# BEFORE THE STRUCTURAL PEST CONTROL BOARD DEPARTMENT OF PESTICIDE REGULATION STATE OF CALIFORNIA

In the Matter of the Accusation Against:	
DONPEDRO'S TERMITE CONTROL CO	•

95 NORTH RANCHO PLACE EI SOBRANTE, CALIFORNIA 94803

COMPANY REGISTRATION NO. PR 1450, BRANCH 3

and

GEORGE DON-PEDRO 95 NORTH RANCHO PLACE EI SOBRANTE, CALIFORNIA 94803

OPERATOR'S LICENSE NO. OPR 8197

Respondents.

Case No. 2010-57

# DECISION AND ORDER

The attached Stipulated Settlement and Disciplinary Order is hereby adopted by the Structural Pest Control Board, Department of Pesticide Regulation, as its Decision in this matter.

This Decision shall b	ecome effective on	June 2, 2	011		
	. —				
It is so ORDERED	May 3, 2011			•	•

FOR THE STRUCTURAL PEST CONTROL BOARD

DEPARTMENT OF PESTICIDE REGULATION

EDMIND G. BROWN JR.	· ·
Attorney General of California	
DIANN SOKOLOFF Supervising Deputy Attorney General	
CAROL ROMEO	
Deputy Attorney General	
State Bai No. 124910   1515 Clay Street, 20th Floor	
P.O. Box 70550	
Facsimile: (510) 622-2270	
Attorneys for Complainant	
	RETHE
DEPARTMENT OF PES	STICIDE REGULATION
	CALIFORNIA
In the Matter of the Accusation Against:	Case No. 2010-57
DONPEDRO'S TERMITE CONTROL CO.	STIPULATED SETTLEMENT AND
95 North Rancho Place	DISCIPLINARY ORDER
Company Registration No. PR 1450,	
Branch 3	
and	
GEORGE DON-PEDRO	
95 North Rancho Place	
El Sobrante, California 94803	
Operator's License No. OPR 8197	
Respondents.	
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IT IS HEREBY STIPULATED AND AG	REED by and between the parties to the above-
entitled proceedings that the following matters a	are true:
PAI	RTIES
1. Kelli Okuma (Complainant) is the F	Registrar/Executive Officer of the Structural Pest
Control Board. She brought this action solely in	
matter by Edmund G. Brown Jr., Attorney Gene	eral of the State of California, by Carol Romeo,
Deputy Attorney General.	
	DIANN SOKOLOFF Supervising Deputy Attorney General CAROL ROMEO Deputy Attorney General State Bar No. 124910 1515 Clay Street, 20th Floor P.O. Box 70550 Oakland, CA 94612-0550 Telephone: (510) 622-2141 Facsimile: (510) 622-2270 Attorneys for Complainant  BEFORE STRUCTURAL PEST DEPARTMENT OF PEST STATE OF C  In the Matter of the Accusation Against:  DONPEDRO'S TERMITE CONTROL CO. 95 North Rancho Place EI Sobrante, California 94803  Company Registration No. PR 1450, Branch 3 and  GEORGE DON-PEDRO 95 North Rancho Place EI Sobrante, California 94803  Operator's License No. OPR 8197  Respondents.  IT IS HEREBY STIPULATED AND AGentitled proceedings that the following matters at PAI  1. Kelli Okuma (Complainant) is the Fair Control Board. She brought this action solely in matter by Edmund G. Brown Jr., Attorney General Control Board. She brought this action solely in matter by Edmund G. Brown Jr., Attorney General Control Board. She brought this action solely in matter by Edmund G. Brown Jr., Attorney General State Pair Control Board. She brought this action solely in matter by Edmund G. Brown Jr., Attorney General State Pair Control Board. She brought this action solely in matter by Edmund G. Brown Jr., Attorney General State Pair Control Board.

- 2. On or about July 28, 1988, the Structural Pest Control Board issued Company Registration No. PR 1450, Branch 3 to DonPedro's Termite Control Company (Respondent DonPedro's Termite Control Company). The Company Registration was in full force and effect at all times relevant to the charges brought in Accusation No. 2010-57 and will expire on June 30, 2012, unless renewed.
- 3. On or about July 28, 1988, the Structural Pest Control Board issued Operator's License Number OPR 8197, Branch 3, to George Don-Pedro, Owner and Qualifying Manager of DonPedro's Termite Control Co. ("Respondent Don-Pedro" or "Don-Pedro"). The Operator's License was in full force and effect at all times relevant to the charges brought in Accusation No. 2010-57 and will expire on June 30, 2012, unless renewed.

