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8  
9 **BEFORE THE**  
**REGISTRAR OF CONTRACTORS**  
**CONTRACTORS' STATE LICENSE BOARD**  
10 **DEPARTMENT OF CONSUMER AFFAIRS**  
11 **STATE OF CALIFORNIA**

12 In the Matter of the Accusation Against:

Case No. N2016-360

13 **ULTIMATE BUILDERS INC. dba**  
14 **REPIPE 1; DANIEL ZILBERBERG, RMO**  
19326 Ventura Blvd., Ste. 201  
15 Tarzana, CA 91356

**ACCUSATION**

16 **Contractor's License No. 927892**

17 Respondent.

18  
19 **DANIEL ZILBERBERG**  
19326 Ventura Blvd., Ste. 201  
20 Tarzana, CA 91356

21 **Contractor's License No. 816016**

22 And

23 **REPIPE 1 RESTORATION INC. dba**  
**RETROFIT 1; DANIEL ZILBERBERG,**  
24 **RMO; JAMES PATRICK MICHAELSON,**  
**OFFICER; DAVID ALI TASHROUDIAN,**  
25 **OFFICER**  
19326 Ventura Blvd., Ste. 200  
26 Tarzana, CA 91356

27 **Contractor's License No. 1003868**

28 Affiliated Parties.

1 Complainant alleges:

2 **PARTIES**

3 1. Wood Robinson ("Complainant") brings this Accusation solely in his official capacity  
4 as the Enforcement Supervisor I of the Contractors' State License Board ("Board"), Department of  
5 Consumer Affairs.

6 2. On or about January 26, 2009, the Registrar of Contractors issued Contractor's  
7 License Number 927892 to Ultimate Builders Inc. doing business as Repipe 1, Daniel Zilberberg  
8 RMO, (1/26/2009 to present) ("Respondent"). The Contractor's License was in full force and  
9 effect at all times relevant to the charges brought herein and will expire on January 31, 2021,  
10 unless renewed.

11 3. On or about December 18, 2002, the Registrar of Contractors issued Contractor's  
12 License Number 816016 to Daniel Zilberberg (Affiliated Party). The Contractor's License was in  
13 full force and effect at all times relevant to the charges brought herein and will expire on  
14 December 31, 2020, unless renewed.

15 4. On or about May 21, 2015, the Registrar of Contractors issued Contractor's License  
16 Number 1003868 to Repipe 1 Restoration Inc. dba Retrofit 1; Daniel Zilberberg, RMO, James  
17 Patrick Michaelson, Officer, and David Ali Tashroudian, Officer (Affiliated Party). The  
18 Contractor's License was in full force and effect at all times relevant to the charges brought herein  
19 and will expire on May 31, 2019, unless renewed.

20 **JURISDICTION**

21 5. This Accusation is brought before the Registrar of Contractors (Registrar) for the  
22 Contractors' State License Board, Department of Consumer Affairs, under the authority of the  
23 following laws. All section references are to the Business and Professions Code unless otherwise  
24 indicated.

25 6. Section 7090 of the Business and Professions Code ("Code") provides, in pertinent  
26 part, that the Registrar may suspend or revoke any license or registration if the licensee or  
27 registrant is guilty of or commits any one or more of the acts or omissions constituting cause for  
28 disciplinary action.

1           7. Section 7106.5 of the Code provides, in pertinent part, that the expiration,  
2 cancellation, forfeiture, or suspension of a license by operation of law or by order or decision of  
3 the registrar, or a court of law, or the voluntary surrender of the license shall not deprive the  
4 registrar of jurisdiction to proceed with any investigation of or action or disciplinary proceeding  
5 against the license, or to render a decision suspending or revoking the license.

6           8. Section 118(b) of the Code provides, in pertinent part, that the expiration of a license  
7 shall not deprive the Registrar of jurisdiction to proceed with a disciplinary action during the  
8 period within which the license may be renewed, restored, reissued or reinstated. Under Code  
9 section 7076.1, the Registrar may reinstate a cancelled license if the licensee pays all of the fees  
10 and meets all of the qualifications and requirements for obtaining an original license.

11           9. Section 7076.5 of the Code provides, in pertinent part, that the inactive status of a  
12 license shall not bar any disciplinary action for violating provisions of the Contractors' State  
13 License Law (Bus. & Prof. Code, § 7000, et seq.).

14           10. Section 7095 of the Code provides that the Register in making her decision may:

15           (a) Provide for the immediate complete suspension by the licensee of all operations as a  
16 contractor during the period fixed by the decision.

17           (b) Permit the licensee to complete any or all contracts shown by competent evidence taken  
18 at the hearing to be then uncompleted.

19           (c) Impose upon the licensee compliance with such specific conditions as may be just in  
20 connection with his operations as a contractor disclosed at the hearing and may further provide  
21 that until such conditions are complied with no application for restoration of the suspended or  
22 revoked license shall be accepted by the registrar.

