BEFORE THE DIRECTOR DEPARTMENT OF CONSUMER AFFAIRS BUREAU OF AUTOMOTIVE REPAIR STATE OF CALIFORNIA

In the Matter of the Accusation Against:

GULLALY AZIZI, OWNER, DOING BUSINESS AS ECONO LUBE

31700 Casino Drive Lake Elsinore, CA 92530

Automotive Repair Dealer Registration No. ARD 257121

and

GULLALY AZIZI, OWNER, DOING BUSINESS AS ECONO LUBE MEINEKE CAR CARE CENTER

195 N. McKinley Street Corona, CA 92879

Automotive Repair Dealer Registration No. ARD 248875

Respondent.

Case No. 77/14-35

OAH No. 2014040354

DECISION

The attached Stipulation for Revocation of License and Order is hereby accepted and adopted as the Decision of the Director of the Department of Consumer Affairs in the above-entitled matter.

This Decision shall become effective Uctober 17, 3014

DATED: September 29, 2014

DOREATHEA JOHNSON

Deputy Director, Legal Affairs
Department of Consumer Affairs

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1	Kamala D. Harris		
2	Attorney General of California JAMES M. LEDAKIS		
3	Supervising Deputy Attorney General ADRIAN R. CONTRERAS		
	Deputy Attorney General		
4	State Bar No. 267200 110 West "A" Street, Suite 1100		
5	San Diego, CA 92101 P.O. Box 85266		
6	San Diego, CA 92186-5266 Telephone: (619) 645-2634		
7	Facsimile: (619) 645-2061 E-mail: Adrian.Contreras@doj.ca.gov		
8	Attorneys for Complainant		
9	BEFORE THE		
10	DEPARTMENT OF CONSUMER AFFAIRS FOR THE BUREAU OF AUTOMOTIVE REPAIR		
11	STATE OF C	CALIFORNIA	
12	In the Matter of the Accusation Against:	Case No. 77/14-35	
13	GULLALY AZIZI, OWNER, DOING	OAH No. 2014040354	
14	BUSINESS AS ECONO LUBE 31700 Casino Drive	STIPULATED REVOCATION OF	
15	Lake Elsinore, CA 92530	LICENSE AND ORDER	
16	Automotive Repair Dealer Registration No. ARD 257121		
17	and		
18	GULLALY AZIZI, OWNER, DOING BUSINESS AS ECONO LUBE MEINEKE		
19	CAR CARE CENTER 195 N. McKinley Street		
20	Corona, CA 92879		
21	Automotive Repair Dealer Registration No. ARD 248875		
22	Respondent.	•	
23			
24	In the interest of a prompt and speedy settlement of this matter, consistent with the public		
25	interest and the responsibilities of the Director of Consumer Affairs and the Bureau of		
26	Automotive Repair the parties hereby agree to the following Stipulated Revocation of License		
27	and Disciplinary Order which will be submitted to the Director for the Director's approval and		
28	adoption as the final disposition of the First Amended Accusation.		
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PARTIES

- 1. Patrick Dorais (Complainant) is the Chief of the Bureau of Automotive Repair. He brought this action solely in his official capacity and is represented in this matter by Kamala D. Harris, Attorney General of the State of California, by Adrian R. Contreras, Deputy Attorney General.
- 2. Gullaly Azizi, Owner, doing business as Econo Lube, and doing business as Econo Lube Meineke Car Care Center (collectively Respondent) is represented in this proceeding by attorney David H. Ricks, whose address is: 8600 Utica Avenue, Suite 200, Rancho Cucamonga, CA 91730.
- 3. On or about January 13, 2009, the Bureau of Automotive Repair issued Automotive Repair Dealer Registration Number ARD 257121 to Gullaly Azizi, Owner, doing business as Econo Lube. The Automotive Repair Dealer Registration was in full force and effect at all times relevant to the charges brought in this First Amended Accusation, and will expire on December 31, 2014, unless renewed.
- 4. On or about January 26 2007, the Bureau of Automotive Repair issued Automotive Repair Dealer Registration Number ARD 248875 to Gullaly Azizi, Owner, doing business as Econo Lube Meincke Car Care Center. The Automotive Repair Dealer Registration expired between January 31, 2014, and February 20, 2014. Thereafter, it was renewed and will expire on January 31, 2015, unless renewed.

JURISDICTION

5. First Amended Accusation No. 77/14-35 was filed before the Director of Consumer Affairs (Director), for the Bureau of Automotive Repair (Bureau), and is currently pending against Respondent. The First Amended Accusation and all other statutorily required documents were properly served on Respondent on May 22, 2014. Respondent timely filed contested the First Amended Accusation. A copy of First Amended Accusation No. 77/14-35 is attached as Exhibit A and incorporated by reference.

