#### BEFORE THE STRUCTURAL PEST CONTROL BOARD DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA

In the Matter of the Accusation Against:

Case No. 2008-80

OAH No. N-2008070681

GOLD COUNTRY TERMITE CONTROL 1781 b East Main Street Grass Valley, California 95945 RICHARD A. STIKES, Qualifying Manager and Owner

Company Registration Certficate No. PR2671,Br.3 Operator License No. OPR 6264

Respondents.

## **DECISION AND ORDER**

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by

the Structural Pest Control Board, Department of Consumer Affairs, as its Decision in this

matter.

This Decision shall become effective on May 20, 2009 It is so ORDERED April 20, 2009

STRUCTURAL REST CONTROL BOARD FOR THE DEPARTMENT OF CONSUMER AFFAIRS

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	·	- 1	EDMUND G. BROWN JR., Attorney General of the State of California		
		2	ARTHUR D. TAGGART Supervising Deputy Attorney General PATRICK M. KENADY, State Bar No. 050882 Deputy Attorney General		
		4	1300 I Street, Suite 125 P.O. Box 944255 Sacramento, CA 94244-2550		
	· · · ·	6	Telephone: (916) 324-5377 Facsimile: (916) 327-8643		
		. 7	Attorneys for Complainant		
	8 BEFORE THE STRUCTURAL PEST CONTROL BOARD 9 DEPARTMENT OF CONSUMER AFFAIRS			NTROL BOARD	
	1		STATE OF CONS	FORNIA	
		11	In the Matter of the Accusation Against:	Case No. 2008-80	
		12	GOLD COUNTRY TERMITE CONTROL	OAH No. N-2008070681	
	•	13	1781 b East Main Street Grass Valley, California 95945	STIPULATED SETTLEMENT AND DISCIPLINARY ORDER	
		14	RICHARD A. STIKES, Qualifying Manager and Owner	DISCH LAVART ORDER	
-	· · · · · · · · · · · · · · · · · · ·	15	Company Registration Certificate No. PR2671, Br.3		
		16	Operator License No. OPR 6264		
		17	Respondents.		
	•	18			
	45°.	19	In the interest of a prompt and speedy settlem	ent of this matter, consistent with the public	
		20	interest and the responsibility of the Structural Pest C	Control Board of the Department of	
		21	Consumer Affairs, the parties hereby agree to the foll	lowing Stipulated Settlement and	
22 Disciplinary Order which will be submitted to the Board for approval and adoption as		pard for approval and adoption as the final			
		23	disposition of the Accusation solely with respect to Respondents.		
		24			
		25			
	26 Structural Pest Control Board. She brought this action solely in her official capacity and is				
<ul> <li>27 represented in this matter by Edmund G. Brown Jr., Attorney General of the State of Ca</li> <li>28 by Patrick M. Kenady, Deputy Attorney General.</li> </ul>		Attorney General of the State of California,			
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2. Respondents are represented in this proceeding by attorney DAVID M.
 INGRAM, whose address is TENNANT & INGRAM 2101 W Street, Sacramento, Ca. 95814.
 3. On or about January 6, 1995, the Structural Pest Control Board issued
 Company Registration Certificate No. PR 2671, Br. 3 to Gold Country Termite Control
 ("Respondent Gold Country") with Richard A. Stikes (Respondent) as the Qualifying Manager
 and Owner .

4. On or about September 12, 1980, the Board issued Operator's License No. 7 OB6264 ("license") to Respondent Stikes as an employee of R B Control. On or about 8 March 27, 1981, the name style changed to Gold Country Pest Control with Respondent Stikes as 9 the Owner and Responsible Natural Person. On or about January 28, 1987, the license number 10 was converted to Operator's License No. OPR 6264. On or about November 5, 1992, 11 Respondent Stikes became the President and Qualifying Manager of Gold Country Structural 12 Pest Control, Inc.. On or about January 6, 1995, Respondent Stikes became the Branch 3 Owner 13 and Qualifying Manager for Gold Country Termite Control. The license will expire on or about 14 June 30, 2009, unless renewed. 15

## **JURISDICTION**

Accusation No. 2008-80 was filed before the Structural Pest Control
 Board (Board), Department of Consumer Affairs, and is currently pending against Respondents.
 The Accusation and all other statutorily required documents were properly served on
 Respondents on June 23, 2008. Respondents timely filed their Notice of Defense contesting the
 Accusation. A copy of Accusation No. 2008-80 is attached as exhibit A and incorporated herein
 by reference.

#### ADVISEMENT AND WAIVERS

Respondents have carefully read, fully discussed with counsel, and
 understand the charges and allegations in Accusation No. 2008-80. Respondents have also
 carefully read, fully discussed with counsel, and understand the effects of this Stipulated
 Settlement and Disciplinary Order.

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7. Respondents are fully aware of their legal rights in this matter, including
 the right to a hearing on the charges and allegations in the Accusation; the right to be represented
 by counsel at their own expense; the right to confront and cross-examine the witnesses against
 them; the right to present evidence and to testify on their own behalf; the right to the issuance of
 subpoenas to compel the attendance of witnesses and the production of documents; the right to
 reconsideration and court review of an adverse decision; and all other rights accorded by the
 California Administrative Procedure Act and other applicable laws.

