



The Office of
Minnesota Attorney General Keith Ellison
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February 20, 2025

Charles E. Carter
Pamela D. Carter
[REDACTED]

Neeka L. McLemore [REDACTED]
[REDACTED]

Zac L. Enterprises, LLC
Attn: Zachary Luckett
[REDACTED]

Neeka L. McLemore
McLemore Construction, Inc.
Zac L. Enterprises, LLC
1533 University Ave., Ste. 100
St. Paul, MN 55104

Re: ***In re Charles Edward Carter and Pamela Denise Carter and In re McLemore Constr., Inc., a/k/a Zac L. Enters., LLC, and Neeka Lamont McLemore OAH File No. 71-1902-40650***

Dear Parties:

On behalf of the Minnesota Department of Labor and Industry, I enclose and serve upon you copies of the Notice and Order for Prehearing Conference in the above-entitled matter, along with my Notice of Appearance. The orders issued to you, respectively, by the Department have been amended and consolidated and will be heard in the same evidentiary hearing. You are all scheduled to appear for a telephonic prehearing conference on April 7, 2025 at 10:00 a.m., before Administrative Law Judge Jessica Palmer-Denig. You must call [REDACTED] 8 and enter conference code [REDACTED] 4 at the appointed time.

You should read the Notice and Order for Prehearing Conference carefully. It contains important information about your rights and responsibilities in this matter. Below, I have highlighted a few important items for you to remember:

You may have an attorney represent you through this process. You are not required to have an attorney, however, an attorney may be able to advise you of your rights and responsibilities. I am the attorney representing the Department and, while I can help explain the process, I cannot provide you with legal advice. Similarly, the Judge may explain what is happening during the process and answer questions you may have, but cannot help either side or provide legal advice to either side.

The hearing date will be scheduled during the prehearing conference. The Judge will also be available during the prehearing conference to help explain the process and to answer any questions you may have. If you do not appear for the prehearing conference or hearing, you may be found in default. This means that the allegations contained in the Notice and Order for

*In re Carter and McLemore Constr., Inc.*__

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Prehearing Conference may be taken as true or deemed proved by the Administrative Law Judge. If the Judge finds you in default, the Commissioner may impose disciplinary action against you based on the allegations as they appear in the enclosed Notice and Order for Prehearing Conference.

A blank Notice of Appearance form is enclosed for you to complete and return to the Office of Administrative Hearings. The Notice of Appearance lets the Judge know that you will be attending the prehearing conference and whether you will be handling the contested case proceeding yourself or whether you will have a lawyer represent you. Please forward a copy of your Notice of Appearance to me at the above address as well.

Let me know if you have any questions or concerns.

Very truly yours,



CHRISTOPHER M. KAISERSHOT
Assistant Attorney General

(Voice)

(Fax)

Attorney for Minnesota Department
of Labor and Industry

Enclosures

cc: Chris Williams, DLI (via email) (w/encls.)
Samantha Cosgriff, ALJ Assistant (via email) (w/encls.)

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE DEPARTMENT OF LABOR AND INDUSTRY

In re Charles Edward Carter and Pamela
Denise Carter

NOTICE AND ORDER FOR
PREHEARING CONFERENCE

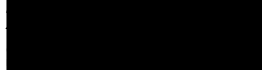
and

In re McLemore Constr., Inc., a/k/a
Zac L. Enters., LLC, and Neeka Lamont
McLemore

TO: Charles E. Carter
Pamela D. Carter



Zac. L. Enterprises, LLC
Attn: Zachary Luckett



Neeka L. McLemore



Neeka L. McLemore
McLemore Construction, Inc. Zac
L. Enterprises, LLC
1533 University Ave., Ste. 100
St. Paul, MN 55104

Respondents Charles Edward Carter, Pamela Denise Carter, McLemore Construction, Inc., a/k/a Zac L. Enterprises, LLC, and Neeka Lamont McLemore are notified that, based on their respective hearing requests, the Department of Labor and Industry has initiated this consolidated proceeding to determine whether the sanctions set forth in the underlying administrative order and licensing order issued to them, respectively, should be vacated, modified, or made permanent. Respondents are notified that the Department has consolidated their respective cases pursuant to Minn. R. 1400.6350, subp. 2 (2023), because they involve the same set of facts and circumstances. Respondents are further notified that the Department has amended the caption and issues pursuant to Minn. R. 1400.5600, subp. 5 (2023), and that this order supersedes the allegations and issues set forth in the underlying administrative order and

licensing order. The issues in this consolidated case include whether, pursuant to Minn. Stat. ch. 326B (2024), the Commissioner should issue an order imposing the following sanctions: A.

Assess against the Carters, jointly and severally, a \$15,000 penalty.

