

WENDY J. UTSUMI 6340
Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
Leiopapa A Kamehameha Building
235 South Beretania Street, Suite 900
Honolulu, Hawaii 96813
Telephone: 586-2660

RECEIVED
PROF & VOCATIONAL
LICENSING DIVISION
2010 JAN 27 P 2:10
DEPT OF COMMERCE
& CONSUMER AFFAIRS
STATE OF HAWAII

DEPT. OF COMMERCE
AND CONSUMER AFFAIRS
2010 JAN 20 P 1:55
HEARINGS OFFICE

Attorney for Department of Commerce
and Consumer Affairs

CONTRACTORS LICENSE BOARD
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
STATE OF HAWAII

DEPT OF COMMERCE
AND CONSUMER AFFAIRS
2010 MAY 24 P 1:13

In the Matter of the Contractors Licenses of) CLB 2007-369-L
)
ALL ISLAND PAINTING & DECORATING,) SETTLEMENT AGREEMENT AFTER
LLC, and GUY M. PAREDES,) FILING OF PETITION FOR DISCIPLINARY
) ACTION AND BOARD'S FINAL ORDER
Respondents.)
)
)

241092407

SETTLEMENT AGREEMENT AFTER FILING OF PETITION
FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER

Petitioner, DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS'
REGULATED INDUSTRIES COMPLAINTS OFFICE (hereinafter "RICO" or "Petitioner"),
through its undersigned attorney, and Respondents ALL ISLAND PAINTING & DECORATING,
LLC, and GUY M. PAREDES (hereinafter collectively, "Respondents"), enter into this Settlement
Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent ALL ISLAND PAINTING & DECORATING, LLC (“Respondent All Island”) was licensed by the Contractors License Board (hereinafter the “Board”) as a C-33 (painting and decorating) specialty contractor under License Number C 26890. The license was issued on or about May 24, 2006. The license was forfeited as of March 4, 2008.

2. At all relevant times herein, Respondent GUY M. PAREDES (“Respondent Paredes”) was licensed by the Board as a C-33 (painting and decorating) specialty contractor under License Number C 25834. The license was issued on or about March 18, 2005 and placed on inactive status as of May 2, 2008. The license will expire on or about September 30, 2010.

3. Respondent Paredes was the RME of Respondent All Island from May 26, 2005 until March 3, 2008. Respondent is not currently employed full-time.

4. Respondents’ mailing address for purposes of this action is **REDACTED INFORMATION**

REDACTED INFORMATION

5. RICO received a complaint alleging that Respondent exhibited poor workmanship in painting of the exterior of the residence of Alfred and Laverne Freitas located at 86-169 Kuwale Road, Waianae, Hawaii 96792 (the “Project”).

6. Respondents allege that they took the job as a favor for a friend and Respondents were only permitted to complete about 50% of the Project before being thrown off the Project and returned \$500.00 of the \$2,500.00 deposit paid to them for the Project (the contract price was \$4,200.00).

7. RICO alleges that the Respondents failed to provide the required bond and lien rights information and the amount of work to be subcontracted prior to contracting and failed to provide in the written contract the required Contractor Repair Act Notice, the date for commencement of work on the Project, and the signature of the homeowner.

8. The foregoing allegations, if proven at an administrative hearing before the Board, would constitute violations of the following statute(s) and/or rule(s): Hawaii Revised Statutes (“HRS”) §§ 444-25.5(a) (prior to contracting, contractor shall explain verbally in detail to the homeowner all bond and lien rights and other information provided by rule), 444-25.5(b) (contracts shall contain notice of bond and lien rights and the HRS § 672E-11 notice), and Hawaii Administrative Rules (“HAR”) §§ 16-77-71 and 16-77-75 (RME responsible for acts and omissions of contracting entity), and 16-77-79 (prior to contracting, contractor shall disclose to the homeowner all bond and lien rights and the approximate percentage of work to be subcontracted), and 16-77-80 (contracts with homeowners shall contain the names and license numbers of subcontractors, and a provision explaining the lien rights of all parties, and the date work is to commence and the signature of the homeowner).

