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**BEFORE THE
REGISTRAR OF CONTRACTORS
CONTRACTORS STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA**

In the Matter of the Accusation Against:

**STAR POWER, LLC
DBA STAR POWER SOLAR
GEORGE WILLIAM DUNNING, MEMBER**
5790 Miramar Road., Suite 203
San Diego, CA 92121

Contractor's License No. 1012992

Respondents.

Case No. N2018-199

DEFAULT DECISION

[Gov. Code, §11520]

FINDINGS OF FACT

1. On or about July 25, 2019, Accusation No. N2018-199 was filed against Star Power, LLC, dba Star Power Solar (Respondent Star Power); George William Dunning, Member (Respondent George Dunning) before the Registrar of Contractors (Registrar) for the Contractors' State License Board (Board). (Accusation attached as Exhibit A.)
2. On or about April 18, 2016, the Registrar issued Contractor's License No. 1012992 to Respondent. The Contractor's License expired on April 30, 2018, and has not been renewed.

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1 3. On or about August 8, 2019, Respondent was served by Certified and First Class Mail
2 copies of the Accusation No. N2018-199, Statement to Respondent, Notice of Defense, Request
3 for Discovery, and Discovery Statutes (Government Code sections 11507.5, 11507.6, and
4 11507.7) at Respondent's address of record which, pursuant to Business and Professions Code
5 section 136, is required to be reported and maintained with the Board. Respondent's address of
6 record was and is:

7 5790 Miramar Road., Suite 203
8 San Diego, CA 92121.

9 4. Service of the Accusation was effective as a matter of law under the provisions of
10 Government Code section 11505, subdivision (c) and/or Business & Professions Code (Code)
11 section 124.

12 5. Government Code section 11506(c) states, in pertinent part:

13 (c) The respondent shall be entitled to a hearing on the merits if the respondent
14 files a notice of defense . . . and the notice shall be deemed a specific denial of all
15 parts of the accusation . . . not expressly admitted. Failure to file a notice of defense
16 . . . shall constitute a waiver of respondent's right to a hearing, but the agency in its
17 discretion may nevertheless grant a hearing.

18 6. The Registrar takes official notice of the Board's records and the fact that Respondent
19 failed to file a Notice of Defense within 15 days after service upon it of the Accusation, and
20 therefore waived its right to a hearing on the merits of Accusation No. N2018-199.

21 7. California Government Code section 11520(a) states, in pertinent part:

22 (a) If the respondent either fails to file a notice of defense . . . or to appear at
23 the hearing, the agency may take action based upon the respondent's express
24 admissions or upon other evidence and affidavits may be used as evidence without
25 any notice to respondent. . . .

26 8. Pursuant to its authority under Government Code section 11520, the Registrar finds
27 Respondent is in default. The Registrar will take action without further hearing and, based on
28 the relevant evidence contained in the Default Decision Investigatory Evidence Packet in this
matter, as well as taking official notice of all the investigatory reports, exhibits and statements

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1 contained therein on file at the Board's offices regarding the allegations contained in Accusation
2 No. N2018-199, finds that the charges and allegations in Accusation No. N2018-199 are
3 separately and severally found to be true and correct by clear and convincing evidence.

4 9. The Registrar finds that the actual costs for investigation and prosecution are
5 \$4,598.13 as of August 29, 2019.

6 10. The Registrar finds that the loss to MEG caused by the acts or omissions of
7 Respondent is \$20,000.00.

8 **DETERMINATION OF ISSUES**

9 1. Based on the foregoing findings of fact, Respondent Star Power, LLC, dba Star
10 Power Solar subjected its Contractor's License No. 1012992 to discipline.

11 2. The agency has jurisdiction to adjudicate this case by default.

12 3. The Registrar of Contractors is authorized to revoke Respondent's contractor's license
13 based upon the following violations alleged in the Accusation which are supported by the
14 evidence contained in the Default Decision Investigatory Evidence Packet in this case:

15 a. Violation of Code section 7107, in that Respondent Star Power abandoned the MEG
16 project without legal excuse when work remained to be performed and completed.

