



VIA EMAIL – JChin@losgatosca.gov

April 6, 2024

Janice Chin
Town of Los Gatos
41 Miles Avenue
Los Gatos, CA 95030

RE: BID ADVISORY	
Bidder(s):	Villalobos & Associates, Inc.
Awarding Agency:	Tow of Los Gatos
Project:	2024 Annual Curb, Gutter, and Sidewalk Maintenance
FFC Case No.:	1209SJ

Dear Ms. Chin:

The Foundation for Fair Contracting (FFC) is a nonprofit organization which has been serving the public interest since 1985. The objective of the FFC is, in-part, to monitor for compliance with prevailing wage laws pertaining to the construction industry, educate industry stakeholders, and ensure a fair and level playing field is present for all contractors. Unbalanced bids raise questions in regard to performance and compliance with the rules and regulations for the payment of prevailing wages, and the safety and well-being of the workforce. It further opens the question of excessive future change orders, the fairness to and rights of other bidders in the bidding process, and the intent of the bidding process in general.

In deference to all bidders and in order for the public interest to best be served, please enter this formal bid advisory against the above-noted contractors as a matter of public record. We respectfully request that Villalobos & Associates, Inc. (Villalobos) bid be rejected for the following reasons:

- **ONGOING VIOLATIONS OF PREVAILING WAGE LAWS RESULTING IN WAGE THEFT**

Villalobos has committed infractions/violations which have resulted in willful circumvention of the laws and regulations governing the payment of prevailing wages, including, but not limited to, violations resulting in wage theft and non-compliance with apprenticeship laws. Audits have been performed by the State of California, Division of Labor Standards Enforcement (DLSE), Labor Commissioner's office, finding wages owed to workers. We have provided supporting documentation for your review.

Furthermore, Villalobos is currently under investigation by our offices and the State of California, Division of Labor Standards Enforcement (DLSE), Labor Commissioner's office in connection with issues provided below. We have provided supporting documentation for your review.

- Misclassifications resulting in underpayments.
- Failure to comply with overtime requirements.

- Failure to comply with apprenticeship requirements.
- Failing to report all workers on certified payrolls.

- **FAILURE TO COMPLY WITH BID SPECIFICATIONS/UNFAIR COMPETITIVE ADVANTAGE**

Villalobos' bid is in excess of 22% lower than all other bidders on this project. A large bid variance commonly indicates a failure to account for the proper prevailing wage rate – including travel and subsistence. If awarded the project, this contractor would inevitably need to submit change orders to complete the project in accordance with the specifications and/or compromise prevailing wage laws/standards. This gives Villalobos an unfair advantage in its bidding practices against its competitors and puts the Town of Los Gatos into a precarious legal position.

- **FAILURE TO COMPLY WITH WORKFORCE DEVELOPMENT AND FORMAL APPRENTICESHIP PROGRAMS**

Villalobos has not made a good faith effort to participate and invest in Local Workforce Development, nor have they participated in local hiring of workers in the community through formal and recognized pre-apprenticeship programs and formal apprenticeship programs for specific apprenticeable crafts. They have failed to request, employ, train, and pay the proper prevailing wages to apprentices.

- **OSHA VIOLATIONS RESULTING IN FINES ISSUED AND UPHELD**

Villalobos has safety infractions that have resulted in investigations and fines issued by OSHA. We have provided supporting documentation for your review.

Please contact our office with questions, comments, or clarifications.

Sincerely,



Jesse Jimenez
Executive Director

FFC Case No: 1209SJ

cc: Town of Los Gatos – Mayor and Councilmembers
Mary Badame – Email: mbadame@losgatosca.gov
Matthew Hudes – Email: mhudes@losgatosca.gov
Rob Moore – Email: rmoore@losgatosca.gov
Rob Rennie – Email: rrennie@losgatosca.gov
Maria Ristow – Email: mristow@losgatosca.gov

Town of Los Gatos – Parks & Public Works Director
Nicolle Burnham – Email: NBurnham@losgatosca.gov

STATE OF CALIFORNIA

Gavin Newsom Governor

DEPARTMENT OF INDUSTRIAL RELATIONS
Division of Labor Standard Enforcement
454 W. 4th Street, Room #348
San Bernardino, CA 92401

From the Desk of
Caroline Wood
Deputy Labor Commissioner
(909)383-7408 cwood@dir.ca.gov



February 27, 2024

Re: DLSE Case No.: 40-78873-833
Project Name: AC and Curb and Gutter Repairs
Awarding Body: City of Saratoga
Prime Contractor: VILLALOBOS & ASSOCIATES Inc.

