

ATTORNEY GENERAL OF THE STATE OF NEW YORK  
LABOR BUREAU

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In the Matter of

**Investigation by LETITIA JAMES,  
Attorney General of the State of New York, of**

Lintech Electric Inc.,

Respondent.

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Assurance No. 21-069

**ASSURANCE OF DISCONTINUANCE**

The Office of the Attorney General of the State of New York (“OAG”) commenced an investigation pursuant to Executive Law § 63(12) in cooperation with the Inspector General’s Office of the New York City Housing Authority, (“NYCHA OIG”) regarding the proper payment of the New York State prevailing wage as required by Article 8 of the New York State Labor Law on several public work projects located at New York City Housing Authority (“NYCHA”) buildings located throughout the five Boroughs of the City of New York between 2015 and 2018. This Assurance of Discontinuance (“Assurance”) contains the findings of the NYCHA OIG’s and the OAG’s investigation and the relief agreed to by OAG and Lintech Electric Inc. (“Lintech”), located at 3006 Tilden Avenue, Brooklyn, New York 11226 for Lintech’s violations of Article 8 of the New York State Labor Law. The Assurance also contains the relief agreed to by OAG and the prime contractors Neelam Construction Corporation located at 163-A Paris Avenue, Northvalle, New Jersey 07647 (“Neelam”); Pro-Metal Construction, Inc. located at 549 63<sup>rd</sup> Street, Brooklyn, New York 11220 (“Pro-Metal”); and Zoria Housing, LLC

located at 87-28 130<sup>th</sup> Street, Richmond Hill, New York 11418 (“Zoria”) (collectively referred to as “Primes”) that retained the services of Lintech under the relevant NYCHA Housing contracts as guarantors of Lintech’s underpayments of prevailing wages, interest and penalties under Article 8 of the New York State Labor Law via money withheld by NYCHA.

### **OAG’s FINDINGS**

1. Between 2015 and 2018, the Primes subcontracted with and retained the services of Lintech to perform electrical work on NYCHA Houses located throughout the five Boroughs of New York City. Lintech prepared and submitted Certified Payroll Records to the Primes for filing with NYCHA in accordance with Article 8 of the New York State Labor Law as a condition precedent to receiving payment for the work performed. The NYCHA OIG performed an examination of the Certified Payroll Records filed with NYCHA for the electrical public work performed and found that Lintech underpaid its employees the prevailing wage and supplement rate required under the contract and the Prevailing Wage Law.
2. NYCHA OIG received complaints regarding the underpayment of the prevailing wages mandated by Article 8 of the New York State Labor Law and subsequently commenced an investigation to determine if the employees of Lintech were paid less than the then applicable prevailing wage rates between 2015 and 2018 at various NYCHA Housing locations.
3. Article 8 of New York Labor Law § 220 et seq. requires that all contractors and subcontractors on public work projects pay their employees the prevailing rate of wages and supplements as set forth by the fiscal officer.
4. New York Labor Law § 223 holds that the Primes are financially responsible for underpayments of prevailing wages and supplements made by their subcontractor Lintech at the various NYCHA Housing locations. OAG’s and NYCHA OIG’s investigation determined that

there was no violation of Article 8 of the New York State Labor Law by the Primes and that they are included as financial guarantor signatories of this Assurance in that NYCHA is withholding payments due and owing to the Primes which will be released to the NYCHA OIG in accordance with New York Labor Law § 223 to pay the underpayment in prevailing wages and supplements attributed to Lintech's violations of Article 8 of the New York State Labor Law.

5. New York State Executive Law § 63(12) permits OAG to investigate any matter where OAG finds repeated fraudulent or illegal acts or illegality in the carrying on, conducting or transaction of business in the state of New York and permits the OAG to seek an order to enjoin the continuance of such business activity or of any fraudulent or illegal acts or obtain restitution and damages. The Executive Law at § 63(15) further, permits OAG to resolve these investigations by way of an assurance of discontinuance.

