

BEFORE THE
REGISTRAR OF CONTRACTORS
CONTRACTORS STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against:

JDS BUILDERS INC.
P.O. Box 2847
Spring Valley, CA 91979

JEFFREY EARL JENSEN,
CEO/PRESIDENT; WILLIAM VAN
HEFLIN, RMO (DISASSOCIATED 4/1/14);
SERGIO GUTIERREZ, OFFICER; JOSE
JOSE ELIZONDO, OFFICER

Contractor License No. 947907, A and B

Respondent.

JENSEN DRYWALL & STUCCO
3714 Lynda Place
National City, CA 91950-8121

JEFFREY EARL JENSEN, SOLE OWNER

Contractor License No. 664168, C-9 and C-35

HEFLIN CONSTRUCTION CORP.
2932 Avenida Valera
Carlsbad, CA 92009

Contractor License No. 858086, A and B
and Asbestos and Hazardous Substance
Removal Certifications

WILLIAM VAN HEFLIN,
RMO/CEO/PRESIDENT

CASE NO. N2014-183

OAH NO. 2014100551

ORDER TO ADOPT
STIPULATED SETTLEMENT

(As to License Numbers 858086 and
642842 ONLY)

VAN HEFLIN GENERAL CONTRACTOR
2932 Avenida Valera
Carlsbad, CA 92009

**Contractor License No. 642842, A and B
and Asbestos and Hazardous Substance
Removal Certifications**

WILLIAM VAN HEFLIN, SOLE OWNER

Affiliated Licenses.

The attached Stipulated Settlement is hereby adopted by the Registrar of Contractors as his Decision in the above-entitled matter. The failure to comply with any of the terms and conditions as set forth in the provisions of probation will be deemed a violation of probation.

IT IS FURTHER ORDERED that **HEFLIN CONSTRUCTION CORP.**, License Number **858086**, on the effective date of this Decision shall have on file a Disciplinary Bond or post a cash deposit in the amount of \$15,000.00, for a period of not less than three years pursuant to Section 7071.8 of the Business and Professions Code. Any suspension for failing to post a disciplinary bond or a cash deposit, or any suspension for any other reason, shall not relieve the Respondent from complying with the terms and conditions of probation. Furthermore, suspension of the license during the period of probation, for any reason under this chapter, will cause the probationary period to be automatically extended in time equal to the length of time that the license is not in a clear and active status.

IT IS FURTHER ORDERED that respondent shall pay the investigative costs in the amount of \$2,959.35. Monthly payments are to be made in the amount of \$103.00, until completed. Payments are to be made at the end of each month, commencing the first full month after the effective date of this decision.

IT IS FURTHER ORDERED that **VAN HEFLIN GENERAL CONTRACTOR**, License Number **642842**, on the effective date of this Decision shall have on file a Disciplinary Bond or post a cash deposit in the amount of \$15,000.00, for a period of not less than three years pursuant to Section 7071.8 of the Business and Professions Code. Any suspension for failing to post a disciplinary bond or a cash deposit, or any suspension for any other reason, shall not relieve the Respondent from complying with the terms and conditions of probation. Furthermore, suspension of the license during the period of probation, for any reason under this chapter, will cause the probationary period to be automatically extended in time equal to the length of time that the license is not in a clear and active status.

IT IS THE responsibility of the respondents, named in this Order, to read and follow the Order. The deadlines for meeting the terms and conditions are based upon the EFFECTIVE DATE of this Decision. No notices or reminders will be sent as to compliance with the terms and conditions. Proof of payments of restitution and payments for the Cost of Investigation and Enforcement if ordered, are to be sent to CSLB, Sacramento Case Management, Post Office Box 26888, Sacramento, CA 95826.

This Decision shall become effective on February 11, 2015.

IT IS SO ORDERED January 7, 2015.



