

Bali Construction Safety Concerns
7/10/2017

We have put some effort into researching the issues surrounding Bali Construction and their safety record. I have the following responses:

1. Bali Construction is union shop, sub-contracted under CW Driver Construction near the First Street and Hewit intersection in the "Little Tokyo" area of downtown Los Angeles.
2. There was a fatality on their site resulting from an individual from the public seeking shelter between a large steel trench shield used for shoring during pipeline construction. The contractor was unaware of their presence on the project site. When the contractor moved the shield the individual was injured and was ultimately deceased.
3. There is an open OSHA file on the incident but no conclusions have been made.
4. The project is related to infrastructure improvements and is not part of the Regional Connector Construction. Bali is also a sub-contractor on the RCC project under Skanska.
5. Bali has indicated that both projects are ongoing and they are aware of only typical complaints about noise, mess, and traffic issues.
6. Bali has offered to meet with us to discuss any concerns we may have or attend the upcoming Trustee's meeting.
7. Bali's Experience Modification Rate (EMR or MOD rate) was 0.7 compared to an industry average of 1 at the time they were pre-qualified in 2016. Their most recent MOD rate from the period ending in March is only slightly higher, and remains below 1. It is expected that should some fault be found with Bali by OSHA, their MOD rate would increase to above 1. MOD rates greater than 1 would not result in disqualification from bidding future Mt. SAC projects under our current system.
8. No police report on the incident was found and our Assistant Chief of Public Safety indicated that standard police practice would be to refer the incident to OSHA, and typically no police report would be made.

Should the Board elect to award the contract, a daily safety observation will be made by qualified safety personnel employed by Tilden-Coil Constructors prior to the start of work each day and the college's safety manager will visit the site twice per week, as per our normal practices. In addition a daily safety report would be submitted to my office by Tilden-Coil and qualified safety personnel employed by the college will visit the site each day and report directly to my office. All safety personnel are authorized to stop work on the project, should any significant safety concerns be identified.

Should the Board elect to reject all bids and re-bid the project, delays of 60-90 days should be expected. As this project is critical to the Athletics Complex Phase 1 project schedule, equivalent delays can be expected to the critical path of the Athletics project. It is difficult to estimate costs related to the delays but certainly they would exceed \$150,000. The completion date of the project would also be extended by 60-90 days. Such a delay would likely prevent hosting the Mt. SAC Relays in 2020 prior to the Olympic Trials.

Please let me know if you have any other questions.

Gary Nellesen
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