#### JURISDICTION .

4. Accusation No. 2010-57 was filed before the Structural Pest Control Board (Board), Department of Pesticide Regulation, and is currently pending against Respondents. The Accusation and all other statutorily required documents were properly served on Respondents on March 23, 2010. Respondents timely filed their Notice of Defense contesting the Accusation. A copy of Accusation No. 2010-57 is attached as Exhibit A and incorporated by reference.

## ADVISEMENT AND WAIVERS

- Respondents have carefully read, and understand the charges and allegations in
   Accusation No. 2010-57. Respondents have also carefully read, and understand the effects of this
   Stipulated Settlement and Disciplinary Order.
- 6. 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.

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

## CULPABILITY

- 8. Respondents admit the truth of each and every charge and allegation in Accusation No. 2010-57.
- 9. Respondent DonPedro Termite Control Company agrees that its Company
  Registration is subject to discipline and agrees to be bound by the Structural Pest Control Board's imposition of discipline as set forth in the Disciplinary Order below. Respondent
  Don-Pedro agrees that his Operator's License is subject to discipline and agrees to be bound by the Structural Pest Control Board's imposition of discipline as set forth in the Disciplinary Order below.

#### CONTINGENCY

- Respondents understand and agree that counsel for Complainant and the staff of the Structural Pest Control Board may communicate directly with the Board regarding this stipulation and settlement, without notice to or participation by Respondents. 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.
- 11. The parties understand and agree that facsimile copies of this Stipulated Settlement and Disciplinary Order, including facsimile signatures thereto, shall have the same force and effect as the originals.
- 12. This Stipulated Settlement and Disciplinary Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions,

negotiations, and commitments (written or oral). This Stipulated Settlement and Disciplinary Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.

13. 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

IT IS HEREBY ORDERED that Company Registration No. PR 1450, Branch 3 issued to Respondent DonPedro Termite Control Company and Operator's License No. OPR 8197 issued to Respondent Don-Pedro are revoked. However, the revocations are stayed and Respondents are placed on probation for three (3) years on the following terms and conditions.

Actual Suspension. Company Registration No. PR 1450, Branch 3 issued to Respondent George Don-Pedro is suspended for sixty (60) days. Operator's License No. OPR 8196 issued to Respondent Don-Pedro is suspended for sixty (60) days.

- 1. **Obey All Laws.** Respondents shall obey all laws and rules relating to the practice of structural pest control.
- 2. Quarterly Reports. Respondents shall file quarterly reports with the Board during the period of probation.
- 3. Tolling of Probation. Should Respondents leave California to reside outside this state, the Respondents must notify the Board in writing of the dates of departure and return. Periods of residency or practice outside the state shall not apply to reduction of the probationary period.
- 4. **Notice to Employers.** Respondent Don-Pedro shall notify all present and prospective employers of the decision in Case No. 2010-57 and the terms, conditions and restriction imposed on Respondent Don-Pedro by the decision.

Within 30 days of the effective date of this decision, and within 15 days of Respondent Don-Pedro undertaking new employment, Respondent Don-Pedro shall cause his employer to

report to the Board in writing acknowledging the employer has read the decision in Case No. 2010-57.

- 5. Notice to Employees. Respondent DonPedro Termite Control Company shall, upon or before the effective date of this decision, post or circulate a notice to all employees involved in structural pest control operations which accurately recite the terms and conditions of probation. Respondent DonPedro Termite Control Company shall be responsible for said notice being immediately available to said employees. "Employees" as used in this provision includes all full-time, part-time, temporary and relief employees and independent contractors employed or hired at any time during probation.
- 6. **Posted Notice of Suspension.** Respondent DonPedro Termite Control Company shall prominently post a suspension notice provided by the Board of the Board's order of suspension at its principal office and each of its branch offices in a place conspicuous and readable to the public. This notice shall remain so posted during the entire period of actual suspension.
- 7. **Completion of Probation.** Upon successful completion of probation, Respondents' license/certificate will be fully restored.
- 8. Violation of Probation. Should Respondents violate probation in any 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.
- 9. Random Inspections. Respondents shall reimburse the Board for one random inspection per quarter by Board specialists during the period of probation not to exceed \$125 per inspection.
- 10. Inspection Fees. Respondents shall pay to the registrar, or designee, an inspection fee of \$50 within thirty (30) days from the effective date of this decision.