Cindi A. Christenson
Registrar of Contractors

1 KAMALA D. HARRIS
Attorney General of California
2 GREGORY J. SALUTE
Supervising Deputy Attorney General
3 ADRIAN R. CONTRERAS
Deputy Attorney General
4 State Bar No. 267200
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E-mail: Adrian.Contreras@doj.ca.gov
8 *Attorneys for Complainant*

9
10 **BEFORE THE**
REGISTRAR OF CONTRACTORS
CONTRACTORS' STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS
11 **STATE OF CALIFORNIA**

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13 **In the Matter of the Accusation Against:**

Case No. N2014-183

14 **JDS BUILDERS INC.**
15 **P. O. Box 2847**
16 **Spring Valley, CA 91979**

OAH No. 2014100551

17 **JEFFREY EARL JENSEN,**
18 **CEO/PRESIDENT; WILLIAM VAN**
19 **HEFLIN, RMO (DISASSOCIATED 4/1/14;**
SERGIO GUTIERREZ, OFFICER; JOSE
JOSE ELIZONDO, OFFICER

STIPULATED SETTLEMENT AND
DISCIPLINARY ORDER RE: HEFLIN
CONSTRUCTION CORP. AND VAN
HEFLIN GENERAL CONTRACTOR
ONLY

20 **Contractor License No. 947907, A and B**

21 **Respondent.**

22 **JENSEN DRYWALL & STUCCO**
23 **3714 Lynda Place**
24 **National City, CA 91950-8121**

25 **JEFFREY EARL JENSEN, SOLE OWNER**

26 **Contractor License No. 664168, C-9 and C-**
27 **35**

1 **HEFLIN CONSTRUCTION CORP.**

2 2932 Avenida Valera
3 Carlsbad, CA 92009

4 **Contractor License No. 858086, A and B
5 and Asbestos and Hazardous Substance
6 Removal Certifications**

7 **WILLIAM VAN HEFLIN,
8 RMO/CEO/PRESIDENT**

9 **VAN HEFLIN GENERAL CONTRACTOR**

10 2932 Avenida Valera
11 Carlsbad, CA 92009

12 **Contractor License No. 642842, A and B
13 and Asbestos and Hazardous Substance
14 Removal Certifications**

15 **WILLIAM VAN HEFLIN, SOLE OWNER**

16 **Affiliated Licenses.**

17 In the interest of a prompt and speedy settlement of this matter, consistent with the public
18 interest and the responsibility of the Registrar of Contractors, Contractors' State License Board of
19 the Department of Consumer Affairs, the parties hereby agree to the following Stipulated
20 Settlement and Disciplinary Order which will be submitted to the Registrar for approval and
21 adoption as the final disposition of Accusation No. N2014-183 for Heflin Construction Corp. and
22 Van Heflin General Contractor only. This stipulation does not pertain to the final disposition of
23 Accusation No. N2014-183 for Jensen Drywall & Stucco and JDS Builders Inc.

24 **PARTIES**

25 1. Wood Robinson ("Complainant") is the Enforcement Supervisor I of the Contractors'
26 State License Board. He brought this action solely in his official capacity and is represented in
27 this matter by Kamala D. Harris, Attorney General of the State of California, by Adrian R.
28 Contreras, Deputy Attorney General.

29 2. On or about April 28, 2005, the Registrar of Contractors issued Contractor License
30 No. 858086, A and B and Asbestos and Hazardous Substance Removal Certifications, to Heflin
31 Construction Corp., William Van Heflin, RMO/CEO/President (Heflin Construction Corp). The

1 Contractor License was in full force and effect at all times relevant to the charges brought herein
2 and will expire on April 30, 2015, unless renewed.

3 3. On or about April 22, 1992, the Registrar of Contractors issued Contractor License
4 No. 642842, A and B and Asbestos and Hazardous Substance Removal Certifications, to Van
5 Heflin General Contractor; William Van Heflin, Sole Owner (Van Heflin General Contractor).
6 The Contractor License was placed on inactive status on October 1, 2012. The Contractor
7 License was otherwise in full force and effect at all times relevant to the charges brought herein
8 and will expire on September 30, 2016, unless renewed.

9 4. Heflin Construction Corp. and Van Heflin General Contractor (collectively
10 Respondent) are represented in this proceeding by attorney Jeffrey L. Windmiller, whose address
11 is: 964 Fifth Avenue, Suite 511, San Diego, CA 92101.

12 JURISDICTION

13 5. Accusation No. N2014-183 was filed before the Registrar of Contractors (Registrar)
14 for the Contractors' State License Board, Department of Consumer Affairs, and is currently
15 pending against Respondent. The Accusation and all other statutorily required documents were
16 properly served on Respondent on September 25, 2014. Respondent timely filed a Notice of
17 Defense contesting the Accusation.

