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 SHARF CONSTRUCTION, LLC License No. 21-02-180575

and

ZACHARY PHILLIP SHARF License No. 21-01-189142, File No. 21-16-328413

File No. 21-16-328412

Respondents.

CONSENT ORDER

On August 30, 2016, the Department of Licensing and Regulatory Affairs

executed a Formal Complaint charging Respondents with violating the Occupational Code, MCL 339 101 et seq.

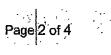
Respondents neither admit nor deny the facts alleged in the Complaint but agree that for purposes of this Order, the allegations shall be accepted as true and constitute violation(s) of MCL 339.2411(2)(a), MCL 339.2411(2)(l), and MCL 339.604(c). The Michigan Board of Residential Builders and Maintenance and Alteration Contractors has reviewed this Consent Order and Stipulation and agrees that the public interest is best served by resolution of the outstanding Complaint.

Consent Order and Stipulation File Nos: 21-16-328413 and 21-16-328412 Therefore, IT IS FOUND that the facts alleged in the Complaint constitute violation(s) of MCL 339.2411(2)(a), MCL 339.2411(2)(l), and MCL 339.604(c).

IT IS ORDERED that for the cited violation(s) of the Occupational Code, Respondents are אור אין,000.00 to be paid to the State of Michigan within 60 days of the effective date of this Order.

IT IS FURTHER ORDERED that the fine shall be mailed to the Department of Licensing and Regulatory Affairs, Enforcement Division, P.O. Box 30(89, 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 numbers 21-16-328413 and 21-16-328412.

IT IS FURTHER ORDERED that failure to comply with the terms of this Order shall result in a SUSPENSION of all licenses or registrations held by Respondents under Article 24 of the Occupational Code and in the denial of any license or registration renewal until compliance with this Order.



IT IS FURTHER ORDERED that this Order shall be effective 30 days from the date signed by the Board, as set forth below.

<u>STIPULATION</u>

1. Respondents neither admit nor deny the alleged violations but, pursuant to the principle of settlement and compromise, agrees that the alleged violations shall be accepted as true for purposes of this Order.

2. The facts alleged in the Complaint constitute violation(s) of MCL 339.2411(2)(a), MCL 339.2411(2)(l), and MCL 339.604(c).

3. Respondents understand and intend that by signing this Stipulation Respondents are waiving the right, pursuant to the Occupational Code, the rules promulgated thereunder, and the Administrative Procedures Act, 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 Respondents are waiving the right to appear with an attorney and such witnesses as Respondents may desire to present a defense to the charges.

Consent Order and Stipulation File Nos. 21-16-328413 and 21-16-328412 4. This matter is a public record required to be published and made available to the public pursuant to the Michigan Freedom of Information Act, MCL 24.231 et seq.

5. This Order is approved as to form and substance by Respondents and the Department and may be entered as the final order of the Board in this matter

6. This proposal is conditioned upon acceptance by the Board. Respondents and the Department expressly reserve the right to further proceedings should this Order be rejected.

AGREED TO BY:

Kim Gaedeke, Director Bureau of Professional Licensing Department of Licensing and Regulatory Affairs

Dated:

AGREED TO BY:

Sharf Construction, LLC and Zachary Phillip Sharf Respondents

7-11-2017 Dated:

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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

SHARF CONSTRUCTION LLC License Number: 21-02-180575

and

ZACHARY PHILLIP SHARF, QUALIFYING OFFICER License Number: 21-01-189142

File Numbers: 21-16-328413 21-16-328412

FORMAL COMPLAINT

The Michigan Department of Licensing and Regulatory Affairs (Complainant) by Kim Gaedeke, Director, Bureau of Professional Licensing, files this Complaint against Sharf Construction LLC and Zachary Phillip Sharf (Respondents) as follows:

1. The Michigan Board of Residential Builders and Maintenance and Alteration Contractors (Board) is an administrative agency established by the Occupational Code, MCL 339.101 <u>et seq</u>. Pursuant to section 602 of the Occupational Code, <u>supra</u>, the Board is empowered to penalize licensees for violations of the Occupational Code.