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	11.	Ethics Course:	Respondent Don-Pedro shall complete v	vithin ninety (90) days of th
effec	ctive d	ate of this decisio	n a Board approved business ethics cours	se. These hours are in
addi	tion to	any hours requir	ed for re-licensure.	

12. Reimbursement to Consumer. Respondents agree to pay the sum of \$14,715.00 to Linda R. Lewallen as restitution in this matter within eighteen (18) months of the effective date of the decision. Respondents agree to pay an initial payment of \$817.50 within thirty (30) days of the effective date of the Decision and Order. Respondents agree to make monthly payments of \$817.50 on the 15th of each month thereafter for eighteen (18) months or until \$14,715.00 is paid in full. Respondents shall directly submit this initial payment and all subsequent monthly payments to Linda R. Lewallen. Respondents shall submit proof of each payment to the Registrar. Respondents shall submit proof to the Registrar that the total restitution amount of \$14,715.00 has been made to Linda R. Lewallen within eighteen (18) months of the effective date of the decision.

#### **ACCEPTANCE**

I have carefully read the Stipulated Settlement and Disciplinary Order. I understand the stipulation and the effect it will have on my Company Registration, and Operator's License. I enter into this Stipulated Settlement and Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Structural Pest Control Board.

DATED: 2/9/11

DON PEDRO'S TERMITE CONTROL COMPANY By: GEORGE DON-PEDRO Respondent

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1	I have read and fully discussed with Respondent George Don-Pedro the terms and			
2	conditions and other matters contained in this Stipulated Settlement and Disciplinary Order. I			
3	approve its form and content.			
4.	DATED: 2-8-//			
5	MICHAEL JAMES MATTEUCCI, ESQ.			
6	ENITAD GEMENT			
7	ENDORSEMENT  ENDORSEMENT  ENDORSEMENT			
8	The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully			
9	submitted for consideration by the Structural Pest Control Board of the Department of Pesticide			
10	Regulation.			
11	Dated: Respectfully Submitted,			
12	EDMUND G. BROWN JR. Attorney General of California			
13	DIANN SOKOLOFF Supervising Deputy Attorney General			
14	$\lambda$			
15	Carol Romeo			
16	CAROL ROMEO Deputy Attorney General			
17	Attorneys for Complainant			
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Exhibit A

Accusation No. 2010-57

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1	EDMUND G. BROWN JR. Attorney General of California
2	Attorney General of California  ALFREDO TERRAZAS  Senior Assistant Attorney General
3	CAROL ROMEO
4	Deputy Attorney General State Bar No. 124910  State Bar No. 124910
5	1 1.O. DOX 70330
6	Oakland, CA 94612-0550 Telephone: (510) 622-2141
7	Facsimile: (510) 622-2270. Attorneys for Complainant
8	BEFORE THE
9	STRUCTURAL PEST CONTROL BOARD DEPARTMENT OF PESTICIDE REGULATION
10	STATE OF CALIFORNIA
11	In the Matter of the Accusation Against: Case No. 2010–57
12	DONPEDRO'S TERMITE CONTROL CO.
13	95 North Rancho Place EI Sobrante, California 94803 ACCUSATION
14	Company Registration No. PR 1450, Branch 3
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16	and
1,7	GEORGE DON-PEDRO 95 North Rancho Place
18	EI Sobrante, California 94803
19	Operator's License No. OPR 8197
20	Respondents.
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22	Complainant alleges:
23	<u>PARTIES</u>
24	1. Kelli Okuma (Complainant) brings this Accusation solely in her official capacity as
. 25	the Registrar/Executive Officer of the Structural Pest Control Board, Department of Pesticide
26	Regulation.
27	2. On or about July 28, 1988, the Structural Pest Control Board issued Company
28	Registration Number PR 1450, Branch 3 to DonPedro's Termite Control Company ("Respondent
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Accusation

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DonPedro Termite Control Co." or "subject company"), with George Don-Pedro as Owner and Qualifying Manager.