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ADVISEMENT AND WAIVERS

- 6. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in First Amended Accusation No. 77/14-35. Respondent also has carefully read, fully discussed with counsel, and understands the effects of this Stipulated Revocation of License and Order.
- 7. Respondent is fully aware of Respondent's legal rights in this matter, including the right to a hearing on the charges and allegations in the First Amended Accusation; the right to confront and cross-examine the witnesses against Respondent; the right to present evidence and to testify on Respondent's own behalf; the right to the issuance of subpoenas to compel the attendance of witnesses and the production of documents; the right to reconsideration and court review of an adverse decision; and all other rights accorded by the California Administrative Procedure Act and other applicable laws.
- 8. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

CULPABILITY

- 9. Respondent admits the truth of each and every charge and allegation in First Amended Accusation No. 77/14-35, agrees that cause exists for discipline, and hereby stipulates to the revocation of Respondent's Automotive Repair Dealer Registration No. ARD 257121 and Automotive Repair Dealer Registration No. ARD 248875 for the Bureau's formal acceptance.
- 10. Respondent understands that by signing this stipulation Respondent enables the Director to issue an order accepting the revocation of the Automotive Repair Dealer Registrations without further process.

CONTINGENCY

11. This stipulation shall be subject to approval by the Director or the Director's designee. Respondent understands and agrees that counsel for Complainant and the staff of the Bureau of Automotive Repair may communicate directly with the Director and staff regarding this stipulation and revocation, without notice to or participation by Respondent or Respondent's counsel. By signing the stipulation, Respondent understands and agrees that he may not

withdraw Respondent's agreement or seek to rescind the stipulation prior to the time the Director considers and acts upon it. If the Director fails to adopt this stipulation as the Decision and Order, the Stipulated Revocation and Disciplinary Order shall be of no force or effect, except for this paragraph, it shall be inadmissible in any legal action between the parties, and the Director shall not be disqualified from further action by having considered this matter.

- 12. The parties understand and agree that Portable Document Format (PDF) and facsimile copies of this Stipulated Revocation of License and Order, including PDF and facsimile signatures thereto, shall have the same force and effect as the originals.
- 13. This Stipulated Revocation of License and Order is intended by the parties to be an integrated writing representing the complete, final, and exclusive embodiment of their agreement. It supersedes any and all prior or contemporaneous agreements, understandings, discussions, negotiations, and commitments (written or oral). This Stipulated Revocation of License and Order may not be altered, amended, modified, supplemented, or otherwise changed except by a writing executed by an authorized representative of each of the parties.
- 14. In consideration of the foregoing admissions and stipulations, the parties agree that the Director may, without further notice or formal proceeding, issue and enter the following Order:

ORDER

IT IS HEREBY ORDERED that Automotive Repair Dealer Registration No. ARD 257121 issued to Gullaly Azizi, Owner, doing business as Econo Lube; and Automotive Repair Dealer Registration No. ARD 248875 issued to Gullaly Azizi, Owner, doing business as Econo Lube Meineke Car Care Center, are revoked and accepted by the Director of Consumer Affairs.

- 1. The revocation of Respondent's Automotive Repair Dealer Registrations and the acceptance of the revocation license by the Bureau shall constitute the imposition of discipline against Respondent. This stipulation constitutes a record of the discipline and shall become a part of Respondent's license history with the Bureau of Automotive Repair.
- 2. Respondent shall lose all rights and privileges as an Automotive Repair Dealer in California as of the effective date of the Director's Decision and Order.

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- Respondent shall cause to be delivered to the Bureau Respondent's pocket license
 and, if one was issued, a wall certificate on or before the effective date of the Decision and Order.
- 4. If Respondent ever applies for licensure or petitions for reinstatement in the State of California, the Bureau shall treat it as a new application for licensure. Respondent must comply with all the laws, regulations, and procedures for licensure in effect at the time the application or petition is filed, and all of the charges and allegations contained in First Amended Accusation No. 77/14-35 shall be deemed to be true, correct, and admitted by Respondent when the Director determines whether to grant or deny the application or petition.
- Respondent shall pay the agency its costs of investigation and enforcement in the amount of \$43,178.42 before issuance of a new or reinstated license.
- 6. If Respondent should ever apply or reapply for a new license or certification, or petition for reinstatement of a license, by any other health care licensing agency in the State of California, all of the charges and allegations contained in First Amended Accusation, No. 77/14-35 shall be deemed to be true, correct, and admitted by Respondent for the purpose of any Statement of Issues or any other proceeding seeking to deny or restrict licensure.

ACCEPTANCE

I have carefully read the above Stipulated Revocation of License and Order and have fully discussed it with my attorney, David H. Ricks. I understand the stipulation and the effect it will have on my Automotive Repair Dealer Registration. I enter into this Stipulated Revocation of License and Order voluntarily, knowingly, and intelligently, and agree to be bound by the Decision and Order of the Director of Consumer Affairs.

DATED: \$ /20/14

GULLALY AZIZL DWNER, DOING BUSINESS AS ECONO LUBE AND ECONO LUBE MEINEKE CAR CARE CENTER

Respondent

1	I have read and fully discussed	with Respondent Gullaly Azizi, Owner, dba Econo Lube	
2	and Econo Lube Meineke Car Care C	center, the terms and conditions and other matters contained	
3	in this Stipulated Revocation of License and Order. I approve its form and content.		
4	DATED: 9144		
5	l	DAVID H. RICKS Attorney for Respondent	
6	ENDORSEMENT		
7	The foregoing Stipulated Revocation of License and Order is hereby respectfully submitte		
8			
9	for consideration by the Director of Consumer Affairs.		
10	Dated: 4/2/14	Respectfully submitted,	
11		KAMALA D. HARRIS Attorney General of California	
12		JAMES M. LEDAKIS Supervising Deputy Attorney General	
13		allem R. Contra	
14		Adrian R. Contreras	
15		Deputy Attorney General Attorneys for Complainant	
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Exhibit A

