



N E W S R E L E A S E

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Labor Commissioner Holds General Contractors and Their Subcontractors Liable for Public Works Violations of Nearly \$750,000

Los Angeles –California Labor Commissioner Julie A. Su issued citations totaling \$748,366 to four general contractors on four public works jobs in Central and Southern California. The Labor Commissioner issued citations for public works and labor law violations affecting a total of 89 workers to the general contractors and their subcontractors.

The prime contractors cited are Tutor Perini Corporation in Sylmar, Cyrcon Builders, LP in Los Angeles, Intermountain Electric dba Colorado IM Electric in Denver, Colorado, and Tidwell Concrete Construction of Indio. The subcontractors cited include Cal Framing of Redlands; Canoga Park-based K A Y General Services dba Rudy's Construction; and Oceanside-based Campbell Certified, Inc.

"The Labor Commissioner is committed to effective public works enforcement in the state," said Christine Baker, Director of the Department of Industrial Relations (DIR). The Labor Commissioner's office, also known as the Division of Labor Standards Enforcement (DLSE), is a division of DIR.

"Failure to pay the proper prevailing wage is a form of wage theft," said Labor Commissioner Su. "We will crack down on not only the subcontractors who steal workers' wages and fail to pay apprenticeship training contributions, but also on the general contractors so we put proper incentives on them to deal only with honest, law-abiding businesses in California."

In the first case, Orange County Public Libraries hired the Tutor Perini Corporation as a prime contractor to construct a new Laguna Niguel branch. Tutor Perini entered into a subcontract with Cal Framing to do the library's framing work from October 2011 to May 2012.

The Labor Commissioner's investigation found that Cal Framing did not pay proper prevailing wage and overtime rates to 25 workers. Cal Framing was assessed \$117,837 in unpaid wages, \$30,800 in penalties and \$539 in contributions to a DIR-approved training program for the California Apprenticeship Council (CAC).

In the second case, Gateways Hospital and Mental Health Center in Los Angeles hired Cyrcon Builders, LP to perform work on its hospital construction. Cyrcon hired K A Y

General Services dba Rudy's Construction to perform cement and carpentry work from October 2011 until January 2013.

Rudy's Construction failed to pay 9 workers correct prevailing hourly wage rates and overtime wage rates for daily and Saturday overtime hours worked. The Labor Commissioner's office cited Rudy's Construction \$98,187 in unpaid wages, \$24,075 in penalties and \$2,307 in apprenticeship training funds.

In the third case, the Greenfield Union School District of South Bakersfield hired Intermountain Electric dba Colorado IM Electric to provide solar power to the district. Colorado IM Electric entered into a subcontract with Campbell Certified, Inc. to install photovoltaic modules at various district schools from October to December 2012.

An investigation by the Labor Commissioner's office found that Campbell Certified, Inc. failed to pay their workers proper prevailing hourly wage rates, failed to pay the premium rate for work performed on Sundays, Veterans Day, and Thanksgiving Day, and failed to pay CAC training fund contributions. The Labor Commissioner's citations against Campbell Certified, Inc. include \$119,472 in unpaid wages, \$77,350 in penalties, and \$1,392 in unpaid training fund contributions.

In the final case, the San Diego Community College District hired Tidwell Concrete Construction to build the Miramar Library Learning Resource Center from March 2010 to March 2011. An investigation by the Labor Commissioner's office found that Tidwell Construction did not pay 16 workers the correct prevailing hourly wage rates, CAC training fund contributions, or employ the proper amount of apprentices as required by law. The Labor Commissioner cited Tidwell Construction \$152,079 in unpaid wages, \$100,950 in penalties, \$7,926 in unpaid training fund contributions and \$16,000 in apprenticeship fines.

In each case but the last, the general contractors were held jointly liable for the wage violations of the subcontractors. Tidwell Construction was the general contractor hired by the San Diego Community College District and failed to pay its workers in accordance with state labor law.

In a recent report entitled "[State of the Division of Labor Standards Enforcement](#)," released in May 2013, the Labor Commissioner's office reported that 2012 saw the highest amount of wages and penalties assessed on public works jobs by the Division since 2002.

Among its wide-ranging enforcement responsibilities, the Labor Commissioner's office adjudicates wage claims, inspects workplaces for wage and hour violations, enforces prevailing wage rates and apprenticeship standards in public works projects, investigates retaliation complaints, issues licenses and registrations for various businesses and educates the public on labor laws. Additional information on labor laws and work-related topics are available on our [website](#) as well as on [Facebook](#) and [Twitter](#).

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