3. On or about July 28, 1988, the Structural Pest Control Board issued Operator's License Number OPR 8197, Branch 3, to Don-Pedro, Owner and Qualifying Manager of DonPedro's Termite Control Co. ("Respondent Don-Pedro" or "Don-Pedro"). The Operator's License was in full force and effect at all times relevant to the charges brought herein and will expire on June 30, 2012, unless renewed.

#### **JURISDICTION**

- 4. This Accusation is brought before the Structural Pest Control Board (Board),
  Department of Pesticide Regulation, under the authority of the following laws. All section
  references are to the Business and Professions Code unless otherwise indicated.
  - 5. Code section 8625 states:

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.

6. Code section 118, subdivision (b), states:

The suspension, expiration, or forfeiture by operation of law of a license issued by a board in the department, or its suspension, forfeiture, or cancellation by order of the board or by order of a court of law, or its surrender without the written consent of the board, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its authority to institute or continue a disciplinary proceeding against the licensee upon any ground provided by law or to enter an order suspending or revoking the license or otherwise taking disciplinary action against the licensee on any such ground.

## STATUTORY AND REGULATORY PROVISIONS

- 7. 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 . .

A written inspection report conforming to this section and 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, field 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:

- (11) Information regarding the pesticide or pesticides to be used for their control as set forth in subdivision (b) of Section 8538.
  - 8. Code section 8518 states, in pertinent part:

Failure of a registered company to report and file with the board the address of any Property upon work was completed pursuant to subdivision (b) of the Section 8516 or Section 8518 is grounds for disciplinary action . . .

#### 9. Code section 8519 states, in pertinent part:

Certification as used in this section means a written statement by the registered company attesting to the statement contained therein relating to the absence or presence of wood-destroying pests or organisms and, listing such recommendations, if any, which appear on an inspection report prepared pursuant to Section 8516, and which relate to (1) infestation or infection of wood-destroying pests or organisms found, or (2) repair of structurally weakened members caused by such infestation or infection, and which recommendations have not been completed at the time of certification.

Any registered company which makes an inspection report pursuant to Section 8516, shall, if requested by the person ordering the inspection report, prepare and deliver to that person or his or her designated agent, a certification, to provide:

(a) When the inspection report prepared pursuant to Section 8516 has disclosed no infestation or infection: "This is to certify that the above property was inspected on \_\_\_\_\_ (date) in accordance with the Structural Pest Control Act and rules and regulations adopted pursuant thereto, and that no evidence of active infestation or infection was found in the visible and accessible areas.

#### 10. Code section 8636 states:

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Disregard and violation of the building laws of the state, or any law of its political subdivisions, or of the safety laws, health laws, or compensation insurance laws of the state relating to the practice of structural pest control is a ground for disciplinary action.

#### 11. Code section 8638 states:

Failure on the part of a registered company to complete any operation or construction repairs for the price stated in the contract for such operation or construction repairs or in any modification of such contract is a ground for disciplinary action.

#### 12. 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.

13. Code section 8642 states that "[t]he commission of any grossly negligent or fraudulent act by the licensee as a pest control operator, field representative, or applicator or by a registered company is a ground for disciplinary action."

#### 14. Code section 8644 states:

Fraud or misrepresentation, after inspection, by any licensee or registered company engaged in pest control work of any infestation or infection of wood-destroying pests or organisms found in property or structures, or respecting any conditions of the structure that would ordinarily subject structures to attack by wood-destroying pests or organisms, whether or not a report was made pursuant to Sections 8516 and 8517 of this code, is a ground for disciplinary action

#### 15. Code section 8646 states:

Disregard and violation of pesticide use and application, structural pest control device, fumigation, or extermination laws of the state or of any of its political subdivisions, or regulations adopted pursuant to those laws, is a ground for disciplinary action.