First Amended Accusation No. 77/14-35

KAMALA D. HARRIS Attorney General of California JAMES M. LEDAKIS Supervising Deputy Attorney General ADRIAN R. CONTRERAS Deputy Attorney General State Bar No. 267200 110 West "A" Street, Suite 1100 San Diego, CA 92101 P.O. Box 85266 San Diego, CA 92186-5266 Telephone: (619) 645-2634 Facsimile: (619) 645-2061 E-mail: Adrian.Contreras@doj.ca.gov Attorneys for Complainant		
BEFORE THE DEPARTMENT OF CONSUMER AFFAIRS		
FOR THE BUREAU OF AUTOMOTIVE REPAIR STATE OF CALIFORNIA		
In the Matter of the Accusation Against:	Case No. 77/14-35	
ECONO LUBE; GULLALY AZIZI, OWNER	OAH No. 2014040354	
31700 Casino Drive Lake Elsinore, CA 92530	FIRST AMENDED	
Automotive Repair Dealer Registration No. ARD 257121	No. ACCUSATION	
and		
ECONO LUBE MEINEKE CAR CARE CENTER;		
GULLALY AZIZI, OWNER 195 N. McKinley Street		
Corona, CA 92879	AT -	
Automotive Repair Dealer Registration No. ARD 248875	NO.	
Responde	ents.	
Complainant alleges:		
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PARTIES

- 1. Patrick Dorais (Complainant) brings this First Amended Accusation solely in his official capacity as the Chief of the Bureau of Automotive Repair, Department of Consumer Affairs.
- 2. On or about January 13, 2009, the Bureau of Automotive Repair issued Automotive Repair Dealer Registration Number ARD 257121 to Econo Lube, Gullaly Azizi, Owner (Econo Lube). The Automotive Repair Dealer Registration was in full force and effect at all times relevant to the charges brought in this First Amended Accusation, expired on December 31, 2013, and has not been renewed.
- 3. On or about January 26 2007, the Bureau of Automotive Repair issued Automotive Repair Dealer Registration Number ARD 248875 to Econo Lube Meineke Car Carc Center, Gullaly Azizi, Owner (Meineke Car Care Center). The Automotive Repair Dealer Registration was in full force and effect at all times relevant to the charges brought in this First Amended Accusation, expired on January 31, 2014, and has not been renewed.

JURISDICTION

- 4. This First Amended Accusation is brought before the Director of Consumer Affairs (Director) for the Burcau of Automotive Repair, under the authority of the following laws. All section references are to the Business and Professions Code unless otherwise indicated.
- 5. Section 9884.13 of the Code provides, in pertinent part, that the expiration of a valid registration shall not deprive the director or chief of jurisdiction to proceed with a disciplinary proceeding against an automotive repair dealer or to render a decision invalidating a registration temporarily or permanently.
 - Section 9884.22 of the Code states:
- "(a) Notwithstanding any other provision of law, the director may revoke, suspend, or deny at any time any registration required by this article on any of the grounds for disciplinary action provided in this article. The proceedings under this article shall be conducted in accordance with Chapter 5 (commencing with Section 11500) of Part 1 of Division 3 of Title 2 of the Government Code, and the director shall have all the powers granted therein.

STATUTORY PROVISIONS

- 7. Section 22 of the Code states:
- "(a) 'Board' as used in any provisions of this Code, refers to the board in which the administration of the provision is vested, and unless otherwise expressly provided, shall include 'bureau,' 'commission,' 'committee,' 'department,' 'division,' 'examining committee,' 'program,' and 'agency.'
- "(b) Whenever the regulatory program of a board that is subject to review by the Joint Committee on Boards, Commissions, and Consumer Protection, as provided for in Division 1.2 (commencing with Section 473), is taken over by the department, that program shall be designated as a bureau."
 - 8. Section 23.7 of the Code states:

"Unless otherwise expressly provided, 'license' means license, certificate, registration, or other means to engage in a husiness or profession regulated by this code or referred to in Section 1000 or 3600."

- 9. Section 9884.6 of the Code states:
- "(a) It is unlawful for any person to be an automotive repair dealer unless that person has registered in accordance with this chapter and unless that registration is currently valid.

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- 10. Section 9884.7 of the Code states:
- "(a) The director, where the automotive repair dealer cannot show there was a bona fide crror, may deny, suspend, revoke, or place on probation the registration of an automotive repair dealer for any of the following acts or omissions related to the conduct of the business of the automotive repair dealer, which are done by the automotive repair dealer or any automotive technician, employee, partner, officer, or member of the automotive repair dealer.
- "(1) Making or authorizing in any manner or by any means whatever any statement written or oral which is untrue or misleading, and which is known, or which by the exercise of reasonable care should be known, to be untrue or misleading.

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- "(3) Failing or refusing to give to a customer a copy of any document requiring his or her signature, as soon as the customer signs the document.
 - "(4) Any other conduct that constitutes fraud.