8 8. Respondents voluntarily, knowingly, and intelligently waive and give up
9 each and every right set forth above.

## **CULPABILITY**

9. Solely for purposes of settlement of the pending action, and for no other reason, Respondents admit that there is a factual basis in the Accusation sufficient for the Board to take the disciplinary action set forth herein. The admission made herein by Respondents shall be binding only as between the parties to this action and any future actions between them and except as provided in the instant stipulation and order, shall be null, void and admissible in any other proceedings involving any other persons or entities.

17 10. Respondents agree that their Company Registration Certificate and
18 Operator's License is subject to discipline and he agrees to be bound by the Structural Pest
19 Control Board (Board)'s imposition of discipline as set forth in the Disciplinary Order below.

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#### RESERVATION

11. The admissions made by Respondents herein are only for the purposes of
this proceeding, or any other proceedings in which the Structural Pest Control Board or other
professional licensing agency is involved, and shall not be admissible in any other criminal or
civil proceeding.

## **CONTINGENCY**

26 12. This stipulation shall be subject to approval by the Structural Pest Control
27 Board. Respondents understand and agree that counsel for Complainant and the staff of the
28 Structural Pest Control Board may communicate directly with the Board regarding this

stipulation and settlement, without notice to or participation by Respondents or their counsel. By signing the stipulation, Respondents understand and agree that they may not withdraw their agreement or seek to rescind the stipulation prior to the time the Board considers and acts upon it. If the Board fails to adopt this stipulation as its Decision and Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Board shall not be disqualified from further action by having considered this matter.

8 13. The parties understand and agree that facsimile copies of this Stipulated
9 Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same
10 force and effect as the originals.

11 14. In consideration of the foregoing admissions and stipulations, the parties
agree that the Board may, without further notice or formal proceeding, issue and enter the
following Disciplinary Order:

## **DISCIPLINARY ORDER**

15 IT IS HEREBY ORDERED that Company Registration Certificate No. PR 2671,
16 Br. 3 and Operator's License No. OPR 6264 issued to Respondent Stikes are revoked. However,
17 the revocations are stayed and Respondents are placed on probation for five (5) years upon the
18 following terms and conditions:

191.Actual Suspension. Operator's License No. OPR 6264 and Company20Registration Certificate No. PR 2671 shall serve an actual suspension of five (5) days.

2. Reimbursement to Consumer. Respondents shall prove to the Registrar
 that restitution in the amount of \$16,000.00 has been made to Peter and Carolyn Bronson within
 ninety (90) days of the effective date of the Decision. In the event that Peter and Carolyn
 Bronson have not accepted the restitution, Respondents shall submit proof that they have
 tendered payment within ninety (90) days of the effective date.

26 3. Pay \$9,000.00 to the Board for investigation and prosecution costs within
27 ninety (90) days of the effective date of the Decision.

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Obey All Laws. Respondents shall obey all laws and rules relating to the 4. 1 practice of structural pest control. 2

Quarterly Reports. Respondents shall file quarterly reports with the 5. 3 Board during the period of probation. 4

Tolling of Probation. Should Respondents leave California to reside 6. outside this state, Respondents must notify the Board in writing of the dates of departure and 6 return. Periods of residency or practice outside the state shall not apply to reduction of the 7 probationary period. 8

Notice to Employers. Respondents shall notify all present and 7. 9 prospective employers of the Decision in Case No.2008-80 and the terms, conditions and 10 restriction imposed on Respondents by said Decision. Within thirty (30) days of the effective 11 date of this decision, and within fifteen (15) days of Respondent undertaking new employment, 12 Respondent shall cause his/her employer to report to the Board in writing acknowledging the 13 employer has read the Decision in Case No. 2008-80. 14

Notice to Employees. Respondents shall, upon or before the effective 15 8. date of this Decision, post or circulate a notice to all employees involved in structural pest 16 control operations which accurately recite the terms and conditions of probation. Respondents 17 shall be responsible for said notice being immediately available to said employees. "Employees" 18 as used in this provision includes all full-time, part-time, temporary and relief employees and 19 independent contractors employed or hired at any time during probation. 20

Posted Notice of Suspension. Respondents' structural pest control 9. 21 company shall prominently post a suspension notice provided by the Board of the Board's order 22 of suspension at its principal office and each of its branch offices in a place conspicuous and 23 readable to the public. Said notice shall remain so posted during the entire period of actual 24 suspension. 25

Completion of Probation. Upon successful completion of probation, 10. 26 Respondents license and certificate will be fully restored. 27

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JAN-21-2009 15:28 GOLD COUNTRY TERMITE 01/21/2009 11:37 FAX 3278643 DEPTAREMENT OF JUSTICE

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Violation of Probation. Should Respondents violate probation in any . 11. respect, the Board, after giving Respondents notice and an opportunity to be heard, may revoke probation and carry out the disciplinary order which was stayed. If a petition to revoke probation is filed against Respondents during probation, the Board shall have continuing jurisdiction until the matter is final, and the period of probation shall be extended until the matter is final.

