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

In the Matter of the Accusation Against:

ROCKLIN AUTOMOTIVE, INC. MARC B. FREIRE PRESIDENT/TREASURER SUZANNE B. FREIRE, SECRETARY 6800 Five Star Blvd. Rocklin, CA 95677

Automotive Repair Dealer Reg. No. ARD 253181 Smog Check Station License No. RC 253181 Lamp Station License No. LS 253181 Brake Station License No. BS 253181

Respondent.

Case No. 77/14-11

OAH No. 2013100627

# DECISION

The attached Stipulated Settlement and Disciplinary 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 September

DATED: August 18, 2014

Deputy Director, Legal Affairs Department of Consumer Affairs

		+					
1	Kamala D. Harris						
2	Attorney General of California KENT D. HARRIS						
3	Supervising Deputy Attorney General PHILLIP L. ARTHUR						
4	Deputy Attorney General State Bar No. 238339						
5	1300 I Street, Suite 125 P.O. Box 944255						
6	Sacramento, CA 94244-2550 Telephone: (916) 322-0032						
7	Facsimile: (916) 327-8643 E-mail: Phillip.Arthur@doj.ca.gov						
8	Attorneys for Complainant						
		RE THE					
9	DEPARTMENT OF CONSUMER AFFAIRS FOR THE BUREAU OF AUTOMOTIVE REPAIR						
10	STATE OF CALIFORNIA						
11		1 · · · · · · · · · · · · · · · · · · ·					
12	In the Matter of the Accusation Against:	Case No. 77/14-11					
13	ROCKLIN AUTOMOTIVE. INC. MARC B. FREIRE,	OAH No. 2013100627					
14	PRESIDENT/TREASURER SUZANNE B. FREIRE, SECRETARY	STIPULATED SETTLEMENT AND					
15	6800 Five Star Blvd. Rocklin, CA 95677	DISCIPLINARY ORDER					
16							
17	Automotive Repair Dealer Reg. No. ARD 253181						
18	Smog Check Station License No. RC 253181 Lamp Station License No. LS 253181						
19	Brake Station License No. BS 253181						
20	Respondent.						
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22	IT IS HEREBY STIPULATED AND AGREED by and between the parties to the above-						
23	entitled proceedings that the following matters are true:						
24	<u>PARTIES</u>						
25	1. Patrick Dorais ("Complainant") is the Chief of the Bureau of Automotive Repair. He						
26	brought this action solely in his official capacity and is represented in this matter by Kamala D.						
27	Harris, Attorney General of the State of California, by Phillip L. Arthur, Deputy Attorney						
28	General.						
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- 2. Respondent Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary ("Respondent") is represented in this proceeding by attorney Stephen L. Ramazzini, whose address is: 1000 G Street, Suite 200, Sacramento, CA 95814
- 3. On or about January 14, 2008, the Bureau of Automotive Repair issued Automotive Repair Dealer Registration No. ARD 253181 to Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary (Respondent). The Automotive Repair Dealer Registration was in full force and effect at all times relevant to the charges brought in Accusation No. 77/14-11 and will expire on December 31, 2014, unless renewed.
- 4. On or about July 31, 2008, the Bureau of Automotive Repair issued Smog Check Station License No. RC 253181 to Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary (Respondent). The Smog Check Station License was in full force and effect at all times relevant to the charges brought in Accusation No. 77/14-11 and will expire on December 31, 2014, unless renewed.
- 5. On or about July 9, 2009, the Bureau of Automotive Repair issued Lamp Station License No. LS 253181, class A to Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary (Respondent). The Lamp Station License was in full force and effect at all times relevant to the charges brought in Accusation No. 77/14-11 and will expire on December 31, 2014, unless renewed.
- 6. On or about July 9, 2009, the Bureau of Automotive Repair issued Brake Station License Number BS 253181 to Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary (Respondent). Respondent's brake station license was in full force and effect at all times relevant to the charges brought herein and will expire on December 31, 2014, unless renewed.

### JURISDICTION

7. Accusation No. 77/14-11 was filed before the Director of Consumer Affairs (Director), for the Bureau of Automotive Repair (Bureau), and is currently pending against Respondent. The Accusation and all other statutorily required documents were properly served

on Respondent on September 4, 2013. Respondent timely filed its Notice of Defense contesting the Accusation.

8. A copy of Accusation No. 77/14-11 is attached as exhibit A and incorporated herein by reference.

## **ADVISEMENT AND WAIVERS**

- 9. Respondent has carefully read, fully discussed with counsel, and understands the charges and allegations in Accusation No. 77/14-11. Respondent has also carefully read, fully discussed with counsel, and understands the effects of this Stipulated Settlement and Disciplinary Order.
- 10. Respondent is fully aware of its legal rights in this matter, including the right to a hearing on the charges and allegations in the Accusation; the right to be represented by counsel at its own expense; the right to confront and cross-examine the witnesses against them; the right to present evidence and to testify on its 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.
- 11. Respondent voluntarily, knowingly, and intelligently waives and gives up each and every right set forth above.

