



BOARD REPORT

DATE September 09, 2016

NO. 16-198

C.D. 2

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: LOS ANGELES RIVERFRONT PARK – PHASE II (W.O. #E170406F) PROJECT – DIRECTIVE REQUEST FOR PARTIAL RELEASE OF CONTRACT PAYMENT ON CONSTRUCTION CONTRACT NO. 3385

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

Jar

[Signature]
General Manager

Approved

Disapproved _____

Withdrawn _____

RECOMMENDATION

Direct the Department of Recreation and Parks (RAP) Chief Accounting Employee to decrease the withhold amount to Three Hundred Fifty-Seven Thousand, Four Hundred Fifty-Five Dollars and Fifty-Five Cents (\$357,455.55) from Four Hundred Eighty-Seven Thousand, Five Hundred Twelve Dollars and Sixty Cents (\$487,512.60) in accordance with a Directive dated August 23, 2016, from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) for Construction of the Los Angeles Riverfront Park – Phase II (W.O. #E170406F) Project (Project) by Simgel Company, Inc. (Contractor), Contract No. 3385.

SUMMARY

On November 3, 2015, RAP received a memorandum from OCC (File No. P13-001), 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).

A Directive dated April 15, 2016, from OCC as a revised Request to Withhold Contract Payment was received by RAP's Board Office 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), for underpayment of prevailing wages and other labor violations for the project.

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A second Directive dated August 23, 2016 from OCC as a Request for Partial Release of Contract Payment was received by the RAP Board Office to decrease the amount to Three Hundred Fifty-Seven Thousand, Four Hundred Fifty-Five Dollars and Fifty-Five Cents (\$357,455.55) from Four Hundred Eighty-Seven Thousand, Five Hundred Twelve Dollars and Sixty Cents (\$487,512.60)

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.

LIST OF ATTACHMENT(S)

- 1) Request for Partial Release of Contract Payment

Date: August 23, 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 for*
Hannah Choi, Program Manager
Department of Public Works
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 II**E170406F****Prime Contractor: Simgel Company, Inc.**

Please release **\$130,057.05** of the amount withheld by the Office of Contract Compliance (OCC) of **\$487,512.60** from the contract payments on the above listed project. The release is to cover payments for PR#22(BAL) \$66,692.05 and PR#23 \$63,365.00. This release will reduce the amount being withheld by the OCC for prevailing wage violations to **\$357,455.55**.

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.	(S66,692.05)
	08/22/16	Simgel Co., Inc.	(S63,365.00)
Total Amount Withheld			S357,455.55

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