

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
BUREAU OF PROFESSIONAL LICENSING
BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE AND ALTERATION CONTRACTORS

In the Matter of

OPERATION UNIFICATION, INC.
License No. 21-02-199395,
Respondent.

Docket No. 17-017072
File No. 21-15-326104

FINAL ORDER

On May 17, 2017, the Department of Licensing and Regulatory Affairs, executed a First Superseding Formal Complaint charging Respondent with violating the Occupational Code, MCL 339.101 *et seq.*

An administrative hearing was held in this matter before an administrative law judge who, on January 25, 2018, issued a Hearing Report setting forth Findings of Fact and Conclusions of Law.

The Michigan Board of Residential Builders and Maintenance and Alteration Contractors (Board), having reviewed the administrative record, considered this matter at a regularly scheduled meeting held in Lansing, Michigan on March 13, 2018, and received the administrative law judge's Findings of Fact and Conclusions of Law in the Hearing Report.

IT IS ORDERED that for violating MCL 339.604(b), and (h), and 339.2411(2)(a), (2)(e), and (2)(j), Respondent's license to practice as a builder company in the state of Michigan is REVOKED.

IT IS FURTHER ORDERED that Respondent is FINED \$12,000.00 to be paid to the State of Michigan.

IT IS FURTHER ORDERED that the fine shall be mailed to the **Department of Licensing and Regulatory Affairs, Enforcement Division, Compliance Section, P.O. Box 30189, Lansing, MI 48909**. The fine shall be paid by check or money order made payable to the State of Michigan, and the check or money order shall clearly display file number **21-15-326104**.

IT IS FURTHER ORDERED that, in accordance with MCL 339.411(3)(c), 339.602(c) and 339.604(k), no application for licensure, renewal, relicensure, or reinstatement shall be granted until all final orders of the Board have been satisfied in full.

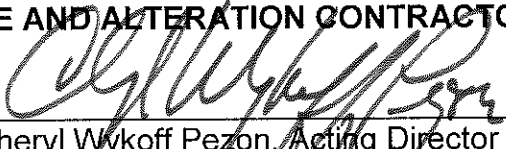
IT IS FURTHER ORDERED that in the event Respondent violates any provision of this Order, the Board may proceed to take disciplinary action pursuant to MCL 339.604(k).

This Final Order is a public record required to be published and made available to the public pursuant to the Michigan Freedom of Information Act, MCL 15.231 *et seq.*

IT IS FURTHER ORDERED that this Order shall be effective on the date signed by the Chairperson of the Board or authorized representative, as set forth below.

Dated: 3/28/18

**MICHIGAN BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE AND ALTERATION CONTRACTORS**

By: 
Cheryl Wykoff Pezon, Acting Director
Bureau of Professional Licensing

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In the Matter of

OPERATION UNIFICATION, INC.
License Number: 21-02-199395

File number: 21-15-326104

FIRST SUPERSEDING FORMAL COMPLAINT

The Michigan Department of Licensing and Regulatory Affairs (Department) by Kim Gaedeke, Director, Bureau of Professional Licensing, files this First Superseding Formal Complaint against Operation Unification, Inc. (Respondent) as follows:

1. The Department originally issued a Formal Complaint against Respondent, dated November 19, 2015. This First Superseding Formal Complaint contains additional alleged violations of the Occupational Code, supra, and the Formal Complaint is hereby withdrawn and replaced in full by this First Superseding Formal Complaint (Complaint).

2. The Michigan Board of Residential Builders and Maintenance and Alteration Contractors (Board) is an administrative agency established by the Occupational Code, 1980 PA 299, as amended; MCL 339.101 et seq. Pursuant to section 602 of the Occupational Code, supra, the Board is empowered to penalize persons for violations of the Occupational Code.

3. Respondent possesses a company residential builder license. The license was issued on December 6, 2010. On January 14, 2015, the license was suspended by the Department, pursuant to section 2405 of the Occupational Code, supra, because Respondent failed to designate a person with an active individual residential builder license to serve as its Qualifying Officer. The license lapsed on May 31, 2016.

4. According to business entity records maintained by the state of Michigan, Operation Unification Inc. is registered as a domestic nonprofit corporation, formed on November 29, 2004. Charles Young Jr. is designated as President and the stated purpose of the entity, as reported on the Certificate of Amendment to the Articles of Incorporation, is: "the intent of this corporation is to provide community building resources to the public residential and commercial construction and renovation."