### **CULPABILITY**

- 12. Respondent understand and agrees that the charges and allegations in Accusation No. 77/14-11, if proven at a hearing, constitute cause for imposing discipline upon Respondent's Automotive Repair Dealer Registration No. ARD 253181, Smog Check Station License No. RC 253181, Lamp Station License No. LS 253181, and Brake Station License No. BS 253181.
- 13. For the purpose of resolving the Accusation without the expense and uncertainty of further proceedings, Respondent agrees that, at a hearing, Complainant could establish a factual basis for the charges in the Accusation, and that Respondent hereby gives up its right to contest those charges.

14. Respondent agrees that its Automotive Repair Dealer Registration, Smog Check Station License, Brake Station License, and Lamp Station License are subject to discipline and they agree to be bound by the Director's probationary terms as set forth in the Disciplinary Order below.

### CONTINGENCY

- 15. This stipulation shall be subject to approval by the Director of Consumer Affairs 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 of the Department of Consumer Affairs regarding this stipulation and settlement, without notice to or participation by Respondent or its counsel. By signing the stipulation, Respondent understands and agrees that they may not withdraw its 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 Settlement 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.
- 16. The parties understand and agree that Portable Document Format (PDF), electronic, and facsimile copies of this Stipulated Settlement and Disciplinary Order, including Portable Document Format (PDF), electronic, and facsimile signatures thereto, shall have the same force and effect as the originals.
- 17. This Stipulated Settlement and Disciplinary 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 Settlement and Disciplinary 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.
- 18. 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 Disciplinary Order:

# DISCIPLINARY ORDER

IT IS HEREBY ORDERED that Automotive Repair Dealer Registration No. ARD 253181, Smog Check Station License No. RC 253181, Brake Station License No. BS 253181, and Lamp Station License No. LS 253181, class A, issued to Respondent Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary (Respondent) are revoked. However, the revocation is stayed and Respondent is placed on probation for three (3) years on the following terms and conditions.

- 1. **Actual Suspension.** Automotive Repair Dealer Registration No. ARD 253181, Smog Check Station License No. RC 253181, Brake Station License No. BS 253181, and Lamp Station License No. LS 253181, class A issued to Respondent Rocklin Automotive, Inc.; Marc B. Freire, President/Treasurer; Suzanne B. Freire, Secretary (Respondent) are suspended for five (5) consecutive days beginning on the effective date of the decision.
- 2. **Obey All Laws.** Comply with all statutes, regulations and rules governing automotive inspections, estimates and repairs.
- 3. **Post Sign.** Post a prominent sign, provided by the Bureau, indicating the beginning and ending dates of the suspension and indicating the reason for the suspension. The sign shall be conspicuously displayed in a location open to and frequented by customers and shall remain posted during the entire period of actual suspension.
- 4. **Reporting.** Respondent or Respondent's authorized representative must report in person or in writing as prescribed by the Bureau of Automotive Repair, on a schedule set by the Bureau, but no more frequently than each quarter, on the methods used and success achieved in maintaining compliance with the terms and conditions of probation.
- 5. **Report Financial Interest.** Within 30 days of the effective date of this action, report any financial interest which any partners, officers, or owners of the Respondent facility may have in any other business required to be registered pursuant to Section 9884.6 of the Business and Professions Code.
- 6. **Random Inspections.** Provide Bureau representatives unrestricted access to inspect all vehicles (including parts) undergoing repairs, up to and including the point of completion.

- **Jurisdiction.** If an accusation is filed against Respondent during the term of probation, the Director of Consumer Affairs shall have continuing jurisdiction over this matter until the final decision on the accusation, and the period of probation shall be extended until such Violation of Probation. Should the Director of Consumer Affairs determine that
- Respondent has failed to comply with the terms and conditions of probation, the Department may. after giving notice and opportunity to be heard revoke Respondent's Automotive Repair Dealer Registration, Smog Check Station License, Brake Station License, and Lamp Station License.
- False and Misleading Advertising. If the accusation involves false and misleading advertising, during the period of probation, Respondent shall submit any proposed advertising copy, whether revised or new, to the Bureau at least thirty (30) days prior to its use.
- the Bureau's costs for investigation and prosecution of this action. Payment to the Bureau of the full amount of cost recovery shall be made in twenty-four (24) consecutive equal installments with the first payment due no later than 30 days after the effective date of the decision and the last payment due no later than 12 months before probation terminates. Failure to complete payment of cost recovery within this time frame shall constitute a violation of probation which may subject Respondent's Automotive Repair Dealer Registration, Smog Check Station License, Brake Station License, and Lamp Station License to outright revocation; however, the Director or the Director's Bureau of Automotive Repair designee may elect to continue probation until such time as reimbursement of the entire cost recovery amount has been made to the Bureau.