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Random Inspections. Respondents shall reitnburse the Board for one (1) 12. random inspection per quarter by Board specialists during the period of probation not to exceed \$125 per inspection.

10 Prohibited from Serving as Officer, Director, Associate, Partner or 13. Qualifying Manager. Respondent Stikes is prohibited from serving as an officer, director, 11 associate, partner, qualifying manager or branch office manager of any registered company, other 12 than Gold Country Termite Control, during the period that discipline is imposed on Company 13 14 Registration No. PR 2671 and Operator's License No. OPR 6264.

#### ACCEPTANCE

I have carefully read the above Stipulated Settlement and Disciplinary Order and 16 have fully discussed it with my attorney, DAVID M. INGRAM. I understand the stipulation and : 17 the effect it will have on my Company Registration Certificate, and Operator License. I enter 18 19 into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, 20 and agree to be bound by the Decision and Order of the Structural Pest Control Board. DATED:

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GOLD COUNTRY TERMITE CONTROL: RICHARD A. STIKES (Respondents)

TENNANT & INGRAM.

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## DEPTARTMENT OF JUSTICE

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1	I have read and fully discussed with Respondents Gold Country Termite Control;
2	Richard A. Stikes the terms and conditions and other matters contained in the above Stipulated
3	Settlement and Disciplinary Order. I approve its form and content,
· 4	DATED: JAN 21, 2009
. 5	
6	CUMMAS
7	DAVID M INGRAM Attorney for Respondent
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10	ENDORSEMENT
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12	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Structural Pest Control Board of the Department of Consumer
13	Affairs.
14	
15	DATED: 111 21, 21009
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17	EDMIND G BROWN IR AMOUNT General
18	EDMUND G. BROWN JR., Attorney General of the State of California
19	ARTHUR D. TAGGART Supervising Deputy Attorney General
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22	PATRICK M. KENADY
23	Deputy Attorney General
24	Attorneys for Complainant
25	DQU Metter ID; 5A2008100673
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·d	Jah.21, 2009 3:56PM TENNANT & INGRAM V

# Exhibit A

Accusation No. 2008-80

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•	
-	EDMUND G. BROWN JR., Attorney General
L I	of the State of California
2	ARTHUR D. TAGGART
	Supervising Deputy Attorney General PATRICK M. KENADY, State Bar No. 50882
3	
. 4	1300 I Street, Suite 125
	P.O. Box 944255 Sacramento, CA 94244-2550
5	Telephone: (916) 324-5377
6	Sacramento, CA 94244-2550 Telephone: (916) 324-5377 Facsimile: (916) 327-8643
7	Attorneys for Complainant
. 8	
. 9	BEFORE THE
10	STRUCTURAL PEST CONTROL BOARD
• •	DEPARTMENT OF CONSUMER AFFAIRS STATE OF CALIFORNIA
` 11	STATE OF CALIFORNIA
12	
	In the Matter of the Accusation Against: Case No. 2008-80
13	In the Matter of the Accusation Against: Case No. 2008-80
14	GOLD COUNTRY TERMITE CONTROL
	ACCUSATION 1781 b East Main Street Crease Valley, California 95945
15	Grass Valley, California 95945 RICHARD ALLEN STIKES, Qualifying Manager
16	
. 17	Company Registration Certificate No. PR 2671, Br. 3
17	Operator License No. OPR 6264
. 18	
10	Respondents.
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20	Kelli Okuma ("Complainant") alleges:
21	PARTIES
ر 2	
. 22	1. Complainant brings this Accusation solely in her official capacity as the
. 22	Registrar of the Structural Pest Control Board ("Board"), Department of Consumer Affairs.
<i>ــــــــــــــــــــــــــــــــــــ</i>	
2.	4 <u>LICENSE HISTORY</u>
2	5 Gold Country Termite Control
· · ·	Company Registration Certificate No. PR 2671, Br. 3
. 2	6
. 2	7 2. On or about January 6, 1995, the Board issued Company Registration
. 2	8 Certificate No. PR 2671 ("company registration") in Branch 3 to Gold Country Termite Control
•	talla de la constante de

("Respondent Gold Country") with Richard Allen Stikes ("Respondent Stikes") as the Qualifying Manager and Owner.

#### **Operator's License No. OPR 6264**

On or about September 12, 1980, the Board issued Operator's License No. 3. 4 OB6264 ("license") to Respondent Stikes as an employee of R B Control. On or about 5 March 27, 1981, the namestyle changed to Gold Country Pest Control with Respondent Stikes as 6 the Owner and Responsible Natural Person. On or about January 28, 1987, the license number 7 was converted to Operator's License No. OPR 6264. On or about November 5, 1992, 8 Respondent Stikes became the President and Qualifying Manager of Gold Country Structural 9 Pest Control, Inc. On or about January 6, 1995, Respondent Stikes became the Branch 3 Owner 10 and Qualifying Manager for Gold Country Termite Control. The license will expire on or about 11 12 June 30, 2009, unless renewed.