2. Respondent Sharf Construction LLC is licensed as a residential builder company, and Respondent Zachary Phillip Sharf is licensed as an individual

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residential builder, and is designated as the qualifying officer of Sharf Construction LLC, and therefore pursuant to section 2405(1) the Occupational Code, <u>supra</u>, is responsible for exercising the supervision or control of the building or construction operations necessary to secure full compliance with the Occupational Code and the rules promulgated under the Occupational Code, <u>supra</u>.

 On November 13, 2014, Respondents entered into a contract with (Homeowner) for restoration and remodel construction related to freeze/water damage, with an estimated cost of \$90,756.18. A copy of the contract, marked Exhibit A, is attached and incorporated.

4. On April 21, 2015, Carter-Jones Companies Inc., also known as Carter Lumber Co., recorded a Claim of Lien, in the amount of \$7,747.76, on the Homeowner's property, regarding its contract with Respondents, and indicated that the last day of providing labor or material was January 30, 2015.

5. On April 29, 2015, the Homeowner paid \$7,747.76 to Carter Lumber Company and on April 30, 2015, Carter-Jones Companies Inc., also known as Carter Lumber Co., recorded a Discharge of Lien.

6. On May 26, 2015, Respondents issued Invoice No. 663 that contained a credit in the amount of \$7,493.53 which reimbursed the Homeowner for the payment and discharge of the Lien recorded by Carter Lumber Co.

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7. On or about June 18, 2015, and after repeated attempts by the homeowner to have Respondents continue work in the following months, Respondents ceased work on the project.

8. On January 11, 2016, a building inspector for Holly Township cited the following violations of the 2009 Michigan Residential Code (building code), adopted pursuant to the Stille-DeRossett-Hale single state construction code act, effective March 9, 2011:

- a. Construction without obtaining permit, contrary to R105.1.
- b. Failure to receive required inspections, contrary to R109.1.
- c. Construction damaged existing floor I joists, contrary to R102.7.1.
- d. Electrical devices painted over, contrary to R102.7.1.
- e. Stair rise exceeds 8 ¼ inch and varies more than 3/8 inch, contrary to R311.7.4.1.
- f. Floor I joists not repaired to manufacturers specs, contrary to R502.1.4.
- g. Floor sheeting not properly supported on edges, contrary to R503.1.1.

A copy of the Building Inspection Report, marked Exhibit B, is attached and incorporated.

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9. On January 28, 2016, the Homeowner filed a <u>Statement of Complaint</u> stating that \$96,270 was paid to Respondents and that Respondents breached the contract, abandoned the project, failed to pay debts to suppliers, and failed to comply with the building code.

<u>COUNT I</u>

Respondents' conduct, as described above, evidences abandonment without legal excuse of a contract, construction project, or operation engaged in or undertaken by the licensee, contrary to section 2411(2)(a) of the Occupational Code, <u>supra</u>.

COUNT II

Respondent's conduct, as described above, evidences a failure to pay an obligation as it becomes due in the ordinary course of business, in violation of section 2411(2)(I) of the Occupational Code, <u>supra</u>.

<u>COUNT III</u>

Respondents' 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), in violation of section 604(c) of the Occupational Code, <u>supra</u>.

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Complainant requests that this Complaint be served upon Respondents and that Respondents be offered an opportunity to show compliance with all lawful requirements for retention of the license(s). If compliance is not shown, Complainant further requests that formal proceedings be commenced pursuant to the Occupational Code, rules promulgated thereunder, and the Administrative Procedures Act of 1969, MCL 24.201 <u>et seq</u>.

Pursuant to section 508(2) of the Occupational Code, <u>supra</u>, Respondents have 15 days from the date of receipt of this Complaint to notify Complainant of Respondents' 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 Respondents' selection shall be submitted to Complainant, Kim Gaedeke, Director, Bureau of Professional Licensing, Department of Licensing and Regulatory Affairs, P.O. Box 30670, Lansing, MI 48909. If Respondents fail to submit written notification within 15 days, this matter shall proceed to an administrative hearing.

Kim Gaedeke, Director Bureau of Professional Licensing

DATED: 08/30/2016

Attachments

This is the final page of a <u>Formal Complaint</u> in the matter of Sharf Construction LLC and Zachary Phillip Sharf, File Numbers 21-16-328413 and 21-16-328412, before the Michigan Board of Residential Builders and Maintenance and Alteration Contractors, consisting of five pages, this page included.

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