## 16. Code section 8652 of the Code states:

Failure of a registered company to make and keep all inspection reports, field notes, contracts, documents, notices of work completed, and records, other than financial records, for a period of not less than three years after completion of any work or operation for the control of structural pests or organisms, is a ground for

of the board or his or her duly authorized representative during business hours. Code section 8691 states: 17. No registered company shall engage in any of the practices for which is required to be registered by this chapter, unless it maintains such insurance policy or bond as specified in this article. Code section 8692 states, in pertinent part: An "insurance policy" as used in this article means a contract of liability insurance issued by an insurance company authorized to transact business in this state . . . The insurance policy shall provide minimum limits of twenty-five thousand dollars (\$25,000) for any one loss due to bodily injury, sickness or disease, . . . and twenty-five thousand dollars (\$25,000) minimum for one loss due to injury or destruction of property, including the loss of use thereof. Code section 8695 states: . 19. The violation of any provision of this article is a misdemeanor and shall be grounds for suspension or revocation by the board of the operator's license of the 12 owner or qualifying manager or managers of the registered company and of the company registration. 13 Section 125:3 of the Code states, in pertinent part, that a Board may request the 20. 14 administrative law judge to direct a licentiate found to have committed a violation or violations of 15 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and 16 enforcement of the case. 17 Title 16, California Code of Regulations, section ("Regulation") 1990 18 states, in pertinent part: 19 (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 20 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: 21 22. Title 16, California Code of Regulations, section ("Regulation") 1991, states, in 22 pertinent part: 23 (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 24 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: . . . 25 /// 26 28

disciplinary action. These records shall be made available to the executive officer

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#### 2825 ACTON STREET, BERKELEY, CA

- On February 21, 2007, Linda R. Lewallen (Lewallen) completed an application to 23. refinance her home on her property located at 2828 Acton Street, Berkeley, California 94703 ("the property"). A condition of the loan was that a pest control clearance ("certification") be issued.
- On February 26, 2007, Respondent Don-Pedro issued a complete inspection report 24. of the property on behalf of DonPedro's Termite Control Company ("subject company"). In the Wood Destroying Pest and Organisms (WDO) complete inspection report, Respondent Don-Pedro reported, among other things, wood decay fungi to the substructure below the front porch, subfloor, stucco sheathing, floor joists, girders, studs, load posts, mudslides, access door, roof eaves, roof sheathing, and rafter rails. Respondent Don-Pedro also reported subterranean termite activity and wood boring beetle infestation. A recommendation was made to remove and replace all damaged wood and install new material, and to chemically treat the infestations of termites and beetles. Several other recommendations were issued to correct deficiencies with flooring and floor coverings, cabinetry plumbing, and grading in the substructure. The chemical that was recommended to be used for control of the wood boring beetles, Termidor/active ingredient, Fiprinol, is not labeled to control wood boring beetles in California. Items 1J and 1K were missing from the report body, but were on the diagram.
- On March 1, 2007, Respondent Don-Pedro issued a WDO complete report on the 25. property. The report was identical to the February 26, 2007 inspection, except that the date of the inspection shows March 1, 2007, and contains a new finding and recommendation referencing subterranean termite tubes, with a recommendation to remove the tubing. Termidor was recommended to be used to control of wood boring beetles, even though Termidor is not labeled for treatment of wood boring beetles. The report included the missing numeric/alph items from the February 26, 2007 report, Items 1J and 1K
- On March 5, 2007, the subject company issued an Agreement and a Standard 26. Notice of Work Completed and Not Completed (NOC) indicating that all the section one work outlined in the "2/25/07" inspection had been completed, and certified the property to be free of

evidence of active infestation or infection in the visible and accessible areas. The date of inspection the NOC referred to was listed as February 25, 2007 even though the inspection reports are dated February 26, 2007 and March 1, 2007. On the same day, after reviewing the document, Lewallen signed the work agreement and dated it for March 5, 2007, and also received a copy of the aforementioned NOC dated March 5, 2007.

- 27. On March 6, 2007, Lewallen was asked to return to the subject company's office to sign another work agreement, which at the request of Respondent Don-Pedro, she backdated to February 26, 2007 to coincide with the WDO report dated February 26, 2007. The work had not commenced on her property at the time.
- 28. On March 19, 2007, after escrow closed, Lewallen received a refinance loan on the property based in part on the Respondent Don-Pedro's inspection reports dated February 26, 2007 and March 1, 2007, and his NOC and certification dated March 5, 2007. On the same day, Respondent Don-Pedro was paid the full amount of \$14,715.00 invoiced on the NOC dated March 5, 2007. On March 20, 2007, the subject company commenced work on the property.
- 29. On March 27, 2007, the subject company issued another NOC indicating that several items reported as completed previously in the March 5, 2007 NOD were, in fact, not completed. The subject company again certified the property free of infestation and infection with no exceptions, even though not all of the section one work had been completed.
- 30. On February 14, 2008, Respondent Don-Pedro submitted a Declaration, written under penalty of perjury to Board Specialist Ackerman (Ackerman), which attested to the fact that the records were not available "at this time," and that he had not performed any Branch 3 activities from March 3, 2007 through February 14, 2008.
- 31. On April 7, 2009, Board Specialist Ackerman (Ackerman) conducted an office compliance inspection of the subject company and asked Respondent Don-Pedro to provide copies of recent pesticide use reports (PUR). Don-Pedro told Ackerman that he had not been doing much work, was not applying pesticides, and did not have any current reports. In response to being told that he needed to be filing the PUR's on a monthly basis with the County