Dear Evangeline Rose,

Please be advised that I have completed my audit of Villalobos and Associates Inc. I have found the following information on the public works project referenced above and found the sum of **\$3598.80** as due and owing. This amount is broken down as follows:

Wages Due and Owing:	\$474.80
Training Funds Due and Owing:	\$24.00
Labor Code 1771.4:	\$2,500.00
Labor Code 1775:	\$500.00
Labor Code 1777.7:	\$100.00

Accordingly, please remit a cashier's check in the amount of **\$3598.80**. The amount **\$3598.80** is for settlement purposes only. Payment must be received no later than **3/06/24**.

The check must be a cashier's check and should be made payable to the **State Labor Commissioner** and have case number **40-78873-833** written on the check. Mail payment to:

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

Please be advised that failure to resolve this matter will result in the issuance of a Civil Wage and Penalty Assessment.


Please email me a copy/scan of the check along with tracking information for the mailing. CWood@dir.ca.gov

Thank you for your cooperation. If you have any questions, do not hesitate to contact me at 909-383-7408.

Sincerely

Caroline Wood

Caroline Wood
Deputy Labor Commissioner

Labor Commissioner, State of California Department of Industrial Relations Division of Labor Standards Enforcement Bureau of Field Enforcement- Public Works 6150 Van Nuys Blvd, Room 206 Van Nuys, CA 91401 TEL: (818) 464-7819 EMAIL: Sbabirye@dir.ca.gov		Gavin Newsom, Governor  1147SJ RECEIVED
FFC 3807 Pasadena Ave., Ste 150 Sacramento, CA 95821		
DATE: September 29, 2023	In Reply Refer to Case No: 40-79013-692 OCT -2 2023	

CASE ASSIGNMENT LETTER

Foundation for Fair
Contracting

Project Name	Awarding Body	Project No.	DIR Project ID
Mendelsohn Lane Walkway Improvements - Asphalt Work	City of Saratoga	0	392924
Prime Contractor VILLALOBOS & ASSOCIATES			
Subcontractor			

Please be advised that I have been assigned to investigate your complaint against the above named contractor.


Any additional information should be directed to my attention, in writing. Please reference the case number on all correspondence.

You will be kept advised of the progress of this investigation as needed and of the final disposition in this matter.

STATE LABOR COMMISSIONER

By Susan Babirye
 Susan Babirye
 Auditor



Labor Commissioner, State of California Department of Industrial Relations Division of Labor Standards Enforcement Bureau of Field Enforcement- Public Works 6150 Van Nuys Blvd, Room 206 Van Nuys, CA 91401 TEL: (818) 464-7819 EMAIL: Sbabirye@dir.ca.gov		Gavin Newsom, Governor  RECEIVED 1148 SJ
FFC 3807 Pasadena Ave., Ste 150 Sacramento, CA 95821		
DATE: September 29, 2023	In Reply Refer to Case No: 40-79014-692 OCT -2 2023	

CASE ASSIGNMENT LETTER

Foundation for Fair Contracting

Project Name 2023 Sidewalk Repair Project	Awarding Body City of Morgan Hill	Project No. 0	DIR Project ID 462128
Prime Contractor VILLALOBOS & ASSOCIATES			
Subcontractor			

Please be advised that I have been assigned to investigate your complaint against the above named contractor.

Any additional information should be directed to my attention, in writing. Please reference the case number on all correspondence.

You will be kept advised of the progress of this investigation as needed and of the final disposition in this matter.

STATE LABOR COMMISSIONER

By *Susan Babirye*
 Susan Babirye
 Auditor



[This page intentionally left blank]



The .gov means it's official.

Federal government websites often end in .gov or .mil. Before sharing sensitive information, make sure you're on a federal government site.



The site is secure.