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- "(6) Failure in any material respect to comply with the provisions of this chapter or regulations adopted pursuant to it.
- "(7) Any willful departure from or disregard of accepted trade standards for good and workmanlike repair in any material respect, which is prejudicial to another without consent of the owner or his or her duly authorized representative.
- "(8) Making false promises of a character likely to influence, persuade, or induce a customer to authorize the repair, service, or maintenance of automobiles.

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- "(c) Notwithstanding subdivision (b), the director may suspend, revoke, or place on probation the registration for all places of business operated in this state by an automotive repair dealer upon a finding that the automotive repair dealer has, or is, engaged in a course of repeated and willful violations of this chapter, or regulations adopted pursuant to it."
 - 11. Section 9884.8 of the Code states:

"All work done by an automotive repair dealer, including all warranty work, shall be recorded on an invoice and shall describe all service work done and parts supplied. Service work and parts shall be listed separately on the invoice, which shall also state separately the subtotal prices for service work and for parts, not including sales tax, and shall state separately the sales tax, if any, applicable to each. If any used, rebuilt, or reconditioned parts are supplied, the invoice shall clearly state that fact. If a part of a component system is composed of new and used, rebuilt or reconditioned parts, that invoice shall clearly state that fact. The invoice shall include a statement indicating whether any crash parts are original equipment manufacturer crash parts or nonoriginal equipment manufacturer aftermarket crash parts. One copy of the invoice shall be given to the customer and one copy shall be retained by the automotive repair dealer."

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insufficient and before the work not estimated is done or the parts not estimated are supplied.

Written consent or authorization for an increase in the original estimated price may be provided

Section 9884.9 of the Code states:

by electronic mail or facsimile transmission from the customer. The bureau may specify in regulation the procedures to be followed by an automotive repair dealer if an authorization or consent for an increase in the original estimated price is provided by electronic mail or facsimile

transmission. If that consent is oral, the dealer shall make a notation on the work order of the date, time, name of person authorizing the additional repairs and telephone number called, if any,

"(a) The automotive repair dealer shall give to the customer a written estimated price for

labor and parts necessary for a specific job. No work shall be done and no charges shall accrue

before authorization to proceed is obtained from the customer. No charge shall be made for work

done or parts supplied in excess of the estimated price without the oral or written consent of the

customer that shall be obtained at some time after it is determined that the estimated price is

together with a specification of the additional parts and labor and the total additional cost, and shall do either of the following:

order.

"(2) Upon completion of the repairs, obtain the customer's signature or initials to an

"(1) Make a notation on the invoice of the same facts set forth in the notation on the work

"(2) Upon completion of the repairs, obtain the customer's signature or initials to an acknowledgment of notice and consent, if there is an oral consent of the customer to additional repairs, in the following language:

"I acknowledge notice and oral approval of an increase in the original estimated price.

(signature or initials)"

"Nothing in this section shall be construed as requiring an automotive repair dealer to give a written estimated price if the dealer does not agree to perform the requested repair.

"(b) The automotive repair dealer shall include with the written estimated price a statement of any automotive repair service that, if required to be done, will be done by someone other than the dealer or his or her employees. No service shall be done by other than the dealer or his or her

employees without the consent of the customer, unless the customer cannot reasonably be notified. The dealer shall be responsible, in any case, for any service in the same manner as if the dealer or his or her employees had done the service.

- "(c) In addition to subdivisions (a) and (b), an automotive repair dealer, when doing auto body or collision repairs, shall provide an itemized written estimate for all parts and labor to the customer. The estimate shall describe labor and parts separately and shall identify each part, indicating whether the replacement part is new, used, rebuilt, or reconditioned. Each crash part shall be identified on the written estimate and the written estimate shall indicate whether the crash part is an original equipment manufacturer crash part or a nonoriginal equipment manufacturer aftermarket crash part.
- "(d) A customer may designate another person to authorize work or parts supplied in excess of the estimated price, if the designation is made in writing at the time that the initial authorization to proceed is signed by the customer. The bureau may specify in regulation the form and content of a designation and the procedures to be followed by the automotive repair dealer in recording the designation. For the purposes of this section, a designed shall not be the automotive repair dealer providing repair services or an insurer involved in a claim that includes the motor vehicle being repaired, or an employee or agent or a person acting on behalf of the dealer or insurer."
 - 13. Health and Safety Code section 44016 states:

"The department shall, with the cooperation of the state board and after consultation with the motor vehicle manufacturers and representatives of the service industry, research, establish, and update as necessary, specifications and procedures for motor vehicle maintenance and tuncup procedures and for repair of motor vehicle pollution control devices and systems. Licensed repair stations and qualified mechanics shall perform all repairs in accordance with specifications and procedures so established."

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REGULATORY PROVISIONS

14. California Code of Regulations, title 16, section 3340.41, states:

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"(d) The specifications and procedures required by Section 44016 of the Health and Safety Code shall be the vehicle manufacturer's recommended procedures for emission problem diagnosis and repair or the emission diagnosis and repair procedures found in industry-standard reference manuals and periodicals published by nationally recognized repair information providers. Smog check stations and smog check technicians shall, at a minimum, follow the applicable specifications and procedures when diagnosing defects or performing repairs for vehicles that fail a smog check test.

