

CRIMINAL COURT OF THE CITY OF NEW YORK
COUNTY OF QUEENS

-----X
THE PEOPLE OF THE STATE OF NEW YORK

-against-

KOSTAS "GUS" ANDRIKOPOULOS and
HARA ELECTRIC CORPORATION.,

Defendants.

-----X

FELONY COMPLAINT

Dkt. No. _____

(AAG Rachel Gold)

Investigator Lee Callier, shield #3180 of the Office of the Inspector General for the New York City School Construction Authority being duly sworn, deposes and says:

That during a period from on or about June 1, 2005 to on or about November 29, 2008, in the County of Queens, State of New York, defendants KOSTAS "GUS" ANDRIKOPOULOS and HARA ELECTRIC CORPORATION ("HARA"), located at 24-61 47th Street; Astoria, New York, committed the offenses of:

Penal Law § 155.42 Grand Larceny in the First Degree (class B felony)

1 Count

in that defendants stole property with a value in excess of one million dollars by false pretenses.

Labor Law § 220(3)(d)(4) (class C felony)

1 Count

in that defendants willfully failed to pay or provide the prevailing rate of wage resulting in underpayments with an aggregate amount of more than five hundred thousand dollars.

Penal Law § 175.10 Falsifying Business Records in the First Degree (class E felony)

281 Counts

in that defendants, with intent to defraud, including an intent to commit another crime and to aid and conceal the commission thereof, made and caused a false entry in the business records of an enterprise and omitted to make a true entry in the business records of an enterprise in violation of a duty to do so which they knew to be imposed upon them by law or the nature of their position.

Penal Law § 175.35 Offering a False Instrument for Filing in the First Degree (class E felony)

281 Counts

in that defendants, knowing that a written instrument contained a false statement and false information, and with intent to defraud the state and any political subdivision, public

authority and public benefit corporation of the state, offered and caused such instruments to be offered and presented to a public office, public servant, public authority and public benefit corporation with the knowledge and belief that it would be filed with, registered and recorded and otherwise become a part of the records of such public office, public servant, public authority and public benefit corporation.

Labor Law § 191-a Failure to Pay Wages (class A misdemeanor)
12 Counts

in that defendants, as an employer of labor under the provisions of the Labor Law of the State of New York, and while doing business as and operating a business under the laws of New York State did fail to pay all of the wages earned for manual work performed weekly and not later than seven days after the end of each week in which they were earned.

Defendants committed these crimes as follows:

1. I have been an Investigator in the Office of the Inspector General for the New York City School Construction Authority ('SCA') for 20 years and am familiar with the processes for bidding and letting contracts, contractor payment, certified payroll submission and review, and the laws governing prevailing wage payments regarding NYC SCA contracts.

2. SCA is a public authority organized under the Public Authorities law of the State of New York with its principal place of business at 3030 Thomson Avenue, Long Island City, New York. The SCA's mission, established by the New York State Legislature in 1988, is to build new public schools and manage the design, construction and renovation of capital projects in New York City's more than 1,200 public school buildings.

3. I have reviewed records made and maintained in the regular course of business by the New York State Department of State. The records state that:

The defendant KOSTAS "GUS" ANDRIKOPOULOS is an officer and Administrator of Hara Electric Corporation ("Hara"), a domestic corporation created under the laws of the State of New York with its principal place of business located at 24-61 47th Street; Astoria, New York.

4. I have reviewed records made and maintained in the regular course of business by SCA. Hara is a contractor that bids on public work projects, including projects sponsored by the SCA. Hara has also been awarded several subcontracts for work on SCA projects.

