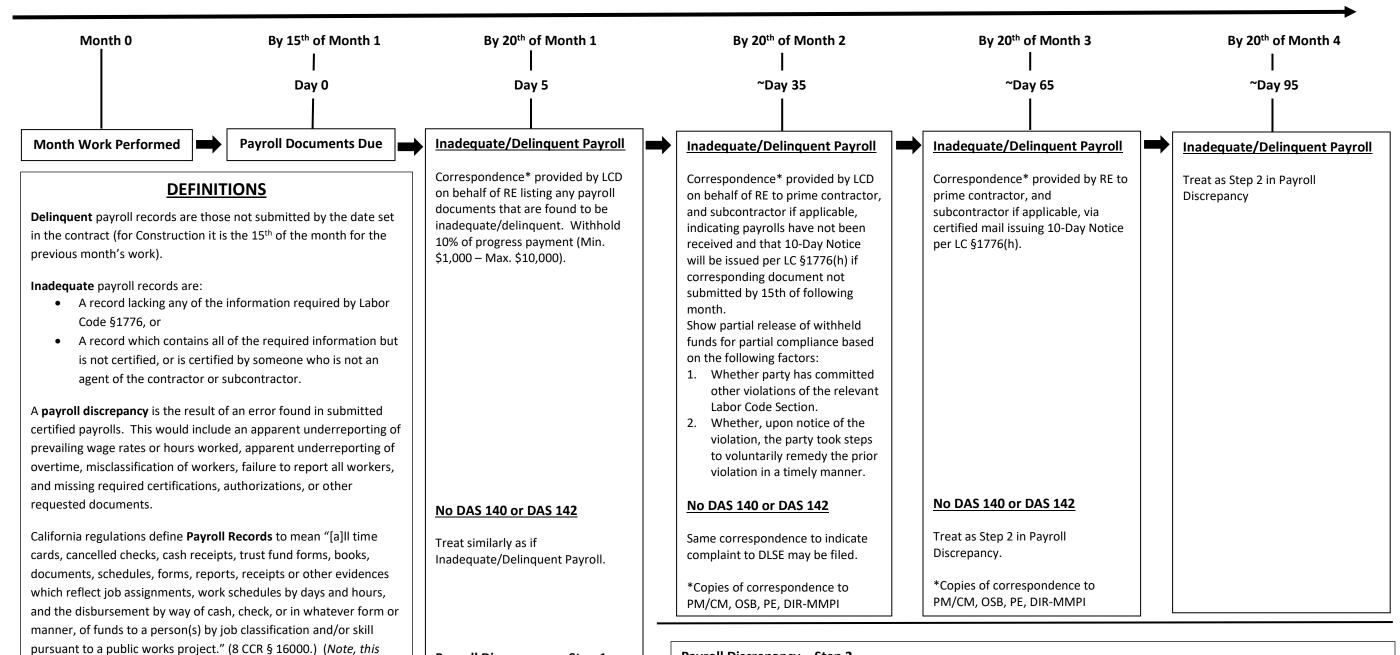
LABOR COMPLIANCE NON-CONFORMANCE ESCALATION PROCESS

(Process shown is for Contractor/Subcontractor deficiencies. Similar process to be followed for Consultant/Subconsultant deficiencies)



LCD - Labor Compliance Designee

RE - Resident Engineer

PM/CM – SANDAG Project Mgr. or Construction Mgr. (PM/CM would serve similar role as RE for consultant task orders)

definition reflects a records list more extensive than what is required

OSB – SANDAG Office of Small Business

to be submitted per Labor Code §1776.)

MSBD – SANDAG Manager of Small Business Development

PE – SANDAG Principal Engineer (Design or Construction)

DIR-ADMIN – SANDAG Director of Administration

DIR – MMPI – SANDAG Director of Mob. Mgt. & Proj. Implementation.

PWC – Public Works - Public Complaint Form

Payroll Discrepancy – Step 1

Same correspondence to describe discrepancy and how it must be resolved. Include appropriate request for Payroll Records, if necessary. Indicate discrepancy must be resolved by 15th of following month.

*Copies of correspondence to PM/CM, OSB

Payroll Discrepancy – Step 2

The process to resolve a payroll discrepancy is not governed by the same monthly cycle that is followed for other non-conforming payroll issues. Should contractor fail to provide information that resolves the discrepancy by the 15th of Month 2, the following actions are to be taken:

- LCD to coordinate meeting with MSBD, PE, and others (if necessary) to evaluate discrepancy and decide on an appropriate course of action. Action could include withholding additional funds from contractor/consultant pursuant to Labor Code §1775(a), issuing 10-Day Notice per LC §1776(h) for missing records (if applicable), filing a PWC, and/or continuing to work with contractor to resolve the discrepancy.
- Should it appear that contractor/consultant is not making significant progress towards resolving the discrepancy, the
 MSBD and PE shall meet with DIR-ADMIN & DIR-MMPI to consider the option of proceeding with the filing of a PWC.
 Factors to be considered in deciding to file a PWC would include whether there is a prior record of failing to meet
 prevailing wage obligations, progress made towards correcting mistake, level of cooperation, amount of work
 subcontractor/subconsultant has left to do, and value of work remaining on contract. If the decision be made to file a
 PWC, SANDAG will request DIR's direction to have all statutory penalty amounts forfeited to SANDAG.