

STATE OF MICHIGAN
DEPARTMENT OF ENERGY, LABOR & ECONOMIC GROWTH¹
BOARD OF RESIDENTIAL BUILDERS AND
MAINTENANCE & ALTERATION CONTRACTORS

DEPARTMENT OF ENERGY, LABOR &
ECONOMIC GROWTH,
BUREAU OF COMMERCIAL SERVICES *ex rel*
PATRICK AND DIAN WILSON

Docket No. 2009-665
Complaint No. 307818

Complainant,

v

REINER WEDEL CUSTOM HOMES, INC.
REINER EDMUND WEDEL, QUALIFYING OFFICER
License No. 21-02-158220

Respondent.

FINAL ORDER

WHEREAS, this matter having come before the Michigan State Board of Residential Builders and Maintenance & Alteration Contractors, hereafter the "Board", on July 14, 2009;

WHEREAS, the Board having received a Hearing Report under MCL 339.514 for this case and the Board having considered the Findings of Fact and Conclusions of Law in the Hearing Report of Erick Williams, Administrative Law Judge, dated May 22, 2009;

WHEREAS, the hearing report is hereby incorporated by reference;

WHEREAS, the Respondent having been found in violation of the Michigan Occupational Code, PA 299 of 1980, hereafter the "Code," or rules promulgated there under, now, therefore,

IT IS ORDERED, that the following penalties authorized by Section 602 of the Code are imposed:

1. Respondent shall pay a FINE in the amount of \$2,000.00. The fine is payable to the State of Michigan within 60 days from the mailing of this Final Order. Complaint No. 307818 must be clearly indicated on the check or money order, and the payment sent to the Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Final Order Monitoring, P.O. Box 30018, Lansing, MI 48909.

¹ Effective December 28, 2008, by Executive Order 2008-20, the Department of Labor & Economic Growth (DLEG) was reorganized and renamed as the Department of Energy, Labor & Economic Growth (DELEG).

2. Respondent's failure to comply with each and every condition of this Final Order within 60 days shall result in SUSPENSION of any and all Article 24 licenses held by Respondent or Respondent's Qualifying Officer. No application for licensure, relicensure, reinstatement or renewal shall be considered or granted by the Department until all Final Orders of the Board have been fully complied with. Respondent's Qualifying Officer may not serve as the Qualifying Officer of any licensed corporate entity while any other Article 24 license held by Respondent or Respondent's Qualifying Officer is in suspended or revoked status.

3. Respondent shall submit in writing to the Michigan Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Final Order Monitoring, P.O. Box 30018, Lansing, Michigan 48909, proof of compliance with each and every requirement of this Final Order, in a form acceptable to the Department.

This Final Order shall not be construed as limiting the Department of Energy, Labor & Economic Growth, any other agency of the State of Michigan, or any individual as to the use of a lawful method of collection of the payment imposed by this Final Order.

Failure to comply with the provisions of this Final Order is considered a violation of the Code pursuant to Section 604(k) and may result in further disciplinary action.

This Final Order is effective immediately upon its mailing.

Given under my hand at Okemos, Michigan, this 28th day of September 2009.

BY: 
Mark T. Glynn, Chairperson

Date mailed: Sept. 28, 2009

Proof of Compliance should be filed with:

Department of Energy, Labor & Economic Growth, Bureau of Commercial Services
Final Order Monitoring
P.O. Box 30018
Lansing, MI 48909

**STATE OF MICHIGAN
STATE OFFICE OF ADMINISTRATIVE HEARINGS AND RULES**

In the matter of	Docket No.	2009-665
Bureau of Commercial Services, Petitioner	Agency No.	307818
v		
Reiner Wedel Custom Homes, Inc. Reiner Edmund Wedel, Qualifying Officer, Respondent	Agency:	Bureau of Commercial Services
	Case Type:	Sanction

Issued and entered
this 22nd day of May, 2009
by Erick Williams
Administrative Law Judge

HEARING REPORT

BACKGROUND

The Bureau of Commercial Services issued a complaint against Reiner Wedel Custom Homes Inc on January 26, 2009, under MCL 339.604. A hearing convened under MCL 24.271 et seq. on May 21, 2009. William Wilhelm Jr. represented the Bureau of Commercial Services. Reiner Wedel participated. This opinion finds the complaint substantiated in part.

