



The City of New York
Department of Investigation

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STATEMENT FROM DOI ABOUT CITY SUB-CONTRACTOR'S GUILTY PLEA
- Sub-contractor underpaid workers \$36,000 on a DSNY job -

"This company took advantage of its employees in order to make an easy buck. I am pleased that DOI was able to help these workers obtain their rightful wages," said DOI Commissioner Rose Gill Hearn.

Background information:

SPACE AIR CONDITIONING CORPORATION, located in Long Island City, Queens, pled guilty this morning to one count of Offering a False Instrument for Filing in the First Degree and submitted a check to prosecutors in the Manhattan District Attorney's Office in the amount of \$36,000 to be split among the four workers to whom prevailing wages were not paid on a New York City Department of Sanitation (DSNY) job.

SPACE AIR was a subcontractor of American Standard Plumbing & Heating, which had a DSNY contract. SPACE AIR was hired to provide a segment of the heating, ventilation and air-conditioning work at DSNY's Manhattan 10 Garage located at 110 East 131st Street, in Manhattan. SPACE AIR was required to pay skilled laborers prevailing wages pursuant to Labor Law 220. Certified payroll reports that were submitted to DSNY reported that the employees were being paid the prevailing wage. However, investigators determined that employees signed their paychecks over to their employer and were given cash wages that were lower than the prevailing wage on the paychecks. The four workers were underpaid anywhere from \$7,000 to \$12,000 each.

Commissioner Gill Hearn thanked the Department of Sanitation for its cooperation and assistance.

This investigation was conducted by DOI's Inspector General for DSNY Julia Davis and Special Investigator Tom Spirakis. This case was handled by the Office Manhattan District Attorney Robert M. Morgenthau. It was prosecuted by Assistant District Attorney Joel Meyers of the Labor Racketeering Unit under the supervision of Bureau Chief Michael Scotto and Deputy Bureau Chief Jane Tully.

DOI is one of the oldest law-enforcement agencies in the country. The agency investigates and refers for prosecution City employees and contractors engaged in corrupt or fraudulent activities or unethical conduct. Investigations may involve any agency, officer, elected official or employee of the City, as well as those who do business with or receive benefits from the City.

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