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15. California Code of Regulations, title 16, section 3353, states:

"No work for compensation shall be commenced and no charges shall accrue without specific authorization from the customer in accordance with the following requirements:

"(a) Estimate for Parts and Labor. Every dealer shall give to each customer a written estimated price for parts and labor for a specific job.

"...

- "(c) Additional Authorization. The dealer shall obtain the customer's authorization before any additional work not estimated is done or parts not estimated are supplied. This authorization shall be in written, oral, or electronic form, and shall describe additional repairs, parts, labor and the total additional cost.
- "(1) If the authorization from the customer for additional repairs, parts, or labor in excess of the written estimated price is obtained orally, the dealer shall also make a notation on the work order and on the invoice of the date, time, name of the person authorizing the additional repairs, and the telephone number called, if any, together with the specification of the additional repairs, parts, labor and the total additional costs.
- "(2) If the authorization from the customer for additional repairs, parts, or labor in excess of the written estimated price is obtained by facsimile transmission (fax), the dealer shall also

attach to the work order and the invoice, a faxed document that is signed and dated by the customer and shows the date and time of transmission and describes the additional repairs, parts, labor and the total additional cost.

- "(3) If the authorization from the customer for additional repairs, parts, or labor in excess of the written estimated price is obtained by electronic mail (e-mail), the dealer shall print and attach to the work order and invoice, the e-mail authorization which shows the date and time of transmission and describes the additional repairs, parts, labor, and the total additional costs.
- "(4) The additional repairs, parts, labor, total additional cost, and a statement that the additional repairs were authorized either orally, or by fax, or by e-mail shall be recorded on the final invoice to Section 9884.9 of the Business and Professions Code. All documentation must be retained pursuant to Section 9884.11 of the Business and Professions Code.

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- 16. California Code of Regulations, title 16, section 3356, states:
- "(a) All invoices for service and repair work performed, and parts supplied, as provided for in Section 9884.8 of the Business and Professions Code, shall comply with the following:
- "(1) The invoice shall show the automotive repair dealer's registration number and the corresponding business name and address as shown in the Bureau's records. If the automotive repair dealer's telephone number is shown, it shall comply with the requirements of subsection (b) of Section 3371 of this chapter.
 - "(2) The invoice shall separately list, describe and identify all of the following:
- "(A) All service and repair work performed, including all diagnostic and warranty work, and the price for each described service and repair.
- "(B) Each part supplied, in such a manner that the customer can understand what was purchased, and the price for each described part. The description of each part shall state whether the part was new, used, reconditioned, rebuilt, or an OEM crash part, or a non-OEM aftermarket crash part.

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 17. California Code of Regulations, title 16, section 3366, states:

"(a) Except as provided in subsection (b) of this section, any automotive repair dealer that advertises or performs, directly or through a sublet contractor, automotive air conditioning work and uses the words service, inspection, diagnosis, top off, performance check or any expression or term of like meaning in any form of advertising or on a written estimate or invoice shall include and perform all of the following procedures as part of that air conditioning work:

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"(15) High and low side system operating pressures, as applicable, have been measured and recorded on the final invoice; and,

"(16) The center air distribution outlet temperature has been measured and recorded on the final invoice

COSTS

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

ECONO LUBE

FIRST UNDERCOVER OPERATION-JULY 22, 2013

19. On or about July 22, 2013, a Burcau undercover operator drove a Bureau-documented 1998 GMC to Econo Lube's facility for repairs. The only repair necessary was replacement of the compressor cycling switch for the air conditioner system. The undercover operator arrived at Econo Lube's facility and spoke with Jose, Econo Lube's employee, about the vehicle's air conditioner not blowing cold air out of the dash. Jose said that his mechanic would diagnose the problem and that Jose would call the undercover operator back. Jose had the undercover operator

sign an estimate, but did not give the undercover operator a copy or discuss the cost of the diagnosis. The undercover operator then left.

- 20. Later that day, Jose called the undercover operator. Jose said that the air conditioner compressor was "no good." Jose said that the receiver dryer should be replaced for \$78.00 and that an air conditioning switch should be replaced for \$45.00. Also, Jose offered the undercover operator a choice between a rebuilt compressor with a one year/12,000 mile warranty for \$299.00 or a new one with a four year warranty for \$399.00. The undercover operator authorized a new compressor with the four year warranty and Jose quoted the cost of all of the repairs at \$650.00.
- 21. The next day, the undercover operator was informed that the vehicle was ready and he went to pick it up. Angel, one of Econo Lube's employees, completed the transaction. Angel had the undercover operator sign a documented labeled "Estimate: "and gave the undercover operator an unsigned copy. The undercover operator paid for the repairs. Angel told the undercover operator that the repairs were warrantied for twelve months or 12,000 miles, whichever event happened first, and that the warranty would be honored at any Meincke store location. The document that the undercover operator received provided that the warranty in fact would only be honored at Econo Lube's facility. The undercover operator then drove the vehicle from Econo Lube's facility.
- 22. Shortly thereafter, a Bureau representative inspected the GMC. The compressor cycling switch had been replaced, but the air conditioning compressor, including the compressor clutch, had not been replaced.
- 23. On September 26, 2013, a Bureau representative went to Econo Lube's facility and spoke with Angel and Jose. The Bureau representative requested a copy of the final invoice for the GMC. The document that they gave to the Bureau representative in response was different than what had been given to the undercover operator. They produced a copy of an invoice for the air conditioning compressor, which was listed at \$299.99 rather than \$399.00 that they had charged the undercover operator.

