

STATE OF MINNESOTA
Department of Labor and Industry

In the Matter of the Contractor Registration of
Kedrowski Construction LLC

**LICENSING ORDER
WITH PENALTY**

I. ORDER

The Commissioner of the Minnesota Department of Labor and Industry (“Commissioner”) issues this Order against Kedrowski Construction LLC (“Respondent”).

Pursuant to Minn. Stat. §§ 326B.701, subd. 6 ; 326B.082, subd. 12 (b) and 326B.083 (2014), the Commissioner hereby assesses against Respondent a monetary penalty of \$5,000.

Pursuant to Minn. Stat. § 326B.082, subds. 11(b) and 12 (2014) and Minn. Stat. § 326B.083 (2014), the Commissioner hereby suspends the Contractor Registration of Respondent, No. IR685504, until such time that Respondent provides a complete answer to the Commissioner’s September 25, 2014 subpoena and pays the civil penalty imposed herein.

Pursuant to Minn. Stat. § 326B.082, subd. 12 (b) (2014), the Commissioner also hereby orders Respondent and its principals, during the period of contractor registration suspension, to cease and desist from performing public or private sector commercial or residential building construction or improvement services for which registration in the Minnesota Construction Contractor Registration Program is required.

The Commissioner takes the above action based upon the following Findings of Fact and Conclusions of Law:

II. FINDINGS OF FACT

1. Respondent is engaged in the business of performing public or private sector commercial or residential building construction or improvement services for which registration in the Construction Contractor Registration Program (“Registration Program”) is required.
2. Respondent is registered with the Registration Program, registration No. IR685504. When it registered, Respondent listed its business address as: 1698 10th Ave SE, Cambridge, MN 55008. Records of the Minnesota Secretary of State also list this address in Respondent’s filing as a limited liability company.
3. Respondent, as a registered contractor, must adhere to the Minnesota statutes and regulations governing contractor registration, Minn. Stat. §§ 181.723 ; 326B.701; and 326B.081 to 326B.085 (2014) and Minn. R. Chapter 5224 (2013).
4. On August 18, 2014, the Minnesota Department of Labor and Industry (“Department”) opened an investigation of Respondent based on information that indicated that Respondent may be misclassifying its workers.

5. On September 25, 2014, a Department investigator sent Respondent a subpoena duces tecum requiring the production of records and other information relating to Respondent's contractors, subcontractors and employees. The subpoena required a response within 20 days and was mailed via first-class and certified mail.
6. On September 30, 2014, the subpoena sent via certified mail to Respondent's registered office address was returned by the USPS as business "moved left no address" and the USPS was "unable to forward." The subpoena sent via first-class mail to the business address was not returned to the Commissioner by the USPS.
7. On October 17, 2014, the Department investigator sent Respondent a letter requesting an answer to the subpoena duces tecum. The letter sent via first-class mail to the business address was returned by the USPS as business "moved left no address" and the USPS was "unable to forward."
8. Additional investigation revealed alternative addresses for the Respondent. On October 28, 2014, the Department investigator sent Respondent a letter requesting an answer to the subpoena duces tecum. The letter was sent via first-class mail to 1000 Marigold Drive, Cambridge, MN 55008 and 28835 128th St, Zimmerman, MN 55398. The letter sent to the Cambridge, MN address was returned by the USPS. The letter sent to the Zimmerman, MN address was not returned by the USPS.
9. On November 20, 2014, the Department investigator contacted Respondent's principal by phone to confirm Respondent's mailing address. Respondent's principal stated that the 10th Ave. SE address was correct as filed with the Minnesota Secretary of State and the Department's Contractor Registration records. In that conversation, the Department investigator also advised Respondent to respond to the subpoena.
10. Respondent failed to provide an answer to the subpoena duces tecum.

III. CONCLUSIONS OF LAW

1. Respondent committed a violation of applicable law. Minn. Minn. Stat. §§ 181.723, 326B.701, and 326B.082, subd.11 (b) (1) (2014).
2. Respondent failed to respond to the Commissioner's September 24, 2014 subpoena. 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 violation was willful; the gravity of the violation; the number of violations; whether there is a history of past violations; whether Respondent 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. 12(c) (2014), Respondent shall have 30 days after issuance of this Licensing 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. 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. Respondent's review rights are more thoroughly described in Minn. Stat. § 326B.082, subs. 4 and 12(c) (2014).

If Respondent submits to the Commissioner a timely request for hearing, this Licensing 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 the Minnesota Statutes, and the Rules of the Office of Administrative Hearings, Minn. Rules 1400.5010 to 1400.8400 (2013), and Minn. Stat. § 326B.082, subd. 12(c) (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 Respondent does not request a hearing or Respondent's request for a hearing is not served on or faxed to the Commissioner by 30 days after issuance of this Licensing Order, this Licensing 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. 12(c) (2014).

Respondent is prohibited from applying for reinstatement of its contractor registration until such time full compliance with the terms of this Licensing Order has been achieved.

The monetary penalty assessed against the Respondent by this Licensing Order is due and payable on the date the Licensing Order becomes final. *See* Minn. Stat. § 326B.083, subd. 3(a) (2014). When this Licensing 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 (2014) 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), Respondent is hereby notified

that thirty (30) days after the date this Licensing 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: 1/20/15

KEN B. PETERSON
Commissioner



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