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Regulated Industries Complaints Office
Department of Commerce and Consumer Affairs
State of Hawaii
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Honolulu, Hawaii 96813
Telephone: 586-2660

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PROF & VOCATIONAL
LICENSING DIVISION
2010 MAR 18 P 1:16
DEPT OF COMMERCE
& CONSUMER AFFAIRS
STATE OF HAWAII

DEPT. OF COMMERCE
AND CONSUMER AFFAIRS
2010 FEB 26 P 1:48
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 APR 16 P 3:08
HEARINGS OFFICE

In the Matter of the) CLB 2008-120-L
Contractor's License of)
)
WADE ALAN K. KALILI, doing business as) SETTLEMENT AGREEMENT AFTER
HAWAIIAN ISLAND BUILDERS,) FILING OF PETITION FOR DISCIPLINARY
) ACTION AND BOARD'S FINAL ORDER
)
Respondent.)
)

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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 Respondent WADE ALAN K. KALILI, doing business as
HAWAIIAN ISLAND BUILDERS (hereinafter, "Respondent"), enter into this Settlement
Agreement on the terms and conditions set forth below.

A. UNCONTESTED FACTS:

1. At all relevant times herein, Respondent was licensed by the Contractors License Board (hereinafter the “Board”) as a “B” general contractor under License Number BC 21002. The license was issued on or about June 27, 1997, and will expire on September 30, 2010.

2. Respondent’s mailing address for purposes of this action is **REDACTED INFORMATION**
REDACTED INFORMATION

3. RICO received a complaint alleging, among other things, that Respondent exhibited poor workmanship in construction of a Kamole Package Home at Beverly Anlauf’s property located at **REDACTED INFORMATION** (the “Project”).

4. Respondent alleges that: (1) Ms. Anlauf was difficult to work for on the Project, but Ms. Anlauf did not have any complaints about the Project at the time of completion; (2) the Project passed all county building inspections; and (3) Respondent further alleges that the complaints relating to the Project were raised by Ms. Anlauf’s daughter, Dene Rawlings, who took ownership of the Project after completion.

5. RICO alleges that the Respondent contracted outside the scope of his license.

6. 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”) § 444-17(5) (wilful departure from or wilful disregard of plans and specifications), and Hawaii Administrative Rules (“HAR”) §§ 16-77-33(c) (licensee shall not act in any classification other than those which the licensee holds), and 16-77-97 (licensee workmanship shall conform to trade standards).

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

B. REPRESENTATIONS BY RESPONDENTS:

1. Respondent is fully aware that Respondent has the right to be represented by an attorney and voluntarily waives that right.

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

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

4. Respondent being at all times relevant herein licensed as a contractor by the Board acknowledges that Respondent is 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. Respondent does not admit to violating any law or rule, but acknowledges that RICO has sufficient cause to file a Petition for Disciplinary Action against Respondent's license.

6. Respondent enters 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. Respondent agree that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. CLB 2008-120-L.

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

C. TERMS OF SETTLEMENT:

1. Administrative fine. Respondent agrees to pay a fine in the amount of TWO THOUSAND FIVE HUNDRED AND NO/100 U.S. DOLLARS (\$2,500.00), with payments of not less than TWO HUNDRED FIFTY AND NO/100 U.S. DOLLARS (\$250.00) to be paid by the last day of each calendar month beginning sixty (60) days 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 Respondent fails to fully and timely comply with the terms of this Settlement Agreement as set forth in paragraph C.1 above, Respondent's license shall be automatically revoked upon RICO's filing of an affidavit with the Board attesting to such failure. In case of such revocation, Respondent 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, Respondent understands Respondent cannot apply for a new license until the expiration of at least five (5) years after the effective date of the revocation. Respondent understands that if Respondent desires to become licensed again, Respondent 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 Respondent fails to abide by the terms of this Settlement Agreement.

4. Approval of the Board. Respondent agrees 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 Respondent in the Board's usual and customary fashion pursuant to the Administrative Procedure Act, Respondent agrees that neither Respondent nor any attorney that Respondent may retain, will raise as an objection in any administrative proceeding or in any judicial action, to the Board's proceeding against Respondent 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 Respondent to induce entry into this Settlement Agreement, and Respondent is 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.

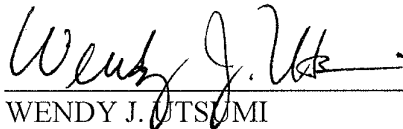
IN WITNESS WHEREOF, the parties have signed this Settlement Agreement on the date(s) set forth below.

DATED: Hilo, Hawaii, 2/18/10.
(CITY) (DATE)



WADE ALAN K. KALILI,
dba HAWAIIAN ISLAND BUILDERS
Respondent

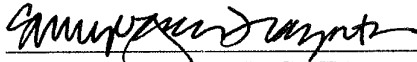
DATED: Honolulu, Hawaii, FEB 26 2010.



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

IN THE MATTER OF THE CONTRACTORS LICENSE OF WADE ALAN K. KALILI,
DOING BUSINESS AS HAWAIIAN ISLAND BUILDERS; SETTLEMENT AGREEMENT
AFTER FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL
ORDER; CASE NO. CLB 2008-120-L

REVIEWED AND RECOMMENDED FOR CONSIDERATION:



SHERYL LEE A. NAGATA
Hearings Officer

MAR 15 2010

DATE

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII




F. M. SCOTTY ANDERSON
Chairperson

APR 16 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



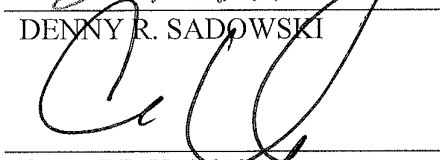
RONALD K. OSHIRO



DENNY R. SADOWSKI



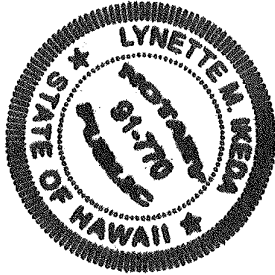
DARYL SUEHIRO
PVL 08/25/09



GERALD YAMADA

STATE OF HAWAII)
) SS.
COUNTY OF HAWAII)

On this 18th day of February, 2010, before me personally appeared WADE ALAN K. KALILI, to me known to be the person described, and acknowledged that he executed the same as his free act and deed. This 8-page SETTLEMENT AGREEMENT AFTER FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER, dated February 18, 2010 was acknowledged before me by WADE ALAN K. KALILI, this 18th day of February, 2010, in the County of Hawaii, State of Hawaii.



Lynette M. Ikeda
Name: Lynette M. Ikeda
Notary Public, State of Hawaii

My Commission expires: 11-11-11