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Agriculture Department even though he reported that he did not use any pesticides, Don-Pedro told Ackerman that he understood and would begin filing the PUR's.

- 32. Before the office compliance inspection, Ackerman's WDO search of the subject company, which queried activity dates of March 1, 2006 to March 31, 2009, found two completions performed at the property and another property located in San Francisco, California, it did not contain either of these addresses as having been filed with the Board. Don-Pedro told Ackerman that he did not know why the inspection reports were not filed.
- At the conference, Respondent Don-Pedro also showed Ackerman the subject 33. company's log of activities performed from December 2006 through May 2007. This log shows that the property was inspected on March 1, 2007, even though the WDO provided to Ackerman by Respondent is dated February 26, 2007. When asked why the subject company's inspection log contained the date of March 1, 2007 when the WDO was dated February 26, 2007, Respondent first told Ackerman that that was the date the report was entered into the log. After a few minutes of reviewing the file, Respondent attributed "mistakes" to former employees and then told Ackerman that March 1, 2007 was the date the inspection took place. When asked by Ackerman to see a copy of the March 1, 2007 inspection report, Don-Pedro told him that he issued the March 1, 2007 report after he laid off his secretary. While reviewing his records, Respondent Don-Pedro noticed that the report was incorrectly dated and was missing findings and recommendations and told Ackerman that he issued another inspection report with the corrected information included and told him that he "stored it" in his computer. Ackerman told Respondent Don-Pedro that he needed to maintain a copy of the original inspection report in the file. Don-Pedro affirmed that the March 1, 2007 was the corrected inspection report. Ackerman explained to him that that report was incorrect and told him how to correct errors in the original inspection report. At the conference, Ackerman could not locate any chemical records regarding the property.
- 35. On December 5, 2006, the subject company's insurance policy number CLS1212411, issued by Burns & Wilcox Ltd., was canceled. The insurance policy remained canceled through June 20, 2007.

- 36. No building permit was issued on the property even though the work performed on the property required a building permit to be issued by the City of Berkeley.
- 37. On March 4, 2009, Kent J. Stonebraker ("Stonebraker"), OPR 5580, performed a complete inspection of the property and reported the following findings: subterranean termite infestation, damage, tubing, wood decay fungi, wood boring beetle infestation, moisture barrier failure beneath the front porch, and inadequate ventilation. Stonebraker's recommendation was to apply chemical treatment to control the infestations, and replace damaged wood and related components.
- 38. On June 24, 2009, Ackerman's limited inspection of the property's structure, exterior, kitchen, utility room and bathroom floors show the following: a) Subterranean termite migratory tubing in the substructure; b). Wood decay fungi damage to the eaves and rafter tails; c). Wood decay fungi and or subterranean termite damage to the cripple wall studs framing, mudsill, stucco sheathing subflooring in the structure, front porch, and entry; d) new mudsill not bolted to the foundation; e). cellulose debris on the soil; f) wood decay fungi to the rear porch; g) excessive moisture damaged floor covering in the kitchen, utility room and bathroom; and h) evidence of leaking down drains and roofing.

## FIRST CAUSE FOR DISCIPLINARY ACTION

(Failure to Comply with Financial Responsibility Provisions)

39. Respondents are subject to disciplinary action pursuant to Section 8695 of the Business and Professions Code in that they failed to comply with the provisions of the Structural Pest Control Act relating to Article 9 Financial Responsibility by working without required insurance in violation of Code section 8691 and by failing to maintain an insurance policy in violation of Code section 8692, as follows: Insurance policy number CLS1212411 was canceled on December 5, 2006 and they continued to perform inspections, repairs and issue Standard Notice of Work Completed and Not Completed without proper insurance.

