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FOR IMMEDIATE RELEASE
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LONG ISLAND MAN INDICTED FOR STEALING THOUSANDS OF DOLLARS
FROM EMPLOYEES IN KICKBACK SCHEME

Defendant Accused of Forcing Workers to Pay Him a Portion of Their Wages

Queens District Attorney Melinda Katz, joined by the New York City Department of Investigation (DOI) Commissioner Jocelyn E. Strauber, announced today that Komal Singh, 52, has been charged with grand larceny and other crimes for allegedly taking thousands of dollars in kickbacks from employees working on a New York City School Construction Authority project at PS 71 in Ridgewood, Queens.

District Attorney Katz said, “The victims worked hard for their money and as alleged, the defendant demanded they kick some of it back to him or face termination. This kind of exploitation is illegal. The prevalence of such schemes is the reason I created the Housing & Worker Protection Bureau, to make sure that employees are protected from unlawful actions. My Office will not relent in our efforts to investigate and prosecute those who seek to take advantage of our workforce.”

DOI Commissioner Jocelyn E. Strauber said, “Construction foreman Komal Singh used his position to exploit workers reporting to him, squeezing them for thousands of dollars in kickbacks as a condition of getting hired and continuing their work at a School Construction Authority site in Queens, as charged in the indictment. Extortion and kickbacks are not the way to do business in New York City, and DOI will continue to work with its law enforcement partners to hold accountable those who abuse their workers. DOI thanks the Queens District Attorney’s Office for its partnership in this investigation.”

Singh, of South Corona Avenue in Valley Stream, was arraigned Wednesday before Queens County Supreme Court Justice Stephen Knopf on a grand jury indictment charging him with three counts of grand larceny in the third degree, three counts of grand larceny in the fourth degree and violation of New York Labor Law section 198(b). Justice Knopf set the defendant’s return date for June 1, 2022. The defendant faces up to seven years in prison if convicted.

From March of 2019 through February of 2020, the defendant was the foreman at the PS 71 job site and had authority to hire and fire workers. During this time, he allegedly hired the workers with the understanding that each was to pay him \$50.00 per day for each day worked. When the victims complained or stopped paying, they were allegedly fired by the defendant or informed that there was no more work for them. As a result, the defendant was able to extort thousands of dollars in kickbacks from each complainant under the threat of termination.

The investigation was conducted by the New York City Department of Investigation's Office of the Inspector General for the New York City School Construction Authority's Investigators Lourdes Gonzales, Jose Romero, Brian Murray, William Marchesini, and Deputy Counsel Celeste Sharpe, under the supervision of Assistant Inspector General Nicholas Scicutella, First Assistant Inspector General Gerard McEnroe, and Inspector General Felice Sontupe.

DOI would like to thank the New York City School Construction Authority for their cooperation and assistance, especially the Labor Law Compliance Unit and SCA Principal Attorney Deborah Seidenberg.

Assistant District Attorney William Jorgenson, Chief of the District Attorney's Housing and Worker Protection Bureau, is prosecuting the case under the overall supervision of Executive Assistant District Attorney for Investigations Gerard Brave.

Criminal complaints and indictments are accusations. A defendant is presumed innocent until proven guilty.

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Note to Editors: Archived press releases are available at www.queensda.org.





D.A. Bragg Announces Indictment of Company for Stealing \$1.7 Million from Worker Wages

AUGUST 17, 2022

*Electrical Company SAMCO Stole Wages
Paid by City to Workers on NYCHA and SCA Projects*

Manhattan District Attorney Alvin L. Bragg, Jr., and New York City Department of Investigations Commissioner Jocelyn E. Strauber announced the indictment of SAMCO ELECTRICAL CORPORATION (“SAMCO”), principals SILVANO TRAVALJA and GIOVANNA “JOANNE” TRAVALJA and project foreman ZDRAVKO MAGLIC (“the defendants”) for stealing more than \$1.7 million in wages from workers on School Construction Authority (“SCA”) and New York City Housing Authority (“NYCHA”) projects. The contracts required SAMCO to pay prevailing wages and supplemental benefits to workers, but SAMCO instead supplied non-union, unqualified labor through two shell companies. In an attempt to cover up the scheme, MAGLIC and SAMCO bribed an SCA investigator.