17 b. Violation of Code section 7108, in that Respondent Star Power diverted funds from
18 the MEG project.

19 c. Violation of Code section 7109, subdivision (a), in that on the MEG project,
20 Respondent Star Power departed from accepted trade standards.

21 d. Violation of Code section 7113, in that Respondent Star Power failed to complete the
22 MEG project for the contract price.

23 e. Violation of Code section 7116, in that Respondent Star Power committed a wilful or
24 fraudulent act causing a substantial injury to MEG when Respondent Star Power failed to
25 issue/refund \$20,000 to MEG.

26 f. Violation of Code section 7117.5, subdivision (b), in that Respondent Star Power
27 performed work on the MEG project while its license was suspended for lack of qualifier.

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1 g. Violation of Code section 7117.6, in that on the MEG project, Respondent Star Power
2 contracted our of classification.

3 4. Pursuant to its authority under California Government Code section 11520, and based
4 on the relevant evidence before it contained in the Default Decision Investigatory Evidence
5 Packet, the Registrar hereby finds by clear and convincing evidence that George William
6 Dunning had knowledge of or participated in the prohibited acts or omissions that warranted the
7 filing of Accusation No. N2018-199.

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CONTRACTORS STATE LICENSE BOARD
DEPARTMENT OF CONSUMER AFFAIRS

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13 71968033.DOCX
14 DOJ Matter ID:SD2019700472

15 Attachment:
16 Exhibit A: Accusation
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Exhibit A

Accusation

1 XAVIER BECERRA
Attorney General of California
2 GREGORY J. SALUTE
Supervising Deputy Attorney General
3 TORY POLIN
Deputy Attorney General
4 State Bar No. 299988
600 West Broadway, Suite 1800
5 San Diego, CA 92101
P.O. Box 85266
6 San Diego, CA 92186-5266
Telephone: (619) 738-9459
7 Facsimile: (619) 645-2061
Attorneys for Complainant

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

14 In the Matter of the Accusation Against:

Case No. N2018-199

15 **STAR POWER, LLC**
16 **DBA STAR POWER SOLAR**
17 **GEORGE WILLIAM DUNNING, Member**
5790 Miramar Road., Suite 203
San Diego, CA 92121

ACCUSATION

18 Contractor's License No. 1012992, C46

19
20 Respondent.

21
22 **PARTIES**

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

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2. On or about April 18, 2016, the Registrar of Contractors (Registrar) issued Contractor's License Number 1012992, C46 to Star Power, LLC, doing business as Star Power Solar (Respondent Star Power). The contractor's license was in full force and effect at all times relevant to the charges brought herein, was suspended on July 30, 2016 for lack of qualifier, expired under suspensions on April 30, 2018, and has not been renewed. George William Dunning (Respondent George Dunning) associated as a member on April 18, 2016. The suspension history is as follows:

Suspension Date:	Violation:	Status:
07/30/2016	Business and Professions Code section 7068.2 (Lack of Qualifier)	Suspension remains in effect.
11/10/2016	Business and Professions Code section 7125.2 (Workers' Compensation)	Suspension remains in effect.
11/18/2016	Business and Professions Code section 7071.19 (Liability Insurance)	Suspension remains in effect.
06/06/2017	Business and Professions Code section 7071.6.5 (Employee/Worker Bond)	Suspension remains in effect.
11/11/2017	Business and Professions Code section 7145.5 (Outstanding Liability #0139-3350144)	Expired under suspensions on 04/30/2018.

JURISDICTION

3. This Accusation is brought before the Registrar for the Board, Department of Consumer Affairs, under the authority of the following laws. All section references are to the Business and Professions Code (Code) unless otherwise indicated.