ISSUES AND APPLICABLE LAW

MCL 339.604 (c) reads:

A person who violates 1 or more of the provisions of an article which regulates an occupation or who commits 1 or more of the following shall be subject to the penalties prescribed in section 602:

(c) Violates a rule of conduct of an occupation.

2006 AACR R 338.1533 (1) reads:

Rule 33. (1) All agreements and changes to the agreements between a builder, or contractor, and the customer shall be in writing and signed by the parties. Copies of all agreements and changes to agreements shall be in writing, and provided to the customer.

2006 AACR R 338.1551 (5) reads:

(5) Standards of construction shall be in accordance with the local building code, or in the absence of a code in accordance with the building code of the nearest political subdivision having a building code.

FINDINGS OF FACT

In 2007, Reiner Wedel Custom Homes Inc contracted to build a home for Patrick and Dian Wilson in Owosso Township.

Exhibit 2, a copy of the contract, is in evidence. It contains the signatures of Mr. and Mrs. Wilson, but no signature by Mr. Wedel or anyone representing Reiner Wedel Custom Homes Inc. Mr. Wedel testified that he possessed a copy of the contract with his signature; but the copy was at home. Wedel testified that he gave a copy of the completely signed contract to the Wilson's, but Diane Wilson denied receiving a copy signed by Wedel.

Dissatisfied with the progress of construction, the Wilson's terminated the Wedel contract in early June 2007, barred Mr. Wedel from the property, and hired other builders to finish the project.

The Wilson's called for an inspection by the Owosso Township building inspector. Bob Delaney of Owosso Township inspected the Wilson house on June 20, 2007 and issued a report. John Archer of the City of Owosso assisted Mr. Delaney during

that inspection.

The inspection report cited several building code violations.

Item #1

Delaney testified that the front porch foundation was cracked; evidently one of the footings had settled. The inspector speculated that one of two things had occurred. Either the dirt was frozen when the footing was poured and compacted when it thawed or else the footing was initially dug too deep, some spoil dirt had been put into the excavation to bring it to a proper depth, the dirt was not compacted and it compacted over time. Delaney testified that he did not have a chance to inspect the excavation before the footings were poured. Delaney cited a violation of 2003 MBC R 403 and 2003 MBC R 401.2.

Wedel testified that he would have corrected the problem if the Wilson's had not terminated the contract before he had a chance to finish the job.

Delaney testified that the problem could be corrected, but it would take a lot of work and expense. It should have been done right the first time.

I agree with Delaney. The footing should have been constructed properly the first time. Wedel may have prevented the inspector from giving him a chance to correct the problem at an early stage because he poured the footing before it was inspected.

Item #2

Delaney testified that the walls of the first floor do not sit directly atop the foundation wall all the way around the building. In the middle of the north face of the building, the walls of the first floor are about two inches proud of the foundation walls. In those areas the walls of the first floor are not supported. Delaney cited violations of 2003

MBC R 301.1 and 2003 MBC R 502.1.4.

Wedel testified that, after he poured the basement foundation, he discovered that the foundation was not square. The north wall of the foundation was shorter than the south foundation wall. To compensate for that, Wedel cut the joists supporting the first floor (which run east and west) so that they equaled the length of the south wall. This produced an overhang in one corner of the north side of the house. Wedel testified that he did not consult an engineer or building inspector before making that adjustment.

Wedel testified that he would have corrected the problem if the Wilson's had not terminated the contract before he had a chance to finish the job.

Delaney testified that the problem could be corrected, but it would take a lot of work and expense. It should have been done right the first time.

I agree with Delaney. Wedel should not have built a wall that lacked structural support. He probably should have consulted an inspector or engineer before attempting to compensate for the out-of-square foundation.

