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BEFORE THE
BOARD FOR PROFESSIONAL ENGINEERS AND LAND SURVEYORS
DEPARTMENT OF CONSUMER AFFAIRS
STATE OF CALIFORNIA

In the Matter of the Accusation Against: **STEVE LIN CHIANG** 106 North Chapel Avenue #6 Alhambra, CA 91801 Civil Engineer License No. C 29041 Respondent.	Case No. 891-A **ACCUSATION**

Complainant alleges:

PARTIES

1. David E. Brown ("Complainant") brings this Accusation solely in his official capacity as the Executive Officer of the Board for Professional Engineers and Land Surveyors, Department of Consumer Affairs.

2. On or about July 12, 1978, the Board for Professional Engineers and Land Surveyors issued Civil Engineer License Number C 29041 to Steve Lin Chiang ("Respondent"). The Civil Engineer License was in full force and effect at all times relevant to the charges brought herein and will expire on March 31, 2011, unless renewed.

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JURISDICTION

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

STATUTORY AND REGULATORY PROVISIONS

4. Section 6775 of the Code provides, in pertinent part,

"[T]he [B]oard may reprove, suspend for a period not to exceed two years, or revoke the certificate of any professional engineer registered under this chapter:

. . .

(b) Who has been found guilty by the board of any deceit, misrepresentation, or fraud in his or her practice.

(c) Who has been found guilty by the board of negligence or incompetence in his or her practice.

(d) Who has been found guilty by the board of any breach or violation of a contract to provide professional engineering services.

. . .

(g) Who in the course of the practice of professional engineering has been found guilty by the board of having violated a rule or regulation of unprofessional conduct adopted by the board.

(h) Who violates any provision of this chapter."

5. Title 16, Section 404, subsection (w) of the California Code of Regulations defines "negligence" as used in Code Section 6775 as "the failure of a licensee, in the practice of professional engineering or land surveying, to use the care ordinarily exercised in like cases by duly licensed professional engineers and land surveyors in good standing."

6. Title 16, Section 404, subdivision (n) of the California Code of Regulations defines "incompetence" as used in Code Section 6775 as "the lack of knowledge or ability in discharging professional obligations as a professional engineer or land surveyor."

7. California Code of Regulations, Title 16, Section 475 sets forth the Code of Professional Conduct for Professional Engineers ("Code of Professional Conduct"). It also

provides that a professional engineer's violation of this Code of Professional Conduct constitutes unprofessional conduct and is grounds for disciplinary action pursuant to Section 6775 of the Code.

8. Subdivision (a) of the Code of Professional Conduct requires licensees to "provide professional services for a project in a manner that is consistent with the laws, codes, ordinances, rules, and regulations applicable to that project."

9. Subdivision (c) of the Code of Professional Conduct provides, in pertinent part:

"(c) Representation:

. . .

(4) A licensee shall not misrepresent nor permit the misrepresentation of his or her professional qualifications, or affiliations or the affiliations or purposes of the institutions, organizations, or other businesses with which he or she is associated.

. . .

(8) A licensee shall attribute proper credit to others for their professional work or professional contribution and shall not misappropriate the professional work of others . . . ."

10. Section 6735 subdivision (a) of the Code provides, in pertinent part:

"(a) All civil (including structural and geotechnical) engineering plans, calculations, specifications, and reports (hereinafter referred to as 'documents') shall be prepared by, or under the responsible charge of, a licensed civil engineer and shall include his or her name and license number. Interim documents shall include a notation as to the intended purpose of the document, such as 'preliminary,' 'not for construction,' 'for plan check only,' or 'for review only.' All civil engineering plans and specifications that are permitted or that are to be released for construction shall bear the signature and seal or stamp of the licensee and the date of signing and sealing or stamping. All final civil engineering calculations and reports shall bear the signature and seal or stamp of the licensee, and the date of signing and sealing or stamping . . . ."

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11. Section 6749 of the Code provides, in pertinent part:

"(a) A professional engineer shall use a written contract when contracting to provide professional engineering services to a client pursuant to this chapter. The written contract shall be executed by the professional engineer and the client, or his or her representative, prior to the professional engineer commencing work, unless the client knowingly states in writing that work may be commenced before the contract is executed. The written contract shall include, but not be limited to, all of the following:

(1) A description of the services to be provided to the client by the licensed land surveyor or registered civil engineer.