5. I have reviewed the records made and maintained in the regular course of business by the SCA. The records state that the defendant Hara was awarded contracts and did perform work on the following SCA public works projects:

- a. Electrical work at Martin Luther King High School located at 122 Amsterdam Avenue, New York, New York, from on or about June 1, 2005 to on or about August 31, 2005, SCA Contract No. C000009612;
- b. Electrical work at Public School 105 located at 1031 59th Street, Brooklyn, New York, from on or about June 1, 2005 to on or about February 24, 2006, SCA Contract No. C000009507;
- c. Electrical work at Lehman High School located at 3000 East Tremont Avenue, Bronx, New York, from on or about June 1, 2006 to on or about July 31, 2006, SCA Contract No. C00009840;
- d. Electrical work at Intermediary School 162 located at 600 Saint Anns Avenue, Bronx, New York, from on or about June 1, 2006 to on or about July 14, 2008, SCA Contract No. C000009825;
- e. Electrical work at Roosevelt High Schools located at 5800 20th Avenue; Brooklyn, New York; and 500 East Fordham Road; Bronx, New York, from on or about January 8, 2007 to on or about April 19, 2008, SCA Contract Nos. C000011035, C000010146, and C0000110515;
- f. Electrical work at Public School 41 located at 116 West 11th Street, New York, New York, from on or about March 17, 2007 to on or about March 21, 2008, SCA Contract No. C000010442;
- g. Electrical work at Wingate High School located at 600 Kingston Avenue, Brooklyn, New York, from on or about April 16, 2007 to on or about April 25, 2007, SCA Contract No. C000009431;
- h. Electrical work at Public School 24 located at 660 West 236th Street; Bronx, New York, from on or about April 26, 2007 to on or about November 30, 2007, SCA Contract No. C000010406;
- i. Electrical work at Public School 5 located at 564 Jackson Avenue, Bronx, New York, from on or about May 1, 2007 to on or about June 29, 2007, SCA Contract No. C000009887;
- j. Electrical work at Public School 104 located at 26-01 Mott Avenue, Queens, New York, from on or about June 18, 2007 to on or about August 1, 2008, SCA Contract No. C000010411;
- k. Electrical work at Public School 40 located at 10920 Union Hall Street, Jamaica, New York from on or about November 30, 2007 to on or about October 29, 2008, SCA Contract No. C000010552;

l. Electrical work at Public School 345 located at 111 Berriman Street, Brooklyn, New York, from on or about February 25, 2008 to on or about March 29, 2008, SCA Contract No. C000010154;

m. Electrical work at Public School 14 located at 3041 Bruckner Boulevard; Bronx, New York, from on or about May 2, 2008 to on or about May 4, 2008, SCA Contract No. C000010372;

n. Electrical work at Public School 53 located at 360 East 168th Street; Bronx, New York, from on or about July 26, 2008 to on or about September 21, 2008, SCA Contract No. C000010875;

o. Electrical work at Public School 220 located at 62-10 108th Street; Forest Hills, New York, from on or about August 4, 2008 to on or about November 20, 2008, SCA Contract No. C000011097;

p. Electrical work at Public School 158 located at 800 Home Street; Bronx, New York, from on or about November 28, 2008 to on or about November 29, 2008, SCA Contract No. C000010533.

6. I am informed by 12 witnesses known to the Office of the Attorney General that they were employed as workers at all or some of the public work projects listed above during the period from on or about June 1, 2005 to on or about November 29, 2008. The witnesses are referred to as Employees 1 through 12 (E-1 through E-12) and worked in the locations stated above as follows:

E-1: Public School 40 from on or about November 21, 2007 to on or about February 29, 2008. I am informed by Employee 1 that he worked between 50 and 60 hours per week. Defendants paid E-1 an hourly rate of \$20.00 per hour. Defendants did not pay E-1 an additional hourly rate for any time worked over forty hours per week or for working on either Saturday or Sunday. E-1 received no benefits or supplemental payments while employed on this public work site.

E-2: Roosevelt High School from on or about June 1, 2007 to on or about June 15, 2007; Public School 24 from on or about June 19, 2007 to on or about November 16, 2007; Public School 104 from on or about November 21, 2007 to on or about November 30, 2007 and from on or about July 16, 2008 to on or about July 20, 2008; Public School 40 from on or about December 3, 2007 to on or about March 16, 2008 and from on or about June 16, 2008 to on or about June 30, 2008; Public School 53 from on or about July 26, 2008 to on or about August 17, 2008; Public School 220 from on or about September 1, 2008 to on or about October 22, 2008. I am informed by Employee 2 that he worked between 35 and 90 hours per week. Defendants paid him an hourly rate of approximately \$41.80 per hour while on the public work sites for up to forty hours. Defendants paid E-2

\$20.00 per hour in cash for all other hours, including holidays and weekends. E-2 received no benefits or supplemental payments while employed on this public work site.