4. Section 118, subdivision (b) of the Code states:

The suspension, expiration, or forfeiture by operation of law of a license issued by a board in the department, or its suspension, forfeiture, or cancellation by order of the board or by order of a court of law, or its surrender without the written consent of the board, shall not, during any period in which it may be renewed, restored, reissued, or reinstated, deprive the board of its authority to institute or continue a disciplinary proceeding against the licensee upon any ground provided by law or to enter an order suspending or revoking the license or otherwise taking disciplinary action against the licensee on any such ground.

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STATUTORY PROVISIONS

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9. Section 7107 of the Code states:

Abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor constitutes a cause for disciplinary action.

10. Section 7108 of the Code states:

Diversion of funds or property received for prosecution or completion of a specific construction project or operation, or for a specified purpose in the prosecution or completion of any construction project or operation, or failure substantially to account for the application or use of such funds or property on the construction project or operation for which such funds or property were received constitute a cause for disciplinary action.

11. Section 7109, subdivision (a), of the Code states:

(a) A willful departure in any material respect from accepted trade standards for good and workmanlike construction constitutes a cause for disciplinary action, unless the departure was in accordance with plans and specifications prepared by or under the direct supervision of an architect.

12. Section 7113 of the Code states:

Failure in a material respect on the part of the licensee to complete any construction project or operation for the price stated in the contract for such construction project or operation or in any modification of such contract constitutes a cause for disciplinary action.

13. Section 7116 of the Code states:

The doing of any willful or fraudulent act by the licensee as a contractor in consequence of which another is substantially injured constitutes a cause for disciplinary action.

14. Section 7117.5, subdivision (b), of the Code states:

Acting in the capacity of a contractor under any license that has been suspended for any reason constitutes a cause for disciplinary action.

15. Section 7117.6 of the Code states:

Acting in the capacity of a contractor in a classification other than that currently held by the licensee constitutes a cause for disciplinary action.

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1 16. Section 7161 states, in pertinent part:

2 It is a misdemeanor for any person to engage in any of the following acts, the
3 commission of which shall be cause for disciplinary action against any licensee or
4 applicant:

5 ...

6 (c) Any fraud in the execution of, or in the material alteration, any contract,
7 trust deed, mortgage, promisory note, or other document incident to a home
8 improvement transaction or other transaction involving a work of improvement.

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10 COST RECOVERY, RESTITUTION AND OTHER AUTHORITY

11 17. Section 125.3 states, in pertinent part:

12 (a) Except as otherwise provided by law, in any order issued in resolution of a
13 disciplinary proceeding before any board within the department or before the
14 Osteopathic Medical Board, upon request of the entity bringing the proceeding, the
15 administrative law judge may direct a licentiate found to have committed a violation
16 or violations of the licensing act to pay a sum not to exceed the reasonable costs of
17 the investigation and enforcement of the case.

18 (b) In the case of a disciplined licentiate that is a corporation or a partnership,
19 the order may be made against the licensed corporate entity or licensed partnership.

20

21 18. Government Code section 11519 states:

22 (a) The decision shall become effective 30 days after it is delivered or mailed
23 to respondent unless: a reconsideration is ordered within that time, or the agency itself
24 orders that the decision shall become effective sooner, or a stay of execution is
25 granted.

26 (b) A stay of execution may be included in the decision or if not included
27 therein may be granted by the agency at any time before the decision becomes
28 effective. The stay of execution provided herein may be accompanied by an express
condition that respondent comply with specified terms of probation provided;
provided, however, that the terms of probation shall be just as reasonable in light of
the findings and decision.

(c) If respondent was required to register with any public officer, a notification
of any suspension or revocation shall be sent to the officer after the decision has
become effective.

(d) As used in subdivision (b), specified terms of probation may include an
order of restitution. Where restitution is ordered and paid pursuant to the provisions
of this subdivision, the amount paid shall be credited to any subsequent judgment in a
civil action.

(e) The person to which the agency action is directed may not be required to
comply with a decision unless the person has been served with the decision in the

manner provided in Section 11505 or has actual knowledge of the decision.

