

February 3, 2015

A Seamless Solution Inc.
514 12th Ave NE
Lonsdale, MN 55046

Re: Our File Number: REG. 1410-00027/KBU

Dear Mr. Krukow:

As you know, the Minnesota Department of Labor and Industry, Construction Codes and Licensing Division, has received evidence that your company has engaged in violations of Minn. Stat. § 181.723(2014) and Minn. Stat. §326B.081 to 326B.085 (2012). The Department has concluded its investigation into this matter. This letter is to inform you of the results of that investigation.

Enclosed is an Administrative Order we issued today by which you are ordered to pay a civil penalty of \$7,000. The \$5,000 penalty for failure to respond to the subpoena duces tecum is due and payable 10 days after the date the Administrative Order becomes final. If you fail to register successfully with the Registration Program within the required 31 day period, the forgivable portion of the penalty, \$2,000, will be due and payable 20 days after the date the Administrative Order becomes final.

You have the right to contest the Administrative Order by requesting a hearing within 30 days of the issuance of the Order. In the event a hearing is requested, the hearing would be held before an Administrative Law Judge ("ALJ") who, after hearing the evidence, would make a determination of whether or not violations have occurred.

The ALJ would then issue a recommendation to the Commissioner as to whether the violations were proven and the penalty reasonable. If the ALJ finds that the violation occurred and the penalty is reasonable, the Order will become final and the civil penalty will become due and owing. Once the Order becomes final, the civil penalty will be reduced to a judgment in Ramsey County District Court and any other appropriate district court, and collection procedures will commence. You would have the right to be represented by legal counsel throughout these proceedings, but you are not required to have one.

If you have any questions or concerns regarding this letter, or the enclosed Order, feel free to contact the undersigned investigator directly.

Sincerely,



Karen Bugar
Senior Investigator
Tel: 651-284-5374
Fax: 651-284-5749
E-mail: karen.bugar@state.mn.us
Enclosure: Administrative Order

CC: Adam Krukow
514 12th Ave NE
Lonsdale, MN 55046

STATE OF MINNESOTA
Department of Labor and Industry

In the Matter of A Seamless Solution Inc.
and Adam Krukow, Individually

**ADMINISTRATIVE ORDER
WITH PENALTY**

I. ORDER

The Commissioner of the Minnesota Department of Labor and Industry (“Commissioner”) issues this Order against A Seamless Solution Inc. and Adam Krukow, individually (“Respondents”).

Pursuant to Minn. Stat. §§ 181.723; 326B.082, subd. 7; and 326B.083 (2014), the Commissioner hereby assesses against Respondents, jointly and severally, a monetary penalty of \$7,000, \$2,000 of which shall be forgiven if Respondents demonstrate to the Commissioner by the 31st day after this Administrative Order is issued that Respondents successfully registered with the Minnesota Construction Contractor Registration Program (“Registration Program”).

The Commissioner also hereby orders Respondents to cease and desist from violating the laws cited in the “Conclusions of Law” section of this Administrative Order. Specifically, the Commissioner orders Respondents to cease and desist from performing public or private sector commercial or residential building construction or improvement services for which registration in the Registration Program is required. The cease and desist order remains in effect until compliance with the registration requirements of Minn. Stat. § 326B.701, subd. 2 (b) (2014) is achieved.

The Commissioner takes the above action based upon the following findings of fact and conclusions of law:

II. FINDINGS OF FACT

1. Respondents are engaged in the business of providing building construction or improvement services, but have not registered with the Registration Program.
2. According to the records of the Minnesota Department of Labor and Industry (“Department”), Respondent A Seamless Siding Inc. held a residential building contractor license, No. BC620853, which expired March 31, 2013. Respondent Adam Krukow was the qualifying person for this license.
3. As a part of the Department’s investigation of a general contractor, a Department investigator obtained a list of the general contractor’s subcontractors and this list included Respondent A Seamless Siding Inc. According to the general contractor’s

records, Respondent A Seamless Siding Inc. has a business address of 514 12th Ave NE, Lonsdale, Minnesota 55046.