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FIRST CAUSE FOR DISCIPLINE

(Untrue or Misleading Statement)

- 24. Econo Lube's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(1), in that Econo Lube made or authorized statements which Econo Lube knew or in the exercise of reasonable care should have known to be untrue or misleading. Complainant incorporates by reference the allegations set forth above in paragraphs 19-23. The untrue or misleading statements include the following:
- a. Econo Lube told the undercover operator that the air conditioning compressor was no good, when in fact it was in good condition and not in need of service or repair.
- b. Econo Lube told the undercover operator that the repairs included a four year warranty, when in fact it included only one year.
- c. Econo Lube told the undercover operator that the warranty would be honored at any Meineke store location, when in fact it would only be honored at Econo Lube's facility.
- d. Econo Lube represented that the air conditioning compressor had been replaced, when in fact it had not been replaced.
- c. Econo Lube represented to the Bureau representative that Econo Lube charged the undercover operator \$299.99 for an air conditioning compressor, when in fact Econo Lube charged the undercover operator \$399.99.

SECOND CAUSE FOR DISCIPLINE

(Fraud)

25. Econo Lubc's Registration is subject to disciplinary action under Code section 9884.7, subdivision (a)(4), in that Econo Lube committed acts which constitute fraud by failing to replace the air conditioning compressor that Econo Lube had been paid to replace. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 19-23.

THIRD CAUSE FOR DISCIPLINE

(Failure to Provide Estimate)

26. Econo Lubc's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(3), in that Econo Lube did not give the customer a copy of an estimate as soon as

SIXTH CAUSE FOR DISCIPLINE

(Failure to Comply with Regulations)

- 29. Econo Lube's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(6), in that Econo Lube failed in a material respect to comply with the provisions of the Automotive Repair Act or regulations adopted pursuant to it. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 19-23. The violations include the following:
- a. Econo Lube failed to record on the invoice the high and low side system operating pressure as required by California Code of Regulations, title 16, section 3366, subdivision (a)(15).
- b. Econo Lube failed to measure and record on the invoice the center air distribution outlet temperature as required by California Code of Regulations, title 16, section 3366, subdivision (a)(16).

SECOND UNDERCOVER OPERATION-AUGUST 21, 2013

- 30. On or about August 21, 2013, a Bureau undercover operator drove a Bureau-documented 2002 Toyota to Econo Lube's facility. The only repair necessary was to replace a faulty vacuum switch valve. The undercover operator first drove the Toyota to a smog station and had it inspected; it failed the smog inspection because of an illuminated check engine light and fuel evaporation code stored in the computer. The undercover operator then took the vehicle to Econo Lube's facility for repairs. He spoke with Jose and asked if Jose could diagnose the vehicle for failing the smog inspection. Jose said that he would have his mechanic diagnose the problem. He asked the undercover operator to sign an estimate, but did not give the undercover operator a copy. Jose never documented what the estimate of the diagnosis would be. The undercover operator left.
- 31. Later that day, Jose called the undercover operator. Jose said that they diagnosed the problem as a failed vacuum control solenoid and purge solenoid for the fuel evaporation system. Jose said that the repairs would cost \$420.00. Jose said that he would road test the vehicle about 35 miles to ensure that the vehicle's computer was ready for a smog inspection after the repair was made. The undercover operator arrived at Econo Lube's facility and met with Jose. Jose

asked the undercover operator to sign estimate. The undercover operator signed the estimate and paid \$420.00; he got an unsigned copy of the estimate.

- 32. On August 22, 2013, the undercover operator called Jose about the status of the repairs. Jose said that the OBD-II flag would not reset and that the vehicle would not pass a smog inspection because the check engine light was illuminated. He said that one of his technicians was out driving the vehicle to reset the computer's flag.
- 33. On August 29, 2013, the undercover operator went to Econo Lube's facility and spoke with Angel. Angel said that the vehicle was at Jo Jo's, a smog station in Corona. Angel said that a man named Julio was inspecting the vehicle and that it would not be ready for a few more hours.
- 34. On September 3, 2013, the undercover operator called Angel and asked about the status of the repair. Angel said that one of the vehicle's computer flags would not reset and that the car would be ready the next day.
- 35. On September 4, 2013, the undercover operator returned to Econo Lube's facility and spoke with Jose. Jose said that one of the vehicle's computer OBD-II flags would not reset after he had driven it to reset the flag. Jose said that if the undercover operator drove the vehicle about thirty-five miles more, then the computer might reset. Jose gave the undercover operator the vehicle. The undercover operator did not get an invoice.
- 36. A Bureau representative later reinspected the vehicle. The Toyota had accrued over 700 miles while in Econo Lube's eustody. The faulty vacuum switch valve had been replaced and the eanister closed valve had been replaced unnecessarily. The EVAP readiness monitor was not complete. Econo Lube's failed to complete the repair process by verifying that the EVAP monitor could run to completion. The proper process for completing the Toyota's EVAP readiness monitor does not require driving or moving the vehicle. One must idle the vehicle's engine from a cold start, having a specific amount of gas in the gas tank, and follow a prescribed idling procedure until the monitor completes. A reasonably prudent licensee under like circumstances should know this procedure.

