc.	(\$ 201,029.40)
08/04/16		Simgel Co., Inc.	\$ 548,966.52
	08/17/16	Simgel Co., Inc.	(\$ 125,000.00)
08/17/16		Simgel Co., Inc.	\$ 423,966.52
	10/07/16	Simgel Co., Inc.	(\$ 125,000.00)
Total Amount Withheld			\$ 298,966.52

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

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