## JURISDICTION

Code section 8620 provides, in pertinent part, that the Board may suspend or revoke a license when it finds that the holder, while a licensee or applicant, has committed any acts or omissions constituting cause for disciplinary action or in lieu of a suspension may assess a 16 civil penalty.

> Code section 8624 states: 5.

If the board suspends or revokes an operator's license and one or more branch offices are registered under the name of the operator, the suspension or revocation may be applied to each branch office.

If the operator is the qualifying manager, a partner, responsible officer, or owner of a registered structural pest control company, the suspension or revocation may be applied to the company registration.

The performance by any partnership, corporation, firm, association, or registered company of any act or omission constituting a cause for disciplinary action, likewise constitutes a cause for disciplinary action against any licensee who, at the time the act or omission occurred, was the qualifying manager, a partner, responsible officer, or owner of the partnership, corporation, firm, association, or registered company whether or not he or she had knowledge of, or participated in, the prohibited act or omission.

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#### Code section 8625 states:

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The lapsing or suspension of a license or company registration by operation of law or by order or decision of the board or a court of law, or the voluntary surrender of a license or company registration shall not deprive the board of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against such licensee or company, or to render a decision suspending or revoking such license or registration.

7. Code section 8622 states:

When a complaint is accepted for investigation of a registered company, the board, through an authorized representative, may inspect any or all properties on which a report has been issued pursuant to Section 8516 or a notice of completion has been issued pursuant to Section 8518 by the registered company to determine compliance with the provisions of this chapter and the rules and regulations issued thereunder. If the board determines the property or properties are not in compliance, a notice shall be sent to the registered company so stating. The registered company shall have 30 days from the receipt of the notice to bring such property into compliance, and it shall submit a new original report or completion notice or both and an inspection fee of not more than one hundred twenty-five dollars (\$125) for each property inspected. If a subsequent reinspection is necessary, pursuant to the board's review of the new original report or notice or both, a commensurate reinspection fee shall also be charged. If the board's authorized representative makes no determination or determines the property is in compliance, no inspection fee shall be charged.

The notice sent to the registered company shall inform the registered company that if it desires a hearing to contest the finding of noncompliance, the hearing shall be requested by written notice to the board within 20 days of receipt of the notice of noncompliance from the board. Where a hearing is not requested pursuant to this section, payment of any assessment shall not constitute an admission of any noncompliance charged.

#### STATUTORY PROVISIONS

Code section 8516 states, in pertinent part:

(b) No registered company or licensee shall commence work on a contract, or sign, issue, or deliver any documents expressing an opinion or statement relating to the absence or presence of wood destroying pests or organisms until an inspection has been made by a licensed Branch 3 field representative or operator. The address of each property inspected or upon which work is completed shall be reported on a form prescribed by the board and shall be filed with the board no later than 10 business days after the commencement of an inspection or upon completed work.

Every property inspected pursuant to subdivision (b) of Section 8516.1, or Section 8518, or subdivision (b) of this section shall be assessed a filing fee pursuant to Section 8674.

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Failure of a registered company to report and file with the board the address of any property inspected or work completed pursuant to Section 8516.1, Section 8518, or this section are grounds for disciplinary action and shall subject the registered company to a fine of not more than two thousand five hundred dollars (\$2,500).

A written inspection report conforming to this section and on a form approved by the board shall be prepared and delivered to the person requesting the inspection or to the person's designated agent within 10 business days of the inspection, except that an inspection report prepared for use by an attorney for litigation purposes is not required to be reported to the board. The report shall be delivered before work is commenced on any property. The registered company shall retain for three years all original inspection reports, filed notes, and activity forms.

Reports shall be made available for inspection and reproduction to the executive officer of the board or his or her duly authorized representative during business hours. Original inspection reports or copies thereof shall be submitted to the board upon request within two business days. The following shall be set forth in the report:

(6) A foundation diagram or sketch of the structure or structures or portions of the structure or structures inspected, indicating thereon the approximate location of any infested or infected areas evident, and the parts of the structure where conditions that would ordinarily subject those parts to attack by wood destroying pests or organisms exist.

(7) Information regarding the substructure, foundation walls and footings, porches, patios and steps, air vents, abutments, attic spaces, roof framing that includes the eaves, rafters, fascias, exposed timbers, exposed sheathing, ceiling joists, and attic walls, or other parts subject to attack by wood destroying pests or organisms. Conditions usually deemed likely to lead to infestation or infection, such as earth-wood contacts, excessive cellulose debris, faulty grade levels, excessive moisture conditions, evidence of roof leaks, and insufficient ventilation are to be reported.

9. Code section 8641 states:

Failure to comply with the provisions of this chapter, or any rule or regulation adopted by the board, or the furnishing of a report of inspection without the making of a bona fide inspection of the premises for wood-destroying pests or organisms, or furnishing a notice of work completed prior to the completion of the work specified in the contract, is a ground for disciplinary action.