(f) A nonparty may not be required to comply with a decision unless the agency has made the decision available for public inspection and copying or the nonparty has actual knowledge of the decision.

(g) This section does not preclude an agency from taking immediate action to protect the public interest in accordance with Article 13 (commencing with Section 11460.10) of Chapter 4.5.

19. Section 143.5, subdivision (b) of the Code states:

Any board, bureau, or program within the Department of Consumer Affairs that takes disciplinary action against a licensee or licensees based on a complaint or report that has also been the subject of a civil action and that has been settled for monetary damages providing for full and final satisfaction of the parties may not require its licensee or licensees to pay any additional sums to the benefit of any plaintiff in the civil action.

20. Section 7095 of the Code states:

The decision may:

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

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

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

21. Section 7097 of the Code states:

Notwithstanding the provisions of Sections 7121 and 7122, when any licensee has been suspended by a decision of the registrar pursuant to an accusation or pursuant to subdivision (b) of Section 7071.17, Section 7085.6 or 7090.1, any additional license issued under this chapter [the Contractors' State License Law] in the name of the licensee or for which the licensee furnished qualifying experience and appearance under the provisions of Section 7068, may be suspended by the registrar without further notice.

22. Section 7098 of the Code states:

Notwithstanding the provisions of Sections 7121 and 7122, when any license has been revoked under the provisions of this chapter [the Contractors' State License Law], any additional license issued under this chapter in the name of the licensee or for which the licensee furnished qualifying experience and appearance under the provisions of Section 7068, may be revoked by the registrar without further notice.

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1 25. The project was to be funded by Ygrene, an energy efficiency finance company.
2 Respondent George Dunning instructed MEG to speak directly to Ygrene and give Ygrene the
3 exact amount MEG wanted to finance (\$49,433), and directed MEG not to inform Ygrene that
4 \$20,000 of the \$49,433 was for the landscape project.¹ Respondent George Dunning and MEG
5 had a verbal agreement that once Ygrene funded the \$49,433 to Respondent Star Power, that
6 Respondent George Dunning would then transfer \$20,000 to MEG for the landscape project.
7 Respondent George Dunning initially submitted the contract to Ygrene on behalf of Respondent
8 Star Power, however, Ygrene rejected it because Respondent Star Power was no longer
9 authorized to submit business to Ygrene. Respondent George Dunning then altered the MEG
10 contract without MEG's knowledge to change the name of the contractor to JKS and re-submitted
11 the contract to Ygrene for approval.

12 26. Work began on September 28, 2016. JKS performed the installation portion of the
13 solar system, which was completed on or about October 5, 2016. Respondent Dunning instructed
14 MEG to notify Ygrene that the work was completed, in order to receive the funding, and MEG
15 electronically signed documents on October 25, 2016, certifying all work was completed. On
16 October 28, 2016, Ygrene funded \$49,433 to the bank account of JKS. On the same date, JK sent
17 a money transfer in the amount of \$20,761.65 to the account of Respondent George Dunning.
18 Respondent George Dunning failed to give \$20,000 of the amount received from JK to MEG per
19 Respondent George Dunning and MEG's verbal agreement.

20 27. The solar installation was the only work performed at the MEG home. The landscape
21 work was not performed, and no materials for the landscaping job were delivered. Respondent
22 George Dunning failed to refund \$20,000 to MEG. When interviewed by a Board enforcement
23 representative, Respondent George Dunning admitted that the money received from JK
24 was diverted to pay costs associated with several non-related projects that Respondent George
25 Dunning and JK had worked on together.

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28 ¹ The landscape project did not qualify under Ygrene's energy efficient program.