18 6. A copy of Accusation No. N2014-183 is attached as exhibit A and incorporated
19 herein by reference.

20 ADVISEMENT AND WAIVERS

21 7. Respondent has carefully read, fully discussed with counsel, and understands the
22 charges and allegations in Accusation No. N2014-183. Respondent has also carefully read, fully
23 discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary
24 Order.

25 8. Respondent is fully aware of Respondent's legal rights in this matter, including the
26 right to a hearing on the charges and allegations in the Accusation; the right to confront and cross-
27 examine the witnesses against Respondent; the right to present evidence and to testify on
28 Respondent's own behalf; the right to the issuance of subpoenas to compel the attendance of

1 witnesses and the production of documents; the right to reconsideration and court review of an
2 adverse decision; and all other rights accorded by the California Administrative Procedure Act
3 and other applicable laws.

4 9. Respondent voluntarily, knowingly, and intelligently waives and gives up each and
5 every right set forth above.

6 CULPABILITY

7 10. Respondent admits the truth of each and every charge and allegation in Accusation
8 No. N2014-183.

9 11. Respondent agrees that Respondent's Contractor's Licenses are subject to discipline
10 and agrees to be bound by the Registrar's probationary terms as set forth in the Disciplinary Order
11 below.

12 RESERVATION

13 12. The admissions made by Respondent herein are only for the purposes of this
14 proceeding, or any other proceedings in which the Registrar of Contractors, Contractors State
15 License Board, or other professional licencing agency is involved, and shall not be admissible in
16 any other criminal or civil proceeding.

17 CONTINGENCY

18 13. This stipulation shall be subject to approval by the Registrar of Contractors or his
19 designee. Respondent understands and agrees that counsel for Complainant and the staff of the
20 Contractors' State License Board may communicate directly with the Registrar regarding this
21 stipulation and settlement, without notice to or participation by Respondent or Respondent's
22 counsel. By signing the stipulation, Respondent understands and agrees that Respondent may not
23 withdraw Respondent's agreement or seek to rescind the stipulation prior to the time the Registrar
24 considers and acts upon it. If the Registrar fails to adopt this stipulation as its Decision and
25 Order, the Stipulated Settlement and Disciplinary Order shall be of no force or effect, except for
26 this paragraph, it shall be inadmissible in any legal action between the parties, and the Registrar
27 shall not be disqualified from further action by having considered this matter.

1 probation in any respect, the Registrar, after giving notice and opportunity to be heard, may
2 revoke probation and impose the disciplinary order that is stayed. If an accusation or petition to
3 revoke probation is filed against Respondent during the probationary period, then the Registrar
4 shall have continuing jurisdiction of this matter until the subsequent matter is final, and the period
5 of probation and all the conditions of probation in this matter shall be extended until the
6 subsequent matter is final. If there is an order to make restitution or pay cost recovery and
7 Respondent fails to comply with the restitution or cost recovery order and make a payment, the
8 Registrar may immediately lift the stay and reimpose the disciplinary order without giving
9 Respondent an opportunity to be heard.

10 **5. Disciplinary Bond.** Not later than the effective date of the decision, Respondent
11 shall file or have on file a disciplinary contractor's bond in a sum to be fixed by the registrar
12 based upon the seriousness of the violation, but which sum shall not be less than fifteen thousand
13 dollars (\$15,000) nor more than 10 times that amount required by Business and Professions Code
14 section 7071.6. The disciplinary bond is in addition to, may not be combined with, and does not
15 replace any other type of contractor's bond. The disciplinary bond shall remain on file with the
16 registrar for a period of at least two years and for such additional time as the registrar may
17 determine, as required by Business and Professions Code section 7071.8. The parties agree to
18 recommend to the Registrar that Respondent shall file or have on file a disciplinary bond in the
19 amount of \$15,000.00.

20 **6. Cost Recovery.** Respondent shall pay to the Registrar pursuant to Business and
21 Professions Code section 125.3 the costs of investigation and enforcement in this matter in the
22 amount of \$2,959.35 within six months before the end of the probationary period. Payments may
23 be made in equal monthly installments beginning thirty (30) days from the effective date of the
24 Decision and Order.

