

STATE OF MINNESOTA  
Department of Labor and Industry

In the Matter of the Construction Contractor  
Registrations of Sparta Construction, LLC

**LICENSING ORDER  
WITH PENALTY**

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**I. ORDER**

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

Pursuant to Minn. Stat. § 326B.082, subds. 11(b) and 12 (2014) and Minn. Stat. § 326B.083 (2014), the Commissioner hereby revokes the Construction Contractor Registrations of Respondent, registration Nos. IR678270 and IR678393.

Pursuant to Minn. Stat. § 326B.082, subd. 12(b) (2014), the Commissioner also hereby orders the Respondent to cease and desist from committing the violations described in the “Conclusions of Law” section of this Order. Specifically, the Commissioner orders Respondent to cease and desist from 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 in the state of Minnesota.

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

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 Registration Program is required. Respondent’s business address is: 14750 W. Burnsville Parkway, #108, MN 55306.
2. Respondent is registered with the Registration Program, registration Nos. IR678270 and IR678393. Respondent, as a registered contractor, must adhere to the Minnesota statutes and regulations governing contractor registration, Minn. Stat. §§ 181.723; 326B.081 to 326B.085; and 326B.701, and Minn. R. Chapter 5224 (2013).

3. Respondent's principal and chief manager, Jesus Rebollar, is also the principal and chief manager of Fargo Roofing, Inc. ("Fargo Roofing"). Fargo Roofing is registered with the Registration Program, registration Nos. IR651620 and IR659516.
4. On September 19, 2014, the Commissioner issued a Licensing Order suspending Fargo Roofing's registration for failure to respond to a subpoena issued by the Commissioner. Fargo Roofing did not appeal the Order, therefore the Order became final on October 22, 2014.
5. In June 2014, the Minnesota Department of Labor and Industry opened an investigation of Respondent based on information that indicated that Respondent may have misclassified its workers.
6. On July 24, 2014, a Department investigator sent Respondent a subpoena duces tecum requiring the production of records and other information regarding Respondent's contractors, subcontractors, and employees.
4. On July 31, 2014, Respondent submitted an answer to the subpoena duces tecum stating "New Company we start this year." Respondent provided no documents or other information regarding any contractors for which it provided construction services in 2014, or subcontractors or employees it had hired in 2014.
5. After further investigation, a Department investigator obtained evidence that Respondent had worked in 2014 and received \$154,665.47 in compensation from at least three other contractors between April 28, 2014 and July 27, 2014. Respondent provided the Department with false or misleading information when it stated that it was a new company and failed to provide any information regarding its hiring contractors, subcontractors, or employees.

### **III. CONCLUSIONS OF LAW**

1. Respondent committed violations of applicable law. Minn. Stat. § 326B.082, subd. 11(b)(1) (2014).
2. Respondent submitted false or misleading information to the Department in connection with its response to a subpoena. Minn. Stat. §§ 326B.082, subd. 11(b)(2) (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 standard time on the last day permitted for serving a request. Respondent's review rights are more thoroughly described in Minnesota Statutes, section 326B.082, subdivisions 4 and 12(c) (2014).

If Respondent submits to the Commissioner timely requests 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](http://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 registering with the Registration Program for at least two years after the date this Licensing Order becomes final.

The monetary penalty assessed against 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: 1/28/15

KEN B. PETERSON  
Commissioner

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