


Labor Commissioner, State of California Department of Industrial Relations Division of Labor Standards Enforcement Bureau of Field Enforcement- Public Works TEL: (619) 767-2033	Gavin Newsom, Governor 
DATE April 11, 2024	In Reply Refer to Case No. 40-75827-341

CIVIL WAGE AND PENALTY ASSESSMENT

Awarding Body MiraCosta Community College District	Work Performed in County of San Diego	
Project Name San B100 Renovation	Project No 4109	DIR Project ID No 353997
Prime Contractor Conant Company, Inc.	CSLB License No. 1037161	Contractor Registration (PWC) No. 1000405785
Subcontractor(s) Shelby and Sons, Inc. dba SNS Concrete	CSLB License No. 959861	Contractor Registration (PWC) No. 1000019300
Second or Third-tier Subcontractor, if applicable	CSLB License No.	Contractor Registration (PWC) No.

After an investigation concerning the payment of wages to workers employed in the execution of the contract for the above-named public works project, compliance with the apprenticeship standards found in Labor Code section 1777.5, or compliance with the registration requirements set forth in Labor Code section 1725.5, the Labor Commissioner has determined that violations of the California Labor Code have been committed by the contractor and/or subcontractor(s) identified above. In accordance with Labor Code section 1741, the Labor Commissioner hereby issues this Civil Wage and Penalty Assessment.

TOTAL ASSESSMENT:	<u>\$16,680.48</u>
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The nature of the violations of the Labor Code and the basis for the assessment are as follows:

Wage Violations:

Shelby and Sons, Inc. dba SNS Concrete failed to: Pay the required Prevailing Wage rate in violation of Labor Code §1771 and §1774; Pay the required Training Fund contributions per Labor Code §1777.5.

The attached Audit Summary further details the basis for this Assessment and itemizes the calculation of wages and penalties due under Labor Code sections 1775 and 1813, if applicable.

The Labor Commissioner has determined the total amount of **wages** due is: \$840.48

The Labor Commissioner has determined the amount of penalties assessed under Labor Code section **1775** is: \$480.00

The Labor Commissioner has determined the amount of penalties assessed under Labor Code section **1813** is: \$0.00

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STATE LABOR COMMISSIONER

By Selene Barillas
 Selene Barillas
 Deputy Labor Commissioner

Apprenticeship Violations:

Shelby and Sons, Inc. dba SNS Concrete failed to: Submit contract award information to all applicable apprenticeship programs in accordance with Labor Code §1777.5(e) and Cal. Code Regs., tit. 8 §230; Submit a request for dispatch of an apprentice to all applicable apprenticeship programs and employ apprentices, thus, failing to comply with the minimum ratio in accordance with Labor Code §1777.5(g) and Cal. Code Regs., tit. 8 §230.1. Penalties under Labor Code section 1777.7 are calculated at 256 violations and assessed at \$60 per violation.

The Labor Commissioner has determined the amount of penalties assessed under Labor Code section 1777.7 is:

\$15,360.00

Labor Code Section 1776 Violations:

The Labor Commissioner has determined the amount of penalties assessed under Labor Code section 1776(h) against Shelby and Sons, Inc. dba SNS Concrete is: \$0.00

Public Works Contractor Registration Violations:

The Labor Commissioner has determined the amount of penalties assessed under Labor Code section 1771.1 against	
General contractor	is: <u>\$0.00</u>
Subcontractor	is: <u>\$0.00</u>
Second-tier subcontractor	is: <u>\$0.00</u>
Third-tier subcontractor, if applicable	is: <u>\$0.00</u>

Please refer to page 6 for specific withholding obligations pertaining to these amounts.

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Notice of Right to Obtain Review - Formal Hearing

In accordance with Labor Code section 1742, an affected contractor or subcontractor may obtain review of this Civil Wage and Penalty Assessment by transmitting a written request to the office of the Labor Commissioner that appears below within 60 days after service of the assessment.

To obtain a hearing, a written Request for Review must be transmitted to the following address:

Labor Commissioner - State of California
Civil Wage and Penalty Assessment Review Office
PO Box 32889
Long Beach, CA 90832

A Request for Review either shall clearly identify the Civil Wage and Penalty Assessment from which review is sought, including the date of the assessment, or it shall include a copy of the assessment as an attachment, and shall also set forth the basis upon which the assessment is being contested. In accordance with Labor Code section 1742, the contractor or subcontractor shall be provided an opportunity to review evidence to be utilized by the Labor Commissioner at the hearing within 20 days of the Labor Commissioner's receipt of the written Request for Review.

Failure by a contractor or subcontractor to submit a timely Request for Review will result in a final order which shall be binding on the contractor and subcontractor, and which shall also be binding, with respect to the amount due, on a bonding company issuing a bond that secures the payment of wages and a surety on a bond. Labor Code section 1743.