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### SECOND CAUSE FOR DISCIPLINARY ACTION

(Furnished Notice of Work Completed Prior to Completion of Work Specified in Contract)

40. Respondents are subject to disciplinary action pursuant to Section 8641 of the Business and Professions Code in that as to the property, they furnished notices of work completed before the work specified in the contract was started, as follows: On March 5, 2007, they issued a Standard Notice of Work Completed and Not Completed prior to the commencement of any repairs being started. On March 27, 2007, they issued a Standard Notice of Work Completed and Not Completed was issued, when in fact the repairs were not complete.

## THIRD CAUSE FOR DISCIPLINARY ACTION

(Gross Negligence or Fraud)

A1. Respondents are subject to disciplinary action pursuant to Section 8642 of the Business and Professions Code in that they committed grossly negligent or fraudulent acts, as follows: Respondents furnished notice of work completed on March 5, 2007, for the purpose of closing an escrow account, when, in fact, the work had not been completed.

## FOURTH CAUSE FOR DISCIPLINARY ACTION

(Gross Negligence or Fraud)

42. Respondents are subject to disciplinary action pursuant to Section 8642 of the Business and Professions Code in that they committed a grossly negligent or fraudulent act, as follows: On February 14, 2008, Respondents furnished a false statement to the Board, under penalty of perjury, attesting to the fact that no branch 3 work or inspections were performed during the period from March 3, 2007 to February 14, 2008, when in fact work or inspections commenced and continued on the property after March 3, 2007.

# FIFTH CAUSE FOR DISCIPLINARY ACTION

(Failure to Complete Construction Repairs for Contractual Price)

43. Respondents are subject to disciplinary action pursuant to Section 8638 of the Business and Professions Code in that they failed to complete the construction repairs for price stated in contract, as follows: They failed to complete the contracted repairs as authorized in the

work contracts dated February 26, 2007 and March 1, 2007 because wood decay fungi and subterranean termite infestation and damage remained.

# SIXTH CAUSE FOR DISCIPLINARY ACTION

(Improper Certification)

44. Respondents are subject to disciplinary action pursuant to Section 8641 of the Business and Professions Code in that as to the property, they failed to comply with Code section 8519, as follows: Respondents improperly certified the property to be free of infestation and infection in the notice of work completed dated March 5, 2007 and March 27, 2007 when, in fact, wood decay fungi, excessive moisture, subterranean termite damages, and evidence of infestations remained.

# SEVENTH CAUSE FOR DISCIPLINARY ACTION

(Failure to File Addresses of Properties Inspected with Board)

45. Respondents are subject to disciplinary action pursuant to Section 8516 of the Business and Professions Code and Title 16, California Code of Regulations, section 1996.3 in that they failed to file the addresses of properties inspected with the Board, as follows: The address of the property inspected on February 26, 2007 and March 1, 2007 were not filed.

# EIGHTH CAUSE FOR DISCIPLINARY ACTION

(Failure to File Addresses of Properties Where Work Completed)

46. Respondents are subject to disciplinary action pursuant to Section 8518 of the Business and Professions Code and Title 16, California Code of Regulations, section 1996.3 in that they failed to file the addresses of properties where work was completed, as follows: The address of the property where work was completed on March 27, 2007 was not filed with the Board.

# NINTH CAUSE FOR DISCIPLINARY ACTION

(Failure to Comply with Building Codes)

Respondents are subject to disciplinary action pursuant to Section 8636 of the Business and Professions Code in that they failed to comply with the building laws of the City of

Berkeley, California, as follows: Repairs reported as completed required a building permit that was not obtained.

## TENTH CAUSE FOR DISCIPLINARY ACTION

(Improperly Recommending Use of Pesticide Not Properly Labeled)

48. Respondents are subject to disciplinary action pursuant to Section 8646 of the Business and Professions Code and Title 16, California Code of Regulations, section 1991, as follows: Respondents improperly recommended the use of pesticide not labeled for usage on the target pest in that the February 27. 2007 and March 1, 2007 inspection reports improperly recommended the use of the chemical Termidor for control of wood destroying beetles. Termidor is not labeled for usage on wood destroying beetles in California The March 4, 2007 and March 27, 2007 NOCs improperly indicated that item as being completed in accordance with the Structural Pest Control Act.