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2	I have carefully read the above Stipulated Settlement and Disciplinary Order and have fully				
3	discussed it with my attorney, Stephen L. Ramazzini. I understand the stipulation and the effect i				
4	will have on my Automotive Repair Dealer Registration, Smog Check Station License, Brake				
5	Station License, and Lamp Station License. I enter into this Stipulated Settlement and				
6	Disciplinary Order voluntarily, knowingly, and intelligently, and agree to be bound by the				
7	Decision and Order of the Director of Consumer Affairs.				
8	1 BI				
9	DATED: 7-23-14 / 2 2 1				
10	ROCKLIN AUTOMOTIVE, INC., MARC B. FREIRE, PRESIDENT/TREASURER				
11	Respondent				
12.					
13	DATED: 7-23-14 POCKLIN AUTOMOTIVE, INC.,				
14	SUZANNE B. FREIRE, SECRETARY Respondent				
15					
16	I have read and fully discussed with Respondent Rocklin Automotive, Inc.; Marc B. Freire,				
i7	President/Treasurer; Suzanne B. Freire, Secretary the terms and conditions and other matters				
18	contained in the above Stipulated Settlement and Disciplinary Order. I approve its form and				
19	content.				
20	DATED: 25 504 314				
21	Stephen L. Ramazzini Attorney for Respondent				
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# **ENDORSEMENT** The foregoing Stipulated Settlement and Disciplinary Order is hereby respectfully submitted for consideration by the Director of Consumer Affairs. Respectfully submitted, KAMALA D. HARRIS Attorney General of California KENT D. HARRIS Supervising Deputy Attorney General Deputy Attorney General Attorneys for Complainant SA2013111373 11344689.doc

Exhibit A

Accusation No. 77/14-11

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	i,	1	Kamala D. Harris		
		2	Attorney General of California KENT D. HARRIS		
			Supervising Deputy Attorney General		
٠		3	PHILLIP L. ARTHUR Deputy Attorney General		
	-	4	State Bar No. 238339		
		5	1300 I Street, Suite 125 P.O. Box 944255		
		1	Sacramento, CA 94244-2550	•	
		6	Telephone: (916) 322-0032 Facsimile: (916) 327-8643		
		7	Attorneys for Complainant		
		8	BEFORE TE	TR.	
			DEPARTMENT OF CONST	UMER AFFAIRS	
٠.		9	FOR THE BUREAU OF AUTO STATE OF CALIF		
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		11		,	
		12	In the Matter of the Accusation Against:	Case No. 77/14-11	
		12	ROCKLIN AUTOMOTIVE, INC.		
		13	MARC B. FREIRE, PRESIDENT/TREASURER	A COTTO A MYONY	
		14	SUZANNE B. FREIRE, SECRETARY 6800 Five Star Blvd.	ACCUSATION	
		-15	Rocklin, CA 95677		
			Automotive Repair Dealer Reg. No. ARD 253181		
	•	16	Smog Check Station License No. RC 253181 Lamp Station License No. LS 253181		
		17	Brake Station License No. BS 253181		
• ;	:	18	Respondent,	Company of the second	
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		19			
	•	20	Complainant alleges:		
•		21	PARTIES		
		22	Patrick Dorais ("Complainant") brings this	Accusation solely in his official capacit	У
		23	as the Acting Chief of the Bureau of Automotive Repa	ir ("Bureau"), Department of Consumer	
		24	Affairs.		
		25	Automotive Repair Dealer Registration No. A	RD 253181	
		26	2. On or about January 14, 2008, the Director	of Consumer Affairs ("Director") issued	t
		27	Automotive Repair Dealer Registration Number ARD	253181 ("registration") to Rocklin	
		28	Automotive, Inc. ("Respondent"), with Marc B. Freire	as president and treasurer and Suzanne I	3,

Freire as secretary. Respondent's registration was in full force and effect at all times relevant to the charges brought herein and will expire on December 31, 2013, unless renewed.

# Smog Check Station License No. RC 253181

3. On or about July 31, 2008, the Director issued Smog Check Station License Number RC 253181 to Respondent. Respondent's smog check station license was in full force and effect at all times relevant to the charges brought herein and will expire on December 31, 2013, unless renewed.

## Lamp Station License No. LS 253181

4. On or about July 9, 2009, the Director issued Lamp Station License Number LS 253181 to Respondent. Respondent's lamp station license was in full force and effect at all times relevant to the charges brought herein and will expire on December 31, 2013, unless renewed.

#### Brake Station License No. BS 253181

5. On or about July 9, 2009, the Director issued Brake Station License Number BS 253181 to Respondent. Respondent's brake station license was in full force and effect at all times relevant to the charges brought herein and will expire on December 31, 2013, unless renewed.