In accordance with Labor Code section 1742(d), a certified copy of a final order may be filed by the Labor Commissioner in the office of the clerk of the superior court in any county in which the affected contractor or subcontractor has property or has or had a place of business. The clerk, immediately upon the filing, shall enter judgment for the State against the person assessed in the amount shown on the certified order.

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Payment of Civil Wage and Penalty Assessment

Payment of the assessed wages and/or penalties, including interest on all due and unpaid wages pursuant to Labor Code section 1741(b), must be made by check or money order payable to the Division of Labor Standards Enforcement and mailed to the following address along with a copy of this Civil Wage and Penalty Assessment:

State of California - Department of Industrial Relations
Division of Labor Standards Enforcement - Cashiering Unit
2031 Howe Avenue, Suite 100
Sacramento, CA 95825-0196

Opportunity for Settlement Meeting

In accordance with Labor Code section 1742.1(c), the Labor Commissioner shall, upon receipt of a request from the affected contractor or subcontractor within 30 days following the service of this Civil Wage and Penalty Assessment, afford the contractor or subcontractor the opportunity to meet with the Labor Commissioner or his or her designee to attempt to settle a dispute regarding the assessment. The settlement meeting may be held in person or by telephone and shall take place before the expiration of the 60-day period for seeking a hearing as set forth under the heading Notice of Right to Obtain Review. No evidence of anything said or any admission made for the purpose of, in the course of, or pursuant to, the settlement meeting is admissible or subject to discovery in any administrative or civil proceeding. This opportunity to timely request an informal settlement meeting is in addition to the right to obtain a formal hearing, and a settlement meeting may be requested even if a written Request for Review has already been made.

Requesting a settlement meeting, however, does not extend the 60-day period during which a formal hearing may be requested.

A written request to meet with the Labor Commissioner or his or her designee to attempt to settle a dispute regarding this assessment must be transmitted to Selene Barillas at the following address:

State of California - Department of Industrial Relations
Division of Labor Standards Enforcement - Public Works Unit
7575 Metropolitan Dr., Room 210
San Diego, CA 92108

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Liquidated Damages

In accordance with Labor Code section 1742.1(a), after 60 days following the service of this Civil Wage and Penalty Assessment, the affected contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages in an amount equal to the wages, or portion that still remain unpaid. If the assessment subsequently is overturned or modified after administrative or judicial review, liquidated damages shall be payable only on the wages found to be due and unpaid.

Notwithstanding the above, in accordance with Labor Code section 1742.1(b), there shall be no liability for liquidated damages if **the full amount of the assessment or notice, including penalties**, has been deposited with the Department of Industrial Relations, within 60 days following service of the Assessment or Notice, for the Department to hold in escrow pending administrative and judicial review. The Department shall release such funds, plus any interest earned, at the conclusion of all administrative and judicial review to the persons and entities who are found to be entitled to such funds.

The full amount of the assessment that should be deposited is:

\$16,680.48

Deposits must be made by check or money order payable to the Department of Industrial Relations with a cover letter and a copy of the Civil Wage and Penalty Assessment and mailed to:

Department of Industrial Relations
Attention Cashiering Unit
P.O. Box 420603
San Francisco, CA 94142

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Statutory Withholding Obligations

1. Awarding Body Withholding Obligations

In accordance with Labor Code section 1727(a), before making payments to the contractor of money due under a contract for public work, the awarding body shall withhold and retain therefrom all amounts required to satisfy this Civil Wage and Penalty Assessment. The amount required to satisfy this Civil Wage and Penalty Assessment shall not be disbursed by the awarding body until receipt of a final order that is no longer subject to judicial review.

The amount which must be withheld and retained by the awarding body pursuant to this Civil Wage and Penalty Assessment is:

Wages Due:	\$78.70
Training Funds Due:	\$761.78
Penalties Due Under Labor Code section 1775:	\$480.00
Penalties Due Under Labor Code section 1813:	\$0.00
Penalties Due Under Labor Code section 1777.7:	\$15,360.00
Penalties Due Under Labor Code section 1776(h):	\$0.00
Penalties Due Under Labor Code section 1771.1:	\$0.00
Total Withholding Amount:	\$16,680.48

2. Prime Contractor Withholding Obligations:

In accordance with Labor Code section 1727(b), if the awarding body has not retained sufficient money under the contract to satisfy this Civil Wage and Penalty Assessment based on a subcontractor's violations, the contractor shall, upon the request of the Labor Commissioner, withhold sufficient money due the subcontractor under the contract to satisfy the assessment and transfer the money to the awarding body. This amount shall not be disbursed by the awarding body until receipt of a final order that is no longer subject to judicial review.

