

**APPROVED**  
MAR 05 2020

**BOARD OF RECREATION  
AND PARK COMMISSIONERS**

**BOARD REPORT**

NO. 20-038

DATE March 5, 2020

C.D. 1

**BOARD OF RECREATION AND PARK COMMISSIONERS**

SUBJECT: LINCOLN PARK RECREATION CENTER – POOL AND BATHHOUSE REPLACEMENT PROJECT (PRJ1504P) (W.O #E1907715) – REQUEST TO REDUCE THE WITHHOLD OF CONTRACT PAYMENTS ON CONSTRUCTION CONTRACT NO. 3555

AP Diaz	_____	S. Piña-Cortez	_____
H. Fujita	_____	<i>for</i> C. Santo Domingo	<u>DF</u>
V. Israel	_____	N. Williams	_____



General Manager

Approved X

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATIONS

Direct the Department of Recreation and Parks' (RAP) Chief Accounting Employee to release \$106,148.74 of the amount withheld on Construction Contract No 3555 with G2K Construction, Inc., General Contractor for the Lincoln Park Recreation Center (PRJ1504P) (W.O. #E1907715) project, in accordance with the Request to Reduce the Withhold Amount of Contract Payments on the Lincoln Park Recreation Center Pool and Bathhouse Replacement Project (PRJ1504P) (W.O #E1907715), which is attached hereto.

SUMMARY

The Department of Recreation and Parks (RAP) is in receipt of Request to Reduce the Withhold Amount of Contract Payments on the Lincoln Park Recreation Center Pool and Bathhouse Replacement Project (PRJ1504P) (W.O #E1907715), submitted by the Office of Contract Compliance, Bureau of Contract Administration, Department of Public Works (OCC) as follows:

Contract 3555      CD 1

Lincoln Park Recreation Center (PRJ1504P)  
(W.O. # E1907715)

General Contractor: G2K Construction, Inc.

Claimant: OCC

Release Amount: \$106,148.74

## BOARD REPORT

PG. 2 NO. 20-038

Previously, the Board of Recreation and Park Commissioners authorized the withholding of contract payments for Contract 3555 (Board Report No. 19-234 and No. 19-256) as requested by the OCC for the underpayment of prevailing wages and other labor violations by G2K Construction, Inc. (G2K) and its subcontractor, North Pacific Electric. OCC has requested the partial release of withheld contract payments for Contract 3555 as set forth in this Report due to its receipt of an Assignment of Funds to the City made by G2K.

### FISCAL IMPACT STATEMENT

The release of withheld payments on Contract 3555 as set forth in this Report has no impact on the RAP's General Fund, as monies were previously appropriated for this project.

This Report was prepared by Harold Arrivillaga, Commission Executive Assistant, Board Office.

### ATTACHMENT

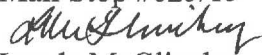
Request to Reduce the Withhold of Contract Payments

**CITY OF LOS ANGELES**  
INTERDEPARTMENTAL CORRESPONDENCE

Date: January 22, 2020

OCC File No: P16-599

To: Harold Arrivillaga  
Commission Executive Asst. I  
Department of Recreation & Parks  
Office of the Board of Recreation  
And Park Commissioners  
Mail Stop #625/15

From:   
Lynda McGlinchey, Compliance Program Manager II  
Department of Public Works  
Bureau of Contract Administration  
Office of Contract Compliance

**Subject: REQUEST TO REDUCE THE WITHHOLD OF CONTRACT PAYMENTS ON  
THE LINCOLN PARK RECREATION CENTER POOL & BATHHOUSE  
REPLACEMENT PROJECT E1907715**

**Prime Contractor: G2K Construction, Inc.**  
**Subcontractor: North Pacific Electric**

Please release **\$106,148.74** from the contract payments on the above listed project. The amount remaining represents restitution and penalties incurred by North Pacific Electric for underpayment of prevailing wages and other labor violations in the amount of \$251,149.92, and penalties incurred by G2K Construction, Inc. for underpayment of prevailing wages and other labor violations in the amount of \$14,100.00. G2K has issued two Assignments of Funds to the City (see attached) for these amounts. This partial release of funds will reduce the total amount withheld on this project to **\$265,249.92**. This amount is to be retained pending further direction from the Office of Contract Compliance.

If you have any questions regarding this matter, please contact Leland Young at (213) 847-2663 or Tatiana Santa Cruz at (213) 847-2649.

**Attachments**

cc: LY/CJ/TSC/chrono/file

Angela Martinez, BCA. Principal Construction Inspector  
Mail Stop #480

Shun Yu Zhang, BOE Civil Engineer  
Mail Stop #507

January 8, 2020

City of Los Angeles  
Contract Compliance Analyst  
Department of Public Works  
1149 S. Broadway, Suite 300  
Los Angeles, CA 90015

**Attn:** Tatiana Santa Cruz  
**Subject:** Assignment of Funds for Lincoln Park Recreation Center – Pool and Bathhouse Replacement  
**Ref:** DLSE 3122 and DLSE 3131

Dear Ms. Santa Cruz:

G2K Construction, Inc. (G2K) hereby agrees to an assignment of funds in the amount of \$251,149.92 to resolve all labor compliance issues connected with the underpayment of prevailing wages by our subcontractor, North Pacific Electric on the above referenced project.

Please call with any questions you might have.

Thank you

Sincerely,



Emilia Graciela Levy, President  
G2K

January 8, 2020

City of Los Angeles  
Contract Compliance Analyst  
Department of Public Works  
1149 S. Broadway, Suite 300  
Los Angeles, CA 90015

**Attn: Tatiana Santa Cruz**  
**Subject: Assignment of Funds for Lincoln Park Recreation Center – Pool and Bathhouse Replacement**  
**Ref: DLSE 3122 and DLSE 3131**

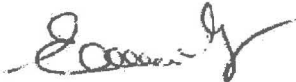
Dear Ms. Santa Cruz:

G2K Construction, Inc. (G2K) hereby agrees to an assignment of funds in the amount of \$14,100.00 to resolve all labor compliance issues connected with the alleged underpayment of prevailing wages by G2K on the above referenced project.

Please call with any questions you might have.

Thank you

Sincerely,



Emilia Graciela Levy, President  
G2K