

**APPROVED**  
MAY 21 2014

REPORT OF GENERAL MANAGER

NO. 14-124

DATE May 21, 2014

BOARD OF RECREATION  
AND PARK COMMISSIONERS

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BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: NORTH HOLLYWOOD MULTI-PURPOSE INTERGENERATIONAL CENTER AT TIARA STREET – NEW BUILDING AND LANDSCAPING (PRJ1543B) (W.O. #E170240F) PROJECT – RELEASE OF MONEY WITHHELD UNDER CONTRACT NO. 3352

R. Adams	_____	V. Israel	_____
*R. Barajas	<u><i>mf</i></u>	K. Regan	_____
H. Fujita	_____	N. Williams	_____

*[Signature]*  
General Manager

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Withdrawn \_\_\_\_\_

RECOMMENDATION:

That the Board immediately release all retention funds, currently held under Contract No. 3352, to Landshapes, inasmuch as the project has been previously accepted as complete by the Board, and Landshapes has made restitution, in the amount of \$651.51, for wage violations identified by the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance.

SUMMARY:

The City of Los Angeles, a municipal corporation, acting by and through its Board of Recreation and Park Commissioners (Board), entered into a construction contract with Landshapes, Contract No. 3352, on June 23, 2011 to perform work on the North Hollywood Multi-Purpose Intergenerational Center at Tiara Street – New Building and Landscaping (PRJ1543B) (W.O. #E170240F) project.

A preconstruction conference was held on July 12, 2011 during which the Department of Public Works, Bureau of Contract Administration, Office of Contract Compliance (OCC) reviewed and explained the prevailing wage requirements to Landshapes, the Prime Contractor on the project, and the subcontractors in attendance.

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During the completion of this project, OCC was notified of possible labor violations. After an investigation, it was determined that Landshapes failed to comply with the labor compliance requirements of the contract. Based on the evaluation of the inspector's logs, certified payroll records, worker interviews, and other pertinent payroll documents, it was determined that Landshapes failed to pay the correct prevailing wage rates for some workers employed on the project.

The preliminary investigation by the OCC provided results which indicated that Landshapes had underpaid their workers by approximately \$10,000.00. Based on this information, OCC requested that a portion of retention funds already being held for the project, in the amount of \$10,000.00, be withheld to cover all outstanding labor compliance issues on the project. Subsequently, the contractor supplied information which caused OCC to revise the amount of its assessment downward to \$651.51. Landshapes has paid this wage assessment and has settled their prevailing wage issue with OCC. As there are no other remaining project related issues (inspection, engineering, stop notices, mechanics liens, etc.,) the total remaining retention amount should be released to Landshapes, immediately.

### FISCAL IMPACT STATEMENT:

There is no fiscal impact to the Department's General Fund, as funds for this project have already been appropriated for this purpose.

This report was prepared by LaTonya D. Dean, Commission Executive Assistant, Department of Recreation and Parks and revised by Dale Kanegawa, Management Analyst I, Department of Public Works, Office of Contract Compliance. The report was reviewed by Neil Drucker, Program Manager, Recreational and Cultural Facilities Program, Department of Public Works, Bureau of Engineering, and Ted Allen, Deputy City Engineer, Department of Public Works, Bureau of Engineering.