

GAO

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

Office of the General Counsel

B-223543

November 6, 1986

Dick Peck, President
Coast Plastering Corporation
360 Spruce
P.O. Box 3058
Escondido, California 92025

Dear Mr. Peck:

Subject: Coast Plastering Corporation - Subcontractor
Contract Nos. N62474-81-C-8934
N62474-81-C-8526
Marine Corps Air Station
Tustin, California

129-46004
Leisure Village
Oceanside, California

143-35073-PM-L8
Bello gente
Mission Viejo, California
DOL File No: CAL-84-227

The Assistant Administrator, Employment Standards Administration, United States Department of Labor, by letter dated September 13, 1985, has recommended to our Office that the names Coast Plastering Corporation, and Dick Peck, individually and as 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 first two above-referenced contracts. That recommendation was based on a settlement agreement executed by Gary Overstreet, Esquire, on your behalf, dated July 9, 1985, and by the Associate Regional Solicitor of Labor, on behalf of the government, dated July 11, 1985.

We concur with the Assistant Administrator's recommendation. The Davis-Bacon Act provides that the Comptroller General is to debar persons and firms from bidding for a period of 3 years whom he finds have disregarded their obligations to their employees under the Act. See 40 U.S.C. § 276a-2. Our review of the records in this case confirms that there were

substantial violations which constitute a disregard of obligations to employees with respect to the minimum wage provisions of the Davis-Bacon Act.

Accordingly, your name and that of Coast Plastering Corporation, will be included on the list of ineligible bidders to be distributed to all departments of the Federal government. Pursuant to statutory direction (40 U.S.C. § 276a-2), no contract shall be awarded to Coast Plastering, Corporation, or to you, or to any firm, corporation, partnership or association in which you have an interest until 3 years have elapsed from the date of publication of that list. In addition, your name will be placed on a debarred bidders list for violation of the provisions of section 212(a) of the National Housing Act, as amended, and for violation of the labor standards provisions of the U.S. Housing Act of 1937, as amended, in connection with the latter two above-referenced contracts.

Restitution is being made under the terms of the settlement agreement.

Sincerely yours,



Henry R. Wray
Associate General Counsel

cc: Sylvester L. Green, Director
Contract Standards Operations
U.S. Department of Labor
Room S3518
200 Constitution Avenue, N.W.
Washington, D.C. 20210

Group Director, Claims Group/GGD
with file Z-2863715-0 and 1