#### **REGULATORY PROVISIONS**

California Code of Regulations, title 16, section 1990, states, in pertinent

part:

10.

(a) All reports shall be completed as prescribed by the board. Copies filed with the board shall be clear and legible. All reports must supply the information required by Section 8516 of the Code and the information regarding the pesticide or pesticides used as set forth in Section 8538 of the Code, and shall contain or describe the following:

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(3) Infestations, infections or evidence thereof.

(4) Wood members found to be damaged by wood destroying pests or organisms.

(b) Conditions usually deemed likely to lead to infestation or infection include, but are not limited to:

(1) Fault Grade Level. A faulty grade level exists when the top of any foundation is even with or below the adjacent earth. The existing earth level shall be considered grade.

(4) Earth-wood contacts.

11.

(5) Commonly controllable moisture conditions which would foster the growth of a fungus infection materially damaging to woodwork.

California Code of Regulations, title 16, section 1991, states, in pertinent

10 part:

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(a) Recommendations for corrective measures for the conditions found shall be made as required by paragraph 10 of subdivision (b) of Section 8516 of the code and shall also conform with the provisions of Title 24 of the California Code of Regulations and any other applicable local building code, and shall accomplish the following:

(11) Correct any excessive moisture condition that is commonly controllable. When there is reasonable evidence to believe a fungus infection exists in a concealed wall or area, recommendations shall be made to open the wall or area.

### COST RECOVERY/RESTITUTION

Code section 125.3 provides, in pertinent part, that the Board may request .12. 18 the administrative law judge to direct a licentiate found to have committed a violation or 19 violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation 20 and enforcement of the case. 21 Government Code section 11519(d) provides, in pertinent part, that the 22 13. Board may require restitution of damages suffered as a condition of probation in the event 23 probation is ordered. 24 111 25 26 111 · 27 111 28

## **BRONSON PROJECT**

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14. On or about June 14, 2004, Respondent Stikes inspected the property located at 20486 John Born Road, located in Penn Valley, California ("Bronson project"), for wood destroying pests and organisms and thereafter issued a Complete Wood Destroying Pests and Organisms Inspection Report No. 06040581 ("Inspection Report No. 06040581").

15. Respondent Stikes made certain findings, including, but not limited to, evidence of subterranean termites at cardboard debris and other forms of cellulose debris found on the soil, dryrot damage at the siding, door casings, trim boards surrounding the windows, door frames, and trellis supports.

16. Respondent Stikes recommended removing the cellulose products and to
apply a local treatment for control of the termites, and removing and replacing dryrot areas with
new material.

17. On or about July 20, 2004, Respondents issued a Standard Notice of Work 14 Completed and Not Completed ("Completion Notice"), certifying that all recommendations made 15 in Inspection Report No. 06040581, had been completed.

16 18. On or about July 27, 2004, Respondent Stikes re-inspected the Bronson
property and issued a Re-Inspection Report for Wood Destroying Pests and Organisms No.
07040768 ("Re-Inspection Report No. 07040768"). Respondent Stikes made certain findings,
including, but not limited to, dryrot damage at the rafter at the trellis, dryrot damage at the siding
at the left rear of the structure, dryrot damage to the internal framing components around the
french doors, and dryrot damage behind the metal flashing at the entry.

19. Respondent Stikes recommended removing and replacing dryrot areas with
new material, chemically treating framing members prior to installing a new water tight surface at
the internal framing components, and to further inspect the underside of the deck.

20. On or about August 18, 2004, Respondent Stikes re-inspected the Bronson
 property and issued a Re-Inspection Report for Wood Destroying Pests and Organisms No.
 08040862 ("Re-Inspection Report No. 08040862"). Respondent Stikes made certain findings,
 including, but not limited to, surface fungus to the deck joist, ground water seeping beneath the

deck surfaces, dryrot at the top section of deck joist, dryrot damage at the siding beneath the deck line, water pools beneath the deck from the ground irrigation, dryrot damage at the siding (previously reported in Re-Inspection Report No. 07040768), and dryrot damage at the trellis block.

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21. Respondent Stikes recommended removing the fungus and chemically treating the fungus infected wood at the deck, removing the damaged deck joist and replacing it with pressure treated wood, cutting out the damaged section of the siding and sealing it with paint products, removing the trellis block and replacing it with new material, and periodically inspecting the underside of deck for any sings of adverse conditions.

On or about June 21, 2005, Respondent Stikes re-inspected the Bronson 22. 1.0 property and issued a Complete Inspection Report for Wood Destroying Pests and Organisms No. 11 06050609 ("Inspection Report No. 06050609"). Respondent Stikes made certain findings, 12 including, but not limited to, cardboard and other forms of building scraps (wood) left on the soil; 13 a form board left against the foundation wall; moisture entering the substructure from the ground 14 water seepage; subfloor framing is inaccessible due to the insulation; garage interior is 15 inaccessible due to it being used as storage; subterranean termite shelter tubes attached to the 16 pressure treated wood posts; fungus spores are attached to the joist and girder; the chimney board 17 above the roof line is rot damaged; soil is built up against the siding; the large trellis beam is rot 18 damaged; and there is fungus damage to the lower siding. 19

20 23. Respondent Stikes recommended removing and disposing of the cardboard
21 and other forms of building scraps left on the soil; applying fungicide at the foundation wall;
22 further inspections recommended at the subfloor framing and garage interior; removing the
23 termite tubes from the posts and locally treating for control of the termites; removing fungus
24 spores from the joist and chemically treating them; removing and replacing rot damaged chimney
25 boards, trellis beam, and lower siding; grading the soil away from the siding to break the areas of
26 earth-to-wood contact.

