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Department of Commerce and Consumer Affairs  
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HEARINGS OFFICE

2022 NOV 15 A 11:42

Attorney for Petitioner, Department  
of Commerce and Consumer Affairs

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

In the Matter of the Contractors' Licenses of	)	CLB 2020-213-L
	)	
H.K. CONSTRUCTION CORP.	)	SETTLEMENT AGREEMENT
	)	PRIOR TO FILING OF PETITION
and	)	FOR DISCIPLINARY ACTION
	)	AND BOARD'S FINAL ORDER
ANGIE C. KIM,	)	
	)	
Respondents.	)	
	)	

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

Petitioner, the DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS, REGULATED INDUSTRIES COMPLAINTS OFFICE ("RICO" or "Petitioner"), through its undersigned attorney, and Respondents H.K. CONSTRUCTION CORP. and ANGIE C. KIM ("Respondent(s)") enter into this Settlement Agreement on the terms and conditions herein.

A. UNCONTESTED FACTS

1. At all times relevant herein, Respondent H.K. CONSTRUCTION CORP. was licensed by the Contractors License Board ("Board") as a class "B" general building contractor under license number CT-25837. The license was issued on March 21, 2005, and will expire or forfeit on September 30, 2024, unless timely renewed.

2. At all times relevant herein, Respondent ANGIE C. KIM was licensed by the Board as a class "B" general building contractor under license number CT-31400. The license was issued on April 1, 2011, and will expire or forfeit on September 30, 2024, unless timely renewed.

3. Respondent ANGIE C. KIM is and, at all times relevant herein, was Respondent H.K. CONSTRUCTION CORP.'s Principal Responsible Managing Employee.

4. Respondents' mailing address for purposes of this action is 2046 South King Street, Honolulu, Hawaii 96826.

5. The Board has jurisdiction over the subject matter, parties, and license referenced herein, pursuant to Chapters 436B and 444 of the Hawaii Revised Statutes ("HRS").

**B. RICO ALLEGATIONS**

1. In or about October 2017, Respondents entered into a written contract to demolish an existing structure, and construct a new single-family dwelling at Ernest and Jane Oi's Nikolo Street property in Honolulu.

2. Although that contract included written disclosures regarding the lien rights of the parties performing under the contract, the homeowners' option to demand bonding on the project, and Respondents' right(s) as contractors to resolve any alleged construction defects in accordance with HRS § 672E-11, it did not, however, include the names and license numbers of two sub-contractors that were to provide and did provide work on the underlying project.

3. The foregoing allegations, if established at an administrative hearing before the Board, would constitute violations of the following provision(s) of the Hawaii Revised Statutes ("HRS") and/or the Hawaii Administrative Rules ("HAR"):

- HRS § 444-17(12) (failing in any material respect to comply with this chapter [HRS Chapter 444] or the rules adopted pursuant thereto); and
- HAR § 16-77-80(a)(5) (providing that written contracts with homeowners shall include the approximate percentage of work to be subcontracted and the names and license numbers of all subcontractors, if any); and

4. Respondents have fully cooperated in RICO's investigation of this matter.

**C. REPRESENTATIONS BY RESPONDENTS**

1. Respondents are fully aware that they have the right to be represented by an attorney in this matter, 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 their right to have a hearing to adjudicate the issues in this case. Pursuant to HRS § 91-9(d), Respondents freely, knowingly, and voluntarily waive their right to a hearing, and agree 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, acknowledge that Respondents are subject to penalties including, but not limited to, revocation, suspension, or limitation of their respective licenses and administrative fines, if the foregoing allegations are established at a hearing.

5. Respondents neither admit nor deny the allegations made hereinabove, but acknowledge that RICO has sufficient cause and good faith to file a Petition for Disciplinary Action against their respective 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 in 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 2020-213-L.

8. Respondents understand that RICO enters into this Settlement Agreement and agrees to the terms and conditions hereof, based on Respondents' representations made herein.

9. Respondents understand that this Settlement Agreement is public record pursuant to HRS Chapter 92F.

10. Respondents understand that this Settlement Agreement may be subject to reporting requirements.

11. Respondents understand and acknowledge that, upon its approval, this Settlement Agreement constitutes disciplinary action.

#### D. TERMS OF SETTLEMENT

1. Administrative Fine. Respondents agree to pay an administrative fine in the amount of TWO THOUSAND FIVE HUNDRED 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.: Paul G. Galindo, 235 South Beretania Street, Ninth Floor, Honolulu, Hawaii 96813. Payment of the fine shall be due at the time this Settlement Agreement is returned to RICO.

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 D.1 hereinabove, then 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(s), Respondents shall turn in all indicia of their licenses to the Executive Officer of the Board, at Post Office Box 3469, DCCA-PVL Attn: CLB, Honolulu, Hawaii 96801, within ten days after receipt of notice of the revocation(s). In case of such revocation(s), Respondents understand that neither of them may apply for a new license until the expiration of at least five years after the effective date of the revocation(s). Respondents further understand that if either or both of them desire(s) to be licensed again, Respondents must apply to the Board for new licenses pursuant to and subject to HRS §§ 92-17 and 436B-21, and all other applicable laws and rules in effect at such 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 Respondents violate 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 D.5, D.6, D.7, and D.8 hereinbelow, 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 the Board Does Not 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(s) that Respondents may retain will make 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.

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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. Each signatory to this Settlement Agreement hereby represents and warrants that he/she/they is/are authorized to execute and deliver this Settlement Agreement in the capacity shown below.

DATED: Honolulu, Hawaii, 11/7/22.  
City State Date

H.K. CONSTRUCTION CORP.  
Respondent

By: [Signature] (Signature)  
Angie Kim (Printed Name)  
Its President (Title)

DATED: Honolulu, Hawaii, 11/7/22.  
City State Date

[Signature]  
ANGIE C. KIM  
Respondent

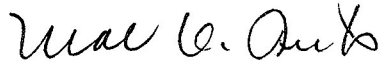
DATED: Honolulu, Hawaii, NOV 14 2022.  
City State Date

[Signature]  
PAUL G. GALINDO  
Attorney for Petitioner, Department  
of Commerce and Consumer Affairs

**IN THE MATTER OF THE CONTRACTORS' LICENSES OF H.K. CONSTRUCTION  
CORP. AND ANGIE C. KIM, RESPONDENTS; SETTLEMENT AGREEMENT PRIOR  
TO FILING OF PETITION FOR DISCIPLINARY ACTION AND BOARD'S FINAL  
ORDER; RICO CASE NO. CLB 2020-213-L.**

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APPROVED AND SO ORDERED:  
CONTRACTORS LICENSE BOARD  
STATE OF HAWAII



NEAL K. ARITA  
Chairperson

NOV 18 2022

DATE

JERRY NISHEK  
Vice Chairperson



CLYDE T. HAYASHI



JOSEPH D'DONNELL

NICHOLAS W. TEVES, JR.



PAUL K. ALEJADO



ERIC HIGASHIHARA



JOHN POLISCHECK, JR.



MAURICE TORIGOE

PVL 7/1/22

CLB 2020-213-L

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