37. On September 26, 2013, a Bureau representative went to Econo Lube's facility and spoke with Angel and Jose. The Bureau representative requested a copy of the final invoice for the Toyota. The Bureau representative said that the vehicle had been driven about 700 miles. Angel and Jose denied that the vehicle had been driven that far and produced a copy of the invoice.

SEVENTH CAUSE FOR DISCIPLINE

(Untrue or Misleading Statement)

- 38. Econo Lube's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(1), in that Econo Lube made or authorized statements which Econo Lube knew or in the exercise of reasonable care should have known to be untrue or misleading. Complainant incorporates by reference the allegations set forth above in paragraphs 30-37. The untrue or misleading statements include the following:
- a. Econo Lube told the undercover operator that the problems with the vehicle were a failed vacuum control solenoid and purge solenoid, when in fact only the vacuum switch valve was defective.
- b. Econo Lube told the undercover operator that it was necessary to drive the vehicle about thirty-five miles to reset the computer, when in fact the proper procedure does not require driving at all.
- e. Econo Lube told the Bureau representative that the vehicle had not been driven 700 miles, when in fact it had been driven that far.
- d. Econo Lube represented to the Bureau representative that Econo Lube did not charge the undercover operator for a vacuum valve and purge valve assembly, when in fact Econo Lube charged the undercover operator for a vacuum valve and purge valve assembly.

EIGITH CAUSE FOR DISCIPLINE

(Fraud)

39. Econo Lube's Registration is subject to disciplinary action under Code section 9884.7, subdivision (a)(4), in that Econo Lube committed acts which constitute fraud by selling the undercover operator a purge valve assembly, when in fact it was in good condition and not in

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CONSUMER COMPLAINT

43. On or about September 7, 2013, Consumer Catherine Funk took her 2004 BMW 325i to Econo Lube's facility to have the alternator checked. Econo Lube told Funk that the alternator should be replaced, and contracted with her to replace the alternator with a new unit. Although Econo Lube later represented to Funk that the repairs were completed and Funk paid Econo Lube, in fact and in truth as Econo Lube well knew, Econo Lube never replaced the alternator.

TWELFTH CAUSE FOR DISCIPLINE

(Untrue or Misleading Statements)

44. Econo Lube's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(1), in that Econo Lube made or authorized statements, which Econo Lube knew or in the exercise of reasonable care should have known to be untrue or misleading. Econo Lube told Funk that Econo Lube replaced the alternator with a new unit, when in fact it was never replaced. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraph 43.

THIRTEENTH CAUSE FOR DISCIPLINE

(Fraud)

45. Econo Lube's Registration is subject to disciplinary action under Code section 9884.7, subdivision (a)(4), in that Econo Lube committed acts which constitute fraud by representing that Econo Lube replaced the alternator with a rebuilt unit, when in fact it was never replaced. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraph 43.

FOURTEENTH CAUSE FOR DISCIPLINE

(Violation of Invoice Requirements)

46. Econo Lube's Registration is subject to disciplinary action under section Code section 9884.8, in that Econo Lube aeted as a licensee out of name style under California Code of Regulations, title 16, section 3356, subdivision (a)(1) by listing the business as "Meineke Econo Lube" on the invoice when the licensed name style is Econo Lube. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraph 43.

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FIFTEENTH CAUSE FOR DISCIPLINE

(Violation of Estimate Requirements)

47. Econo Lube's Registration is subject to disciplinary action under section Code section 9884.9 and California Code of Regulations, title 16, section 3353, subdivision (c), in that Econo Lube failed to document Funk's authorization to replace the alternator. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraph 43.

MEINEKE CAR CARE CENTER

THIRD UNDERCOVER RUN - JULY 23, 2013

- 48. On or about July 23, 2013, a Bureau undercover operator drove a Bureau-documented 1997 Ford to Meineke Car Care Center's facility. The only introduced malfunction was that the Exhaust Gas Recirculation valve was replaced with a damaged unit that would cause the Malfunction Indicator Lamp to illuminate. The undercover operator arrived and spoke with Joe, Meineke Car Care Center's employee, and asked Joe to check the vehicle for shaking and an illuminated Malfunction Indicator Lamp. Joe asked the undercover operator to sign a repair order, but did not give the undercover operator a copy or any estimate. The undercover operator left the vehicle at the facility.
- 49. Later that day, Joe called the undercover operator. Joe said that they found the Exhaust Gas Recirculation and the idle air control valve needed replacement. Joe said the cost would be \$275.65 plus tax. Joe said the parts needed replacement because the Exhaust Gas Recirculation valve was not opening and the idle air control was bad and needed replacement. The undercover operator authorized the repairs.
- 50. The undercover operator later returned to the facility after receiving notice that the repairs were completed. The undercover operator spoke with an employee named Mickey. Mickey gave the undercover operator a document that said "estimate" on the top and asked the undercover operator to sign it. Although the undercover operator signed it, he never received a copy. The undercover operator asked Mickey if the problems with vehicle had been repaired; she said "yes it should be fixed." The undercover operator paid \$288.79, received an invoice, drove the vehicle out of the facility, and returned it to a Bureau representative.