27 24. On or about August 3, 2005, Respondents issued a Completion Notice,
28 certifying that all recommendations made in Inspection Report No. 06050609, had been

completed, with the exception of Section II items.

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On or about August 13, 2005, escrow closed. 25.

In or about November 2005, the homeowners found evidence of leaks at 26. the ceiling around the fireplace on the right side of the structure, and at the french doors at the front and rear of the structure.

On or about March 14, 2006, Ken Morgan ("Morgan") of Tracken 27. Construction inspected the Bronson property and found significant damage and leaks to the structure. On that same day, Morgan issued an estimate for repairs in the amount of \$76,418. 8 On or about April 18, 2006, Respondent Stikes re-inspected the Bronson 28. 9 property in response to Morgan's findings, and issued a Supplemental Inspection Report for 10 Wood Destroying Pests and Organisms No. 04060254 ("Supplemental Report No. 04060254"). 11 Respondent Stikes made certain findings, including, but not limited to, rot damage at the chimney 12 trim boards, fungus spores emanating out from the column and window trim and expanding into 13 the siding, windows leaking at various locations, and patch used at the base of the door jambs -14 failed to adhere. 15

Respondent Stikes recommended removing and replacing damaged wood 29. 16 trim, removing wood components to allow for further inspection and to determine the source of 17 moisture penetration, removing portions of the siding to allow for further inspection, and to 18 chisel out the decayed portion of the door jamb base and fill it with a durable product. 19

On or about June 20, 2007, the homeowners filed a complaint with the 30. 20 21 Board.

On or about August 13, 2007, the Board notified Respondents of the 22 31. complaint filed by the homeowners. 23

On or about August 20, 2007, Respondents responded to the Board's 32. 24 Notice dated August 13, 2007, wherein Respondents stated that the work on the Bronson 25 property had been completed by other contractors, and the problems identified on April 18, 2006, 26 by Morgan were newly discovered infestations that were not previously visible. 27

28 /// 33. On or about January 25, 2008, Zap Termite and Pest Control, Inc. ("Zap"),
 inspected the Bronson property and issued a Complete Wood Destroying Pests and Organisms
 Inspection Report No. 616556A. Zap reported fungus infection and damage to the structure
 (mostly to the exterior and subarea), subterranean termite damage to the deck skirting and siding,
 excessive moisture conditions, earth-to-wood contacts, a faulty grade level, and other conditions
 conducive to infestation and infection. Zap issued an estimate for repairs in the amount of
 \$24,490.

8 34. On or about February 13, 2008, a specialist from the Board inspected the
9 Bronson property, and made certain findings and recommendations.

On or about March 10, 2008, the Board specialist prepared and issued a
Report of Findings along with a Notice ordering Respondents to bring the property into
compliance by correcting the items described in the Report of Findings and to submit a corrected
inspection report and Notice of Work Completed and Not Completed to the Board within thirty
(30) days with respect to the inspections performed on June 21, 2005, and April 18, 2006.

15 36. Respondents failed to respond to the Report of Findings and/or bring the
16 Bronson property into compliance.

#### FIRST CAUSE FOR DISCIPLINE

## (Failure to Comply with the Code - Improper Inspection)

37. Respondent Gold Country's registration and Respondent Stikes operator's
 license are subject to discipline under Code section 8641, in that, on or about June 21, 2005,
 concerning the Bronson project, Respondents failed to comply with the following Code sections:

## Section 8516(b)(6)(7):

a. Respondents failed to report fungus infection and damage to the door
casings, trim, and window trim around the exterior of the garage, as defined by California Code
of Regulations, title 16, section 1990(a)(3)(4).

26. b. Respondents failed to report evidence of commonly controllable excessive
27 moisture conditions where the irrigation sprinklers hit the structure or support posts and

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contributes to the fungus infection and damage in these area, as defined by California Code of Regulations, title 16, section 1990(b)(5).

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Respondents failed to report fungus infection and damage to the base of the garage breeze way cover support posts at the right side of the structure, as defined by California Code of Regulations, title 16, section 1990(a)(3)(4).

Respondents failed to report fungus infection and damage with earth to đ. wood contacts to the support posts on the right side of the arbor/trellis at the front of the structure, as defined by California Code of Regulations, title 16, section 1990(a)(3)(4) and (b)(4).