E-3: Public School 104 from on or about June 18, 2007 to on or about December 12, 2007. I am informed by Employee 3 that he worked between 50 and 60 hours per week. Defendants paid him an hourly rate of approximately \$41.00 while on the public work sites for up to forty hours. Defendants paid E-3 \$30.00 per hour in cash for all other hours, including holidays and weekends. E-3 received no benefits or supplemental payments while employed on this public work site.

E-4: Lehman High School June 1, 2006 to on or about July 31, 2006; Public School 162 from on or about August 1, 2006 to on or about January 31, 2007; Roosevelt High School from on or about February 1, 2007 to on or about April 30, 2007 and from on or about June 1, 2007 to on or about June 29, 2007; Public School 5 from on or about May 1, 2007 to on or about May 31, 2007; Public School 104 July 2, 2007 to on or about August 30, 2007; Public School 24 from on or about October 1, 2007 to on or about November 30, 2007; Public School Public School 40 December 3, 2007 to on or about March 12, 2008. I am informed by Employee 4 that he worked between 30 and 60 hours per week. Defendants paid him an hourly rate of \$14.00 per hour from April 2006 until February 2007. Beginning in February 2007, defendants paid E-4 \$16.00 per hour. Beginning in September, 2007, defendants paid E-4 \$41.00 per hour. Defendants did not pay E-4 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-4 received no benefits or supplemental payments while employed on public work sites.

E-5: Public School 40 from on or about March 3, 2008 to on or about April 4, 2008; Public School 104 from on or about July 14, 2008 to on or about August 1, 2008; Public School 220 from on or about August 4, 2008 to on or about November 20, 2008. I am informed by Employee 5 that he worked between 22 and 53 hours per week. Defendants paid him an hourly rate of \$15.00 for March and April of 2008. Beginning in May 2008, defendants paid E-5 \$17.00 per hour. Defendants did not pay E-5 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-5 received no benefits or supplemental payments while employed on public work sites.

E-6: Martin Luther King High School from on or about June 17, 2005 to on or about August 25, 2005; Public School 105 from on or about September 1, 2005 to on or about December 23, 2005; Lehman High School from on or about June 1, 2006 to on or about Jul 31, 2006; Public School 162 from on or about August 1, 2006 to on or about January 31, 2007 and from on or about June 12, 2008 to on or about July 11, 2008; Roosevelt High School from on or about February 1, 2007 to on or about April 30, 2007 and from on or about June 1, 2007 to on or about June 20, 2007; Public School 5 from on or about May 1, 2007 to on or about May 31, 2007; Public School 104 from on or about June 21, 2007 to on or about October 19, 2007; Public School 24 from on or about October 22,

2007 to on or about November 30, 2007; Public School 40 from on or about December 3, 2007 to on or about March 12, 2008 and from on or about October 25, 2008 to on or about October 26, 2008; Public School 14 from on or about May 2, 2008 to on or about May 4, 2008; Public School 220 from on or about September 2, 2008 to on or about October 24, 2008. I am informed by Employee 6 that he worked between 30 and 62 hours per week. Defendants paid him an hourly rate of \$14.00 from April 2006 through February 2007; \$16.00 from February 2007 through January 2008; \$18.00 from February 2008 through June 2008. In July and August 2008, defendants paid E-6 \$41.50 per hour. Defendants did not pay E-6 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-6 received no benefits or supplemental payments while employed on public work sites.

E-7: Martin Luther King High School from on or about June 1, 2005 to on or about August 31, 2005; Public School 105 from on or about September 1, 2005 to on or about February 24, 2005; Public School 162 from on or about September 11, 2006 to on or about January 31, 2007; Roosevelt High School from on or about March 1, 2007 to on or about June 15, 2007 and from on or about March 22, 2008 to on or about April 19, 2008; Public School 24 from on or about June 18, 2007 to on or about October 24, 2007; Public School 104 from on or about October 25, 2007 to on or about November 30, 2007; Public School 40 from on or about December 3, 2007 to on or about March 14, 2008 and from on or about July 1, 2008 to on or about July 23, 2008; Public School 41 from on or about March 17, 2007 to on or about March 21, 2008; Public School 220 from on or about September 2, 2008 to on or about October 24, 2008. I am informed by Employee 7 that he worked between 35 and 90 hours per week. Defendants paid him an hourly rate of \$25.00 dollars per hour up to 40 and \$20.00 per hour for all hours over 40 in one week, weekends, and holidays. In 2008 defendants paid E-7 \$40.00 per hour for all hours up to 40 and \$30.00 per hour in cash for all hours over 40 in one week, weekends, and holidays. Defendants did not pay E-7 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-7 received no benefits or supplemental payments while employed on public work sites.