25 **7. Respond in Writing to Board.** Respondent shall respond in writing within 20
26 calendar days of any written inquiry or demand from the Registrar or authorized designee
27 (Probation Monitor) during the probation period. Failure to respond within the allotted timeframe
28 shall be considered a violation of the terms of probation.

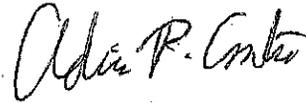
ENDORSEMENT

The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Registrar of Contractors, Contractors' State License Board.

Dated: 12/19/14

Respectfully submitted,

KAMALA D. HARRIS
Attorney General of California
GREGORY J. SALUTE
Supervising Deputy Attorney General



ADRIAN R. CONTRERAS
Deputy Attorney General
Attorneys for Complainant

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Exhibit A

Accusation No. N2014-183

1 KAMALA D. HARRIS
Attorney General of California
2 JAMES M. LEDAKIS
Supervising Deputy Attorney General
3 ADRIAN R. CONTRERAS
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E-mail: Adrian.Contreras@doj.ca.gov
8 *Attorneys for Complainant*

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14 **JDS BUILDERS INC.**
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ACCUSATION

17 **JEFFREY EARL JENSEN,**
18 **CEO/PRESIDENT; WILLIAM VAN**
19 **HEFLIN, RMO (DISASSOCIATED 4/1/14);**
20 **SERGIO GUTIERREZ, OFFICER; JOSE**
21 **JOSE ELIZONDO, OFFICER**

22 **Contractor License No. 947907, A and B**

Respondent.

23 **JENSEN DRYWALL & STUCCO**
24 **3714 Lynda Place**
25 **National City, CA 91950-8121**

26 **JEFFREY EARL JENSEN, SOLE OWNER**

27 **Contractor License No. 664168, C-9 and C-**
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6 **and Asbestos and Hazardous Substance**
7 **Removal Certifications**
8
9 **WILLIAM VAN HEFLIN,**
10 **RMO/CEO/PRESIDENT**
11
12 **VAN HEFLIN GENERAL CONTRACTOR**
13 **2932 Avenida Valera**
14 **Carlsbad, CA 92009**
15
16 **Contractor License No. 642842, A and B**
17 **and Asbestos and Hazardous Substance**
18 **Removal Certifications**
19
20 **WILLIAM VAN HEFLIN, SOLE OWNER**
21
22 **Affiliated Licenses.**

23 Complainant alleges:

24 **PARTIES**

25 1. Wood Robinson (Complainant) brings this Accusation solely in his official capacity
26 as the Enforcement Supervisor I of the Contractors' State License Board, Department of
27 Consumer Affairs.

28 2. On or about May 27, 2010, the Registrar of Contractors issued Contractor License
Number 947907, A and B to JDS Builders Inc.; Jeffrey Earl Jensen, CEO/President; William Van
Heflin, RMO (disassociated 4/1/14); Sergio Gutierrez, Officer; Jose Jose Elizondo, Officer
(collectively Respondent). The Contractor License was in full force and effect at all times
relevant to the charges brought herein and will expire on May 31, 2016, unless renewed. On
April 1, 2014, William Van Heflin disassociated as the RMO for both the A and B classifications.
As of June 30, 2014, the license was suspended for lack of a qualifier.

3. On or about February 3, 1993, the Registrar of Contractors issued Contractor License
Number 664168, C-9 and C-35 to Jensen Drywall & Stucco; Jeffrey Earl Jensen, Sole Owner

1 (Affiliated Licensee Jensen Drywall & Stucco). The Contractor License expired on February 28,
2 2011, and has not been renewed.

3 4. On or about April 28, 2005, the Registrar of Contractors issued Contractor License
4 No. 858086, A and B and Asbestos and Hazardous Substance Removal Certifications, to Heflin
5 Construction Corp., William Van Heflin, RMO/CEO/President (Affiliated Licensee Heflin
6 Construction Corp). The Contractor License was in full force and effect at all times relevant to
7 the charges brought herein and will expire on April 30, 2015, unless renewed.

8 5. On or about April 22, 1992, the Registrar of Contractors issued Contractor License
9 No. 642842, A and B and Asbestos and Hazardous Substance Removal Certifications, to Van
10 Heflin General Contractor; William Van Heflin, Sole Owner (Affiliated Licensee Van Heflin
11 General Contractor). The Contractor License was placed on inactive status on October 1, 2012.
12 The Contractor License was otherwise in full force and effect at all times relevant to the charges
13 brought herein and will expire on September 30, 2016, unless renewed.

