



pennsylvania
DEPARTMENT OF GENERAL SERVICES

Kobalt Construction
115 Dyson Road
Swiftwater, PA 18370

January 12, 2024

Re: Warning Letter
Public Works Employment Verification Act
Project: Marshalls Falls Improvements

Dear Kobalt Construction:

This correspondence shall serve as official notice that, as a result of an audit or investigation conducted by the Department of General Services, Kobalt Construction has been found to be in violation of the Public Works Employment Verification Act (the Act):

Section 656.4 (1): Failed to verify the employment eligibility of a new employee through the Federal E-Verify Program.

The Act was effective January 1, 2013, and requires every public works contractor and subcontractor to utilize the federal E-Verify Program, operated by the United States Department of Homeland Security, to verify the employment eligibility of new employees hired on or after January 1, 2013. Public works contractors and subcontractors must be in compliance with the Act prior to the award of the contract. An employee hired after the award of the public works contract must be verified within five (5) business days of his or her start date.

By letter dated November 14, 2023, the Department requested Kobalt Construction provide specific information establishing compliance with the Act. A review of the documentation submitted reveals that Kobalt Construction was awarded a public works contract by Smithfield Township on November 1, 2022. Kobalt Construction submitted a Public Works Employment Verification form acknowledging that it was in compliance with the Act as of July 20, 2022. According to the information submitted in response to the investigation, Kobalt Construction did not initiate verification of six (6) new employees until after more than five (5) business days of his or her start date. Therefore, it is the Department's conclusion that Kobalt Construction did not utilize the EVP system to verify new employees in accordance with the Act and is in violation of the Act.

This is Kobalt Construction's first violation under the Act. As required by the Act, 71 P.S. § 656.5(e)(1), this first violation warning letter will be posted to the Department's publicly accessible website at www.dgs.pa.gov. If Kobalt Construction fails to comply with the Act or commits subsequent violations thereof, Kobalt Construction may be subject to civil penalties as well as debarment by the Department as provided for in Section 656.5 of the Act.

To appeal this determination, you must submit a written request for an administrative hearing setting forth all of the facts upon which the appeal is based, within ten (10) calendar days of the date of this letter, to the Deputy Secretary for Capital Programs, Department of General Services, 1800 Herr Street, Harrisburg, PA, 17125. A filing fee of \$100.00, in the form of a certified check or money order payable to the Commonwealth of Pennsylvania Department of General Services, must be enclosed with the request.

Please refer to the Department's web site, www.dgs.pa.gov, for additional information on the requirements of the Act and the appeal procedures to be followed if Kobalt Construction requests an administrative hearing. Your cooperation with the Department in complying with the Act is appreciated.

Sincerely,

Rebecca Dombrowsky
Employment Verification Administrator