# **JURISDICTION**

- 6. Business and Professions Code ("Bus. & Prof. Code") section 9884.7 provides that the Director may revoke an automotive repair dealer registration.
- 7. Bus. & Prof. Code section 9884.13 provides, in pertinent part, that the expiration of a valid registration shall not deprive the Director of jurisdiction to proceed with a disciplinary proceeding against an automotive repair dealer or to render a decision temporarily or permanently invalidating (suspending or revoking) a registration.
- 8. Bus. & Prof. Code section 9889.1 provides, in pertinent part, that the Director may suspend or revoke any license issued under Articles 5 and 6 (commencing with section 9887.1) of the Automotive Repair Act.

another without consent of the owner or his or her duly authorized representative.

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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.

# 13. Bus. & Prof. Code section 9884.9 states, in pertinent part:

- (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 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 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 when 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, together with a specification of the additional parts and labor . . .
- (b) The automotive repair dealer shall include with the written estimated price a statement of any automotive repair service which, if required to be done, will be done by someone other than the dealer or his employees. No service shall be done by other than the dealer or his employees without the consent of the customer, unless the customer cannot reasonably be notified. The dealer shall be responsible, in any case, for any such service in the same manner as if he or his employees had done the service...
- 14. Bus. & Prof. Code section 9884.11 states that, "[e]ach automotive repair dealer shall maintain any records that are required by regulations adopted to carry out this chapter [the Automotive Repair Act]. Those records shall be open for reasonable inspection by the chief or other law enforcement officials. All of those records shall be maintained for at least three years."
  - 15. Bus. & Prof. Code section 9889.3 states, in pertinent part:

The director may suspend, revoke, or take other disciplinary action against a license as provided in this article [Article 7 (commencing with section 9889.1) of the Automotive Repair Act] if the licensee or any partner, officer, or director thereof:

(d) Commits any act involving dishonesty, fraud, or deceit whereby another is injured . . .

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might prevent the restoration of the component to its former condition, the dealer

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Bus. & Prof. Code section 9889.9 states that: "[w]hen any license has been revoked

shall write that information on the work order containing the teardown estimate before the work order is signed by the customer.

The repair dealer shall notify the customer orally and conspicuously in writing on the teardown estimate the maximum time it will take the repair dealer to reassemble the vehicle or the vehicle component in the event the customer elects not to proceed with the repair or maintenance of the vehicle and shall reassemble the vehicle within that time period if the customer elects not to proceed with the repair or maintenance. The maximum time shall be counted from the date of authorization of teardown . . .

- 22. Regulation section 3356, subdivision (a), states, in pertinent part:
- (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:
- (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...
- 23. Regulation section 3358 states:

Each automotive repair dealer shall maintain legible copies of the following records for not less than three years:

- (a) All invoices relating to automotive repair including invoices received from other sources for parts and/or labor.
  - (b) All written estimates pertaining to work performed.
- (c) All work orders and/or contracts for repairs, parts and labor. All such records shall be open for reasonable inspection and/or reproduction by the bureau or other law enforcement officials during normal business hours.
- 24. Regulation section 3361.1 states, in pertinent part:

The following minimum requirements specifying accepted trade standards for good and workmanlike rebuilding of automatic transmissions are intended to define terms that have caused confusion to the public and unfair competition within the automotive repair industry . . . These minimum requirements shall not be used to promote the sale of "rebuilt" automatic transmissions when a less extensive and/or less costly repair is desired by the customer . . . All automotive repair dealers engaged in the repair, sale, or installation of automatic transmissions in vehicles covered under the Act shall be subject to the following minimum requirements:

No automotive repair dealer or individual in charge shall, in filling out an estimate, invoice, or work order, or record required to be maintained by section 3340.15(f) of this chapter, withhold therefrom or insert therein any statement or information which will cause any such document to be false or misleading, or where the tendency or effect thereby would be to mislead or deceive customers, prospective customers, or the public.

### COST RECOVERY

26. Bus. & Prof. Code section 125.3 provides, in pertinent part, that a Board 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.

# CONSUMER COMPLAINT (RG): 2004 DODGE RAM 1500 TRUCK

27. On or about February 27, 2012, RG was driving his 2004 Dodge Ram 1500 truck, when the engine died and would not restart. RG had the vehicle towed to Respondent's facility for diagnosis. Respondent's facility had previously installed a remanufactured engine in the vehicle on or about February 20, 2009, and the engine was covered by a Chrysler 3 year/100,000 mile warranty. After the diagnosis was completed, Respondent's facility informed RG that the engine had run low on oil and had internal damage. Respondent's president, Marc Freire ("Freire"), told RG that the engine would not be covered under the warranty because it had

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expired. RG authorized Respondent's facility to install another remanufactured engine in the vehicle.

