

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

Attorney for Department of Commerce
and Consumer Affairs

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PROF & VOCATIONAL
LICENSING DIVISION

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DEPT OF COMMERCE
& CONSUMER AFFAIRS
STATE OF HAWAII

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DEPT OF COMMERCE
& CONSUMER AFFAIRS

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

In the Matter of the Contractor's License of) CLB 2008-107-L
)
GREGORY S. GALLARDE, individually) SETTLEMENT AGREEMENT PRIOR TO
and doing business as HARBOR) FILING OF PETITION FOR DISCIPLINARY
CONSTRUCTION,) ACTION AND BOARD'S FINAL ORDER
)
Respondent.)

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SETTLEMENT AGREEMENT PRIOR TO 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 attorneys, and Respondent GREGORY S. GALLARDE, individually and
doing business as HARBOR CONSTRUCTION (hereinafter "Respondent"), by and through his
attorney, 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 21485.

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DEPT OF COMMERCE
& CONSUMER AFFAIRS

The license was issued on or about June 10, 1998. The license will expire on or about September 30, 2010.

2. Respondent's mailing address for purposes of this action is 9 [REDACTED]
[REDACTED]

3. RICO alleges that Respondent failed to provide required information in a 2007 construction contract with the homeowner of 3363 Harding Avenue, #A, Honolulu, Hawaii (the "Project") and contracted for work at the Project without the required specialty license.

4. 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 (disclosures) and Hawaii Administrative Rules ("HAR") §§ 16-77-80 (disclosures in homeowner) and 16-77-33(c) (licensee shall not act in any classification other than those which the licensee holds).

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

B. REPRESENTATIONS BY RESPONDENT:

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 general 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 agrees that this Settlement Agreement is intended to resolve the issues raised in RICO's investigation in RICO Case No. CLB 2008-107-L.

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). Payment shall be made by **cashier's check or money order made payable to "DCCA - Compliance Resolution Fund"** and mailed to the Regulated Industries Complaints Office, Attn: Wendy Utsumi, Esq., 235 S. Beretania Street, 9th Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due no later than thirty (30) days following Board approval of this Settlement Agreement.

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 licensed 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.

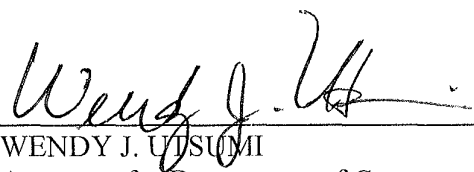
8. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly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

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

DATED: WAIKAWA, HI, 6/11/2010
(CITY) (STATE) (DATE)


GREGORY S. GALLARDE
Respondent

DATED: Honolulu, Hawaii, JUN 15 2010


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

IN THE MATTER OF THE CONTRACTOR'S LICENSE OF GREGORY S. GALLARDE,
INDIVIDUALLY AND DOING BUSINESS AS HARBOR CONSTRUCTION; SETTLEMENT
AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND
BOARD'S FINAL ORDER; CASE NO. CLB 2008-107-L

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII



F. M. SCOTTY ANDERSON
Chairperson

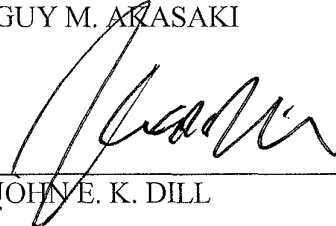
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DATE



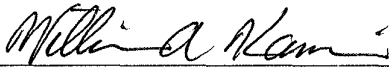
NEAL ARITA
Vice Chairperson

GUY M. ARASAKI

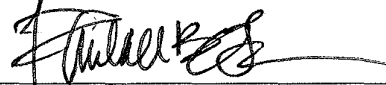


ERIC CARSON

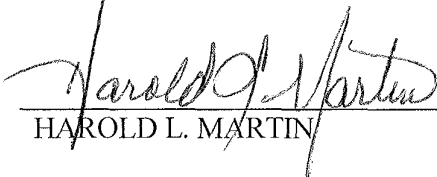
JOHN E. K. DILL



WILLIAM A. KAMAI



RANDALL B. C. LAU



HAROLD L. MARTIN



ALDON K. MOCHIDA



RONALD K. OSHIRO



DENNY R. SADOWSKI



DARYL SUEHIRO

GERALD YAMADA

PVL 08/25/09

STATE OF Hawaii)
city &) SS.
COUNTY OF Honolulu)

On this 11th day of June, 2010, before me personally appeared Gregory Gallardo, to me known to be the person described and who executed the foregoing instrument and acknowledged the same as his/her free act and deed. This 7-page SETTLEMENT AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL ORDER, dated 6/11/10, 2010 was acknowledged before me by Kelena Palencia, this 11th day of June, 2010, in the City of Waipahu, State of Hawaii.

NOTARY PUBLIC CERTIFICATION

Kelena Palencia First Judicial Circuit
Doc. Description: Settlement agree.

prior to filing of Petitioner
DR. Petition & Board's Final Order

No. of Pages: 7 Date of Doc. 6/11/10

Kelena Palencia
Notary Signature

6/11/10
Date

Kelena Palencia
Name: Kelena Palencia
Notary Public - State of Hawaii

My commission expires: 11/01/2013.

AS

AS