E-8: Martin Luther King High School from on or about June 17, 2005 to on or about August 25, 2005; Public School 105 from on or about September 1, 2005 to on or about December 30, 2005; Lehman High School from on or about June 1, 2006 to on or about July 31, 2006; Public School 162 from on or about August 1, 2006 to on or about January 31, 2007; Roosevelt High School from on or about February 1, 2007 to on or about April 30, 2007 and from on or about June 1, 2007 to on or about June 19, 2008; Public School 24 from on or about June 18, 2007 to on or about October 24, 2007; Public School 104 from on or about October 25, 2007 to on or about November 30, 2007; Public School 40 from on or about December 3, 2007 to on or about March 14, 2008 and from on or about July 1, 2008 to on or about July 23, 2008; Public School 41 from on or about March 17, 2007 to on or about March 21, 2008; Public School 220 from on or about September 1, 2008 to on or about October 22, 2008; Public School 158 from on or about November 28, 2008 to on or about November 29, 2008. I am informed by

Employee 8 that he worked between 14 and 57 hours per week. Defendants paid him an hourly rate of \$19.00 per hour with small raises until March 2008 when defendants began paying him an hourly rate of \$41.30. Defendants did not pay E-8 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-8 received no benefits or supplemental payments while employed on public work sites.

E-9: Public School 105 from on or about June 1, 2005 to on or about July 22, 2005; Martin Luther King High School from on or about July 25, 2005 to on or about August 19, 2005; Public School 162 from on or about June 1, 2006 to on or about December 22, 2006 and from on or about July 9, 2008 to on or about July 14, 2008; Roosevelt High School from on or about January 8, 2007 to on or about October 21, 2007; Wingate High School from on or about April 16, 2007 to on or about April 25, 2007; Public School 5 from on or about June 4, 2007 to on or about June 29, 2007; Public School 104 from on or about November 13, 2007 to on or about November 21, 2007; Public School 40 from on or about November 3, 2007 to on or about March 22, 2008 and from on or about October 8, 2008 to on or about October 29, 2008; Public School 345 from on or about February 25, 2008 to on or about March 29, 2008; Public School 41 from on or about April 7, 2008 to on or about April 14, 2008; Public School 53 from on or about July 27, 2008 to on or about September 21, 2008; Public School 220 from on or about October 1, 2008 to on or about October 31, 2008. I am informed by Employee 9 that he worked up to 57 hours per week. Defendants paid him an hourly rate of \$13.00 in 2005, \$20.00 per hour in 2006 until March 2006 when defendants started paying E-9 \$39.00 per hour for the first forty hour and \$20.00 per hour in cash for all hours over 40 in one week, weekends, and holidays. Defendants did not pay E-9 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-9 received no benefits or supplemental payments while employed on public work sites.

E-10: Roosevelt High School from on or about August 11, 2007 to on or about September 15, 2007 and from on or about March 1, 2008 to on or about April 6, 2008; Public School 104 from on or about September 3, 2007 to on or about April 11, 2008; Public School 24 from on or about October 6, 2007 to on or about October 28, 2007; Public School 40 from on or about November 3, 2007 to on or about March 7, 2008; Public School 53 from on or about August 2, 2008 to on or about August 24, 2008; Public School 220 from on or about August 25, 2008 to on or about November 11, 2008. I am informed by Employee 7 that he worked between 35 and 90 hours per week. Defendants paid him an hourly rate of approximately \$42.00 dollars per hour up to 40 and \$20.00 per hour in cash for all hours over 40 in one week, weekends, and holidays. Defendants did not pay E-10 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-10 received no benefits or supplemental payments while employed on public work sites.