23           11. Section 7097 of the Code states:

24           “Notwithstanding the provisions of Sections 7121 and 7122, when any license has been  
25 suspended by a decision of the registrar pursuant to an accusation or pursuant to subdivision (b) of  
26 Section 7071.17, Section 7085.6 or 7090.1, any additional license issued under this chapter in the  
27 name of the licensee or for which the licensee furnished qualifying experience and appearance  
28 under the provisions of Section 7068, may be suspended by the registrar without further notice.”



1           16. Section 7121 of the Code states:

2           "A person who has been denied a license for a reason other than failure to document  
3 sufficient satisfactory experience for a supplemental classification for an existing license, or who  
4 has had his or her license revoked, or whose license is under suspension, or who has failed to  
5 renew his or her license while it was under suspension, or who has been a partner, officer,  
6 director, manager, or associate of any partnership, corporation, limited liability company, firm, or  
7 association whose application for a license has been denied for a reason other than failure to  
8 document sufficient satisfactory experience for a supplemental classification for an existing  
9 license, or whose license has been revoked, or whose license is under suspension, or who has  
10 failed to renew a license while it was under suspension, and while acting as a partner, officer,  
11 director, manager, or associate had knowledge of or participated in any of the prohibited acts for  
12 which the license was denied, suspended, or revoked, shall be prohibited from serving as an  
13 officer, director, associate, partner, manager, qualifying individual, or member of the personnel of  
14 record of a licensee, and the employment, election, or association of this type of person by a  
15 licensee in any capacity other than as a nonsupervising bona fide employee shall constitute  
16 grounds for disciplinary action."

17           17. Section 7121.5 states:

18           "A person who was the qualifying individual on a revoked license, or of a license under  
19 suspension, or of a license that was not renewed while it was under suspension, shall be  
20 prohibited from serving as an officer, director, associate, partner, manager, or qualifying  
21 individual of a licensee, whether or not the individual had knowledge of or participated in the  
22 prohibited acts or omissions for which the license was revoked, or suspended, and the  
23 employment, election, or association of that person by a licensee shall constitute grounds for  
24 disciplinary action."

25           18. Section 7122 states:

26           "The performance by an individual, partnership, corporation, limited liability company,  
27 firm, or association of an act or omission constituting a cause for disciplinary action, likewise  
28 constitutes a cause for disciplinary action against a licensee other than the individual qualifying

1 on behalf of the individual or entity, if the licensee was a partner, officer, director, manager, or  
2 associate of that individual, partnership, corporation, limited liability company, firm, or  
3 association at the time the act or omission occurred, and had knowledge of or participated in the  
4 prohibited act or omission."

#### 5 **COST RECOVERY**

6 19. Section 125.3 of the Code provides, in pertinent part, that the Board may request the  
7 administrative law judge to direct a licentiate found to have committed a violation or violations of  
8 the licensing act to pay a sum not to exceed the reasonable costs of the investigation and  
9 enforcement of the case, with failure of the licentiate to comply subjecting the license to not being  
10 renewed or reinstated. If a case settles, recovery of investigation and enforcement costs may be  
11 included in a stipulated settlement.

#### 12 **FIRST CAUSE FOR DISCIPLINE**

13 (False Certification of Work Experience)

14 20. Respondent is subject to disciplinary action under Code section 7114.1 in that  
15 Respondent's RMO, Daniel Zilberberg's (Respondent Zilberberg) signature appears on two (2)  
16 falsified certificates in support of an examinee's experience qualifications, or otherwise certifying  
17 to false or misleading experience claims by an applicant, which were submitted to obtain a  
18 contractor's license. The circumstances are as follows:

19 21. On or about March 3, 2015, Respondent Zilberberg signed, under the penalty of  
20 perjury, a Certification of Work Experience form for one of his employees. Respondent  
21 Zilberberg represented that employee Samuel Torosyan had 4 years of plumbing experience as a  
22 full-time employee from March 2011 to March 2015. Respondent Zilberberg represented that the  
23 applicant's duties were as follows: "I have Sam working for me as a full time plumber for 3 years  
24 on my payroll. I also used to use Sam for service calls before I hired him full time as a free lance  
25 plumber to do small plumbing repairs. This included snaking drain lines and repairing minor  
26 pinhole leaks." Respondent Zilberberg certified that he was the "employer" and "business  
27 associate" of Samuel Torosyan and that he had direct knowledge of the work covering the time  
28 period. The certification was received by the Board on or about March 6, 2015.

1           22. On or about March 12, 2015, the Board sent a letter to Samuel Torosyan regarding the  
2 Certification of Work Experience form.

3           23. On or about March 23, 2015, the Board received an addendum application and  
4 Certification of Work Experience form. Respondent Zilberberg added that the specific dates of  
5 Samuel Torosyan's employment were from March 1, 2011 to March 1, 2015 and that the  
6 applicant's duties included the following: "Supervising current jobs, meeting inspectors, installing  
7 fixtures, repiping homes, installing water heaters. I also used to use Sam for service calls before I  
8 hired him full time as a free lance plumber to do small plumbing repairs. This included snaking  
9 drain lines and repairing minor pinhole leaks."