The defendants are charged in a New York Supreme Court indictment with Conspiracy in the Fourth Degree, Grand Larceny in the First Degree, Grand Larceny in the Second Degree, Scheme to Defraud in the First Degree and 18 counts of Offering a False Instrument for Filing in the First Degree. MAGLIC and SAMCO are also each charged with one count of Bribery in the Third Degree.^[1]

“As alleged in this indictment, the defendants cheated employees and the people of New York City by pocketing wages owed to workers,” said **District Attorney Bragg**. “Diverting taxpayer dollars meant to fund high-quality work on our schools and public housing developments is a serious

¹The charges contained in the indictment are merely allegations and the defendants are presumed innocent unless and until proven guilty. All factual recitations are derived from documents filed in court and statements made on the record in court.

violation of the public trust. We will hold accountable all individuals and companies that attempt to fleece workers and the public.”

“As charged, Samco Electric Corp. and its principals and project manager underpaid workers on City public housing and school construction projects, thereby stealing over \$1 million in payments intended for those workers and defrauding the City School Construction Authority (SCA) and the City Housing Authority,” said **DOI Commissioner Strauber**. The defendants’ alleged scheme involved the use of a non-union company that the SCA had not qualified to work on school projects and repeated falsification of documents submitted to SCA and the City Housing Authority. In an effort to hide the misconduct, an SCA investigator was allegedly bribed to ignore these labor violations. Working in partnership with the Manhattan District Attorney’s Office, DOI will continue to enforce the labor laws that preserve the integrity of construction work in New York City.”

“Thank you to the Manhattan District Attorney’s office, the Department of Investigation, and the SCA’s Inspector General for their collaboration on this important investigation,” said **Nina Kubota, SCA President and CEO**. “The SCA takes very seriously the public trust to spend resources wisely and ensure all workers are protected.”

SAMCO is a licensed union electrical company that had multiple subcontracts with the SCA and NYCHA, two city agencies, which required workers receive prevailing wages and supplemental benefits.

According to court documents and statements from prosecutors, from 2017 to 2021, the defendants submitted certified payroll reports to the SCA and NYCHA, claiming they had paid the proper prevailing wages and supplemental benefits to their workers. These reports listed employees, the number of regular and overtime hours they worked, and their hourly rates of pay and benefits.

The investigation revealed that the defendants falsified these reports and instead staffed jobs with non-union labor from two shell corporations: Powertech Electrical Contractors (“Powertech”) and Cro-El Systems Corp. (“Cro-El”). As a result of this scheme, workers were paid between \$25-\$50 an hour – far less than the prevailing wage of \$110-\$116 per hour. As a result, the defendants stole more than \$1.7 million in contract payments intended for workers.

SAMCO and the individual defendants went to great lengths to cover up their criminal activity, including giving workers identification cards with their photos but the false name of a union employee. Workers were instructed to use those cards if they were questioned by inspectors. Additionally, the certified payroll reports often listed that the same employees were working on different projects at the same time. The reports also listed project foreman MAGLIC on the reports when he was out of the United States at least 11 times.

Furthermore, from March 2021 through June 2021, MAGLIC allegedly gave an SCA investigator \$4,000 as bribes after he learned of SAMCO’s criminal practices. Following a March school visit from the investigator, MAGLIC met the investigator in person and expressed remorse about using the non-union workers, admitted it was wrong, and then, unsolicited, handed the investigator an envelope containing \$2,000, stating that he knew he could go to jail.

The SCA investigator and MAGLIC met again in April 2021 at P.S. 5 in Manhattan. MAGLIC thanked the investigator for “helping out and doing the favor” and asked, “You guys plan on checking us?” He then told the investigator, “So if you’re in, listen, this is for payment, nobody

knows, only me and you ... I can give you monthly payment, \$1,000.” MAGLIC then gave the inspector another \$1,000 in cash.

