# 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

ONE TIME CONSTRUCTION, LLC,
License No. 21-02-183519

CONSENT ORDER AND STIPULATION

### CONSENT ORDER

A formal complaint was filed on February 10, 2017 charging One Time Construction, LLC (Respondent) with having violated sections 604(b), 604(c), 604(d), 604(e) and 604(h) of the Occupational Code, 1980 PA 299, as amended, MCL 339.101 et seq.

The parties have stipulated that the Board may enter this consent order and that the facts alleged in the Formal Complaint are true and constitute a violation of sections 604(b), 604(c), 604(d), 604(e) and 604(h) of the Occupational Code. The Board has reviewed the stipulation contained in this document and agrees that the public interest is best served by resolution of the outstanding complaint.

Accordingly, for these violations, IT IS ORDERED:

Respondent's license is SUSPENDED for a minimum period of one day. The license shall be automatically reinstated upon submission of satisfactory evidence that Respondent has successfully completed the terms imposed by the Board of

Residential Builders and Maintenance and Alteration Contractors pursuant to this Order.

Respondent is FINED Ten Thousand and 00/100 Dollars (\$10,000.00) to be paid by check, money order or cashier's check made payable to the State of Michigan (with complaint numbers 21-21-16-329342 and 16-329343 clearly indicated on the check or money order), and shall be payable within 180 days of the effective date of this order. The timely payment of the fine shall be Respondent's responsibility. Respondent and co-Respondent Stosh William Gizniski are jointly and severally liable for paying the fine. This fine of \$10,000.00 satisfies complaint number 21-16-329342 and complaint number 21-16-329343. Respondent shall mail the fine to: Sanction Monitoring, Bureau of Professional Licensing, Legal Affairs Division — Compliance Section, Department of Licensing and Regulatory Affairs, P.O. Box 30189, Lansing, Michigan 48909.

Count VII of complaint number 21-16-329342, alleging a violation of section 604(c) of the Occupational Code, for acts contrary to Mich Admin Code, R 338.1551(4), is DISMISSED.

Respondent shall direct any communications to the Department that are required by the terms of this order to: Sanction Monitoring Unit, Bureau of Professional Licensing, Legal Affairs Division — Compliance Section, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, Michigan 48909.

Respondent shall be responsible for all costs and expenses incurred in complying with the terms and conditions of this consent order.

Respondent shall be responsible for the timely compliance with the terms of this consent order, including the timely filing of any documentation. Failure to comply within the time limitations provided will constitute a violation of this order.

If Respondent violates any term or condition set forth in this order, Respondent will be in violation of section 604(k) of the Occupational Code.

This order shall be effective thirty (30) days from the date signed by the Chairperson or the Chairperson's designee, as set forth below.

Signed on <u>6-/3-/7</u>

MICHIGAN BOARD OF RESIDENTIAL BUILDERS AND MAINTENANCE AND ALTERATION CONTRACTORS

Chairperson, Sidney J. Browne, Jr.

**STIPULATION** 

The parties stipulate as follows:

- 1. The facts alleged in the complaint are true and constitute a violation of the Occupational Code.
- 2. The Director of the Bureau of Professional Licensing, or her designee, must approve this consent order and stipulation before it is submitted to the Board for final approval.
- 3. Respondent understands and intends that, by signing this stipulation,
  Respondent is waiving the right under the Occupational Code, rules promulgated

under the Occupational Code, and the Administrative Procedures Act of 1969, 1969 PA 306, as amended, MCL 24.201 et seq., to require the Department to prove the charges set forth in the complaint by presentation of evidence and legal authority, and to present a defense to the charges. Should the Board reject the proposed consent order, the parties reserve the right to proceed to hearing.

- 4. This matter is a public record required to be published and made available to the public pursuant to section 11(1)(a) of the Michigan Freedom of Information Act, 1976 PA 442, as amended.
- 5. The Board may enter the above Consent Order, supported by Board conferee Mark Wahl.
- 6. Mark Wahl and the parties considered the following factors in reaching this agreement:
  - A. Co-Respondent Gizinski asserted that he currently works under the supervision of another licensed residential builder and does not contract using Respondent.
  - B. Respondent provided that it became overwhelmed with the amount of work following the storm in the area of Highland Township and White Lake Township in 2014. As a result, Respondent used unlicensed salespersons.
  - C. Respondent only performed work that the insurance company specifically paid for, but Respondent asserts that it understands that the building code may require additional work, such as including proper flashing, when repairing or replacing a roof.