6. Lintech is an experienced public work contractor with familiarity and knowledge of the requirements of New York State Prevailing Wage laws.

7. The work being performed by Lintech at the NYCHA Housing complexes throughout the five Boroughs was installation and removal of breaker boxes to scaffolding and sidewalk sheds. The work required the use of electricians at the prevailing wage rate applicable for such work set forth in the schedules between 2015 and 2018. The examination of Lintech's certified payrolls filed with NYCHA and sign-in sheets maintained for the work performed revealed that Lintech classified numerous electricians as supervisors to avoid paying the proper prevailing wage rate. The examination of the records further revealed that those employees classified by Lintech as electricians were not paid at the proper prevailing wage rate.

8. The applicable prevailing wage rate with benefits, from January 2015 through September 2018, for an electrician ranged from \$74.00 to \$110.00 per hour. The prevailing

wage rate with benefits for electrician work actually paid by Lintech to its workers from January 2015 through September 2018, ranged from \$20.00 to \$60.00 per hour.

9. OAG and the NYCHA OIG determined that Lintech's failure to pay the proper prevailing wages and supplements is in violation of Labor Law §220 et seq.

10. Lintech neither admits nor denies the OAG's and the NYCHA OIG's findings, paragraphs 1-9 above.

11. Lintech has agreed to this Assurance in settlement of the violations described above and to avoid the time, expense, and distraction of litigation.

12. The OAG finds the relief and agreements contained in this Assurance appropriate and in the public interest. THEREFORE, the OAG is willing to accept this Assurance pursuant to Executive Law § 63(15), in lieu of commencing a statutory proceeding for violations of Labor Law § 220 based on the conduct described above between 2015 and 2018.

IT IS HEREBY UNDERSTOOD AND AGREED, by and between OAG and Lintech as to the entire AOD and between the Primes as to paragraph 15 that:

#### **RELIEF**

13. General Injunction: Lintech shall be debarred from bidding upon, being awarded or working upon any Public Work Contract under Article 8 of the New York State Labor Law for a period of five (5) years commencing on the date that this Assurance is fully executed and that Lintech will be placed upon the list of debarred contractors maintained by the New York State Department of Labor, Public Work's Bureau for said five (5) year period.

14. Monetary Relief

a. *Monetary Relief Amount*: Lintech admits that under the Neelam subcontract(s) it is responsible for the payment to the NYCHA OIG of \$531,962.99 consisting of

underpaid prevailing wages and supplements in the amount of \$451,692.99, interest in the amount of \$70,000.00 and a penalty in the amount of \$10,000.00.

- b. Lintech admits that under the Pro-Metal subcontract(s) it is responsible for the payment to the NYCHA OIG of \$173,641.24 consisting of underpaid prevailing wages and supplements in the amount of \$141,641.24, interest in the amount of \$22,000.00 and a penalty in the amount of \$10,000.00.

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- c. Lintech admits that under the Zoria subcontract(s) it is responsible for the payment to the NYCHA OIG of \$193,575.91 consisting of underpaid prevailing wages and supplements in the amount of \$156,575.91, interest in the amount of \$27,000.00 and a penalty in the amount of \$10,000.00.
- d. The *Monetary Relief Amount* of \$531,962.99 on the Neelam subcontract(s) will be paid to the NYCHA OIG from moneys that NYCHA has currently withheld from Neelam. The balance of the funds withheld by NYCHA in the amount of \$347,143.01 shall be release and paid to Neelam.
- e. The *Monetary Relief Amount* of \$173,641.24 on the Pro-Metal subcontract(s) will be paid to the NYCHA OIG from moneys that NYCHA has currently withheld from Pro-Metal. The balance of the funds withheld by NYCHA in the amount of \$44,095.26 shall be release and paid to Pro-Metal.
- f. The *Monetary Relief Amount* of \$193,575.91 on the Zoria subcontract(s) will be paid to the NYCHA OIG from moneys that NYCHA has currently withheld from

Zoria. The balance of the funds withheld by NYCHA in the amount of \$135,779.09 shall be release and paid to Zoria.