MAGLIC and the investigator met a final time in June 2021 at P.S. 5, where MAGLIC gave the investigator another \$1,000 in cash and stated, “You helped me ... I appreciate especially for first time,” and explained that he had “one, two shop guys” whom he uses “sometimes.”

MAGLIC’s bribes were accepted by the SCA investigator as part of the continued investigation.

In 2020, shell-company Powertech was dissolved after a Powertech employee filed suit against his employer and it was revealed that non-union employees were actually working on the SCA job. Cro-El was then incorporated to continue the criminal scheme.

The SCA suspended SAMCO from its projects in September 2021 after learning of the alleged criminal activity.

Rachana Pathak, Supervising Attorney of the Construction Fraud Task Force is handling the prosecution of this case under the supervision of Assistant District Attorneys Judy Salwen (Principal Deputy Bureau Chief of the Rackets Bureau, Mike Ohm (Deputy Bureau Chief of the Rackets Bureau), Jodie Kane (Chief of the Rackets Bureau), Christopher Conroy (Senior Advisor to the Investigation Division) and Executive Assistant District Attorney Susan Hoffinger (Chief of the Investigation Division). Investigative Analyst Danielle Corbett assisted with the investigation.

D.A. Bragg thanked the New York City Department of Investigation’s (DOI’s) Office of the Inspector General for the New York City School Construction Authority, specifically Vice President and Inspector General Felice Sontupe, Assistant Inspector General and Chief of Operations William Schaeffer, Assistant Inspector General Nicholas Scicutella, Investigators Leonard Rein and Kevin Clancy, and Financial Auditor Raymond Dowd, as well as the SCA Risk Management Department, SCA Labor Law Compliance Bureau and the SCA Finance Department. D.A. Bragg also thanked DOI’s Inspector General for the New York City Housing Authority Ralph Iannuzzi and Investigative Auditor Lester Dier.

Defendant Information
SILVANO TRAVALJA
College Point, N.Y.

Charges:

- Grand Larceny in the First Degree, a class B felony
- Grand Larceny in the Second Degree, a class C felony
- Conspiracy in the Fourth Degree, a class E felony
- Scheme to Defraud in the First Degree, a class E felony
- Labor Law § 220(3)(d)(1)(4), a class C felony
- Labor Law § 220(3)(d)(1)(2), a class E felony
- Offering a False Instrument for Filing in the First Degree, a class E felony, 18 counts

GIOVANNA “JOANNE” TRAVALJA
College Point, N.Y.

Charges:

- Grand Larceny in the First Degree, a class B felony
- Grand Larceny in the Second Degree, a class C felony
- Conspiracy in the Fourth Degree, a class E felony
- Scheme to Defraud in the First Degree, a class E felony
- Labor Law § 220(3)(d)(1)(4), a class C felony
- Labor Law § 220(3)(d)(1)(2), a class E felony
- Offering a False Instrument for Filing in the First Degree, a class E felony, 18 counts

ZDRAVKO MAGLIC

Hawthorne, N.Y.

Charges:

- Grand Larceny in the First Degree, a class B felony
- Grand Larceny in the Second Degree, a class C felony
- Bribery in the Third Degree, a class D felony
- Conspiracy in the Fourth Degree, a class E felony
- Scheme to Defraud in the First Degree, a class E felony
- Labor Law § 220(3)(d)(1)(4), a class C felony
- Labor Law § 220(3)(d)(1)(2), a class E felony
- Offering a False Instrument for Filing in the First Degree, a class E felony, 18 counts

SAMCO ELECTRIC CORPORATION

Charges:

- Grand Larceny in the First Degree, a class B felony
- Grand Larceny in the Second Degree, a class C felony
- Bribery in the Third Degree, a class D felony
- Conspiracy in the Fourth Degree, a class E felony
- Scheme to Defraud in the First Degree, a class E felony
- Labor Law § 220(3)(d)(1)(4), a class C felony
- Labor Law § 220(3)(d)(1)(2), a class E felony
- Offering a False Instrument for Filing in the First Degree, a class E felony, 18 counts



New York State Attorney General Letitia James

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Attorney General James and DOI Commissioner Strauber Deliver \$900,000 to 200 NYCHA Construction Workers Denied Fair Pay