(2) A description of any basis of compensation applicable to the contract, and the method of payment agreed upon by the parties.

(3) The name, address, and license or certificate number of the licensed land surveyor or registered civil engineer, and the name and address of the client.

(4) A description of the procedure that the licensed land surveyor or registered civil engineer and the client will use to accommodate additional services.

(5) A description of the procedure to be used by any party to terminate the contract . . . ."

12. California Code of Regulations, Title 16, Section 411 (entitled "Seals and Signatures"), subdivisions (g) and (h) provide, in pertinent part:

"(g) (1) All professional engineering plans, specifications, reports, or documents (hereinafter referred to as "documents") shall be signed and sealed in accordance with the requirements of the Professional Engineers Act and any other laws related to the practice of professional engineering and shall be signed and sealed in a manner such that all work can be clearly attributed to the licensee(s) in responsible charge of the work.

. . .

(3) When signing and sealing documents containing work done by or under the responsible charge of two or more licensees, the signature and seal of each licensee in responsible charge

shall be placed on the documents with a notation describing the work done under each licensee's responsible charge.

(h) Each licensee shall include the date of signing and sealing immediately below or next to the signature and seal."

COST RECOVERY

13. Section 125.3 of the Code provides, in pertinent part, that the 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.

STATEMENT OF FACTS

14. On or about early 2004, Mitch Lichterman ("Homeowner") began planning the construction of two new single-family homes on adjoining lots in the Cheviot Hills neighborhood of the City of Los Angeles. One home would be built at 3142 S. Patricia Avenue ("3142 House"), the other at 3138 S. Patricia ("3138 House"). He hired a draftsman named Reuben Walters, who was neither a licensed architect, engineer, nor contractor, to prepare plans for the two new homes. Walters, in turn, hired Respondent to sign and stamp plans Walters had prepared for the 3142 House. Respondent was also responsible for making structural observations and reports.

15. On or about June 2, 2004, Walters and Respondent executed a handwritten agreement regarding the 3142 House. The agreement provided that Walters would pay Respondent for "stamps and signatures" on structural and architectural plans and for structural observations and reports.

16. The agreement between Walters and Respondent lacked contract provisions required by Section 6749 of the Code: it omitted Respondent's certificate and license number, a description of the procedure that the parties would use to accommodate additional services, and a description of the procedure to be used by any party to terminate the contract.

17. On or about summer 2004, Walters withdrew from the project, claiming that he could not work with Respondent. Respondent continued to work for Homeowner without any written contract with Homeowner.

18. On or about summer 2004, Homeowner submitted the plans stamped and signed by Respondent for the 3142 House to the City of Los Angeles for a plan check. City staff rejected these plans. After this rejection, Respondent requested additional payment from Homeowner to prepare revisions. After multiple revisions and multiple rejections by City staff, the City eventually issued building permits for the 3142 House.

19. On or about December 16, 2004, Respondent sent Homeowner a handwritten letter proposing the terms under which he would draft a structural redesign of the 3138 House, for which another engineer had already provided structural designs. In this letter, Respondent claimed he could save Homeowner money by using less steel for the steel frame of the structure. Respondent proposed to provide planning, analysis, systems and/or elements designs, connection designs, details, and drafting supervision in return for payment of $1,800.

20. On or about December 19, 2004, Respondent and Homeowner executed a written agreement entitled "Steve Chiang: Proposed Agreement." The agreement's introductory paragraph stated, "It is the intention of this agreement to re-design the structural plans for 3138 Patricia and obtain city approval on the re-design and also get the corrected structural drawings for 3142 drafted." With regards to the 3142 House, the agreement provided that Respondent would "Complete corrections on 3142 to provide correct garage wall and slab on grade. Will label all details correctly and provide all details for this house as previously contracted for."

21. The December 19, 2004 agreement also failed to meet the requirements of Section 6749 of the Code: it did not specify a method of payment; it did not include Respondent's address, Respondent's license number or certificate number; it did not include Homeowner's address; it did not describe the procedure that the parties would use to accommodate additional services; nor did it describe the procedure used to terminate the contract.