5. Section 2405(1) of the Occupational Code, supra, states in part: "...if a corporation...applies for a license, the applicant shall designate 1 of its officers, partners, or members or its managing agent as a qualifying officer. A qualifying officer who takes and passes the examination and meets all other requirements of this article is entitled to a license to act for the corporation... A qualifying officer shall also obtain and maintain a license under this article as an individual. A qualifying officer is responsible for exercising the supervision or control of the building or construction operations necessary to secure full compliance with this article and the rules promulgated under this article..."

6. Section 2405(4) of the Occupational Code, supra, states, "[I]f the qualifying officer of a licensee ceases to be its qualifying officer, the license is suspended."

However, on request, the department may permit the license to remain in force for a reasonable time to permit the qualification of a new qualifying officer.”

7. According to Department records, Elloit Julius Jones was designated as the Qualifying Officer of Respondent beginning September 21, 2011. Elloit Julius Jones was issued an individual residential builder license (21-01-034969) on or before July 15, 1986 and was continually licensed until May 31, 2014, when the license lapsed due to non-renewal.

8. By letter dated October 27, 2014, the Department advised Respondent that the individual license of its designated qualifying officer, Elliott Julius Jones, lapsed on May 31, 2014, and that Respondent must designate a qualifying officer with an active individual residential builder license.

9. On January 14, 2015, the Department issued an Order of Section 2405 Suspension for failure to designate a qualifying officer with an active individual residential builder license.

10. On or about June 22, 2016, the Department discovered that according to a published obituary, Elliott Julius Jones, Respondent's designated qualifying officer, died on June 10, 2013, at the age of 68.

11. Residential builder licenses issued during the 2010 - 2013 period lapsed on May 31, 2013. On July 22, 2013, Respondent submitted an on-line license renewal application for its company residential builder license. Respondent did not notify the Department that Elloit Julius Jones was no longer its designated Qualifying Officer due

to his death, and on July 23, 2013 the Department renewed the company license, with Elloit Julius Jones designated as Respondent's Qualifying Officer (expiration: May 31, 2016).

12. On October 22, 2013, Respondent entered into an agreement with (Homeowner) to perform renovations on her fire-damaged home, located at Flint, Michigan, for a contract price of \$84,700.00, to include electrical, plumbing, and heating work; a new roof; front and rear decks; renovations of the kitchen, bathrooms, and master bedroom; drywall work; and painting. The contract was signed by Charles Young Jr., President of Respondent, and by the Homeowner. A copy of the contract, marked Exhibit A, is attached and incorporated.

13. Charles Young Jr., President of Respondent, does not possess an individual residential builder license or a residential builder salesperson license.

14. On December 2, 2013, Charles Young Jr., on behalf of Respondent, applied for a building permit from the City of Flint to conduct work at Flint, Michigan, which listed the following residential repairs: new roof; deck; dry walling; and painting. The application for building permit included a copy of an "authorization," dated June 8, 2011, wherein Elliot J. Jones authorized Charles Young Jr. to act as his agent in obtaining building permits. On December 5, 2013, Building Permit No. PB131016 was issued by the City of Flint.

15. Respondent received three (3) progress payments totaling \$73,525.00: (November 18, 2013: \$42,350; December 20, 2013: \$21,175; December 20, 2013: \$10,000).

16. Respondent did not complete the project as per the scope of the contract.

17. On January 27, 2015, Homeowner filed a Statement of Complaint with the Department.

18. On May 18, 2015, a City of Flint building inspector conducted an inspection of the subject house and verified the following violations of the 2009 Michigan Residential Code (building code), effective March 9, 2011, adopted pursuant to the Stille-DeRossett-Hale single state construction code act:

Front porch

- a) Stair risers on the front porch varied from 6" to 6 5/8" high, contrary to R311.7.4.1.
- b) Handrail on the front porch was too low, contrary to R311.7.7.1.

Rear Deck

- c) Stair risers on the rear deck varied from 7" to 8 3/4" high, contrary to R311.7.4.1.
- d) Handrail on the rear deck was too high, contrary to R311.7.7.1.
- e) Handrail on the rear deck did not return, contrary to R311.7.7.2.
- f) No deck flashing, contrary to R703.8.