- 28. On or about March 8, 2012, RG went to Respondent's facility to pick up his vehicle, paid \$10,307.54 for the repairs, and received a copy of Invoice No. 1020154. The invoice indicated that the engine was covered by a Chrysler 3 year/100,000 mile warranty.
- 29. In or about August 2012, RG's vehicle overheated, so RG took it to Duncan's Automotive II ("Duncan's") for diagnosis. Duncan's replaced the radiator for \$490.79.
- 30. In or about January 2013, RG returned his vehicle to Duncan's because it overheated again. Duncan's found that the radiator was defective and agreed to replace it under warranty.
- 31. On or about January 11, 2013, while the above repairs were still in progress, Duncan's told RG that his vehicle may have a head gasket problem. Duncan's recommended that RG take his vehicle to the dealer. RG went to Respondent's facility and obtained the service history on the vehicle.
- 32. On or about January 16, 2013, RG took his vehicle to Autowest Chrysler Dodge ("Autowest") located in Roseville, California, for diagnosis. The service advisor at Autowest reviewed the service history and informed RG that Chrysler had provided the remanufactured engine to Respondent's facility in March 2012 free of charge. The Autowest service advisor checked with the parts department, then told RG that Chrysler had "good willed" the engine even though the warranty had expired and that the engine Autowest had supplied to Respondent's facility did not come with a warranty.
  - 33. On or about January 23, 2013, RG filed a complaint with the Bureau.
- 34. On or about January 24, 2013, Bureau Representative JH contacted Autowest and spoke with the parts adviser, DB. DB explained that he had received a call in February 2012 from Freire, inquiring about the warranty coverage on the engine. DB told Freire that the warranty had expired, but he would check with his district manager. DB agreed to order another engine for Freire with the understanding that if Chrysler decided not to honor the warranty, then Freire would have to pay for the part. DB delivered the engine to Respondent's facility on March 6 or 7, 2012. On or about March 22, 2012, DB called the facility and informed them that

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Chrysler had agreed to cover the engine; however, the replacement engine was being provided without a warranty.

35. On or about January 28, 2013, Bureau Representatives JH and MG went to Respondent's facility and obtained copies of their repair records on RG's vehicle, including a work order dated February 27, 2012 for a diagnosis of the engine. Freire told JH and MG that he originally replaced the engine in October 2008, that the engine had failed in February 2009, and that Chrysler would not honor the warranty because Respondent's facility had failed to replace the intake manifold at the time of the initial engine replacement. Freire stated that another engine was provided and installed at Autowest at no charge to RG. Freire admitted that Autowest had eventually warranted the engine and had credited Respondent's facility for the cost of the engine and intake manifold. Freire also admitted that he kept the money instead of returning it to RG.

## FIRST CAUSE FOR DISCIPLINE

#### (Fraud)

- 36. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(4), in that Respondent committed acts constituting fraud, as follows:
- a. Respondent's president, Freire, failed to notify RG and intentionally concealed the facts that: (1) Chrysler had agreed to honor the 3 year/100,000 warranty on the remanufactured engine and the intake manifold that were installed on RG's 2004 Dodge Ram 1500 truck in February 2009; (2) Autowest had credited Respondent's facility for the cost of the parts; and (3) the remanufactured engine and intake manifold that were installed on RG's vehicle in February or March 2012 would not be covered under the 3 year/100,000 warranty, contrary to the invoice.

### SECOND CAUSE FOR DISCIPLINE

### (Untrue or Misleading Statements)

37. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(1), in that Respondent made or authorized a statement which it knew, or in the exercise of reasonable care should have known, to be untrue or misleading, as

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follows: Respondent represented on page 1 of Invoice No. 1020154 that the "environmental" fee (for the disposal of oil, coolant and other hazardous waste) was \$143.75, yet represented on page 2 that there was a "sublet fee" of \$143.75 and that the disposal fee was \$21.84.

## THIRD CAUSE FOR DISCIPLINE

# (Failure to Comply With Business and Professions Code)

Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with section 9884.9, subdivision (a), of that Code in a material respect, as follows: Respondent failed to document on the work order RG's authorization for the additional repairs on his 2004 Dodge Ram 1500 truck; i.e., the installation of the remanufactured engine and intake manifold.

# FOURTH CAUSE FOR DISCIPLINE

# (Dishonesty, Fraud, or Deceit: Brake and Lamp Station Licenses)

39. Respondent's brake and lamp station licenses are subject to disciplinary action pursuant to Bus. & Prof. Code section 9889.3, subdivision (d), in that Respondent's president, Freire, committed acts involving dishonesty, fraud, or deceit whereby another was injured, as set forth in paragraph 36 above.

### FIFTH CAUSE FOR DISCIPLINE

### (Dishonesty, Fraud, or Deceit: Smog Check Station License)

40. Respondent's smog check station license is subject to disciplinary action pursuant to Health & Saf, Code section 44072.2, subdivision (d), in that Respondent's president, Freire, committed acts involving dishonesty, fraud, or deceit whereby another was injured, as set forth in paragraph 36 above.