1 **THIRD CAUSE FOR DISCIPLINE**

2 **(Departure from Accepted Trade Standards – Respondent Star Power)**

3 33. Respondent Star Power is subject to discipline pursuant to Code section 7109(a),
4 in that on the MEG project, as set forth in paragraphs 24 through 30, which are incorporated here
5 by this reference, Respondent Star Power willfully departed from accepted trade standards for
6 good and workmanlike construction, in the following material respects:

7 a. The solar system was not left in a state that the customer could easily turn on the
8 system. The system had not been paired so that the power could be produced by the panels. Due
9 to the system not operating, the customer lost production that equated to \$3,502.62. The Zigbee
10 monitoring system located at the panel was not connected so that the customer could monitor the
11 activity of the entire solar system.

12 **FOURTH CAUSE FOR DISCIPLINE**

13 **(Failure to Complete Project for the Contract Price – Respondent Star Power)**

14 34. Respondent Star Power is subject to discipline pursuant to Code section 7113, as set
15 forth in paragraphs 24 through 30, which are incorporated here by this reference, in that
16 Respondent Star Power failed to complete the MEG project for the contract price and MEG was
17 or will be required to pay an additional \$20,000 for the landscape project.

18 **FIFTH CAUSE FOR DISCIPLINE**

19 **(Willful or Fraudulent Act Injuring Another – Respondent Star Power)**

20 35. Respondent Star Power is subject to discipline pursuant to section 7116, as set forth
21 in paragraphs 24 through 30, which are incorporated here by this reference, in that on the MEG
22 project, Respondent Star Power committed a willful or fraudulent act causing a substantial injury
23 to MEG when Respondent willfully failed to issue MEG \$20,000 after receiving \$49,433 from
24 Ygrene, through JKS, per their verbal agreement.

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1 **SIXTH CAUSE FOR DISCIPLINE**

2 **(Contracted with a Suspended License – Respondent Star Power)**

3 36. Respondent Star Power is subject to discipline under Code section 7117.5(b), as
4 set forth in paragraphs 24 through 30, which are incorporated here by this reference, in that
5 Respondent performed work on the MEG project, from September 28, 2016 to October 5, 2016,
6 when the license was suspended for a lack of a qualifier.

7 **SEVENTH CAUSE FOR DISCIPLINE**

8 **(Contracted Out of Classification – Respondent Star Power)**

9 37. Respondent Star Power is subject to discipline under Code section 7117.6, as set
10 forth in paragraphs 24 through 30, which are incorporated here by this reference, in that on the
11 MEG project, Respondent contracted for work that required a C27 (landscaping) classification
12 while Respondent only held a C46 (solar) classification.

13 **CAUSE FOR OTHER ACTION**

14 **(Restrictions on Member – Respondent George Dunning)**

15 38. Pursuant to section 7121 of the Code, if license number 1012992, C46 issued to
16 Respondent Star Power, is revoked or suspended, Respondent George Dunning shall be
17 prohibited from serving as an officer, director, associate, partner, manager, qualifying individual,
18 or member of the personnel of record of a licensee in that, while serving as a member of
19 Respondent Star Power, he had knowledge of or participated in the acts or omissions which
20 constitute cause for discipline against Respondent Star Power, as alleged in the causes for
21 discipline, above.

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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Registrar of Contractors issue a decision:

1. Ordering the revocation or suspension of Contractors License Number 1012992, C46 issued to Respondent Star Power, LLC, doing business as Star Power Solar, pursuant to section 7090;
2. Ordering restitution of all damages according to proof suffered by MEG as a condition of probation in the event probation is ordered for Respondent Star, pursuant to Government Code section 11519, subdivision (d);
3. Ordering Respondent Star Power to pay the Registrar costs for the investigation and enforcement of the case according to proof at the hearing, pursuant to Business and Professions Code section 125.3;
4. Ordering Respondent Star Power to provide the Registrar with a listing of all contracting projects in progress and the anticipated completion date of each, pursuant to Code section 7095;
5. Ordering that Respondent George Dunning be prohibited from serving as an officer, director, associate, partner, manager, qualifying individual, or member of the personnel of record of a licensee pursuant to Code section 7121; and
6. Taking such other and further action as deemed necessary and proper.

DATED: 7/25/19


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

FILED

JUL 25 2019

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