4. According to the records of the Minnesota Secretary of State, Respondent A Seamless Solution Inc. registered as a business corporation on July 29, 2003 with a registered office address of 512 12th Ave NE, Lonsdale, MN 55046, but this registration expired on February 25, 2013.
5. On October 23, 2014, a Department investigator mailed a subpoena duces tecum via first-class and certified mail to Respondents at the Lonsdale, Minnesota address. The subpoena required the production of documentation relating to Respondents' subcontractors, contractors, and employees. Delivery of the subpoena sent via certified mail was returned by the United States Postal Service ("USPS") as "Unclaimed" on November 18, 2014. The subpoena sent via first-class mail was not returned by the USPS.
6. When the Department received no response to the subpoena, the Department investigator mailed a second request for information to Respondents on November 18, 2014 at the Lonsdale, Minnesota address. This letter was not returned by the USPS.
7. On December 1, 2014, Respondent Adam Krukow called the Department investigator and confirmed Respondents' mailing address. Krukow stated that he is performing gutter work only, but would register and respond to the subpoena. The Department investigator told Respondent he was required to respond in writing to the subpoena.
8. On December 3, 2014, Krukow sent an email message to the Department investigator and asked for a second copy of the subpoena. The Department investigator replied on December 4, 2014 by sending an encrypted email including an attachment of the original subpoena.
9. The Commissioner has not received a reply from Respondents as of the date of this Order.

III. CONCLUSIONS OF LAW

1. Respondents committed violations of applicable law. Minn. Stat. §§ 181.723, 326B.701, and 326B.082, subd. 7 (2014).
2. Respondents provided building construction or improvement services without being registered with the registration Program. Minn. Stat. § 326B.701, subd. 2 (2014).
3. Respondents failed to comply with a subpoena issued by the Commissioner. Minn. Stat. § 326B.082, subd. 11 (b) (6) (2014).

IV. DETERMINATION OF PENALTY AMOUNT

In determining the amount of the penalty, the Commissioner considered: the extent of deviation from compliance; whether the violations were willful; the gravity of the violations; the number of violations; whether there is a history of past violations; whether Respondents gained economic benefit in not complying with the law; and other factors as justice may require.

V. REQUEST FOR HEARING

Pursuant to Minn. Stat. § 326B.082, subd. 8 (2014), Respondents shall have 30 days after issuance of this Administrative Order to request a hearing. A request for hearing must be in writing and must be served on or faxed to the Commissioner at the following address or fax number by the deadline.

Minnesota Department of Labor and Industry
CCLD – Enforcement Services Unit
Attention: Charlie Durenberger
443 Lafayette Road North
St. Paul, MN 55155

Fax number: (651) 284-5746

The date on which a request for hearing is served by mail shall be the postmark date on the envelope in which the request for hearing is mailed. The request for hearing must specifically state the reasons for seeking review of the order. If the request for hearing is served by fax it cannot exceed 15 pages in length and must be received no later than 4:30 p.m. central time on the last day permitted for serving a request. Respondents' review rights are more thoroughly described in Minn. Stat. § 326B.082, subds. 4 and 8 (2014).

If Respondents submit to the Commissioner a timely request for hearing, the Administrative Order shall be stayed unless otherwise ordered by a judge, and a contested case hearing will be conducted. The contested case procedures are set out in chapter 14 of Minnesota Statutes, the Rules of the Office of Administrative Hearings, Minn. Rules 1400.5010 to 1400.8400 (2013), and Minn. Stat. § 326B.082, subd. 8 (2014). These materials may be purchased from the Minnesota Book Store, telephone (651) 297-3000, and are also available at www.revisor.mn.gov.

VI. EFFECT OF FINAL ORDER


If Respondents do not request a hearing or Respondents' request for a hearing is not served on or faxed to the Commissioner by the deadline specified in the "Request for Hearing" section of this Administrative Order, this Administrative Order shall become a final order of the Commissioner and will not be subject to review by any court or agency. *See* Minn. Stat. § 326B.082, subd. 8 (2014).

The penalty imposed upon Respondents by this Administrative Order, other than the forgivable portion, is due and payable ten days after the date the Administrative Order becomes final. If the Commissioner determines that Respondents failed to register successfully with the Registration Program within the 31-day period required, then the forgivable portion of the penalty is due and payable 20 days after the Commissioner serves notice of this determination or on the date this Administrative Order becomes final, whichever is later. *See* Minn. Stat. § 326B.083, subd. 3 (2014).

When this Administrative Order becomes final, the Commissioner may file and enforce any unpaid portion of the penalty as a judgment in district court without further notice or additional proceedings. *See* Minn. Stat. §§ 16D.17 and 326B.083, subd. 2 (2014). Failure to pay a monetary penalty owed may result in the revocation, suspension, or denial of any or all licenses, permits, certificates, and registrations issued by the Commissioner. *See* Minn. Stat. § 326B.082, subd. 17 (2014). Also, pursuant to Minn. Stat. § 16D.13 (2014), Respondents are hereby notified that thirty (30) days after the date this Administrative Order becomes final, simple interest computed in accordance with Minn. Stat. § 16D.13, subd. 2 (2014) will begin to accrue on the unpaid portion of the penalty.

Dated: 2/3/15

KEN B. PETERSON
Commissioner


BY: CHARLIE DURENBERGER
Director of Licensing and Enforcement
Construction Codes and Licensing Division
Department of Labor and Industry