



CITY OF NEW YORK
OFFICE OF THE COMPTROLLER
SCOTT M. STRINGER

CONSTANTINE KOKKORIS
BUREAU CHIEF

BUREAU OF LABOR LAW

June 13, 2014

Mr. Frank Schiano, Esq.
Deputy General Counsel
NYC Dept of Environmental Protection
59-17 Junction Blvd., 19th Floor
Elmhurst, NY 11373

**Re: Comptroller v. National Insulation & GC, Corp. [Prime Contractor]
FEIN: 11-3139786; Labor Law File No. 20081105**

Dear Mr. Schiano,

Enclosed is a copy of the New York City Comptroller's Order and Determination with Notice of Filing in the above-referenced matter. Please retain a copy for your records.

The Order and Determination constitutes a determination by the Comptroller of one willful violation by **National Insulation & GC Corp.** Pursuant to subdivision 3(b) of section 220-b of the New York State Labor Law, if **National Insulation & GC Corp.** receive a second willful violation within six years from the date of the enclosed Stipulation of Settlement, then **National Insulation & GC Corp.**, their successors, any substantially-owned affiliated entities of **National Insulation & GC Corp.**, any officer of **National Insulation & GC Corp.** who knowingly participated in this violation and any of the shareholders who own or control at least ten per centum of the outstanding stock of **National Insulation & GC Corp.** or its successors shall be barred from submitting a bid on, or being awarded, any public work contract, or subcontract, within the State, any municipal corporation or public body for a period of five years from the date of the second determination.

Very truly yours,

Constantine Kokkoris
Bureau Chief

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**CITY OF NEW YORK
OFFICE OF THE COMPTROLLER**

In the matter of

**National Insulation & GC, Corp. (Prime
Contractor)**

**For a willful violation of New York State
Labor Law § 220 *et seq.***

**NOTICE
OF
FILING**

Labor Law File No. 20081105

PLEASE TAKE NOTICE that annexed hereto is a true copy of an Order and

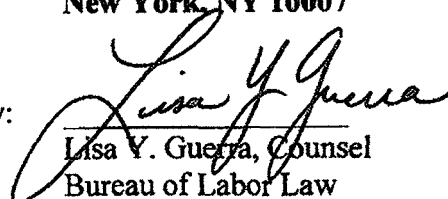
Determination of the Comptroller of the City of New York that was duly filed in the Office of
the Comptroller on June 10, 2014.

Any party aggrieved by this Order and Determination may commence a proceeding for
the review thereof pursuant to Article 78 of the New York Civil Practice Law and Rules within
thirty (30) days from this Notice of Filing of the said Order and Determination. Said proceeding
shall be commenced directly in the Appellate Division of the Supreme Court.

Dated: June 13, 2014

**Scott M. Stringer
Comptroller of the City of New York
One Centre Street
New York, NY 10007**

By:


Lisa Y. Guerra, Counsel
Bureau of Labor Law
Tel: (212) 669-7358

**CITY OF NEW YORK
OFFICE OF THE COMPTROLLER**

In the Matter of the Complaint

-against-

**National Insulation & GC, Corp.
180 Miller Place
Hicksville, NY 11801**

**For a Willful Violation of
New York State Labor Law §220 *et seq.***

Comptroller's Labor Law File No. 20081105

STIPULATION OF SETTLEMENT

IT HEREBY IS STIPULATED AND AGREED by and between National Insulation & GC, Corp., ("National"), and the Office of the Comptroller of the City of New York, ("Comptroller"), that:

1. National is aware that it is entitled to a hearing prior to the issuance of an Order by the Comptroller as to all of the issues set forth herein pursuant to section 220 (8) and subdivision (2-c) of section 220-b of the New York State Labor Law and hereby waives it's their right to said hearing.

2. National consents to and agrees that an Order be made and filed by the Comptroller with the following findings:

(a) The New York City Department of Education ("DOE") awarded National Contracts #3076776; 20069601188; 20069601746; 20069601750; 20069601751; 20069601919; 20069601921; 20069601922; 20069601925; 20069601926; 20069601927; 20069602186; 20069602194; 20069602196; 20079700229; 20079700996; 20079700997; 20079700998; 20079700999; 20079701002; 20079701532; 20089870502; 20089870503; 20089870504; 20089870508; 20089871295; 20099975576; (herein "the Contracts"), under which National

performed concrete repair work, chain link fence work, repair and replacement of windows, repair and replacement of floor covers, repair and replacement of safety surfacing, and installation of thermal insulation, during the time period of December 2006 and November 2010;