9. The Board has jurisdiction over the subject matter herein and over the parties hereto.

B. REPRESENTATIONS BY RESPONDENTS:

1. Respondents are fully aware that Respondents have the right to be represented by an attorney and voluntarily waive that right.

2. Respondents enter into this Settlement Agreement freely, knowingly, voluntarily, and under no coercion or duress.

3. Respondents are aware of the right to have a hearing to adjudicate the issues in the case. Pursuant to HRS § 91-9(d), Respondents freely, knowingly, and voluntarily waive the right to a hearing and agrees to dispose of this case in accordance with the terms and conditions of this Settlement Agreement.

4. Respondents being at all times relevant herein licensed as contractors by the Board acknowledges that Respondents are subject to penalties including but not limited to, revocation, suspension or limitation of the license and administrative fines, if the foregoing allegations are proven at hearing.

5. Respondents do not admit to violating any law or rule, but acknowledge that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondents' licenses.

6. Respondents enter into this Settlement Agreement as a compromise of the claims and to conserve on the expenses of proceeding with an administrative hearing on this matter.

7. Respondents agree that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. CLB 2007-369-L.

8. Respondent understands this Settlement Agreement is public record pursuant to Hawaii Revised Statutes 92F.

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondents agree to pay a fine in the amount of TWO THOUSAND AND NO/100 U.S. DOLLARS (\$2,000.00), with payments of not less than ONE HUNDRED AND NO/100 U.S. DOLLARS (\$100.00) to be paid by the last day of each calendar month beginning with the first full calendar month after the Board's approval of this

Settlement Agreement until the fine amount is paid in full. Payment shall be made by **cashier's check or money order made payable to "State of Hawaii - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn: Wendy J. Utsumi, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813.

2. Failure to Comply with Settlement Agreement. If Respondents fail to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph C.1 above, Respondents' licenses shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondents shall turn in all indicia of the license to the Executive Officer of the Board within ten (10) days after receipt of notice of the revocation. In case of such revocation, Respondents understand Respondents cannot apply for a new license until the expiration of at least five (5) years after the effective date of the revocation. Respondents understand that if Respondents desire to become licensed again, Respondents must apply to the Board for a new license pursuant to and subject to HRS §§ 92-17, 436B-21, and all other applicable laws and rules in effect at the time.

3. Possible further sanction. The Board, at its discretion, may pursue additional disciplinary action as provided by law to include further fines and other sanctions as the Board may deem appropriate if Respondent violates any provision of the statutes or rules governing the conduct of contractors in the State of Hawaii, or if Respondents fail to abide by the terms of this Settlement Agreement.

4. Approval of the Board. Respondents agree that, except for the representations, agreements and covenants contained in Paragraphs C.5, C.6, C.7 and C.8 below, this Settlement Agreement shall not be binding on any of the parties unless and until it is approved by the Board.

5. No Objection if Board Fails to Approve. If the Board does not approve this Settlement Agreement, does not issue an order pursuant thereto, or does not approve a lesser remedy, but instead an administrative hearing is conducted against Respondents in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondents agree that neither Respondents nor any attorney that Respondents may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondents on the basis that the Board has become disqualified to consider the case because of its review and consideration of this Settlement Agreement.


6. Any Ambiguities Shall be Construed to Protect the Consuming Public. It is agreed that any ambiguity in this Settlement Agreement is to be read in the manner that most completely protects the interests of the consuming public.

7. No Reliance on Representations by RICO. Other than the matters specifically stated in this Settlement Agreement, neither RICO nor anyone acting on its behalf has made any representation of fact, opinion or promise to Respondents to induce entry into this Settlement Agreement, and Respondents are not relying upon any statement, representation or opinion or promise made by RICO or any of its agents, employees, representatives or attorneys concerning the nature, extent or duration of exposure to legal liability arising from the subject matter of this Settlement Agreement or concerning any other matter.

8. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly executed by all parties hereto.

IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s)
set forth below.

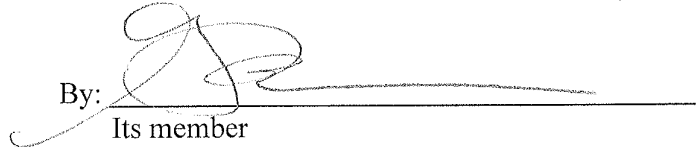
DATED: _____, Hawaii, _____, 2009.
(CITY) (DATE)



GUY M. PAREDES
Respondent

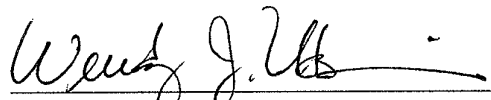
DATED: Maunaloa, Hawaii, January 13, 2010 G.P., 2009.
(CITY) (DATE)

ALL ISLAND PAINTING & DECORATING, LLC

By: 

Its member

DATED: Honolulu, Hawaii, January 13 2010.



WENDY J. UTSUMI
Attorney for Department of Commerce and Consumer
Affairs

IN THE MATTER OF THE CONTRACTORS LICENSES OF ALL ISLAND PAINTING &
DECORATING, LLC, and GUY M. PAREDES, RME; SETTLEMENT AGREEMENT AFTER
FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER;
CASE NO. CLB 2007-369-L


REVIEWED AND RECOMMENDED FOR CONSIDERATION:



CRAIG H. UYEHARA
Hearings Officer


JAN 25 2010
DATE

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII

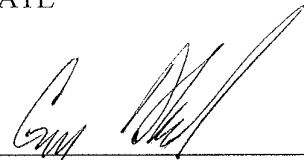


F. M. SCOTTY ANDERSON
Chairperson

MAY 21 2010
DATE



NEAL ARITA
Vice Chairperson



GUY M. AKASAKI



ERIC CARSON



JOHN E. K. DILL

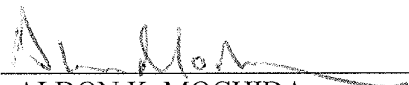


WILLIAM A. KAMAI

RANDALL B. C. LAU



HAROLD L. MARTIN




ALDON K. MOCHIDA



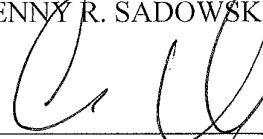
RONALD K. OSHIRO



DENNY R. SADOWSKI



DARYL SUEHIRO
PVL 08/25/09



GERALD YAMADA

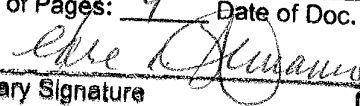
STATE OF HAWAII)
) SS.
CITY AND COUNTY OF HONOLULU)

On this 13th day of January, ~~2009~~²⁰¹⁰, before me personally appeared GUY M. PAREDES, to me known to be the person described, and who executed the foregoing instrument on behalf of himself and All Island Painting & Decorating, LLC, as a member, and acknowledged that he executed the same as his free act and deed. This 8-page SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER, dated January 13, ~~2009~~²⁰¹⁰ was acknowledged before me by GUY M. PAREDES, this 13th day of January, ~~2009~~²⁰¹⁰, in the City and County of Honolulu, State of Hawaii.



Name: PEARL L. NUUANU
Notary Public, State of Hawaii

My Commission expires: 6/7/2013

NOTARY PUBLIC CERTIFICATION 18
Pearl L. Nuuanu 1 First Judicial Circuit
Doc. Description: Contractors License
Board of DCCA State of Hawaii
No. of Pages: 9 Date of Doc. 1/13/2010
 1/13/2010
Notary Signature Date