14 JURISDICTION

15 6. This Accusation is brought before the Registrar of Contractors (Registrar) for the
16 Contractors' State License Board, Department of Consumer Affairs, under the authority of the
17 following laws. All section references are to the Business and Professions Code unless otherwise
18 indicated.

19 7. Section 118(b) of the Code provides, in pertinent part, that the expiration of a license
20 shall not deprive the Registrar of jurisdiction to proceed with a disciplinary action during the
21 period within which the license may be renewed, restored, reissued or reinstated. Under Code
22 section 7076.1, the Registrar may reinstate a cancelled license if the licensee pays all of the fees
23 and meets all of the qualifications and requirements for obtaining an original license.

24 8. Section 7076.5 of the Code provides, in pertinent part, that the inactive status of a
25 license shall not bar any disciplinary action for violating provisions of the Contractors' State
26 License Law (Bus. & Prof. Code, § 7000, et seq.).

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1 9. Section 7090 of the Business and Professions Code states:

2 "The registrar may upon his or her own motion and shall upon the verified complaint in
3 writing of any person, investigate the actions of any applicant, contractor, or home improvement
4 salesperson within the state and may deny the licensure or the renewal of licensure of, or cite,
5 temporarily suspend, or permanently revoke any license or registration if the applicant, licensee,
6 or registrant, is guilty of or commits any one or more of the acts or omissions constituting causes
7 for disciplinary action.

8 "...

9 "For the purposes of this section, with respect to administrative proceedings or hearings to
10 suspend or revoke a contractor's license, the registrar at all times shall have the burden of proof to
11 establish by clear and convincing evidence that he or she is entitled to the relief sought in the
12 petition."

13 10. Section 7091 of the Code states:

14 "(a) (1) A complaint against a licensee alleging commission of any patent acts or omissions
15 that may be grounds for legal action shall be filed in writing with the registrar within four years
16 after the act or omission alleged as the ground for the disciplinary action.

17 "(2) A disciplinary action against a licensee relevant to this subdivision shall be filed or a
18 referral to the arbitration program outlined in Section 7085 shall be referred within four years
19 after the patent act or omission alleged as the ground for disciplinary action or arbitration or
20 within 18 months from the date of the filing of the complaint with the registrar, whichever is later.

21 "(b) (1) A complaint against a licensee alleging commission of any latent acts or omissions
22 that may be grounds for legal action pursuant to subdivision (a) of Section 7109 regarding
23 structural defects, as defined by regulation, shall be filed in writing with the registrar within 10
24 years after the act or omission alleged as the ground for the disciplinary action.

25 "(2) A disciplinary action against a licensee relevant to this subdivision shall be filed within
26 10 years after the latent act or omission alleged as the ground for disciplinary action or within 18
27 months from the date of the filing of the complaint with the registrar, whichever is later. As used
28

1 in this subdivision "latent act or omission" means an act or omission that is not apparent by
2 reasonable inspection.

3 "...

4 "(f) The proceedings under this article shall be conducted in accordance with the provisions
5 of Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the
6 Government Code, and the registrar shall have all the powers granted therein.

7 "..."

8 11. Section 7095 of the Code provides, in pertinent part, that the Registrar in making his
9 order may:

10 (a) Provide for the immediate complete suspension by the licensee of all operations as a
11 contractor during the period fixed by the decision.

12 (b) Permit the licensee to complete any or all contracts shown by competent evidence taken
13 at the hearing to be then uncompleted.

14 (c) Impose upon the licensee compliance with such specific conditions as may be just in
15 connection with its operations as a contractor disclosed at the hearing, and may further provide
16 that until such conditions are complied with, no application for restoration of the suspended or
17 revoked licensee shall be accepted by the Registrar.

18 12. Code section 7096 states:

19 For the purposes of this chapter, the term "licensee" shall include an
20 individual, partnership, corporation, limited liability company, joint venture, or
21 any combination or organization licensed under this chapter, and shall also
22 include any named responsible managing officer, responsible managing manager,
23 responsible managing member, or personnel of that licentiate whose appearance
24 has qualified the licentiate under the provisions of Section 7068.

