



United States  
General Accounting Office  
Washington, D.C. 20548

Office of the General Counsel

B-231489

July 1, 1988

Mr. Clemens Shotborgh, President  
Mr. Garry Cook, Vice President  
Dynamic Construction Company  
a/k/a/ Tilly Electric  
21690 Main Street  
Aurora, Oregon 97002

Dear Messrs. Shotborgh and Cook:

Subject: Dynamic Construction Company  
a/k/a Tilly Electric - Prime Contractor  
Contracts No. V648C-112, V653C-423, and V687C-280  
DOL File No. ORE-83-320

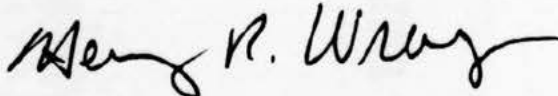
The Administrator, Employment Standards Administration, United States Department of Labor, by letter dated May 11, 1988, recommended to our Office that Dynamic Construction Company, a/k/a Tilly Electric, Clemens Shotborgh, individually and as its president, and Garry Cook, individually and as its vice president, be placed on the ineligible bidders list for violations of the Davis-Bacon Act, 40 U.S.C. §§ 276a to 276a-5 (1982), with respect to the above-referenced contracts.

We concur with the Assistant Administrator's recommendation. The Davis-Bacon Act provides that the Comptroller General is to debar persons or firms whom he finds have disregarded their obligations to employees under the Act. 40 U.S.C. § 276a-2. Our review of the record confirms that there were substantial violations in this case which constitute a disregard of obligations to employees with respect to the minimum wage provisions of the Davis-Bacon Act.

Accordingly, Dynamic Construction Company, a/k/a Tilly Electric, Clemens Shotborgh, individually and as its president, and Garry Cook, individually and as its vice president, will be included on a list to be distributed to all departments of the government. Pursuant to statutory direction at 40 U.S.C. § 276a-2, no contract shall be awarded to them or to any firm, corporation, partnership or association in which they, or any of them, have an interest until 3 years have elapsed from the date of publication of such list.

At the present time, there are no funds on deposit with our Claims Group for disbursement of the back wages due the wage claimants. Funds have been withheld by the Veterans Administration from the payments due Dynamic Construction Company under the contracts under consideration. When our Claims Group obtains the funds, they will be disbursed to the wage claimants in accordance with established procedures.

Sincerely yours,

A handwritten signature in cursive script, appearing to read "Henry R. Wray".

Henry R. Wray  
Associate General Counsel

cc: Sylvester L. Green, Director  
Contract Standards Operations  
U.S. Department of Labor

Associate Director, Claims Group/GGD