### CONSUMER COMPLAINT (TP): 2004 NISSAN QUEST

On or about April 2, 2011, TP had his 2004 Nissan Quest towed to Respondent's facility for diagnosis because it quit running and would not restart. Later, Respondent's facility contacted TP and told him that the camshaft sensor had failed and that it would cost about \$600 to replace the part. After replacing the sensor, Respondent's facility contacted TP and told him that the vehicle still would not run, that there may be an issue with the timing chain, and that they

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would need to do more work on the vehicle. TP received additional calls from Respondent's facility, informing him, among other things, that the timing chain had come off of the gears or had slipped, that the timing chain tensioner had been broken, and that consequently, certain parts needed replacement, including the timing chain, chain tensioner and guides, timing chain cover, water pump, various gaskets and miscellaneous parts. TP asked Respondent's facility if there could be any further damage to the engine. Respondent's facility told TP that 80% of the time, there is not any further damage, and that this could be the extent of the repairs. TP authorized Respondent's facility to replace the above parts at an estimate price of \$3,500.

- 42. On or about April 13, 2011, Respondent's facility called TP and informed him that they had completed the repairs; however, when they started the engine, it began making a loud banging noise. Respondent's facility told TP that his vehicle would probably need \$3,000 to \$4,000 in additional repairs, including the replacement of the valves and head gaskets and the machining of the cylinder heads.
  - 43. On or about April 14, 2011, TP filed a complaint with the Bureau.
- 44. On or about June 13, 2011, an investigator of the Bureau went to Respondent's facility and obtained copies of their repair records on TP's vehicle, including Invoice No. 1015824. The invoice stated that the facility had recommended a teardown and inspection of TP's vehicle prior to replacing the above parts; however, there was no indication that TP had been given a written estimate for the teardown.

### SIXTH CAUSE FOR DISCIPLINE

# (Failure to Comply With California Code of Regulations)

- 45. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with provisions of California Code of Regulations, title 16 ("Regulation"), in the following material respects:
- a. Regulation section 3353, subdivision (d): Respondent failed to provide TP with a written estimated price for the teardown of his 2004 Nissan Quest.

b. <u>Regulation section 3356, subdivision (a)(2)(A)</u>: Respondent failed to separately list, describe, or identify on the invoice all service and repair work performed on TP's 2004 Nissan Quest, including the replacement of the water pump, spark plugs, and intake plenum gaskets, and the oil and filter change.

# CONSUMER COMPLAINT (LM): 1995 CHRYSLER LEBARON

- 46. In or about September 2010, LM had her 1995 Chrysler LeBaron towed to Respondent's facility after noticing that the vehicle was leaking fluid. Later, Respondent's facility informed LM that her vehicle had several leaks and obtained her authorization to repair the vehicle. After the work was completed, LM went to Respondent's facility to pick up her vehicle and received a copy of Invoice No. 1012936 dated September 9, 2010, in the amount of \$976.89. The invoice indicated that an oil change service and engine dye check had been performed on LM's vehicle, that the engine had been pressure washed, and that certain parts had been replaced, including the valve cover gaskets, tube seals, oil pan gasket, camshaft plugs/seals, transmission pan gasket and filter, and cooling system overflow bottle. The invoice also showed that on September 7, 2010, LM had authorized a total of \$830 in repairs on her vehicle. While LM was driving her vehicle home, she noticed that the engine was overheating and that smoke was coming from underneath the hood.
- 47. A couple of days later, LM returned her vehicle to Respondent's facility and was informed that the radiator and thermostat needed replacement. LM paid Respondent's facility \$524.53 for the work and was given a copy of Invoice No. 1013022 dated September 13, 2010. After LM left Respondent's facility, her vehicle began overheating again. LM also noticed that the coolant system overflow bottle was empty. A few days later, LM took her vehicle back to Respondent's facility. Respondent's facility found that there was an air pocket in the cooling system, that the coolant level was low, and that the cooling system had been filled with the wrong type of antifreeze. Respondent's facility flushed and filled the cooling system at no charge to LM and provided her with a copy of Invoice No. 1013072.
  - 48. On or about May 13, 2011, LM filed a complaint with the Bureau.

49. On or about July 13, 2011, an investigator of the Bureau went to Respondent's facility and obtained copies of their repair records on LM's vehicle, including the three invoices described above and a written estimate dated September 7, 2010.

# SEVENTH CAUSE FOR DISCIPLINE

# (Failure to Comply With Business and Professions Code)

- 50. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with section 9884.9, subdivision (a), of that Code in the following material respects:
- a. Respondent failed to document on Invoice No. 1012936 LM's authorization for the replacement of the camshaft plugs and cooling system overflow bottle, the engine dye check, and the pressure washing of the engine on her 1995 Chrysler LeBaron; and exceeded the estimate price of \$830 for the repairs and services listed on the invoice, without LM's oral or written consent.
- b. Respondent failed to provide LM with a written estimate for the replacement of the radiator and thermostat on her 1995 Chrysler LeBaron, and/or failed to obtain or document on Invoice No. 1013022 LM's authorization for the replacement of the gasket and coolant listed on the invoice.
- c. Respondent failed to provide LM with a written estimate for the flushing of the cooling system and the addition of coolant on her 1995 Chrysler LeBaron, and/or failed to obtain or document on Invoice No. 1013072 LM's authorization for those repairs or services on the vehicle.