51. A Bureau representative later reinspected the vehicle. The Exhaust Gas Recirculation valve and Idle Air Control motor had been replaced with parts that appeared to be new. The Malfunction Indicator Lamp was off with the engine running. The Idle Air Control motor was replaced unnecessarily because it was previously in good operating condition before arriving at Meineke Car Care Center's facility. Meineke Car Care Center performed an improper diagnostic that did not identify that the Idle Air Control motor was in good operating condition and no diagnostic trouble code for the Idle Air Control motor was present in the vehicle's computer.

SIXTEENTH CAUSE FOR DISCIPLINE

(Untrue or Misleading Statements)

52. Meincke Car Care Center's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(1), in that Meincke Car Care Center made or authorized statements which Meineke Car Care Center knew or in the exercise of reasonable care should have known to be untrue or misleading. Meineke Car Care Center told the undercover operator that replacing the Idle Air Control motor was necessary, when in fact and in truth as Meineke Car Care Center well knew it was in good operating condition and not in need of repair or replacement. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 48-51.

SEVENTEENTH CAUSE FOR DISCIPLINE

(Fraud)

53. Meineke Car Care Center's Registration is subject to disciplinary action under Code section 9884.7, subdivision (a)(4), in that Meineke Car Care Center committed acts which constitute fraud by representing that replacing the Idle Air Control motor was necessary, when in fact and in truth as Meineke Car Care Center well knew it was in good operating condition and not in need of repair or replacement. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 48-51.

EIGHTEENTH CAUSE FOR DISCIPLINE

(Violation of Estimate Requirements)

54. Meineke Car Care Center's Registration is subject to disciplinary action under section Code section 9884.9 and California Code of Regulations, title 16, section 3353, subdivision (a), in

that Meineke Car Care Center failed to give the undercover operator a written estimate for parts and labor for a specific job. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 48-51.

FOURTH UNDERCOVER RUN – FEBRUARY 13, 2014

- documented 1994 Honda to Meineke Car Carc Center's facility. The only introduced malfunction was removing the number 1 spark plug and deliberately shorting it out. The undercover operator arrived and spoke with one of Meineke Car Care Center's employees and asked them to check the vehicle because it was shaking and running poorly. The employee said they would check the vehicle and let the undercover operator know after it was inspected. A technician came into the office and took the keys from the undercover operator and drove the vehicle into the shop. The undercover operator had not signed or received an estimate for a specific job.
- 56. About forty minutes later, the employee recommended the undercover operator that the following services be authorized: replacing the spark plugs, spark plug wires, distributor cap, rotor, and one fuel injector. The undercover operator authorized the services. The employee told the undercover operator that the services would cost \$280.00 plus tax. The undercover operator did not receive an estimate or paperwork of any kind for his signature.
- 57. The undercover operator later received notice that the services were completed. The undercover operator paid Meincke Car Care Center \$292.70. The undercover operator still did not receive an invoice or receipt. One of Meincke Car Care Center's employees returned to the facility with the vehicle. The undercover operator then received an invoice, drove the vehicle out of the facility, and returned it to a Bureau representative.
- 58. A Bureau representative later reinspected the vehicle. The spark plugs, spark plug wires, distributor cap, rotor, and number 1 fuel injection had been replaced with parts that appeared to be new. The spark plug wires, distributor cap, rotor, and number 1 fuel injector were replaced unnecessarily because they were previously in good operating condition before arriving

at Meineke Car Care Center's facility. The only necessary service was replacing the number 1 spark plug.

NINETEENTH CAUSE FOR DISCIPLINE

(Untrue or Misleading Statements)

59. Meincke Car Care Center's Registration is subject to disciplinary action under section 9884.7, subdivision (a)(1), in that Meineke Car Care Center made or authorized statements which Meineke Car Care Center knew or in the exercise of reasonable care should have known to be untrue or misleading. Meineke Car Care Center told the undercover operator that replacing the spark plug wires, distributor cap, rotor, and number 1 fuel injector were necessary, when in fact and in truth as Meineke Car Care Center well knew they were in good operating condition and not in need of repair or replacement. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 55-58.

TWENTIETH CAUSE FOR DISCIPLINE

(Fraud)

60. Meincke Car Care Center's Registration is subject to disciplinary action under Code section 9884.7, subdivision (a)(4), in that Meincke Car Care Center committed acts which constitute fraud by representing that replacing the spark plug wires, distributor cap, rotor, and number 1 fuel injector were necessary, when in fact and in truth as Meineke Car Care Center well knew they were in good operating condition and not in need of repair or replacement.

Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 55-58.

TWENTY-FIRST CAUSE FOR DISCIPLINE

(Violation of Estimate Requirements)

61. Meineke Car Care Center's Registration is subject to disciplinary action under section Code section 9884.9 and California Code of Regulations, title 16, section 3353, subdivision (a), in that Meineke Car Care Center failed to give the undercover operator a written estimate for parts and labor for a specific job. Complainant re-alleges and incorporates by reference the allegations set forth above in paragraphs 55-58.

1	5. Taking such other and further action as deemed necessary and proper.
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3	DATED: May 14, 2014 Tatuch Docais PATRICK DORAIS
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6	Department of Consumer Affairs State of California
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