By signing this stipulation, the parties confirm that they have read, understand and agree with the terms of the consent order.

AGREED TO BY:

AGREED TO BY:

Timothy C. Erickson (P72071)

Assistant Attorney General

Attorney for Complainant

Stosh William Gizinski

for One Time Construction, LLC

Respondent

Dated: 4-25-17

Bureau of Professional Licensing

Approved by:

 $2017\text{-}0167237\text{-}B/One\ Time\ Construction,\ LLC,\ 329342/Consent-Order\ and\ Stipulation-2017\text{-}04\text{-}10$ 

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

DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS, BUREAU OF PROFESSIONAL LICENSING,

Complainant,

v

ONE TIME CONSTRUCTION, LLC License No. 21-02-183519,

Complaint No. 21-16-329342

Respondent.

#### FORMAL COMPLAINT

Now comes Attorney General Bill Schuette, through Assistant Attorney General Timothy C. Erickson, on behalf of Complainant Department of Licensing and Regulatory Affairs, Bureau of Professional Licensing, Complainant, pursuant to the Occupational Code, as amended, MCL 339.101 et seq., and the rules promulgated thereunder, and files this Formal Complaint against One Time Construction, LLC (Respondent), alleging upon information and belief as follows:

The Board of Residential Builders and Maintenance and Alteration
 Contractors is an administrative agency established under Article 24 of the
 Occupational Code, MCL 339.2401 et seq.

- 2. At all times relevant to this Formal Complaint, Respondent was licensed as a residential builder company pursuant to the Code with Stosh Williams Gizinski as the qualifying officer.
- 3. Section 604(b) of the Code requires the Board to penalize a licensee for "fraud, deceit, or dishonesty in practicing an occupation."
- 4. Section 604(c) of the Code requires the Board to penalize a licensee for violating a rule of conduct of an occupation.
- 5. Section 604(d) of the Code requires the Board to penalize a licensee who demonstrates a lack of good moral character, meaning "the propensity on the part of the person to serve the public in the licensed area in a fair, honest, and open manner," MCL 338.41.
- 6. Section 604(e) of the Code requires the Board to penalize a licensee who commits an act of gross negligence.
- 7. Section 604(h) of the Code requires the Board to penalize a licensee for violating any other provision of this act or a rule promulgated under the Code for which a penalty is not otherwise prescribed.
- 8. Section 2404a of the Code requires a licensee to include information relating to his or her individual license and to any license issued to him or her as a qualifying officer of another entity in the contract.
- 9. Mich Admin Code, R 338.1536 prohibits the "[a]cceptance or performance of a contract procured by a salesperson not licensed under a builder or contractor. . . ."

- 10. Mich Admin Code, R 338.1551(4) provides that "[i]f a complaint is justified by the local building inspector or by a person authorized by the department to make inspections, the builder or contractor shall correct the complaint within a reasonable time. Failure or refusal by the licensee to correct a structural matter that is materially deficient, dangerous, or hazardous to the owners shall be presumed to be dishonest or unfair dealing."
- 11. Mich Admin Code, R 338.1551(5) provides that "[s]tandards of construction shall be in accordance with the local building code, or in the absence of a code in accordance with the building code of the nearest political subdivision having a building code."
- 12. Section 602 of the Code authorizes the Board to impose sanctions against a licensee if, after opportunity for a hearing, the licensee is found to have violated one or more of the subdivisions contained in section 604 of the Code.
- 13. Section 514 of the Code authorizes the Board to assess penalties against licensees under section 602 of the Code based on an administrative law hearing examiner's hearing report.

#### FACTUAL ALLEGATIONS

14. On or about July 29, 2014, Bryan Ludlow, a representative of
Respondent, entered into an "Authorization & Agreement" to repair the home of
as a result of storm-related damage to the home for the sum
agreed upon by Respondent and the insurance company. The home is
located at

Michigan 48356.