Master Bedroom

- g) Windows in the master bedroom do not meet egress requirements, contrary to R310.1.

Master Bathroom

- h) Master bathroom walls were built and covered without inspection, contrary to R109.1.4.
- i) Plumbing and fixtures installed without obtaining a plumbing permit, contrary to R105.1.

- j) Plumbing and fixtures installed without calling for an inspection, contrary to R109.1.2.
- k) Electrical installed without obtaining an electrical permit, contrary to R105.1.
- l) Electrical installed without calling for an inspection, contrary to R109.1.2.

Full Bathroom

- m) Plumbing fixtures installed without obtaining plumbing permit, contrary to R105.1.
- n) Plumbing fixtures installed without calling for inspection, contrary to R109.1.2.
- o) Electrical installed without obtaining electrical permit, contrary to R105.1.
- p) Electrical installed without calling for an inspection, contrary to R109.1.2.

Basement

- q) New stairway installed with risers exceeding 8¼ inches high (were 9 inches), contrary to R311.7.4.1.
- r) Improper headroom at landing (only 6'2" of headroom), contrary to R311.7.2.
- s) Electrical installed without obtaining an electrical permit, contrary to R105.1.
- t) Electrical installed without calling for an inspection, contrary to R109.1.2.

Roof Structure

- u) West half of roof structure was removed and replaced without calling for an inspection, contrary to R109.1.4.

A copy of the inspection report, marked Exhibit B, is attached and incorporated.

COUNT I

Respondent's conduct, as described above, evidences practicing fraud or deceit in obtaining a license, contrary to section 604(a) of the Occupational Code, supra.

COUNT II

Respondent's conduct, as described above, evidences fraud, deceit, or dishonesty in the practice of an occupation, contrary to section 604(b) of the Occupational Code, supra.

COUNT III

Respondent's conduct, as described above, evidences the failure to submit a written request to the department to allow the company time to obtain a new qualifying officer when its qualifying officer ceased to act as the qualifying officer and the company intended to continue to operate, contrary to Mich Admin Code, R 338.1526(5), and section 604(h) of the Occupational Code, supra.

COUNT IV

Respondent's conduct, as described above, evidences the acceptance or performance of a contract procured by a person not licensed under the Occupational Code; contrary to Mich Admin Code, R 338.1536, and section 604(h) of the Occupational Code, supra.

COUNT V

Respondents' conduct, as described above, evidences aiding and abetting an unlicensed person to evade this article, contrary to section 2411(2)(j) of the Occupational Code, supra.

COUNT VI

Respondent's conduct, as described above, evidences abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee, in violation of section 2411(2)(a) of the Occupational Code, supra.

COUNT VII

Respondent's conduct, as described above, evidences a failure to maintain standards of construction in accordance with the local building code, contrary to Mich Admin Code, R 338.1551(5), and section 604(h) of the Occupational Code, supra.

COUNT VIII

Respondent's conduct, as described above, evidences a willful violation of the building laws of this state or of a political subdivision of this state, in violation of section 2411(2)(e) of the Occupational Code, supra.


COUNT IX

Respondent's conduct, as described above, evidences a failure to correct construction defects that are the subject of a justified complaint within a reasonable time, contrary to Mich Admin Code, R 338.1551(4), and section 604(h) of the Occupational Code, supra.

The Department requests that this Complaint be served upon Respondent and that Respondent be offered an opportunity to show compliance with all lawful requirements for retention of the license. If compliance is not shown, the Department further requests that formal proceedings be commenced pursuant to the Occupational Code, rules promulgated thereunder, and the Administrative Procedures Act of 1969, 1969 PA 306, as amended; MCL 24.201 et seq.

Pursuant to section 508(2) of the Occupational Code, supra, Respondent has 15 days from the date of receipt of this Complaint to notify the Department of Respondent's decision to either negotiate a settlement of this matter, to demonstrate compliance with the Occupational Code, or to request an administrative hearing. Written notification of Respondent's selection shall be submitted to Kim Gaedeke, Director, Bureau of Professional Licensing, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, MI 48909. If Respondent fails to submit written notification within 15 days, this matter shall proceed to an administrative hearing.

Date: 05/17/2017



Kim Gaedeke, Director
Bureau of Professional Licensing

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