## MISCELLANEOUS

### Subsequent Proceedings.

15. Lintech expressly agrees and acknowledges that the OAG may initiate a subsequent investigation, civil action, or proceeding to enforce this Assurance, for violations of the Assurance and agrees and acknowledges that in such event:

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- a. any statute of limitations or other time-related defenses are tolled from and after the effective date of this Assurance;
  - b. the OAG may use statements, documents or other materials produced or provided by the Respondent prior to or after the effective date of this Assurance;
  - c. any civil action or proceeding must be adjudicated by the courts of the State of New York, and that Respondent irrevocably and unconditionally waives any objection based upon personal jurisdiction, inconvenient forum, or venue.
  - d. evidence of a violation of this Assurance shall constitute prima facie proof of a violation of the applicable law pursuant to Executive Law § 63(15).

16. If a court of competent jurisdiction determines that the Respondent has violated the Assurance, the Respondent shall pay to the OAG the reasonable cost, if any, of obtaining such determination and of enforcing this Assurance, including without limitation legal fees, expenses, and court costs.

### Effects of Assurance:

17. All terms and conditions of this Assurance shall continue in full force and effect on any successor, assignee, or transferee of the Respondent. Respondent shall include any such

successor, assignment or transfer agreement a provision that binds the successor, assignee or transferee to the terms of the Assurance. No party may assign, delegate, or otherwise transfer any of its rights or obligations under this Assurance without the prior written consent of the OAG.

18. Nothing contained herein shall be construed as to deprive any person of any private right under the law.

19. Any failure by the OAG to insist upon the strict performance by Respondent of any of the provisions of this Assurance shall not be deemed a waiver of any of the provisions hereof, and the OAG, notwithstanding that failure, shall have the right thereafter to insist upon the strict performance of any and all of the provisions of this Assurance to be performed by the Respondent.

Communications:

20. All notices, reports, requests, and other communications pursuant to this Assurance must reference Assurance No. 21-069, and shall be in writing and shall, unless expressly provided otherwise herein, be given by hand delivery; express courier; or electronic mail at an address designated in writing by the recipient, followed by postage prepaid mail, and shall be addressed as follows:

If to the Respondent, to:

Jonathan L. Scher, Esq.  
The Scher Law Firm, LLP  
One Old Country Road, Suite 385  
Carle Place, New York 11514  
(516) 746-5040  
[jscher@scherlawfirm.com](mailto:jscher@scherlawfirm.com)

If to the OAG, to:

Richard Balletta, Esq.  
Office of the Attorney general  
28 Liberty – 15<sup>th</sup> Floor  
New York, New York 10005  
(212) 416-6546  
[Richard.Balletta@ag.ny.gov](mailto:Richard.Balletta@ag.ny.gov)

Representations and Warranties:

21. The OAG has agreed to the terms of this Assurance based on, among other things, the representations made to the OAG and the NYCHA OIG by the Respondent and their counsel and the factual investigation as set forth in Findings, paragraphs (1)-(12) above. The Respondent represents and warrants that neither it nor its counsel has made any material representations to the OAG that are inaccurate or misleading. If any material representations by Respondent or its counsel are later found to be inaccurate or misleading, this Assurance is voidable by the OAG in its sole discretion.

22. No representation, inducement, promise, understanding, condition, or warranty not set forth in this Assurance has been made to or relied upon by the Respondent in agreeing to this Assurance.

23. The Respondent represents and warrants, through the signatures below, that the terms and conditions of this Assurance are duly approved. Respondent further represents and warrants that Lintech, by Linden Tudor, as the signatory to this AOD, is a duly authorized officer acting at the direction of the Board of Directors of Lintech.

General Principles:

24. Unless a term limit for compliance is otherwise specified within this Assurance, the Respondent's obligations under this Assurance are enduring. Nothing in this Agreement



shall relieve Respondent of other obligations imposed by any applicable state or federal law or regulation or other applicable law.