(b) National failed to pay prevailing wages and supplements to its employees, classified as Heat and Frost Insulators, employed on the Contracts, resulting in a total underpayment in the amount of \$353,625.58 as set forth in the attached summary of underpayment;

(c) National owes interest to said employees at the rate of six percent per annum in the amount of \$42,435.07;

(d) National owes the further sum of \$39,606.07 as a civil penalty, at ten percent of the total underpayment with interest;

3. The Comptroller finds that the failure of National to pay prevailing wages and supplements is a willful violation for the purposes of subdivision 3(b) of Labor Law Section 220-b. This determination is the first willful violation by National. Pursuant to subdivision 3(b) of Section 220-b, if National receives a second willful violation within any consecutive six year period, then National, its successor, or any substantially owned affiliated entity of National, any of the partners of National if National is a partnership, any officer of National who knowingly participated in this violation and any of the shareholders who own or control at least ten per centum of the outstanding stock of National or any successor is barred from submitting a bid on, or being awarded, any public work contract, or subcontract, within the State, any municipal corporation or public body for a period of five years from the date of the second determination.

4. National consents and agrees that the underpayment of wages, supplements, interest, and civil penalty, in the total amount of \$435,666.72 shall be paid out of the funds

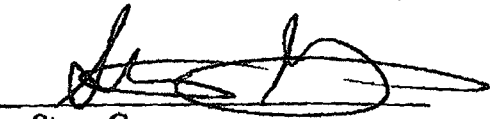
currently withheld by the Comptroller pursuant to Labor Law § 220-b (2-b) on the Contracts. National relinquishes all claims to \$435,666.72 of the total amount withheld under the Comptroller's withholding on the Contracts and agrees that the Comptroller will apply the \$435,666.72 to the underpayments of wages, supplements and interest owed to the employees and to the civil penalty owed to the City of New York, as set forth in the attached Summary of Underpayment. National represents that the funds withheld on the Contracts are free from any other claims and any potential claims of trust beneficiaries pursuant to Lien Law Article 3-A, and agree to indemnify and hold the Comptroller and the City of New York harmless against such claims for the full amount of the withheld funds of \$435,666.72. Upon receipt of the payment in full, the Comptroller shall request the release of all funds over and above the \$435,666.72 withheld from National on this matter on the Contracts pursuant to Section 220-b of the New York State Labor Law.

5. If, for any reason, the withheld funds on the Contract are insufficient or unavailable to satisfy National's total liability to the Comptroller of \$435,666.72, then National agrees to pay the remainder by certified or cashier's check payable to the "New York City Comptroller" within 30 days of receiving written notice from the Comptroller that the funds did not satisfy their total liability. If payment in full is not received within 30 days, National shall owe additional interest to each employee listed in the attached Summary of Underpayment at the rate of sixteen percent per annum on the full amount of the underpayment from November 7, 2012 until the date of payment.

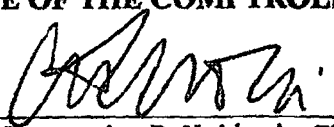
6. Upon receipt by the Comptroller of payment in full as set forth in Paragraph 3, National shall have no further liability to the Comptroller under Article 8 of the New York State Labor Law regarding work performed by the employees listed in the attached Summary of Underpayment pursuant to the Contracts.

7. This Stipulation of Settlement embodies the entire agreement of the parties in this matter.

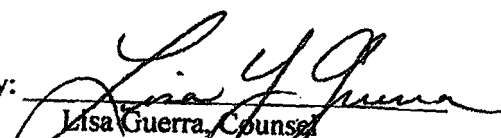
NATIONAL INSULATION & GC, CORP.

By: 
Name: Steve Grgas
Title: Vice President

OFFICE OF THE COMPTROLLER OF THE CITY OF NEW YORK

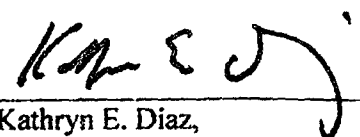
By: 
Constantine P. Kokkoris, Chief
Bureau of Labor Law

Dated: 6/6/14

By: 
Lisa Guerra, Counsel
Bureau of Labor Law

Dated: June 6, 2014

SO ORDERED AND DETERMINED:

By: 
Kathryn E. Diaz,
General Counsel
Office of the Comptroller
of the City of New York

Dated: June 10, 2014

THE CITY OF
OFFICE OF
1 CENTRE STREET



FIRST CLASS



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