

**STATE OF MICHIGAN
DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES
BUREAU OF HEARINGS**

In the matter of

Docket No. 2001-1138

**Bureau of Commercial Services,
Petitioner**

Agency No. 21-99-5243-00

v

**Agency: Bureau of Commercial
Services**

**Scott R. Hanson
d/b/a Hanson Builders,
Respondent**

Case Type: Sanction

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**Issued and entered
this 17th day of August, 2001
by Erick Williams
Administrative Law Judge**

HEARING REPORT

PROCEDURAL HISTORY

Ann Shaver brought a complaint against Mr. Scott regarding his work on the roof of her home in Menominee. A hearing convened on August 15, 2001. After the parties reached a partial stipulation, the only remaining contested issue was the amount of restitution. Scott Hanson participated in the hearing. Michael Homier represented the Bureau of Commercial Services. This opinion recommends \$1,000 restitution.

ISSUES AND APPLICABLE LAW

At the hearing, the parties stipulated that Mr. Hanson violated MCL 339.604; MSA 18.425(604)(c), which 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....

The parties also stipulated that Mr. Hanson will pay a \$500 fine. The remaining allegations in the complaint are dropped. The only contested issue was the amount of restitution.

FINDINGS OF FACT

Ann Shaver hired Scott Hanson to tear off the old roof and install a new roof and ice shield on her house in Menominee. The work was done in 1998. Ms. Shaver paid about \$4,000.

Mr. Hanson arranged for some workers to do the work; one of the workers was his own father. The old roof consisted of several layers. When the new roof was installed, it was thinner than the old roof. In some places, such as dormers, the roof line abuts vertical walls of the house. See Exhibits A-J. Where the new roof met those vertical walls, there was a gap, since the surface of the new roof was lower than the surface of the old roof. The roof workers filled the gap with tar. In some areas, the tar is unsightly.

According to the local building code, joints between roofs and vertical walls (as well as the joint between roof and chimney) should be flashed. 1995 CABO 903.6 and 903.7. But no flashing was installed, only a strip of tar.

The roof workers installed an ice shield only in the valleys, not around the eaves of the roof. According to the local building code, an ice shield should be installed over the

eaves from the outside edge of the roof to a point at least two feet inside the wall line. 1995 CABO 903.3.

At the hearing, Mr. Hanson admitted that his workers violated these building code provisions.

Harry Ellery, the Menominee building inspector, testified that the roof does not leak, and the roof job is not responsible for damage to the paint inside Ms. Shaver's house. Mr. Ellery also noticed some damage to the siding on the vertical walls where they meet the roof, but he could not say whether Mr. Hanson's workers caused that damage. It could have been present already. There were four layers of shingles already on the roof, and the siding could have been damaged by an earlier roof job. About 20 linear feet of siding strips are damaged. Unfortunately, it is impossible to match and replace the damaged siding; the siding is 20 years old and no longer sold.

To bring the roof up to code, Mr. Ellery testified, flashing should be installed around the vertical walls and chimney and an ice shield should be installed.

Ms. Shaver has estimates for repair work on the house. Ms. Shaver proposes to put an entirely new roof on the house for \$6,000 or \$7,000; she proposes to install new windows and siding throughout the house for about \$6,000, to repaint some interior rooms for about \$700, and to repave her sidewalk for \$250. See Exhibit 2. Mr. Ellery thinks that those estimates are grossly excessive, but he would not give his own estimate. Mr. Homier, representing the Bureau of Commercial Services, agreed.

Mr. Hanson suggested that the cost of installing flashing and ice shield would be \$1,000 or less. Mr. Homier agreed that the depreciation in the value of Ms. Shaver's house as a result of the poor work on the roof was about \$1,000.

CONCLUSIONS OF LAW

Given the stipulation, there are no contested issues of law. Mr. Hanson violated MCL 339.604(c) by failing to install ice shield and flashing.

PROPOSED SANCTIONS

The parties have stipulated that Mr. Hanson will pay a \$500 fine. The only contested issue is the amount of restitution. Mr. Hanson admits that the cost of installing flashing and ice shield would be \$1,000 or less. Mr. Homier agreed that the depreciation in the value of Ms. Shaver's house as a result of the poor work on the roof was about \$1,000. Since the parties' estimates converge at \$1,000, I recommend that Mr. Hanson pay a \$500 fine and \$1,000 restitution to Ms. Shaver.

Erick Williams
Administrative Law Judge