# EIGHTH CAUSE FOR DISCIPLINE

### (Failure to Comply With California Code of Regulations)

51. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884,7, subdivision (a)(6), in that Respondent failed to comply with California Code of Regulations, title 16, section 3356, subdivision (a)(2)(A), in a material respect, as follows: Respondent failed to describe on Invoice Nos. 1012936 and 1013022 the diagnostic work that was performed on LM's 1995 Chrysler LeBaron or the results of the diagnosis,

# CONSUMER COMPLAINT (SK) 2004 CHEVROLET TAHOE

- 52. On or about August 23, 2012, SK took her 2004 Chevrolet Tahoe to Respondent's facility for diagnosis after hearing a noise coming from the engine area upon acceleration. Later, Respondent's facility told SK that the noise was actually coming from inside the transmission.
- 53. On or about August 24, 2012, Respondent's facility called SK and told her that the transmission needed to be rebuilt at an estimated cost of \$2,800.00. SK authorized the work,
- (54. On or about August 30, 2012, SK retrieved her vehicle from Respondent's facility, paid \$2,688.57 for the repairs, and received a copy of Invoice No. 20197. As SK was driving home, she began hearing the same noise coming from the engine area of her vehicle.
- 55. On and between August 31 and September 13, 2012, SK returned her vehicle to Respondent's facility on at least three occasions due to the noise problem. Respondent's facility made various repairs to SK's vehicle; however, the problem persisted.
- 56. On or about September 17, 2012, SK took her vehicle to John L. Sullivan ("Sullivan") located in Roseville for diagnosis. Later, Sullivan informed SK that the noise was coming from the engine and may possibly be related to the valve train, and that they had discovered metal in the oil pan drain plug magnet. Sullivan recommended a teardown of the engine to determine the cause of the noise, which SK declined.
- 57. On or about September 25, 2012, SK filed a complaint with the Bureau, alleging that Respondent's facility had charged her for unnecessary repairs.
- 58. On or about November 28, 2012, a representative of the Bureau contacted Freire and requested copies of Respondent's repair records on the vehicle.
- 59. On or about November 30, 2012, the Bureau representative went to Respondent's facility and was given copies of various documents, including Repair Order No. 020185 and Estimate No. 020185 dated August 23, 2012, and Invoice No. 20197 dated August 30, 2012. The Bureau representative spoke with Respondent's service writer regarding the facility's diagnosis and repair of the vehicle. Respondent's service writer stated that during their diagnosis, Respondent's facility found that either the torque converter or the flex plate was bad and was causing the noise. Respondent's facility removed the transmission from SK's vehicle and sent the

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unit to another shop. The shop determined that the transmission was "wasted inside" and needed to be overhauled. The Bureau representative found upon review of Invoice No. 20197 that Respondent's facility had failed to document a diagnosis of the noise problem on SK's vehicle or any justification for the overhauling or repair of the transmission.

### NINTH CAUSE FOR DISCIPLINE

## (Failure to Record Odometer Reading)

60. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(2), in that Respondent caused or allowed SK to sign Repair. Order No. 020185 which did not state the odometer reading of her 2004 Chevrolet Tahoe.

## TENTH CAUSE FOR DISCIPLINE

## (Departure from Trade Standards)

61. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(7), in that Respondent willfully departed from or disregarded accepted trade standards for good and workmanlike repair without the consent of the owner or the owner's duly authorized representative, in the following material respects:

Respondent failed to perform, or properly perform, an external diagnosis of the transmission on SK's 2004 Chevrolet Tahoe, including the retrieval of diagnostic trouble codes from the electronic control module, in violation of California Code of Regulations, title 16, section 3361.1.

#### ELEVENTH CAUSE FOR DISCIPLINE

#### (Failure to Comply With Business and Professions Code)

- 62. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with provisions of that Code in the following material respects:
- a. <u>Bus. & Prof. Code section 9884.9, subdivision (a)</u>: Respondent failed to document on Invoice No. 20197 SK's authorization for the additional repairs on her 2004 Chevrolet Tahoe, the rebuilding of the transmission.

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- b. <u>Bus. & Prof. Code section 9884.9, subdivision (b)</u>: Respondent failed to state on Estimate No. 020185 that the rebuilding or repair of the transmission on SK's 2004 Chevrolet Tahoe would be sublet to another facility.
- c. <u>Bus. & Prof. Code section 9884.11</u>: Respondent failed to maintain all records pertaining to the repairs performed on SK's 2004 Chevrolet Tahoe, including, but not limited to, the parts receipt for the flywheel listed on Invoice No. 20197, or failed to make those records available for inspection by the Bureau.