25 13. Code section 7097 states:

26 Notwithstanding the provisions of Sections 7121 and 7122, when any
27 license has been suspended by a decision of the registrar pursuant to an accusation
28 or pursuant to subdivision (b) of Section 7071.17, Section 7085.6 or 7090.1, any
additional license issued under this chapter [the Contractors' State License Law]
in the name of the licensee or for which the licensee furnished qualifying
experience and appearance under the provisions of Section 7068, may be
suspended by the registrar without further notice.

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14. Code section 7098 states:

Notwithstanding the provisions of Sections 7121 and 7122, when any license has been revoked under the provisions of this chapter [the Contractors' State License Law], any additional license issued under this chapter in the name of the licensee or for which the licensee furnished qualifying experience and appearance under the provisions of Section 7068, may be revoked by the registrar without further notice.

15. Section 7106.5 of the Code provides, in pertinent part, that the expiration, cancellation, forfeiture, or suspension of a license by operation of law or by order or decision of the registrar, or a court of law, or the voluntary surrender of the license shall not deprive the registrar of jurisdiction to proceed with any investigation of or action or disciplinary proceeding against the license, or to render a decision suspending or revoking the license.

16. Code section 7121 states:

Any person who has been denied a license for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or who has had his or her license revoked, or whose license is under suspension, or who has failed to renew his or her license while it was under suspension, or who has been a member, officer, director, or associate of any partnership, corporation, firm, or association whose application for a license has been denied for a reason other than failure to document sufficient satisfactory experience for a supplemental classification for an existing license, or whose license has been revoked, or whose license is under suspension, or who has failed to renew a license while it was under suspension, and while acting as a member, officer, director, or associate had knowledge of or participated in any of the prohibited acts for which the license was denied, suspended, or revoked, shall be prohibited from serving as an officer, director, associate, partner, or qualifying individual of a licensee, and the employment, election, or association of this type of person by a licensee in any capacity other than as a nonsupervising bona fide employee shall constitute grounds for disciplinary action.

17. Code section 7121.5 states:

Any person who was the qualifying individual on a revoked license, or of a license under suspension, or of a license that was not renewed while it was under suspension, shall be prohibited from serving as an officer, director, associate, partner, or qualifying individual of a licensee, whether or not the individual had knowledge of or participated in the prohibited acts or omissions for which the license was revoked, or suspended, and the employment, election, or association of such person by a licensee shall constitute grounds for disciplinary action.

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18. Code section 7122 states:

The performance by an individual, partnership, corporation, limited liability company, firm, or association of an act or omission constituting a cause for disciplinary action, likewise constitutes a cause for disciplinary action against a licensee other than the individual qualifying on behalf of the individual or entity, if the licensee was a partner, officer, director, manager, or associate of that individual, partnership, corporation, limited liability company, firm, or association at the time the act or omission occurred, and had knowledge of or participated in the prohibited act or omission.

19. Code section 7122.5 states:

The performance by an individual, partnership, corporation, limited liability company, firm, or association of an act or omission constituting a cause for disciplinary action, likewise constitutes a cause for disciplinary action against a licensee who at the time that the act or omission occurred was the qualifying individual of that individual, partnership, corporation, limited liability company, firm, or association, whether or not he or she had knowledge of or participated in the prohibited act or omission.

STATUTORY PROVISIONS

20. Section 498 of the Code states:

“A board may revoke, suspend, or otherwise restrict a license on the ground that the licensee secured the license by fraud, deceit, or knowing misrepresentation of a material fact or by knowingly omitting to state a material fact.”

21. Section 7112 of the Code states:

“Omission or misrepresentation of a material fact by an applicant or a licensee in obtaining, or renewing a license, or in adding a classification to an existing license constitutes a cause for disciplinary action.”

REGULATORY PROVISIONS

22. California Code of Regulations, Title 16, section 871 states:

“In reaching a decision on a disciplinary action under the Administrative Procedure Act (Government Code Section 11400 et seq.), the board shall consider the disciplinary guidelines entitled “Disciplinary Guidelines” (rev. 12/11/96) which are hereby incorporated by reference. Deviation from these guidelines and orders, including the standard terms of probation, is appropriate where the board in its sole discretion determines that the facts of the particular case

1 warrant such a deviation -for example: the presence of mitigating factors; the age of the case;
2 evidentiary problems.”

