

DARIA A. LOY-GOTO
WENDY J. UTSUMI

6175
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

DEPT. OF COMMERCE
AND CONSUMER AFFAIRS

2009 APR -2 A 9:23

2009 MAR 27 A 9:50

DEPT. OF COMMERCE
AND CONSUMER AFFAIRS
STATE OF HAWAII

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
2009 APR 20 P 2:30
HEARINGS OFFICE

In the Matter of the Contractor's License of) CLB 2008-198-L
)
DARRELL K.K.C. LEE, individually and) SETTLEMENT AGREEMENT PRIOR TO
doing business as DEZN CREATIONS,) FILING OF PETITION FOR DISCIPLINARY
) ACTION AND BOARD'S FINAL ORDER
)
Respondent.)
)

241092407

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 DARRELL K.K.C. LEE, individually and
doing business as DEZN CREATIONS (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 general contractor under license number CT 12775. The

license was issued on or about October 18, 1988. The license will expire on or about September 30, 2010.

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

3. RICO received a complaint alleging that Respondent failed to prosecute a project to completion and that Respondent's work fell below the standard of care in the industry.

4. RICO alleges that Respondent failed to complete work as contracted and that Respondent's work fell below the standard of care in the industry.

5. 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(13) (failure to complete) and Hawaii Administrative Rules ("HAR") § 16-77-97 (work to be performed in workmanlike manner).

6. 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 No. CLB 2008-198-L.

C. TERMS OF SETTLEMENT:

1. Suspension of License. Respondent agrees to the voluntary suspension of Respondent's license for a period of two years.

The suspension shall become effective immediately upon the approval of this Settlement Agreement by the Board. Respondent shall turn in all indicia of the license to the Executive Officer of the Board within ten (10) days after receipt of notice that this Settlement Agreement has been approved.

Upon completion of the suspension period, Respondent understands that if Respondent desires to resume work as a contractor, Respondent must apply to the Board for reinstatement pursuant to and subject to the requirements and conditions set forth in HRS §§ 92-17, 436B-20, and all other applicable laws and rules in effect at the time. Respondent understands the licensing authority may assess additional fees for reinstatement of the license.

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(s) 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.

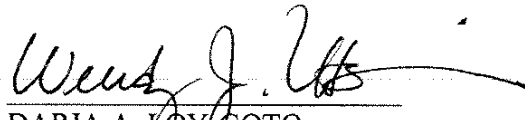
8. Complete Agreement. This Settlement Agreement is a complete settlement of the rights, responsibilities and liabilities of the parties hereto with respect to the subject matter hereof; contains the entire agreement of the parties; and may only be modified, changed or amended by written instrument duly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

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

DATED: KANIKOHA, HI, 4-18-09.
(CITY) (STATE)


DARRELL K.K.C. LEE
Respondent

DATED: Honolulu, Hawaii, MAR 25 2009.



DARIA A. LOY-GOTO
WENDY J. UTSUMI
Attorneys for Department of Commerce and
Consumer Affairs

IN THE MATTER OF THE CONTRACTOR'S LICENSE OF DARRELL K.K.C. LEE,
INDIVIDUALLY AND DOING BUSINESS AS DEZN CREATIONS; SETTLEMENT
AGREEMENT PRIOR TO FILING OF PETITION FOR DISCIPLINARY ACTION AND
BOARD'S FINAL ORDER; CASE NO. CLB 2008-198-L

APPROVED AND SO ORDERED:
CONTRACTORS LICENSE BOARD
STATE OF HAWAII


TADY T. ARISUMI
Chairperson

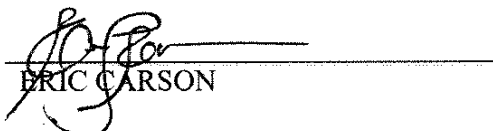
APR 17 2009
DATE

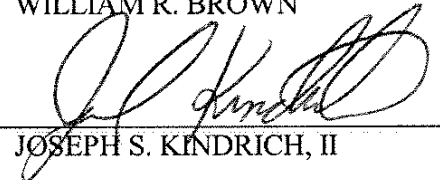

F. M. SCOTTY ANDERSON
Vice Chairperson

GUY M. AKASAKI

NEAL ARITA

WILLIAM R. BROWN


ERIC CARSON


JOSEPH S. KINDRICH, II

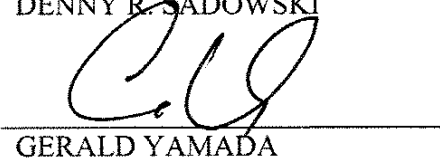

RANDALL B. C. LAU


AUDREY E. J. NG, ESQ.


RONALD K. OSHIRO

DENNY R. SADOWSKI

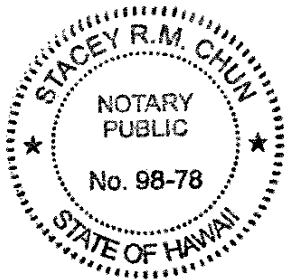

DARYL SUEHIRO


GERALD YAMADA

PVL 07/03/08

STATE OF Hawaii)
) SS.
COUNTY OF Honolulu)

On this 18th day of March, 2009, before me personally appeared Darrell K.C. Lee, 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.



Stacey R.M. Chun
Name: STACEY R.M. CHUN
Notary Public – State of Hawaii

My commission expires: 2/17/2010

Date: <u>Mar. 18, 2009</u>	#Pages: <u>8</u>
Name: <u>STACEY R.M. CHUN</u>	<u>First</u> Circuit
Doc. Description: <u>Settlement Agreement</u> <u>prior to filing of petition for</u> <u>disciplinary action and boards</u>	A circular notary seal for Stacey R.M. Chun, Notary Public, No. 98-78, State of Hawaii. The seal features a star on each side and the text "STACEY R.M. CHUN", "NOTARY PUBLIC", "No. 98-78", and "STATE OF HAWAII".
<u>Final Order</u> <u>Stacey R.M. Chun</u> Notary Signature	
NOTARY CERTIFICATION	