Item #3

Delaney testified that the untreated wood door jams on the inside of the garage door extend down to the ground where they would have come in contact with the concrete driveway. They also touched the concrete foundation wall of the garage. The building code requires that wood in touch with concrete near the ground be treated. Delaney cited violations of 2003 MBC R 319 and 2003 MBC R319.1

Wedel testified that he would have corrected the problem if the Wilson's had not terminated the contract before he had a chance to finish the job.

Delaney testified that the problem could be corrected, but it would take a lot of work and expense. It should have been done right the first time.

I agree with Wedel; the door jam could have been replaced in whole or in part had Wedel have had a chance to correct it. He was pulled from the job before having a chance to correct that minor problem.

Item #4

Delaney testified that the first floor overhang on the north wall of the house, described in item #2 above, affects the basement windows. The first floor wall is not supported in the area above the basement windows on the north side of the house. Delaney cited violations of 2003 MBC R 501.2 and 2003 MBC R502.5

Wedel testified that he would have corrected the problem if the Wilson's had not terminated the contract before he had a chance to finish the job.

Delaney testified that the problem could be corrected, but it would take a lot of work and expense. It should have been done right the first time.

I agree with Delaney. Wedel built an unsupported wall over a window opening. He should have supported the wall when he built it. Correcting the problem at this stage would require major efforts.

Item #5

Delaney testified that the first floor is not anchored to the foundation wall. An attachment system was built into the foundation wall, consisting of metal straps, but the straps are not actually attached to the first floor structure. Delaney cited a violation of 2003 MBC R 502.9.

Wedel testified that he would have corrected the problem if the Wilson's had not terminated the contract before he had a chance to finish the job.

Delaney testified that the problem could be corrected, but it would take a lot of work and expense. It should have been done right the first time.

I agree with Wedel. Anchor strips were built into the foundation wall and might have been fastened to the wooden structure at any time had Wedel not been pulled off the job.

CONCLUSIONS OF LAW

The only copy of the contract that is in evidence has the signatures of Mr. and Mrs. Wilson, but no signature of Mr. Wedel. That supports Diane Wilson's testimony and the state's argument that Reiner Wedel Custom Homes Inc did not give the Wilson's a copy of the contract signed by him, in violation of 2006 AACRS R 338.1533 (1) and MCL 339.604 (c).

Reiner Wedel Custom Homes Inc violated the standards of construction as follows:

Item #1. Reiner Wedel Custom Homes Inc violated 2003 MBC R 403 and 2003 MBC R 401.2 when building the footings for the front porch. Either the soil supporting the footing was disturbed or else the fill supporting the footing was not engineered. As a result the footing settled. This amounts to a violation of 2006 AACRS R 338.1551 (5) and MCL 339.604 (c).

Items #2 and #4. Reiner Wedel Custom Homes Inc violated 2003 MBC R 301.1 and 2003 MBC R 502.1.2, 2003 and MBC R 501.2 when framing the house. The floor and walls of the first floor, especially on the north side, did not sit directly atop the

foundation wall, so that loads were not transferred directly to the foundation, and the window openings did not have an adequate structure to support the loads above. This amounts to a violation of 2006 AACSR 338.1551 (5) and MCL 339.604 (c).

Sanction

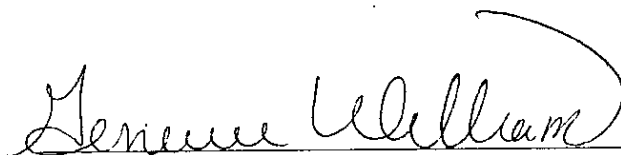
The Bureau of Commercial Services has recommended a \$2,000 fine.



Erick Williams
Administrative Law Judge

PROOF OF SERVICE

I hereby state, to the best of my knowledge, information and belief, that a copy of the foregoing document was served upon all parties and/or attorneys of record in this matter by Inter-Departmental mail to those parties employed by the State of Michigan and by UPS/Next Day Air, facsimile, and/or by mailing same to them via first class mail and/or certified mail, return receipt requested, at their respective addresses as disclosed by the file on the 2nd day of May, 2009.



Genevieve Williams
State Office of Administrative Hearings and Rules

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