3 COSTS

4 23. Section 125.3 of the Code provides, in pertinent part, that the Registrar may request
5 the administrative law judge to direct a licentiate found to have committed a violation or
6 violations of the licensing act to pay a sum not to exceed the reasonable costs of the investigation
7 and enforcement of the case.

8 FIRST CAUSE FOR DISCIPLINE

9 (License Secured by Fraud, Deceit, or Knowing Misrepresentation)

10 24. Respondent is subject to disciplinary action under section 498 of the Code in that
11 Respondent secured a license by fraud, deceit, or knowing misrepresentation of a material fact or
12 by knowingly omitting to state a material fact. The circumstances are as follows:

13 25. On March 1, 2010, the Board received a license application from Respondent. On the
14 license application, Respondent was asked the following question, “10. To the best of your
15 knowledge, is anyone listed on this application (or any company the person was a part of, or
16 any immediate family member of the applicant) named in or responsible for any entered
17 and unsatisfied judgments, liens, and/or claims against any bond or cash deposit pertaining
18 to a construction project? [¶] . . . If you checked Yes, you are required to attach a statement
19 identifying all judgments (pending or on record), liens, past due unpaid bills, claims, or suits and
20 a detailed explanation of the situation. Include the names and addresses of the parties involved.
21 If the obligation was or is being discharged in bankruptcy, attach a copy of the bankruptcy filing
22 and a copy of the creditors list.” (Emphasis in original.)

23 26. On or about February 19, 2010, all of Respondent’s personnel checked “No” in
24 response to this question, certified under penalty of perjury to the truthfulness of all statements,
25 answers, and representations in the application, and sent it to the Board. In truth and in fact, as
26 Respondent well knew, Jeffrey Earl Jensen had several unsatisfied judgments and claims arising
27 out of construction projects. They included the following:

- 28 a. Division of Labor Standards Enforcement for \$349,000.00.

- 1 b. Expo Home Services dba LG Steel for \$1,010.00.
- 2 c. Glesson, Morales, Champion for \$100,000.00.
- 3 d. Grabber Construction Products for \$6,944.00.
- 4 e. H&E Equipment Services for \$3,033.17.
- 5 f. Hilti for \$2,429.97.
- 6 g. Home Depot for \$11,825.94.
- 7 h. J & B Materials Inc. for \$48,175.00
- 8 i. K2 Contracting for \$5,319.98.
- 9 j. Labor Commissioner on behalf of workers for \$142,313.00
- 10 k. North County Supply for \$3,438.00 and \$20,013.18
- 11 l. Phillips Conco for \$5,458.73.
- 12 m. R J Kats Welding Equipment for \$1,288.29.
- 13 n. Sepulveda Building Materials for \$28,807.00.
- 14 o. Squires Belt for \$25,565.40.
- 15 p. Steeler Inc. for \$260.00.
- 16 q. Thomson Building Materials for \$36,983.00.
- 17 r. West Coast Scaffold for \$5,540.00.
- 18 s. Employment Development Department for \$7,445.00.

19 27. On the license application, Respondent was also asked the following question, "12.
 20 **To the best of your knowledge, has anyone on this application (or any company the person**
 21 **was a part of, or any immediate family member of the applicant) ever received a citation**
 22 **from the Contractors State License Board or had a contractor's license or other**
 23 **professional or vocational license denied, suspended, or revoked by this state or elsewhere?**
 24 (Check No if the license was suspended due to lack of a bond, workers' compensation, a qualifier,
 25 or family support.) [X] If you checked Yes, you are required to attach a statement detailing the
 26 events leading to this action." (Emphasis in original.)

27 28. On or about February 19, 2010, all of Respondent's personnel checked "No" in
 28 response to this question, certified under penalty of perjury to the truthfulness of all statements.

1 answers, and representations in the application, and sent it to the Board. In truth and in fact, as
2 Respondent well knew, in 2009 Jeffrey Earl Jensen's license with Affiliated Licensee Jensen
3 Drywall & Stucco was suspended under Code section 7071.17 because of an unpaid judgment.

4 29. The application stated that these questions "pertain to all individual listed on this
5 application (qualifying individual and all personnel listed . . .)." The application also stated that if
6 the applicant checked Yes in response to any question, then "the person involved must attach a
7 separate sheet with a detailed explanation for each situation."