Respondents failed to report fungus infection and damage to the siding 9 trim boards at the lower left front corner of the entryway porch adjacent to the repairs performed 10 from prior inspections, as defined by California Code of Regulations, title 16, section 11 1990(a)(3)(4). 12

Respondents failed to report evidence of fungus infection or damage with f. excessive moisture conditions to the cracked and exposed ends of the large outrigger beams over 14 the entryway porch at the front of the structure, as defined by California Code of Regulations, 15 title 16, section 1990(a)(3)(4) and (b)(5). 16

Respondents failed to report fungus infection and damage and conditions 17 g. (interior baseboard material) likely to lead to infestation or infection at the base of the rear patio 18 cover support posts trim boards, as defined by California Code of Regulations, title 16, section 19 20 1990(a)(3)(4) and (b)(5).

Respondents failed to report fungus infection and damage at the base of 21 h. the siding corner trim board at the right rear corner of the large center living area, as defined by 22 California Code of Regulations, title 16, section 1990(a)(3)(4). 23

Respondents failed to report earth to wood contacts with subterranean 24 termite and fungus damage at the base of the rear deck skirting and steps, as defined by 25 California Code of Regulations, title 16, section 1990(a)(3)(4) and (b)(4). 26

Respondents failed to report fungus infection and damage to the base of 27 1. the door trim, jambs, and casing at the french doors at the left rear of the large center living area, 28

with evidence of excessive moisture conditions (leaks) and fungus damage to the floor below, as defined by California Code of Regulations, title 16, section 1990(a)(3)(4) and (b)(5).

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k. Respondents failed to report fungus infection and damage with evidence of excessive moisture conditions (leaks) to the base of the door casing, threshold, and subfloor below at the french doors leading to the kitchen at the front of structure, as defined by California Code of Regulations, title 16, section 1990(a)(3)(4) and (b)(5).

1. Respondents failed to report a faulty grade level at the right rear corner of the main structure, as defined by California Code of Regulations, title 16, section 1990(b)(1).

m. Respondents failed to report evidence of fungus infection or damage to the
siding trim atop the rear chimney chase at the rear center of the structure, as defined by California
Code of Regulations, title 16, section 1990(a)(3)(4).

n. Respondents failed to report the full extent of fungus infection and damage
to the framing and beams of the front arbor/trellis, as defined by California Code of Regulations,
title 16, section 1990(a)(3)(4).

o. Respondents failed to make proper recommendations for further inspection
of the areas where fungus damage leads into inaccessible areas or where there is reasonable
evidence to believe that a fungus condition exists in an inaccessible area such as the faulty
grade/earth wood contact, the hollow front porch columns, and wall framings around the exterior
with fungus damage leading into the walls, chimney case, the leaking door casings, and areas
where the irrigation was directed at the structure, as defined by California Code of Regulations,
title 16, section 1991(a)(11).

## SECOND CAUSE FOR DISCIPLINE

(Failed to Comply with Report of Findings)

38. Respondent Gold Country's registration and Stikes operator's license are
subject to discipline under Code section 8641, in that, Respondents failed to comply with Code
section 8622, by failing to correct the items described in the Report of Findings within thirty (30)
calendar days of receipt of the Notice, bringing the Bronson project into compliance with the
Board's Notice and Report of Findings, dated August 15, 2007.

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	THIRD CAUSE FOR DISCIPLINE
· 2	(Gross Negligence)
3	39. Respondent Gold Country's registration and Stikes operator's license are
. 4	subject to discipline under section 8641 and section 8642, in that, Respondents committed
5	grossly negligent acts as set forth in paragraph 37 above.
6	PRIOR DISCIPLINE
. 7	Operator's License No. OPR 6264
8	Company Registration Certificate No. PR 0123
9	40. On or about July 10, 1990, in Accusation No. 91-01, attached hereto as
10	Exhibit A, entitled In the Matter of the Accusation Against Gold Country Pest Control, was
11	filed, alleging that Respondent Stikes violated Code sections 8641/8516 (reporting requirements),
12	8641/8622 (failed to bring property into compliance); 8641 and California Code of Regulations
- 13	section 1996.1(b) (failed to properly post completion tag).
14	41. Effective July 30, 1992, in the Stipulation Decision and Order, attached
15	hereto as Exhibit B, in Accusation 91-01, Company Registration Certificate No. PR 0123, and
16	Operator's License No. OPR 6264, were suspended for 60 days. However, the suspension was
17	stayed and Respondent Stikes was placed on probation for three (3) years with terms and
18	conditions.
. 19	Operator's License No. OPR 6264 Company Registration Certificate No. PR 2341
20	Company Registration Certificate 110. TR 2541
21	42. On or about April 4, 1994, a First Amended Accusation and Petition to
22	Revoke Probation in Case No. 94-31, attached hereto as Exhibit C, entitled In the Matter of the
23	Accusation Against Gold Country Pest Control, was filed, alleging that Respondent Stikes
24	violated Code sections 8641/8516 (reporting requirements), 8644 (misrepresentation after
25	inspection), 8641/1937.14 (workmanship), and Condition No. 3 of probation by failing to submit
26	written proof of successful completion of a correspondence course in Branch 3 (Wood
27	Destroying Pests and Organisms, Repairs and Corrections), or its equivalent, offered by the
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University of California Extension, Berkeley, within 18 months of the effective date of the decision.