E-11: Public School 105 from on or about September 5, 2005 to on or about February 24, 2006; Martin Luther King High School from on or about June 1, 2005 to on or about August 31, 2005; Public School 162 from on or about September 11, 2006 to on or about

January 31, 2007; Roosevelt High School from on or about March 1, 2007 to on or about June 29, 2007 and from on or about March 22, 2008 to on or about April 19, 2008; Public School 24 from on or about July 2, 2007 to on or about October 24, 2007; Public School 104 from on or about October 25, 2007 to on or about November 30, 2007; Public School 40 from on or about December 3, 2007 to on or about March 14, 2008 and from on or about July 1, 2008 to on or about July 23, 2008; Public School 41 from on or about March 17, 2008 to on or about March 21, 2008. I am informed by Employee 11 that he worked up to 60 hours per week. Defendants paid him an hourly rate of \$13.00 in 2005 and 2006, and \$15.00 per hour in 2007. On or about July 2, 2008, defendants started paying E-11 \$41.50 per hour for the first forty hours. Defendants did not pay E-11 for time worked over forty hours per week or for working either Saturday or Sunday. E-11 received no benefits or supplemental payments while employed on public work sites.

E-12: Roosevelt High School from on or about March 26, 2007 to on or about August 31, 2007 and from on or about March 1, 2008 to on or about April 6, 2008; Public School 24 from on or about April 26, 2007 to on or about November 27, 2007; Public School 104 from on or about November 21, 2007 to on or about December 21, 2007; Public School 40 from on or about December 8, 2007 to on or about March 16, 2008. I am informed by Employee 12 that he worked between 40 and 70 hours per week. Defendants paid him an hourly rate of approximately \$13.00 dollars per hour. Defendants did not pay E-12 an additional hourly rate for time worked over forty hours per week or for working either Saturday or Sunday. E-12 received no benefits or supplemental payments while employed on public work sites.

18. I have reviewed certified weekly payroll records ('CWPs') that the defendant Hara submitted to the SCA. CWPs are submitted to the SCA by Hara as part of a request for reimbursement for wages paid to their workers pursuant to their contracts with SCA.

19. The SCA requires that all CWPs have an officer's signature; and that a sworn, notarized statement be included in the CWP, attesting to the accuracy of the information provided. The following language appears above the signature line on each CWP:

I, _____, certify that the information contained in this form represents wages and supplemental benefits paid to all persons employed by the above-named firm for work performed on the project named herein during the period(s) indicated above, and that all information provided on the Certified Payrolls and contained in this Summary Report is truthful, complete, and accurate.

20. In addition, each page of the CWP contains a jurat that requires an officer's signature. The jurat on each page states:

It is unlawful to make false entries on this document.

I _____ hereby certify that the information in this form is complete and correct.

21. The defendant, Kostas Andrikopoulos signed the CWPs as “Officer” and “Administrator”.
22. The CWPs submitted to SCA for these contracts allege that all employees were paid the contractually mandated prevailing wage as follows:
 - a. From June 1, 2005 through June 30, 2006, wages plus benefits totaling at least \$76.93 per hour; wages plus benefits amounting to \$101.12 for each hour worked over 40 in a single week.
 - b. From July 1, 2006 through June 30, 2007, wages plus benefits totaling at least \$79.51 per hour; wages plus benefits amounting to \$104.26 for each hour worked over 40 in a single week.
 - c. From July 1, 2007 through June 30, 2008, wages plus benefits totaling at least \$82.66 per hour; wages plus benefits amounting to \$111.53 for each hour worked over 40 in a single week.
 - d. From July 1, 2008 through June 30, 2009, wages plus benefits totaling at least \$86.24 per hour; wages plus benefits amounting to \$112.69 for each hour worked over 40 in a single week.
23. E1-E12 do not appear on any of the certified payrolls submitted by the defendants.
24. The difference between what SCA reimbursed Hara for work performed by E1- 12 and what Hara paid E1-E12 is more than \$2,295,296.33.

False statements made herein are punishable
as a class A misdemeanor pursuant to § 210.45 of the Penal Law.


INVESTIGATOR LEE CALLIER

Dated: May 10, 2010
New York, New York