# TWELFTH CAUSE FOR DISCIPLINE

# (Failure to Comply With California Code of Regulations)

63. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with California Code of Regulations, title 16, section 3356, subdivision (a)(2)(A), in a material respect, as follows: Respondent failed to describe on Invoice No. 20197 the diagnostic work that was performed on SK's 2004 Chevrolet Tahoe or the results of the diagnosis.

### CONSUMER COMPLAINT (PB): 1956 FORD PICKUP

- 64. On or about November 8, 2012, PB took his 1956 Ford pickup to Respondent's facility due to certain problems with the steering, electrical system, and brakes (brake pull). FB also wanted a cigarette lighter installed. Respondent's facility recommended a complete used car inspection on PB's vehicle and assured PB that they would address the above concerns. Later, Respondent's facility called PB and recommended a major tune up of PB's vehicle and the replacement of the water pump as it had a leak. PB authorized the additional repairs at a cost of \$1,003.49.
- 65. On or about November 10, 2012, Respondent's facility called PB and told him that one of the brake lines was kinked, which was causing the brake pull, and that the brake line needed replacement. PB authorized the work (PB later reported to the Bureau that he did not receive an estimate price for the brake repair).
- 66. On or about November 12, 2012, PB went to Respondent's facility to pick up the vehicle and was given Invoice No. 21062 in the amount of \$1,352.03. PB told the facility that he

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was given a quote of \$1,003.49 for the repairs. Respondent's facility advised PB to contact the service writer, who would be out of town until the following Wednesday. PB paid Respondent's facility \$1,352.03 by credit card, then was informed that there was still an issue with the brake pull and that the electrical work had not been completed. Later, PB contacted Respondent's service writer who prepared a work order documenting PB's original concerns on his vehicle. PB contacted his credit card company and disputed the \$1,352.03 charge.

- 67. In or about December 2012, PB returned his vehicle to Respondent's facility.

  Respondent's facility installed the cigarette lighter and performed other repairs on PB's vehicle, which resolved some of PB's original concerns.
- 68. On or about December 16, 2012, PB filed a complaint with the Bureau, stating that he was not satisfied with the quality of the repairs.
- 69. On or about January 30, 2013, a representative of the Bureau went to Respondent's facility and obtained copies of their repair records on PB's vehicle, including Estimate No. 023630 dated November 8, 2012, a "Multi-Point Maintenance Inspection Report", Invoice No. 21062 dated November 12, 2012, and Invoice No. 21339 dated December 14, 2012.

### THIRTEENTH CAUSE FOR DISCIPLINE

### (Untrue or Misleading Statements)

70. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof:
Code section 9884.7, subdivision (a)(1), in that Respondent made or authorized statements which
it knew or in the exercise of reasonable care should have known to be untrue or misleading, as
follows: Respondent represented on the Multi-Point Maintenance Inspection Report that the fron
suspension and steering components on PB's 1956 Ford pickup, including the idler arm and
pitman arm, were in good condition, yet represented on Invoice No. 21339 that the drag link,
pitman arm, idler arm, and possibly the king pins were worn and needed replacement.

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## FOURTEENTH CAUSE FOR DISCIPLINE

# (Failure to Record Odometer Reading)

71. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(2), in that Respondent caused or allowed PB to sign Estimate No. 023630 which did not state the odometer reading of PB's 1956 Ford pickup.

## FIFTEENTH CAUSE FOR DISCIPLINE

## (Failure to Comply With Business and Professions Code)

72. Respondent's registration is subject to disciplinary action pursuant to Bus. & Prof. Code section 9884.7, subdivision (a)(6), in that Respondent failed to comply with section 9884.9, subdivision (a), of that Code in a material respect, as follows: Respondent failed to specify or state on Invoice No. 21062 the additional parts and labor that PB had authorized on his 1956 Ford pickup, with the exception of the "tune up".

### OTHER MATTERS

- 73. Pursuant to Bus. & Prof. Code section 9884.7, subdivision (c), the Director may suspend, revoke or place on probation the registration for all places of business operated in this state by Respondent Rocklin Automotive, Inc. upon a finding that Respondent has, or is, engaged in a course of repeated and willful violations of the laws and regulations pertaining to an automotive repair dealer.
- 74. Pursuant to Health & Saf. Code section 44072.8, if Smog Check Station License Number RC 253181, issued to Respondent Rocklin Automotive, Inc., is revoked or suspended, any additional license issued under Chapter 5 of the Health & Saf. Code in the name of said licensee may be likewise revoked or suspended by the Director.
- 75. Pursuant to Bus. & Prof. Code section 9889.9, if Lamp Station License Number LS 253181, issued to Respondent Rocklin Automotive, Inc., is revoked or suspended, any additional license issued under Division 3, Articles 5 and 6 of Chapter 20.3 of the Bus. & Prof. Code in the name of said licensee may be likewise revoked or suspended by the Director.

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Taking such other and further action as deemed necessary and proper. 9. PATRICK DORAIS Acting Chief Bureau of Automotive Repair Department of Consumer Affairs State of California Complainant SA2013111373 15.