



The City of New York
Department of Investigation

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**PREVAILING WAGE INVESTIGATION ENDS IN CIVIL SETTLEMENT WITH
N.J.-BASED CONSTRUCTION CONTRACTOR WHO AGREES TO PAY APPROXIMATELY \$104,000
IN WAGES OWED TO SEVEN WORKERS ON TWO DDC CONTRACTS**

Rose Gill Hearn, Commissioner of the New York City Department of Investigation ("DOI"), announced today the results of a joint investigation with the Office of New York State Attorney General Andrew M. Cuomo of allegations that a contractor on two City construction projects failed to pay workers state-mandated wages. Under a civil settlement, Arkay Construction Incorporated ("ARKAY"), a general construction contracting company based in Belleville, N.J., and its president, Rantik N. Parikh ("Parikh"), have agreed to pay \$104,640 to seven workers for wages owed to them between 2000 and 2004 and an additional \$10,000 toward the administrative cost of DOI's investigation.

DOI began its investigation after being contacted by the New York City Department of Design and Construction ("DDC") about possible prevailing wage violations involving the two contracts.

In the settlement agreement, which was finalized this week, ARKAY and Parikh, while not admitting knowledge of their subcontractor's employee payment practices, did admit financial responsibility for the underpayment of its subcontractor's employees on two contracts with DDC. State law requires that these workers receive prevailing wages for their specified construction titles. The two DDC contracts were a \$3.76 million contract to perform bathroom renovations at Rikers Island Correctional Facility and a \$612,501 contract to conduct interior demolition and renovation work at the New York City Bedford Tuberculosis Clinic. The work on both contracts has been completed.

DOI Commissioner Rose Gill Hearn said, "Paying prevailing wages is not an option, it is the law. Contractors who work on City projects and skirt the rules will face the consequences, including repaying workers who were deprived of proper wages. DOI was pleased to work with the New York State Attorney General's Office in bringing this investigation to a fair conclusion. And I commend the DDC for alerting DOI about these allegations."

Commissioner Gill Hearn thanked DDC Commissioner David J. Burney and his staff for their assistance and cooperation throughout the investigation and the Office of New York State Attorney General Andrew M. Cuomo, particularly the Attorney General's Office Labor Bureau, which assisted DOI in this investigation.

This investigation was conducted by members of DOI's Office of the Inspector General for DDC, specifically Inspector General Mary T. Piechocki, Assistant Inspector General Renard McDowell, Special Investigator Omar Sarach and Investigative Auditor Ella Temis-Kijinyer, under the supervision of Associate Commissioner Robert Joyce.

Assistant New York State Attorney General Richard Balletta, who is Acting Bureau Chief of the Labor Bureau of the New York State Attorney General's Office, worked in conjunction with DOI throughout the investigation.

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.

**Get the worms out of the Big Apple.
To report someone ripping off the City, call DOI at (212) 825-5959.**