8 30. On or about May 27, 2010, the Board justifiably relied on the misrepresentations in
9 the license application and issued Respondent a license.

10 31. In April 2011, Jeffrey Earl Jensen filed for bankruptcy.

11 32. In April 2014, a Board investigator spoke with Jeffrey Earl Jensen about the failure to
12 disclose the prior judgments and prior suspension on Respondent's license application.

13 33. On April 1, 2014, the Board received a request by Respondent's RMO to disassociate
14 as the RMO.

15 34. In July 2014, Respondent submitted an application to replace the qualifying
16 individual. Notwithstanding the Board investigator previously notifying Respondent about
17 Respondent's failure to disclose the prior judgments and prior suspension in response to questions
18 10 and 12 on Respondent's license application, Respondent again failed to disclose the prior
19 judgments and prior suspension in response to questions 10 and 12 on the application to replace
20 the qualifying individual. These questions were virtually identical to the questions in the previous
21 license application. Respondent's personnel checked "No" in response to questions 10 and 12,
22 certified under penalty of perjury to the truthfulness of all statements, answers, and
23 representations in the application to replace the qualifying individual, and sent it to the Board. In
24 fact and in truth, as Respondent well knew, in 2011 Jeffrey Earl Jensen filed for bankruptcy and
25 in 2009 and 2010 Jeffrey Earl Jensen's license with Affiliated Licensee Jensen Drywall & Stucco
26 was suspended under Code section 7071.17 because of an unpaid judgment.

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1 Heflin, regardless of whether he had knowledge of or participated in the acts or omissions alleged
2 above.

3 **PRAYER**

4 WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged,
5 and that following the hearing, the Registrar of Contractors issue a decision:

6 1. Revoking or suspending Contractor License Number 947907, A and B, issued to JDS
7 Builders Inc.; Jeffrey Earl Jensen, CEO/President; William Van Heflin, RMO; Sergio Gutierrez,
8 Officer; Jose Jose Elizondo, Officer;

9 2. Prohibiting Jeffrey Earl Jensen, William Van Heflin, Sergio Gutierrez, and Jose Jose
10 Elizondo from serving as an officer, director, associate, partner, or qualifying individual of any
11 licensee during the period that discipline is imposed on Contractor License Number 947907, A
12 and B, issued to JDS Builders Inc.; Jeffrey Earl Jensen, CEO/President; William Van Heflin,
13 RMO; Sergio Gutierrez, Officer; Jose Jose Elizondo, Officer;

14 3. Revoking or suspending Contractor License No. 858086, A and B and Asbestos and
15 Hazardous Substance Removal Certifications, issued to Heflin Construction Corp., William Van
16 Heflin, RMO/CEO/President;

17 4. Revoking or suspending Contractor License No. 642842, A and B and Asbestos and
18 Hazardous Substance Removal Certifications, issued to Van Heflin General Contractor; William
19 Van Heflin, Sole Owner;

20 5. Revoking or suspending any other license for which William Van Heflin is furnishing
21 the qualifying experience or appearance;

22 6. Revoking or suspending Contractor License Number 664168, C-9 and C-35 issued to
23 Jensen Drywall & Stucco; Jeffrey Earl Jensen, Sole Owner;

24 7. Ordering JDS Builders Inc.; Jeffrey Earl Jensen, CEO/President; William Van Heflin,
25 RMO; Sergio Gutierrez, Officer; Jose Jose Elizondo, Officer, to pay the Registrar of Contractors
26 his costs in the investigation and enforcement of the case according to proof at the hearing,
27 pursuant to Business and Professions Code section 125.3;

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8. Ordering JDS Builders Inc.; Jeffrey Earl Jensen, CEO/President; William Van Heflin, RMO; Sergio Gutierrez, Officer; Jose Jose Elizondo, Officer; to provide the Registrar with a listing of all contracting projects in progress and the anticipated completion date of each; and

9. Taking such other and further action as deemed necessary and proper.

DATED: September 24, 2014 Heather Anderson

for WOOD ROBINSON
Enforcement Supervisor I
Contractors' State License Board
Department of Consumer Affairs
State of California
Complainant

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SEP 24 2014
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