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

WILLIAM JOSEPH KROPP License No. 21-01-092743, Respondent.

Docket No. 17-018781 File No. 21-17-331504

FINAL ORDER

On June 8, 2017, the Department of Licensing and Regulatory Affairs executed a 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 October 6, 2017, 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 December 12, 2017, 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(c), 339.604(h), and

339.2411(1)(h), Respondent is FINED \$5,000.00 to be paid to the State of Michigan within 60 days from 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, 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 21-17-331504.

IT IS FURTHER ORDERED that Respondent shall pay RESTITUTION in the amount of \$20,000.00 to Matthew Philip Benoit **OR** satisfy any judgement ordered by the State of Michigan, 71B Judicial District Court, Caro, Michigan, in case number 17-0316-GC.

IT IS FURTHER ORDERED that Respondent shall submit satisfactory written evidence of payment of the ordered restitution OR satisfying any judgement, as set forth above, within 60 days to the **Department of Licensing and Regulatory Affairs**, **Enforcement Division, Compliance Section, P.O. Box 30670, Lansing, MI 48909.**

IT IS FURTHER ORDERED that in the event Respondent fails to pay the fine and provide satisfactory written evidence of payment of the ordered restitution OR provide satisfactory written evidence of satisfying the judgement, within 60 days as set forth above, the Respondent's license to practice as an individual builder will be SUSPENDED. 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.

V

1/11/18 Dated:

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

WILLIAM JOSEPH KROPP License Number: 21-01-092743

File Number: 21-17-331504

FORMAL COMPLAINT

The Michigan Department of Licensing and Regulatory Affairs (Department), by Kim Gaedeke, Director, Bureau of Professional Licensing, files this Complaint against William Joseph Kropp (Respondent) 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 is licensed as a residential builder in the state of Michigan.

3. In or around May of 2016, Respondent entered into a verbal contract with (Homeowner) to construct a pole barn for \$6,000.00.

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4. On June 27, 2016, after the pole barn was completed by Respondent, a building inspector for Burlington Township in Lapeer County cited the following violations of the 2015 Michigan Residential Code (building code), adopted pursuant to the Stille-DeRossett-Hale single state construction code act, effective March 9, 2011:

- a. Trusses are not plumb, contrary to R802.10.
- b. Double truss by stairs have gaps, contrary to R802.10.
- c. Hangers required on stair header, contrary to R602.7.5.
- d. Gun nails in carriers not sufficient, contrary to R507.7.1.

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

5. On January 17, 2017, the Homeowner filed a <u>Statement of Complaint</u> alleging that, after an occupancy permit was requested, upon completion of a pole barn that Respondent was contracted to build, the Homeowner received a Field Correction Notice, indicating violations that needed to be corrected.

COUNT I

Respondent's conduct, as described above, evidences a failure to have all agreements and changes to the agreements between a builder, or contractor, and the customer in writing and signed by the parties, including copies of all agreements and changes to agreements in writing and provided to the customer, contrary to Mich Admin Code, R 338.1533(1), in violation of section 604(h) of the Occupational Code, supra.

<u>COUNT II</u>

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

COUNT III

Respondent's conduct, as described above, evidences a failure to deliver to the purchaser the entire agreement of the parties, in violation of section 2411(1)(h) of the Occupational Code, <u>supra</u>.

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, the rules promulgated thereunder, and the Administrative Procedures Act, MCL 24.201 <u>et seq</u>. Pursuant to section 508(2) of the Occupational Code, <u>supra</u>, Respondent has 15 days from the date of receipt of this Complaint to notify 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.

Dated: 06/08/2017

K/m Gaedékě, Director Bureau of Professional Licensing

Attachment

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