If this box is checked, the Labor Commissioner hereby requests that the prime contractor withhold the following amount from money due the subcontractor and transfer the money to the awarding body to satisfy this assessment:

Wages Due:	\$78.70
Training Funds Due:	\$761.78
Penalties Due Under Labor Code section 1775:	\$480.00
Penalties Due Under Labor Code section 1813:	\$0.00
Penalties Due Under Labor Code section 1777.7:	\$15,360.00
Penalties Due Under Labor Code section 1776(h):	\$0.00
Penalties Due Under Labor Code section 1771.1:	\$0.00
Total Withholding Amount:	\$16,680.48

Distribution:
Awarding Body

Prime Contractor
Subcontractor(s)

Audit Summary

Awarding Body: Miracosta Community College District
 Project Name: San B100 Renovation
 Prime Contractor: Conant Company, Inc.
 Subcontractor: Shelby and Sons, Inc. dba Concrete Construction
 Case Number: 40-75827-341
 Investigator Name: Selene Barillas
 Office: San Diego
 Audit Date: 4/11/2024

	Violations	Rate
LC 1775	6	80
LC 1813	0	25
LC 1777.7	256	60
LC 1771.1		
LC 1771.4		
PCC 2603		

Wages Due and Owing:	78.70
Training Funds Due and Owing:	761.78
LC 1775 Penalties Due and Owing:	480.00
LC 1813 Penalties Due and Owing:	0.00
LC 1777.7 Penalties Due and Owing:	15,360.00
LC 1771.1 Penalties Due and Owing:	0.00
LC 1771.4 Penalties Due and Owing:	0.00
PCC 2603 Penalties Due and Owing:	0.00
LC 1776 Penalties Due and Owing:	0.00
Total Amount Due and Owing:	16,680.48

	No. of EE's	Days Late	Rate
LC 1776			100

EE	Employee Name	First Classification Identified on Audit	Period Audited	Hours Worked	Wages Required	Wages Paid	Wages Due	Training Funds Due	LC 1775 Penalties Due	LC 1813 Penalties Due
1		Laborer	01/24/21 - 09/25/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
2		Laborer	01/24/21 - 04/03/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
3		Laborer	01/24/21 - 10/09/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
4		Laborer	01/24/21 - 07/10/21	6.00	372.36	360.36	12.00	0.00	80.00	0.00
5		Laborer	01/24/21 - 07/10/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
6		Laborer	01/24/21 - 07/03/21	1.00	58.84	56.54	2.30	0.00	80.00	0.00
7		Laborer	01/24/21 - 05/15/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
8		Laborer	01/24/21 - 09/25/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
9		Laborer	01/24/21 - 01/30/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
10		Laborer	01/24/21 - 07/10/21	14.00	823.76	791.56	32.20	0.00	160.00	0.00
11		Laborer	01/24/21 - 01/30/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
12		Laborer	02/14/21 - 10/09/21	14.00	823.76	791.56	32.20	0.00	160.00	0.00
13		Laborer	03/07/21 - 04/03/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
14		Cement Mason	03/14/21 - 03/20/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
15		Cement Mason	03/14/21 - 03/20/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
16		Carpenter Increase	09/26/21 - 10/09/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
17		Carpenter Increase	09/26/21 - 10/02/21	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Additional Credit for TF Payments >>>				0.00	<<<			761.78		
					2,078.72	2,000.02	78.70	761.78	480.00	0.00

**CERTIFICATION OF SERVICE BY MAIL
(C.C.P. 1013a) OR CERTIFIED MAIL**

I, Catalina Arceo, do hereby certify that I am a resident of or employed in the County of San Diego, over 18 years of age, and not a party to the within action, and that I am employed at _____ and my business address is: _____

Division of Labor Standards Enforcement
Bureau of Field Enforcement
7575 Metropolitan Dr., Room 210
San Diego, CA 92108

On April 11, 2024, I ser (1) Civil Wage and 1(1) Civil Wage and Penalty Assessment _____

by placing a true copy thereof in an envelope addressed as follows:

MiraCosta Community College District 1 Barnard Dr. Oceanside, CA 92056 Att: Kim Simonds	Shelby and Sons, Inc. dba SNS Concrete 9149 Harness St. Spring Valley, CA 91977 Att: John Robert Shelby	Conant Company, Inc. 1545 Faraday Ave. Ste. 101 Carlsbad, CA 92008 Att: Lee George Conant
		Telos Legal Corp. 510 W. 6th Street, Suite 320 Los Angeles, CA 90014

and then sealing the envelope and with postage and certified mail fees (if applicable) thereon fully prepaid, and then depositing it in the United States mail in San Diego by:

- Ordinary first class mail
- Certified mail
- Registered mail

I certify under penalty of perjury that the foregoing is true and correct

Executed on April 11, 2024, at San Diego, County of San Diego, California



SIGNATURE

STATE CASE NO.
40-75827-341