



BOARD REPORT

DATE September 09, 2016

NO. 16-197

C.D. 15

BOARD OF RECREATION AND PARK COMMISSIONERS

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

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



 General Manager

Approved ✓ Disapproved _____ Withdrawn _____

RECOMMENDATIONS

1. Direct the Department of Recreation and Parks' (RAP) Chief Accounting Employee to decrease the withhold amount to Five Hundred Forty-Eight Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$548,966.52) from Seven Hundred Forty-Nine Thousand, Nine Hundred Ninety-Five Dollars and Ninety-Two Cents (\$749,995.92) assessed by a Request to Release Contract Payments Directive, dated August 4, 2016, from the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) for 109th Street Pool and Bathhouse Replacement (PRJ1501P) (W.O. #E1906494) Project (Project) with Simgel Company, Inc. (Contractor), Contract No. 3462; and,
2. Direct the RAP Chief Accounting Employee to decrease the withhold amount to Four Hundred Twenty-Three Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$423,966.52) from Five Hundred Forty-Eight Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$548,966.52) assessed by a Request for Partial Release of Contract Payments Directive, dated August 17, 2016, from (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, RAP received a memorandum from the 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

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(\$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).

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 (Report 16-123) on May 18, 2016.

A Directive dated August 4, 2016 from OCC as a Request to Release Contract Payments was received by the RAP Board Office to decrease the amount to Five Hundred Forty-Eight Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$548,966.52) from 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.

A second Directive dated August 17, 2016 from OCC as a Request for Partial Release of Contract Payment was received by the RAP Board Office to decrease the amount to Four Hundred Twenty-Three Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$423,966.52) from Five Hundred Forty-Eight Thousand, Nine Hundred Sixty-Six Dollars and Fifty-Two Cents (\$548,966.52), for underpayment of prevailing wages and other labor violations for the project.

FISCAL IMPACT STATEMENT

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

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

LIST OF ATTACHMENTS

- 1) Request to Release Contract Payments
- 2) Request for Partial Release Contract Payment(s)

Date: August 4, 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 *HChoi*
Department of Public Works
Bureau of Contract Administration
Office of Contract Compliance
by Jacqueline Basuel
Management Analyst II

Subject: **REQUEST TO RELEASE CONTRACT PAYMENTS**

109TH STREET POOL AND BATHHOUSE REPLACEMENT**E1906494****Prime Contractor: Singel Company, Inc.**

Please release **\$201,029.40** of the amount withheld by the Office of Contract Compliance (OCC) of **\$749,995.92** from the contract payments on the above listed project. The release is to cover payments for PR#24 \$39,587.35 and for PR #25 \$161,442.05. This release will reduce the amount being withheld by the OCC for prevailing wage violations to **\$548,966.52**

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

Date Withhold Requested	Date Release Requested	Contractor	Amount
04/11/16		Singel Co., Inc.	\$749,995.92
	08/04/16	Singel Co., Inc.	(\$201,029.40)
Total Amount Withheld			\$548,966.52

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

Date: August 17, 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

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 **\$548,966.52** 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 **\$423,966.52**.

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

Date Withhold Requested	Date Release Requested	Contractor	Amount
08/04/16		Simgel Co., Inc.	\$548,966.52
	08/17/16	Simgel Co., Inc.	(\$125,000.00)
Total Amount Withheld			\$423,966.52

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