

GAO

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

B-229370

March 25, 1988

Mr. Charles M. Koenig, Sr.,
President
Mr. Anthony M. Koenig,
Vice President and President
Koenig Corporation and
Koenig Mechanical Contractors, Inc.
1026 South Third Street
Louisville, KY. 40203

Dear Messrs. Koenig:

Subject: Contract No. V603C-667, VA Medical Center,
Louisville, Ky.
DOL File No. IV-KY-84-21

The Administrator, Employment Standards Administration, United States Department of Labor, by letter dated December 3, 1987, recommended to our Office that Koenig Corporation, Koenig Mechanical Contractors, Inc., Charles M. Koenig, Sr., and Anthony M. Koenig individually and as corporate officers of both firms, 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 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. 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, Koenig Corporation, Koenig Mechanical Contractors, Inc., Charles M. Koenig, Sr., and Anthony M. Koenig individually and as corporate officers of both firms, 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.

The record indicates that restitution has been made to the workers involved.

Sincerely yours,

Henry R. Wray

Henry R. Wray
Associate General Counsel

cc. Sylvester L. Green, Director
Contract Standards Operations
U.S. Department of Labor
Room S3518
200 Constitution Avenue, NW
Washington, D.C.

Group Director, Claims Group/GGD