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43. Effective August 2, 1997, in a Stipulation and Order, attached hereto as Exhibit D, in Accusation 94-31, Company Registration Certificate No. PR 2341, and Operator's License No. OPR 6264, were revoked. However, the revocation was stayed and Respondent Stikes was placed on probation for three (3) years with terms and conditions.

## GOLD COUNTRY TERMITE CONTROL Company Registration Certificate No. PR 2671, Br. 3

9 44. On or about August 27, 2002, Respondent Gold Country paid a fine in the
10 amount of \$50 levied by the Placer County Agricultural commissioner for violating Food and
11 Agriculture Code section 15204.

12 45. On or about February 4, 2005, Respondent Gold Country paid a fine in the
13 amount of \$250 levied by the Board for violating Code section 8636.

14 46. On or about February 1, 2007, Respondent Gold Country paid a fine in the
15 amount of \$150 levied by the Board for violating Code section 8638.

#### RICHARD ALLEN STIKES Operator's License No. OPR 6264

47. On or about February 1, 2007, Respondent Stikes paid a fine in the amount
of \$150 levied by the Board for violating Code section 8638, and California Code of Regulations,
title 16, sections 1990 and 1991(a)(3).

48. On or about March 13, 2007, Respondent Stikes paid a fine in the amount
of \$250 levied by the Board for violating Code sections 8516(b)(6) and (7), and California Code
of Regulations, title 16, sections 1990 and 1991(a)(3).

## **OTHER MATTERS**

49. Code section 8620 provides, in pertinent part, that a respondent may
request that a civil penalty of not more than \$5,000 be assessed in lieu of an actual suspension of
1 to 19 days, or not more than \$10,000 for an actual suspension of 20 to 45 days. Such request
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must be made at the time of the hearing and must be noted in the proposed decision. The proposed decision shall not provide that a civil penalty shall be imposed in lieu of a suspension.

Pursuant to Code section 8624, if Operator's License Number 50. OPR 6264 issued to Respondent Stikes is suspended or revoked, then the Board may suspend or revoke the registration of any branch office registered under the name of Richard Allen Stikes, 5 Qualifying Manager for Gold Country Pest Control. 6

Pursuant to Code section 8624, if Operator License Number 51. OPR 6264 issued to Respondent Stikes is suspended or revoked, then the Board may suspend or revoke Company Registration Certificate Number PR 2671, issued to Gold Country Termite Control.

Respondent Stikes, who serves as the Qualifying Manager for Gold 52. 11 Country Termite Control, had knowledge of, and participated in, the acts or omissions which 12 constitute causes for discipline against Gold Country Termite Control. 13

Pursuant to Code section 8654, if discipline is imposed on Company 53. 14 Registration Certificate Number PR 2671, issued to Gold Country Termite Control, then Richard 15 Allen Stikes shall be prohibited from serving as an officer, director, associate, partner, qualifying 16 manager, or responsible managing employee for any registered company during the time the 17discipline is imposed, and any registered company which employs, elects, or associates Richard 18 Allen Stikes shall be subject to disciplinary action. 19

Code section 8622 provides, in pertinent part, that respondent shall submit 20 54. an inspection fee of not more than \$125. If a reinspection is necessary, a commensurate 21 reinspection fee shall be charged. 22

Government Code section 11519(d) provides, in pertinent part, that the 23 55. Board may require restitution of damages suffered as a condition of probation in the event 24 25 probation is ordered.

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## PRAYER

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2	WHEREFORE, Complainant requests that a hearing be held on the matters			
3	herein alleged, and that following the hearing, the Structural Pest Control Board issue a decision:			
4	1. Revoking or suspending Company Registration Certificate Number			
5	PR 2671, issued to Gold Country Termite Control;			
6	2. Revoking or suspending Operator's License Number OPR 6264, issued to			
7	Richard Allen Stikes;			
8	3. Revoking or suspending any other license for which Richard Allen Stikes			
9	is furnishing the qualifying experience or appearance;			
10	4. Prohibiting Richard Allen Stikes from serving as an officer, director,			
11	associate, partner, qualifying manager or responsible managing employee of any registered			
12	company during the period that discipline is imposed on Company Registration Certificate			
13	Number PR 2671, issued to Gold Country Termite Control;			
14	5. Ordering restitution of all damages according to proof suffered by Peter			
15	and Carolyn Bronson as a condition of probation in the event probation is ordered;			
16	6. Ordering Gold Country Termite Control and Richard Allen Stikes to pay			
17	the Structural Pest Control Board the reasonable costs of the investigation and enforcement of			
18	this case, pursuant to Business and Professions Code section 125.3; and,			
.19	7. Taking such other and further action as deemed necessary and proper.			
20	DATED: 6/19/08			
21	Belli Buna			
22	Registrar Structural Pest Control Board			
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26	SA2008100673 Accusation (kdg) 6/2/08			
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