22. On or about January 28, 2005, Respondent sent a letter to Homeowner stating, "I am working on Revised 1st [*sic*] and foundation plan. I need a loan of $300.00 to pay for the foods,

and Auto Insurance. And I need it before on or before 1-30-05 I have done Gravity Designs of Roof, 2nd Floor (No Structural Steel needed; and most of the 1st Floor. Please respond to me on or before 1/29/05. Sincerely, Steve. P.S. The sooner the better." Homeowner subsequently paid Respondent the requested $300.

23. Sometime between 2004 and 2006, Respondent affixed his stamp and signature to dozens of building plans, designs, and specifications for the 3138 House and the 3142 House. The date Respondent signed and stamped these documents is uncertain because Respondent failed to include the date he signed and stamped them. Some of these building plans, designs, and specifications were prepared by other engineering or design professionals, including M I Design of Sherman Oaks, California. Others were prepared by people who were not licensed professionals, such as Mr. Walters, who had prepared plans under the name of his business, Environmental Concepts Office of Palm Springs, California.

24. Sometime between late 2004 and late 2005, Homeowner sent Respondent a letter terminating Respondent's work on the 3138 House. The letter stated,

> "Forget the re-design on 3138 Patricia. We will stay with our existing engineer. I signed the check for your 2nd observation last week and the bookkeeper says it was mailed out. Give it a couple more days. A corrected set of engineering plans with correct details for 3142 Patricia was due on 12/28/04. Please advise when they will be ready to pickup. It is critical that we provide the corrected set to the framer as soon as possible."

The exact date this letter was sent is not clear; while Respondent provided a copy of this letter to the Board's investigator, the date in the upper right of the letter appears to have been altered to read "December 29th 2004."

25. Sometime between 2005 and 2006 Respondent's plans for the steel moment frame design for the 3138 House were submitted to the City of Los Angeles ("City") for review. The City rejected the plans, citing extensive non-compliance with the City's Building Code requirements, particularly the federal guidelines and industry standards for seismic design that the

City has adopted. The City cited over 30 different violations of these guidelines and standards in Respondent's steel moment frame design and plans.

26. On or about, December 27, 2005, Homeowner sent Respondent a letter terminating his agreement with Respondent and requesting a refund of monies paid to Respondent for the work done on both the 3138 House and the 3142 House. The letter complained of delays, faulty design, untimely performance, inadequate and incomplete work, and additional expenses. The letter threatened legal action.

27. On or about January 12, 2006, Respondent sent a handwritten letter to Homeowner stating in bold, large letters: "You are looking for your own Trouble [*sic*] you would regret that you did not hire a Licensed Architect. /s/ S. Chiang [.]"

28. On or about April 20, 2006, the Board began an investigation of Respondent.

29. On August 9, 2006, Tiffany Criswell, an Enforcement Analyst for the Board notified Respondent of the investigation and the allegations against him.

30. On September 10, 2006, Respondent wrote Ms. Criswell regarding the allegations against him. In that letter, Respondent disclaimed all responsibility for his role in the planning, design, and construction on both houses, as follows:

a. Despite Respondent's signature dated 12/19/04 on an interlineated contract between Respondent and Homeowner, Respondent claimed there was no such contract because the proposed agreement dated 12/16/2004 "was never agreed upon, neither signed nor dated. [*sic*]"

b. Despite Homeowner's payments to Respondent, Respondent claimed he was not paid directly by Homeowner, because the contract between them was never executed.

c. Although there was allegedly no contract between Respondent and Homeowner, Respondent admitted he worked on the 3142 House, but that work was done on behalf of Reuben Walters who paid him $1,550 for his work.

d. While there was allegedly no contract between Respondent and Homeowner, Respondent also performed work on the 3138 House for a Mr. Duak

Hagan who "would call me to help on designs of garage retaining walls by given [*sic*] me the heights of the walls, I then provided the structural cals and design sketches."

e. Despite providing "structural cals and design sketches," Respondent distanced himself from any construction based on his work. He stated, "Mr. Duak Hagan might build the walls not use my designs but by his mind. [*sic*]" Rather than relying on his work, he says Homeowner should have consulted with another licensed civil and soil engineer regarding the grading, retaining walls, and footing. If Homeowner did not consult another engineer and relied on Respondent's "structural cals and design sketches," Respondent claimed "I could no be liable and responsible for the damages if there was one."

f. Despite the letter dated January 28, 2005 regarding his work, and despite Homeowner's claim that Respondent worked for him in 2005, Respondent claimed that he did no work for Homeowner after December 29, 2004, when he was "turned off the 3138 S. Patricia job by letter…" After that letter, Respondent claimed, "I wasn't much interested in working for him since then on this 3138 S. Patricia Avenue project. The project was of course not completed but not failed under this circumstance and I won't be responsible neither liable."

