

REPORT OF GENERAL MANAGER

NO. 02-237

DATE June 5, 2002

C.D. 11

BOARD OF RECREATION AND PARK COMMISSIONERS

SUBJECT: PACIFIC PALISADES RECREATION CENTER - NEW GYMNASIUM BUILDING (#1638D) - CONTRACT NO. 2827 - SETTLEMENT OF LAWSUIT AND RELEASE OF OCC WITHHOLD

J. Duggan _____
A. Corrales _____
J. Kolb _____

H. Fujita _____
*M. Tamuri MT
J. Combs _____



Acting General Manager

Approved _____

Disapproved _____

Withdrawn _____

RECOMMENDATION:

It is recommended that the Board approve the proposed settlement to litigation filed against the City by BEGL Construction Co., Inc. as recommended by the City Attorney whereby the Office of Contract Compliance (OCC), which would release \$61,619.49 of the \$97,550.00 OCC withhold on this contract to the General Contractor, BEGL Construction Co. Inc., and release \$35,931.08 of the withhold for wage restitution to the State of California Labor Commissioner.

SUMMARY:

On October 18, 2000, the Board of Recreation and Park Commissioners approved Board Report #00-397 which authorized the Department to withhold the Office of Contract Compliance (OCC) wage restitution and penalties from the project retention. On February 13, 2001, BEGL filed litigation (#BC244964) against the City seeking recovery of the OCC withhold.

Investigation of the case has resulted in the recommendation by the OCC to settle the case by releasing a portion of the retained funds to the Contractor and a portion of the funds to the State Labor Commissioner. The OCC and the Department of Recreation and Parks, Planning and Construction Division have been consulted and concur with the recommendation.

Prepared by Maureen Tamuri, Assistant General Manager.