Lintech Electric Failed to Pay Employees the Prevailing Wage Rate on NYCHA Projects

NEW YORK – New York Attorney General Letitia James and New York City Department of Investigation (DOI) Commissioner Jocelyn E. Strauber today announced their joint efforts to combat wage theft by securing nearly \$900,000 for more than 200 workers who were underpaid by Lintech Electric (Lintech). An investigation found that over the course of three years, Lintech disregarded the prevailing wage rate and underpaid its employees by almost \$900,000 on multiple New York City Housing Authority (NYCHA) projects in all five boroughs. As a part of the agreement, [Lintech will repay the impacted workers the money they were cheated plus interest](#) and will be banned from public works projects in New York for five years.

“Every worker deserves fair pay for their hard work,” said **Attorney General James**. “The prevailing wage was established for a reason — to protect the hardworking New Yorkers who built our city and keep it functioning. No employee should fear that they will be cheated at the hands of greedy employers, especially at the expense of the public good. I am proud to finally return the money owed to these dedicated workers and I will do everything in my power to ensure that Lintech does not deceive or exploit any more workers.”

“Lintech, a subcontractor for general contractors hired by NYCHA through its guarantors, agreed to pay almost \$900,000 to workers that it underpaid for over three years, in violation of New York’s Prevailing Wage Law,” said **DOI Commissioner Jocelyn E. Strauber**. “I applaud the workers who alerted DOI of this underpayment, prompting an audit that exposed this wrongful conduct. As a result of this joint investigation by DOI and Attorney General James’ office, Lintech will also be banned from New York public works projects for five years. DOI and its law enforcement partners will pursue and hold accountable employers that seek to cheat workers of their rightful wages, and we will ensure that those victims are made whole. I thank the state attorney general and NYCHA for their partnership on this important investigation.”

Attorney General James and the New York City Department of Investigation (DOI) began a joint investigation into Lintech in September of 2019 after a DOI investigation

and audit revealed that Lintech underpaid its employees. Between 2015 to 2018, Lintech failed to pay workers the prevailing wage rate and supplemental benefit rate on multiple NYCHA Housing Complex public work projects. The workers were hired to install and maintain lighting and electrical outlets on scaffolding surrounding multiple NYCHA apartment buildings throughout the city but were not adequately compensated.

Lintech's actions violate the Prevailing Wage Law, which requires contractors and subcontractors to pay the prevailing rate of wage and benefits to all employees under a public work contract. Lintech's financial guarantors, Neelam Construction Corporation, Pro-Metal Construction, and Zoria Housing, will also be held financially accountable for underpaying workers as guarantors of Lintech's underpayments. The companies will repay close to \$900,000 in wages, supplemental benefits, interest, and penalties to be distributed to 200 impacted employees. Today's agreement also bars Lintech from performing, contracting, or subcontracting public work in New York state for five years, including a \$30,000 penalty to cover the cost of the investigation.

The Office of the Attorney General thanks NYCHA for its partnership in this matter.

"We are pleased to work with the attorney general and the New York City Department of Investigation to root out malfeasance at NYCHA and to ensure that workers are justly compensated for their services," said **NYCHA Chair & CEO Greg Russ**. "Wage theft and service crimes impact our operations, workforce, and residents, and will not be tolerated."

The investigation was conducted by DOI's Office of the Inspector General for NYCHA, specifically Investigative Auditor Lester Dier, under the supervision of Deputy Inspector General Osa Omoigui, Counsel to the Inspector General Laureen Hintz, Inspector General Ralph Iannuzzi, Deputy Commissioner/Chief of Investigations Dominick Zarrella, and First Deputy Commissioner Daniel G. Cort.

This case was handled by Assistant Attorney General Jennifer S. Michael, under the supervision of Labor Bureau Criminal Section Chief Richard Balletta and Labor Bureau Chief Karen Cacace. The Labor Bureau is a part of the Division for Social Justice, which is led by Chief Deputy Attorney General Meghan Faux and is overseen by First Deputy Attorney General Jennifer Levy.

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