31. On or about December 27, 2006, Respondent sent another letter to Homeowner with a copy to Ms. Criswell of the Board. The letter stated "After re-reading your letters of December 27, 2005, I might need to file Bankrupcy in federal Court. Now I am starving every day. I am seventy years old. Do you know you cost me a life?! We did not have contracts in writing. You measured my work full time and full speeds. That are/were wrong to begin with. And tear me apart based on that. Besides you made stories and blamed me on those stories. /s/ Steve L Chiang."

32. On or about January 3, 2007, Respondent sent another letter to Ms. Criswell of the Board. In that letter, he again stated that there was no written contract between Respondent and Homeowner for either the 3138 House or the 3142 House, so he could not be held responsible for

any work done on those properties. He also stated, that the engineering plans – which he had signed and stamped – "were prepared by Mr. Reuben Walters." He again denied working on the 3138 House, despite the dozens of plans stamped and signed by him that were submitted to the City for that property.

FIRST CAUSE FOR DISCIPLINE

(Negligence and Incompetence in the Practice of Civil Engineering)

33. By committing the acts set forth in particularity in paragraphs 14 through 32, above, Respondent is subject to disciplinary action under section 6775 of the Code because he demonstrated a lack of knowledge of the applicable state and local statutes, regulations, and building codes and failed to use the care ordinarily exercised by licensed professional engineers and, as follows:

34. Respondent demonstrated incompetence, defined in Title 16, Section 404, subdivision (n) as a lack of knowledge of applicable law, by his failure to prepare plans for the 3138 House that met the City's Building Code requirements for steel moment frame design and detailing. These requirements exist to protect buildings from lateral forces, including earthquakes. Respondent's plans were deficient in many areas; the City's plan check identified over 30 different areas of concern with the steel moment frame design alone.

35. Respondent engaged in negligence, defined in Title 16, Section 404, subdivision (w) as the failure to use the care ordinarily exercised in like cases by duly licensed professional engineers and land surveyors in good standing, in a number of ways:

a. He failed to draft proper contracts with his clients, often relying on handwritten agreements rather than form contracts;

b. He failed to correct extensive misspellings and typos in final documents;

c. He prepared incomplete, erroneous, or unusable plans or specifications, then failed to revise them in a timely manner;

d. He asked his client for a loan of additional money outside the scope of their contract for "foods" and "auto insurance."

e. He threatened and cajoled his former client after finding out the client had filed a complaint against him with the board.

None of these actions are consistent with the care ordinarily exercised by duly licensed professional engineers in good standing.

SECOND CAUSE FOR DISCIPLINE

(Failure to Enter into a Proper Written Contract)

36. By committing the acts set forth in particularity in paragraphs 14 through 32, above, Respondent is subject to disciplinary action under Section 6749 of the Code because he either failed to enter into written contracts when providing professional engineering services to a client, or failed to include statutorily-mandated provisions in contracts he did enter, or both. The circumstances are that:

a. Respondent entered into an agreement on or about June 2, 2004 with Reuben Walters to provide professional engineering services for the 3142 House. These services included stamping and signing structural and architectural plans and preparing structural observations and reports. This agreement lacked Respondent's certificate and license number, a description of the procedure that the parties would use to accommodate additional services, or a description of the procedure to be used by any party to terminate the contract, all of which are required by Section 6749(a)(3-5) of the Code.

b. Respondent entered into an agreement on or about December 19, 2004 with Homeowner, Mitch Lichterman, to provide professional engineering services. These services included designing structural plans for the 3138 Home and revising structural plans for the 3142 Home. This agreement lacked a method of payment, Respondent's address, Respondent's license or certificate number, the client's address, a description of the procedures the parties would use to accommodate additional services, or a description of the procedures used to terminate the contract, all of which are required by Section 6749(a)(2-5) of the Code.

c. In the alternative, Respondent claims he never entered into a contract with Homeowner, yet provided Homeowner with dozens of plans that he prepared, revised, or stamped and signed. Such conduct violates Section 6749(a), which mandates that Respondent use a written contract when providing engineering services to a client.