The **https://** ensures that you are connecting to the official website and that any information you provide is encrypted and transmitted securely.



U.S. DEPARTMENT OF LABOR

Occupational Safety and Health Administration

[CONTACT US](#) | [FAQ](#) | [A TO Z INDEX](#) | [LANGUAGES](#)

 Search

Menu

[OSHA](#) ▾ [STANDARDS](#) ▾ [ENFORCEMENT](#) ▾ [TOPICS](#) ▾ [HELP AND RESOURCES](#) ▾ [NEWS](#) ▾ [CONTACT US](#) [FAQ](#) [A TO Z INDEX](#) [LANGUAGES](#)

Inspection Detail

Case Status: CLOSED

Inspection: 1527621.015 – Villalobos & Associates

Inspection Information - Office: Ca Fremont District Office

Inspection Nr: 1527621.015

Report ID: 0950612

Date Opened: 04/27/2021

Site Address:

Villalobos & Associates
21439 Continental Cir.
Saratoga, CA 95070

Union Status: NonUnion

SIC:

NAICS: 236115/New Single-Family
Housing Construction (except
Operative Builders)

Mailing Address:

P.O. Box 110004, Campbell, CA 95011

Inspection Type: Accident

Safety/Health: Safety

Scope: Partial

Close Conference: 10/15/2021

Advanced Notice: N

Emphasis:

Ownership: Private

Case Closed: 06/12/2023

Related Activity

Type	Activity Nr	Safety	Health
Accident	1761874		
Inspection	1528679	Yes	
Inspection	1528966	Yes	

Case Status: CLOSED

Violation Summary

Violations/Penalties	Serious	Willful	Repeat	Other	Unclass	Total
Initial Violations	2			4		6
Current Violations	2			4		6
Initial Penalty	\$21,825	\$0	\$0	\$2,375	\$0	\$24,200
Current Penalty	\$21,825	\$0	\$0	\$2,375	\$0	\$24,200
FTA Penalty	\$0	\$0	\$0	\$0	\$0	\$0

Violation Items

#	Citation ID	Citation Type	Standard Cited	Issuance Date	Abatement Due Date	Current Penalty	Initial Penalty	FTA Penalty	Contest	Latest Event
1.	01001	Other	341(D)(5)(A)	10/15/2021		\$625	\$625	\$0		Z - Issued
2.	01002	Other	1509(A)	10/15/2021		\$500	\$500	\$0		Z - Issued
3.	01003	Other	3395(H)(1)	10/15/2021		\$500	\$500	\$0		Z - Issued
4.	01004	Other	1541(J)(2)	10/15/2021		\$750	\$750	\$0		Z - Issued
5.	02001	Serious	15410001 A01	10/15/2021		\$16,200	\$16,200	\$0	05/04/2022	W - Empr Withdre
6.	03001	Serious	1541(K)(1)	10/15/2021		\$5,625	\$5,625	\$0	05/04/2022	W - Empr Withdre

[OSHA](#) | [Standards](#) | [Enforcement](#) | [Topics](#) | [Media Center](#) | [Contact Us](#)



U.S. DEPARTMENT OF LABOR

Occupational Safety and Health
Administration
200 Constitution Ave NW
Washington, DC 20210
☎ 1-800-321-OSHA
1-800-321-6742
www.osha.gov

FEDERAL GOVERNMENT

[White House](#)

[Benefits.gov](#)

[Coronavirus Resources](#)

[Disaster Recovery Assistance](#)

[DisasterAssistance.gov](#)

[USA.gov](#)

[Notification of EEO Violations](#)

[No Fear Act Data](#)

[U.S. Office of Special Counsel](#)

OCCUPATIONAL SAFETY & HEALTH

[Frequently Asked Questions](#)

[A - Z Index](#)

[Freedom of Information Act - OSHA](#)

[Read the OSHA Newsletter](#)

[Subscribe to the OSHA Newsletter](#)

[OSHA Publications](#)

[Office of Inspector General](#)

ABOUT THE SITE

[Freedom of Information Act](#)

[Disclaimers](#)

[Plug-Ins Used on DOL.gov](#)

[Accessibility Statement](#)

Connect With DOL