- 15. Respondent failed to include Respondent's license information or the license information for its qualifying officer in the July 29 agreement.
- 16. Bryan Ludlow was not licensed as a residential builder or maintenance and alteration contractor, or salesperson when he negotiated and/or signed the July 29 agreement.
- 17. On or about August 20, 2014, signed another agreement with Respondent authorizing Respondent to communicate with the insurance company and to begin work on the roof after approval by the insurance company.
- 18. Respondent failed to include Respondent's license information or the license information for its qualifying officer in the August 20 addendum.
- 19. On or about September 8, 2014, Respondent acquired a building permit for the Fletcher project.
- 20. Respondent performed repairs on the roof in or around September 2014.
- 21. The insurance company authorized payment for the new roof and gutters in the amount of \$14,713.38. The paid Respondent the sum of \$14,213.38 on or about March 14, 2015 and the sum of \$500.00 on or about April 6, 2015.
- 22. On or about April 29, 2015, Highland Township Builder Inspector

  Steve Tino verified the following violations of the 2009 Michigan Residential Code,

adopted pursuant to the Stille-DeRossett-Hale Single State Construction Code Act, effective March 9, 2011:

- a. Failure to properly install flashing on the roof rake above the master bedroom, contrary to R905.2.8.4.
- b. Failure to properly install flashing on the roof above the garage, contrary to R905.2.8.4.
- 23. On or about September 2, 2015, Building Inspector Tino again inspected Respondent's work and noted the same violations as identified on April 29, 2015.
- 24. In or around April, 2016, Ms. contacted Respondent via telephone and email several times asking that the deficiencies from the building inspection be remedied. Respondent failed to fix the deficiencies.

### COUNT I

25. Respondent's conduct, as described above, constitutes fraud, deceit, or dishonesty in practicing an occupation in violation of section 604(b) of the Code.

#### COUNT II

26. Respondent's conduct, as described above, constitutes a lack of good moral character in violation of section 604(d) of the Code.

#### COUNT III

27. Respondent's conduct, as described above, constitutes gross negligence in violation of section 604(e) of the Code.

#### **COUNT IV**

28. Respondent's conduct, as described above, constitutes a failure to include license information in a contract, contrary to section 2404a of the Code, in violation of section 604(h) of the Code.

### COUNT V

29. Respondent's conduct, as described above, constitutes a failure to provide information relating to Respondent's individual license as part of the contract, contrary to Section 2404a of the Code, in violation of section 604(h) of the Code.

#### **COUNT VI**

30. Respondent's conduct, as described above, constitutes the acceptance or performance of a contract procured by someone not licensed under a builder or contractor, contrary to Mich Admin Code, R 338.1536, in violation of section 604(c) of the Code.

#### **COUNT VII**

31. Respondent's conduct, as described above, constitutes a failure to correct defects that are the subject of a justified complaint within a reasonable time, contrary to Mich Admin Code, R 338.1551(4), in violation of section 604(c) of the Code.

## **COUNT VIII**

32. Respondent's conduct, as described above, constitutes a failure to maintain standards of construction in accordance with the local building code, contrary to Mich Admin Code, R 338.1551(5), in violation of section 604(c) of the Code.

THEREFORE, Complainant Department of Licensing and Regulatory Affairs hereby commences proceedings pursuant to the Administrative Procedures Act of 1969, MCL 24.201 et seq., the Occupational Code, MCL 339.101 et seq., and the associated administrative rules to determine whether disciplinary action should be taken by the Department of Licensing and Regulatory Affairs, pursuant to the Occupational Code, for the reasons set forth herein.

Respectfully submitted,

BILL SCHUETTE Attorney General

Timothy C. Erickson (P72071)

Assistant Attorney General

Licensing & Regulation Division

525 West Ottawa, 3rd Floor, Williams Bldg.

P.O. Box 30758

Lansing, MI 48909

(517) 373-1146

LF: 2017-0167237-B/One Time Construction, LLC, 329342/Formal Complaint - 2017-02-10

Dated: February 10, 2017