10           24. In October 2015, a written complaint was received by the Board from a former  
11 employee ("CK") of Respondent. The complaint provided that Respondent Zilberberg falsified  
12 the Certification for Work Experience for Samuel Torosyan. According to the complaint, since  
13 2012, Samuel Torosyan worked for Respondent as a member of the clerical staff with a title of  
14 "Accounts Receivable." The complaint went on to provide that Samuel Torosyan has never been  
15 employed as a plumber, laborer, or apprentice in the field of plumbing and that Respondent  
16 Zilberberg falsified the certification as part of a larger scheme to avoid providing healthcare to  
17 some of his employees.

18           25. An investigation was conducted by the Board. The investigation revealed that  
19 Respondent Zilberberg admitted (under oath) at deposition on October 20, 2016, in a civil lawsuit  
20 filed by CK, that Samuel Torosyan worked for him as "Customer Service, receivables."

21           26. Moreover, text messages between CK and Respondent Zilberberg revealed  
22 Respondent Zilberberg urging CK to apply for a contractor's license and that he would certify the  
23 experience like he did with Samuel Torosyan. CK did not have any plumbing experience.

24           27. Additionally, emails by Samuel Torosyan from 2012 and 2015 indicate his title as  
25 "Accounts Receivable" with Respondent.

26           28. Earnings information obtained by the Board investigator from the Employment  
27 Development Department (EDD) reveals that Samuel Torosyan worked for a different company

28 ///

1 all four quarters of 2011. Additional information from EDD shows that Samuel Torosyan  
2 received W2 tax forms from Respondent for work beginning in the second quarter of 2012  
3 and until the third quarter of 2014.

4 29. In 2015, Samuel Torosyan received a 1099 tax form from Respondent showing  
5 compensation in the amount of \$551,705.00.

6 **SECOND CAUSE FOR DISCIPLINE**

7 (Confidential Settlement Agreement Which Subverts Cooperation with the Board)

8 30. Respondent is subject to disciplinary action under Code sections 143.5(a) and  
9 7116.5(a) in that Respondent entered into a confidential settlement agreement with their former  
10 employee (CK) that includes a provision which subverts and prohibits CK's cooperation with the  
11 Board in its investigation of Respondent. A provision of this nature is void as it is against public  
12 policy. The circumstances are as follows:

13 31. Respondent was the defendant in a civil lawsuit filed by CK in the Superior Court of  
14 Contra Costa County (Case No. MSC15-01942). On or about November 28, 2016, Respondent  
15 and CK signed a settlement agreement which included as a provision a confidentiality clause,  
16 which specifically prohibits CK from voluntarily providing information about Respondent to any  
17 governmental agency. The clause states as follows:

18 4.15 **Confidentiality**. The Parties agree to refrain from disclosing,  
19 advertising or publicizing the terms of this Agreement in any fashion to any third  
20 parties outside of this Agreement, as well as any media, including, but not limited  
21 to, newspapers, magazines, television, radio, newsletters, and the internet including  
22 but not limited to Twitter, Facebook, blogs, and/or any other social media.  
23 Plaintiff agrees not to voluntarily provide information regarding Defendants,  
24 Zilberberg, or any of Zilberberg's business entities to any third party including any  
25 governmental agency. Plaintiff further agrees to refrain from making any  
26 complaints regarding Defendants, Zilberberg or any of Zilberberg's business  
27 entities to any third party, including any governmental agency. However, [CK]  
28 shall comply with any subpoena or other process required by law.



- 1           1.     Revoking or suspending Contractor's License Number 927892 issued to Ultimate  
2 Builders Inc. dba Repipe 1; Daniel Zilberberg, RMO;
- 3           2.     Revoking or suspending Contractor's License Number 816016 issued to Daniel  
4 Zilberberg;
- 5           3.     Revoking or suspending Contractor's License Number 1003868 issued to Repipe 1  
6 Restoration Inc. dba Retrofit 1; Daniel Zilberberg, RMO, James Patrick Michaelson, Officer, and  
7 David Ali Tashroudian, Officer;
- 8           4.     Prohibiting Daniel Zilberberg from serving as an officer, director, associate, partner,  
9 or qualifying individual of any licensee during any period that discipline is imposed on license  
10 Number 927892;
- 11          5.     Revoking or suspending any other license for which Daniel Zilberberg is furnishing  
12 the qualifying experience or appearance;
- 13          6.     Ordering Ultimate Builders Inc. dba Repipe 1; Daniel Zilberberg, RMO to pay the  
14 Registrar of Contractors costs for the investigation and enforcement of the case according to proof  
15 at the hearing, pursuant to Business and Professions Code section 125.3;
- 16          7.     Ordering Ultimate Builders Inc. dba Repipe 1; Daniel Zilberberg, RMO to provide the  
17 Registrar with a listing of all contracting projects in progress and the anticipated completion date  
18 of each; and
- 19          8.     Taking such other and further action as deemed necessary and proper.

21  
22 DATED:

1-07-2019



WOOD ROBINSON  
Enforcement Supervisor I  
Contractors' State License Board  
Department of Consumer Affairs  
State of California  
Complainant



23           **FILED**  
24           **JAN 07 2019**  
25           **CSLB DSS**

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