25. Respondent shall not in any manner discriminate or retaliate against any of its employees, including but not limited to employees who cooperated or are perceived to have cooperated with the investigation of this matter or any future investigation related to enforcing this agreement.

26. Respondent agrees not to take any action or to make or permit to be made any public statement denying, directly or indirectly, any finding in the Assurance or creating the impression that the Assurance is without legal or factual basis.

27. Nothing contained herein shall be construed to limit the remedies available to the OAG in the event that the Respondent violates the Assurance after its effective date.

28. This Assurance may not be amended except by an instrument in writing signed on behalf of the Parties to this Assurance.

29. In the event that any one or more of the provisions contained in this Assurance shall for any reason be held by a court of competent jurisdiction to be invalid, illegal, or unenforceable in any respect, in the sole discretion of the OAG, such invalidity, illegality, or unenforceability shall not affect any other provision of this Assurance.

30. Respondent acknowledges that they have entered this Assurance freely and voluntarily and upon due deliberation with the advice of counsel.

31. This Assurance shall be governed by the laws of the State of New York without regard to any conflict of laws principles.

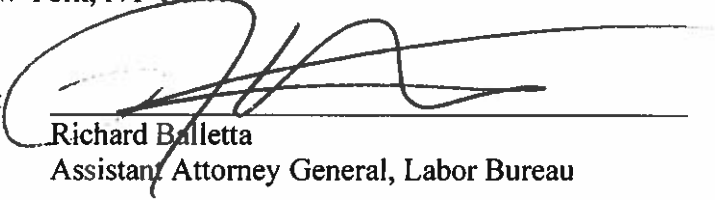
32. The Assurance and all its terms shall be construed as if mutually drafted with no presumption of any type against any party that may be found to have been the drafter.

33. This Assurance may be executed in multiple counterparts by the parties hereto. All counterparts so executed shall constitute one agreement binding upon all parties, notwithstanding that all parties are not signatories to the original or the same counterpart. Each counterpart shall be deemed an original to this Assurance, all of which shall constitute one agreement to be valid as of the effective date of this Assurance. For purposes of this Assurance, copies of signatures shall be treated the same as originals. Documents executed, scanned and transmitted electronically and electronic signatures shall be deemed original signatures for purposes of this Assurance and all matters related thereto, with such scanned and electronic signatures having the same legal effect as original signatures.

34. The effective date of this Assurance shall be ~~January~~ <sup>February 16</sup>, 2022.

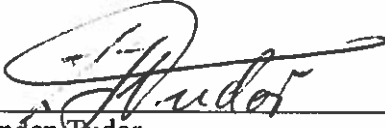
LETITIA JAMES  
Attorney General of the State of New York  
28 Liberty Street  
New York, NY 10005

By:

  
Richard Balletta  
Assistant Attorney General, Labor Bureau

Lintech Electric Inc.

By:

  
Linden Tudor  
President

STATE OF NEW YORK )

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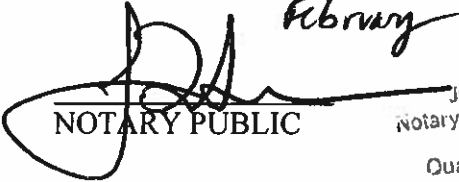
ss.:

COUNTY OF NASSAU )

On the 16<sup>th</sup> day of February in the year 2022 before me personally came Linden Tudor to me known, who, being by me duly sworn, did depose and say that the principal place of business is 3006 Tilden Avenue, Brooklyn, New York 11226; that he/she/they is the President of the Respondent, the corporation described in and which executed the above instrument; that he/she/they know(s) the seal of said corporation; that the seal affixed to said instrument is such corporate seal; that it was so affixed by authority of the board of directors of said corporation, and that he/she/they signed his/her/their names(s) thereto by like authority.

Sworn to before me this

16<sup>th</sup> day of ~~January~~, 2022

  
NOTARY PUBLIC

JONATHAN L. SCHER  
Notary Public, State of New York  
No. 02SC5046709  
Qualified in Nassau County  
Commission Expires July 11, 2023