THIRD CAUSE FOR DISCIPLINE

(Misrepresentation or Misappropriation of Professional Work)

37. By committing the acts set forth in particularity in paragraphs 14 through 32, above, Respondent is subject to disciplinary action under the Code of Professional Conduct for Professional Engineers, California Code of Regulations, Title 16, Section 475, subdivision (c)(8), and California Code of Regulations Title 16, Section 411, because he signed and stamped engineering plans, calculations, specifications or reports for the 3138 House and the 3142 House that he did not prepare, and that were not prepared under his responsible charge. Title 16, Section 475, subdivision (c)(8) prohibits a licensee from engaging in misrepresentation, providing in full, "(8) A licensee shall attribute proper credit to others for their professional work or professional contribution and shall not misappropriate the professional work of others." Similarly, Title 16, Section 411, subdivision (g)(1) provides in relevant part that plans be "be signed and sealed in a manner such that all work can be clearly attributed to the licensee(s) in responsible charge of the work." By signing and stamping plans and specifications prepared by other people or firms – some of which were licensed, some of which were not – Respondent failed to attribute proper credit to those people or firms and misappropriated their own work for his use and personal benefit.

FOURTH CAUSE FOR DISCIPLINE

(Failure to Include the Date of Signing on Stamped Plans)

38. By committing the acts set forth in particularity in paragraphs 14 through 32, above, Respondent is subject to disciplinary action under Section 6735 of the Code because he failed to include the date of signing and sealing or stamping on most of the plans he stamped for both the 3138 House and the 3142 House. Section 6735 requires all civil engineering plans and

specifications that are permitted or that are to be released for construction to "bear the signature and seal or stamp of the licensee and the date of signing and sealing or stamping." [Emphasis added.] Similarly, California Code of Regulations Title 16, Section 411, Subdivision (h) provides, "Each licensee shall include the date of signing and sealing immediately below or next to the signature and seal." By ignoring this basic requirement, Respondent made it difficult if not impossible to determine when he prepared plans and specifications, when he stamped the work of others, and when he made revisions to his or others' work.

FIFTH CAUSE FOR DISCIPLINE

(Failure to Comply with Local Building Codes)

39. By committing the acts set forth in particularity in paragraphs 14 through 32, above, Respondent is subject to disciplinary action under the Code of Professional Conduct for Professional Engineers, California Code of Regulations, Title 16, Section 475, subdivision (a), because he failed to comply with the City of Los Angeles Building Code when preparing his plans and specifications for the steel moment frame design for the 3138 House. His design disregarded many of the national standards and guidelines adopted by the City to protect residential structures from earthquake damage or damage from other lateral forces. The Code of Professional Conduct requires licensees to "provide professional services for a project in a manner that is consistent with the laws, codes, ordinances, rules, and regulations applicable to that project." Respondent failed to do so, causing his client's project to fail the City's plan check.

SIXTH CAUSE FOR DISCIPLINE

(Deceit, Misrepresentation, or Fraud)

40. By committing the acts set forth in particularity in paragraphs 14 through 32, above, Respondent is subject to disciplinary action under section 6775(b) of the Code because he engaged in deceit, misrepresentation or fraud by signing and stamping plans prepared by another and by lying to a Board staff member about his contract with Homeowner to work on the 3138 House and about the dates of his work on the 3138 House.

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PRAYER

WHEREFORE, Complainant requests that a hearing be held on the matters herein alleged, and that following the hearing, the Board for Professional Engineers and Land Surveyors, Department of Consumer Affairs, issue a decision:

1. Revoking or suspending Civil Engineer License Number C 29041 issued to Steve Lin Chiang;

2. Ordering Steve Lin Chiang to pay the Board the reasonable costs of the investigation and enforcement of this case, pursuant to Business and Professions Code section 125.3;

3. Taking such other and further action as deemed necessary and proper.

DATED: July 23, 2010

Original Signed

DAVID E. BROWN
Executive Officer
Board for Professional Engineers and Land Surveyors
State of California
Complainant

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