## ELEVENTH CAUSE FOR DISCIPLINARY ACTION

(Failure to Maintain Records)

49. Respondents are subject to disciplinary action pursuant to Section 8652 of the Business and Professions Code and Title 16, California Code of Regulations, section 1970(b), as follows: Respondents failed to keep records for the amount of pesticides used or the person who applied them.

# TWELFTH CAUSE FOR DISCIPLINARY ACTION

(Failure to Report Excessive Moisture Condition Leading to Infestation or Infection)

50. Respondents are subject to disciplinary action pursuant to Section 8516(b)(7) and Title 16, California Code of Regulations, section 1990(a), as follows: Respondents failed to report the excessive moisture condition that lead to the infestation or infection of a wood destroying pest or organism in the inspection report dated February 26, 2007. The report indicated fungi and subterranean termite damage beneath the front porch, but did not reveal the cause of the fungi damage.

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## THIRTEENTH CAUSE FOR DISCIPLINARY ACTION

(Failure to Include Section 1 Condition Requiring Chemical Treatment)

52. Respondents are subject to disciplinary action pursuant to Section 8516, (b) as follows: Respondents failed to include the Section 1 condition that required the chemical treatment in item #1B of the inspection reports dated February 27, 2007 and March 1, 2007, or improperly identified a Section 2 as a Section 1 item.

# FOURTEENTH CAUSE FOR DISCIPLINARY ACTION

(Failure to Include Name of Active Ingredient for Recommended Pesticides)

53. Respondents are subject to disciplinary action pursuant to Sections 8516(b)(11) and 8538, as follows: Respondents failed to include the name of the active ingredient for all pesticides recommended to be used in the inspection reports dated February 26, 2007 and March 1, 2007.

## FIFTEENTH CAUSE FOR DISCIPLINARY ACTION

(Improperly Reported a Rusted Metal Cabinet Base as Section 1 Item)

54. Respondents are subject to disciplinary action pursuant to Sections 8516(b), as follows: Respondents improperly reported a rusted metal cabinet base as a section 1 item in the inspection report dated February 26, 2007 and March 1, 2007.

## MATTERS IN AGGRAVATION

- 55. To determine the degree of penalty, if any, to be imposed on Respondent DonPedro's Termite Control Co., Complainant alleges as follows:
- a. On October 28, 1992, Respondent paid a \$150.00 fine levied by the Alameda County Agricultural Commissioner for Respondent's violation of Food and Agriculture Code section 15204.
- b. On or about November 3, 1992, Respondent paid a \$50.00 fine levied by the Santa Clara County Agricultural Commission for violation of section 15204 of the Food and Agricultural Code.
- c. On September 14, 1993, Respondent paid a \$100.00 fine levied by the Alameda County Agricultural Commissioner for Respondent's violation of Code section 8505.17.

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- d. On February 8, 1995, Respondent paid a fine of \$100.00 levied by the Alameda County Agricultural Commission for violation of Code section 8505.17.
- e. On June 12, 2001, Respondent paid a \$25 fine levied by the Board for Respondent's violation of Code section 8538.

#### OTHER MATTERS

- 56. 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 I to 19 days, or not more than \$10,000 for an actual suspension of 20 to 45 days. Such request 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.
- 57. Pursuant to Code section 8624, if Operator's License Number OPR 8197, issued to Respondent George Don-Pedro, is suspended or revoked, the Board may suspend or revoke Company Registration Certificate Number PR 1450, issued to DonPedro Termite Control Co., with George Don-Pedro as owner and qualifying manager.
- 58. Pursuant to Code section 8624, the causes for discipline established as to Respondent DonPedro Termite Control Co. likewise constitute causes for discipline against George Don-Pedro regardless of whether George Don-Pedro had knowledge of or participated in the acts or omissions which constitute cause for discipline against Respondent DonPedro Termite Control Co.
- 59. Pursuant to Code section 8654, if discipline is imposed on Operator's License Number OPR 8197, issued to Respondent George Don-Pedro, George Don-Pedro shall be prohibited from serving as an officer, director, associate, partner, qualifying manager, or responsible managing employee for any registered company during the time the discipline is imposed, and any registered company which employs, elects, or associates George Don-Pedro shall be subject to disciplinary action.
- 60. Code section 8622 provides, in pertinent part, that Respondents shall submit an inspection fee of not more than \$125. If a reinspection is necessary, a commensurate reinspection fee shall be charged.