

STATE OF MINNESOTA
Department of Labor and Industry

In the Matter of Corona Drywall LLC
and Luis Calix, Individually

**LICENSING ORDER
WITH PENALTY**

I. ORDER

The Commissioner of the Minnesota Department of Labor and Industry (“Commissioner”) issues this Order against Corona Drywall LLC and Luis Calix (“Respondents”).

Pursuant to Minn. Stat. §§ 326B.701, subd. 6; 326B.082, subd. 12 (b); and 326B.083 (2016), the Commissioner hereby assesses against Respondent Corona Drywall LLC and Luis Calix, jointly and severally, a monetary penalty of \$5,000.

Pursuant to Minn. Stat. § 326B.082, subds. 11(b) and 12 (2016) and Minn. Stat. § 326B.083 (2016), the Commissioner hereby suspends the Contractor Registration of Respondent Corona Drywall LLC, No. IR715921, until such time that Respondent provides a complete answer to the Commissioner’s March 23, 2018 subpoena and pays the monetary penalty imposed above.

Pursuant to Minn. Stat. § 326B.082, subd. 12 (b) (2016), the Commissioner also hereby orders Respondent and its principal, Luis Calix, 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 Department of Labor and Industry’s (“Department”) Construction Contractor Registration Program (“Registration Program”) is required.

Pursuant to Minn. Stat. § 326B.082, subd. 11(a)(b)(5) (2016), the Commissioner also hereby orders Respondents to cease and desist from registering in the Registration Program under the business name Corona Drywall LLC, or any other business or personal name.

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

II. FINDINGS OF FACT

1. Since September 15, 2012, Minnesota law has required all contractors who provide or offer to provide commercial or residential building construction or improvement services in Minnesota to be registered in the Department’s Construction Contractor Registration Program (“Registration Program”) if they are not required by the Department to hold a license.

2. On October 26, 2016, Respondent Corona Drywall LLC registered as a domestic limited liability company with the Minnesota Secretary of State ("MN SOS") under file No. 911925000026 with Luis Calix named as the Manager. This registration is active and in good standing as of the date of this Licensing Order.
3. On October 29, 2016, Respondent registered with the Department in the Registration Program and was issued registration No. IR715921. Respondent named Luis Calix as its sole owner.
4. On March 6, 2018, the Department opened an investigation of Respondent based on information indicating that Respondent may have engaged in violations of the Minnesota statutes governing the classification of workers in the construction industry.
5. On March 23, 2018, the Commissioner issued a Subpoena Duces Tecum to Respondent requesting information about its business structure, employees and subcontractors.
6. A Department investigator sent the subpoena via first-class and certified mail to the address included in Respondent's Department registration: 14750 W. Burnsville Parkway, Lot 5, Burnsville Minnesota ("Lot 5 Address"). The investigator also sent the subpoena via first-class and certified mail to its Registered Office Address: 14750 W. Burnsville Parkway, #52, Burnsville, Minnesota ("#52 Address").
7. The certified mailing to the Lot 5 Address was returned to the Department by the US Postal Service ("USPS") marked "UNCLAIMED" on April 18, 2018. The first-class mailing to the Lot 5 Address was returned to the Department by the USPS on May 6, 2018 marked "RETURN TO SENDER - NOT DELIVERABLE AS ADDRESSED - UNABLE TO FORWARD."
8. The certified mailing to the #52 Address was returned to the Department by the USPS marked "UNCLAIMED" on April 18, 2018. The first-class mailing to the #52 Address was not returned to the Department.
9. When Respondents failed to respond to the subpoena, the Department investigator mailed a follow up letter to the Respondents on May 8, 2018, stating that their subpoena response was past due. This was sent first-class and certified mail to the #52 Address.
10. The follow up certified mailing to the #52 Address was returned to the Department by the USPS marked "UNCLAIMED" on May 27, 2018. The first-class mailing to the #52 Address was not returned to the Department.
11. On May 8, 2018, Brush Masters Inc., a contractor for whom Respondents performed building construction and improvement services for payment, sent the Department investigator copies of Respondents' invoices and corresponding checks from 2016 through March 28, 2018. All of these invoices and checks include the #52 Address as the current address for Respondent.
12. As of the date of this Licensing Order, Respondents have not responded to the subpoena or the May 8, 2018 follow up letter.

III. CONCLUSIONS OF LAW

1. Respondents committed a violation of applicable law. Minn. Stat. §§ 181.723, 326B.701, and 326B.082, subd. 11(b)(1) (2016).
2. Respondents failed to comply with a subpoena issued by the Commissioner. Minn. Stat. § 326B.082, subd. 11(b)(6) (2016).

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 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. 12(c) (2016), Respondents 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) (2016).

If Respondents submit 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 (2015), and Minn. Stat. § 326B.082, subd. 12(c) (2016). 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 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) (2016).

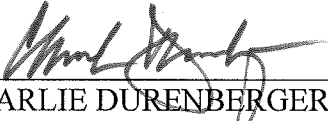
Respondents are prohibited from applying for reinstatement of their contractor registration or submitting a new registration application until such time full compliance with the terms of this Licensing Order has been achieved.

The monetary penalty assessed against the Respondent Corona Drywall LLC by this Licensing Order is due and payable on the date the Licensing Order becomes final. *See* Minn. Stat. § 326B.083, subd. 3(a) (2016). 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 (2016) and 326B.083, subd. 2 (2016). 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 (2016).

Also, pursuant to Minn. Stat. § 16D.13 (2016), Respondent Corona Drywall LLC 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 (2016) will begin to accrue on the unpaid portion of the penalty.

Dated: 6/12/18

KEN B. PETERSON
Commissioner

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