B. Order the Carters to cease and desist from acting or holding themselves out as residential building contractors, residential remodelers, or residential roofers; performing or offering to performing electrical and plumbing work in Minnesota without the necessary licenses and permits; engaging in fraudulent, deceptive, or dishonest practices; and demonstrating incompetence, untrustworthiness, or financial irresponsibility.

C. Censure McLemore Construction Inc., a/k/a Zac L. Enterprises, LLC (MCI), which holds a residential building contractor license, No. BC630644, and Neeka Lamont McLemore, who holds a qualifying builder registration, No. QB133111.

D. Assess against MCI and McLemore, jointly and severally, a \$9,000 penalty.

E. Lift the stay on the \$5,500 penalty that the Department previously imposed against MCI and McLemore, jointly and severally, pursuant to a July 5, 2017 consent order.

F. Order MCI and McLemore to cease and desist from performing or offering to perform electrical and plumbing work in Minnesota without the necessary licenses and permits; engaging in fraudulent, deceptive and dishonest practices; performing or offering to perform any work under MCI's license if it is inactive for any reason; delaying, obstructing or otherwise failing to cooperate with the Department's investigations, including submitting false, misleading or incomplete information to the Department in response to information requests; and applying for and obtaining building permits for unlicensed persons.

IT IS ORDERED that a telephonic prehearing conference will be held at 10:00 a.m. on April 7, 2025, at which time the parties are directed to call [REDACTED] and enter conference code [REDACTED].

The Chief Administrative Law Judge, Office of Administrative Hearings, has assigned this matter to Administrative Law Judge Jessica Palmer-Denig. Judge Palmer-Denig's legal assistant, Samantha Cosgriff, may be reached at [REDACTED] or [REDACTED]. All mail sent to the Administrative Law Judge assigned to this matter should be directed to [REDACTED].

The purposes of the prehearing conference include establishing the hearing date and location, setting scheduling deadlines in advance of the hearing for conducting discovery and exchanging exhibit and witness lists, simplifying the issues to be determined, considering whether an interpreter or other accommodation is needed, and, if possible, reaching a settlement without the necessity for further hearing. Minn. R. 1400.6500 (2023).

The hearing, which may be scheduled at the prehearing conference, will be conducted under the contested case procedures set out in chapter 14 of Minnesota Statutes, chapter 1400 of the Minnesota Rules, and sections 326B.01 to 326B.085 of the Minnesota Statutes. Copies of these materials are available at www.revisor.mn.gov or may be purchased from the Minnesota Book Store, telephone [REDACTED].

The attorney handling this case for the Department is Assistant Attorney General Christopher M. Kaisershot, 445 Minnesota Street, Suite 600, St. Paul, Minnesota 55101-2123, [REDACTED] or Christopher.Kaisershot@[REDACTED]. Mr. Kaisershot may be contacted to discuss discovery or informal disposition of this matter.

ALLEGATIONS

1. Respondents engaged in financial elder abuse against a recently widowed 78-year-old woman. Respondents attended church with the homeowner and referred to her as “Mother,” even though they were not biologically or legally related to her. Respondents took advantage of this relationship by contracting to remodel and repair her home. Respondents ultimately abandoned the projects after the homeowner became incapacitated (eventually dying) and her biological daughter asked for an accounting. Despite collecting over \$96,000 from the homeowner, the projects remain incomplete and otherwise deficiently performed.
2. Mr. Carter contracted with the homeowner to extensively remodel her home, including updating her plumbing and electrical work. Ms. Carter managed the financial aspects of all work performed by Mr. Carter, including filing insurance claims, accepting the significant advance payments for the work, and issuing payments for labor and materials. McLemore worked as Mr. Carter’s “co-laborer” on the remodeling project and MCI contracted with the homeowner to perform roofing, electrical, and remodeling work as part of an insurance claim.
3. The Carters have since admitted that they engaged in unlicensed contracting, plumbing, and electrical activities and failed to obtain the requisite plumbing, electrical, and remodeling permits. They nevertheless claim that they operated with integrity as a “family peer support system” and that the homeowner knew they were unlicensed. Even though MCI and McLemore are licensed and registered with the Department, they largely refused to cooperate with the Department and otherwise provided incomplete and false information during the investigation.

Regulatory Background

4. Charles and Pamela Carter are not licensed in any capacity by the Department.
5. In 2008, the Department issued MCI a residential building contractor license, No. BC630644. McLemore holds a qualifying builder registration, No. QB133111, and is MCI's qualifying person. Until August 2024, MCI represented to the Department that McLemore was its sole owner, officer, member, or partner. MCI and McLemore are not licensed as plumbers or electricians in Minnesota.
6. On July 5, 2017, MCI and McLemore signed a consent order with the Commissioner based upon allegations that they failed to satisfy a judgment and reasonably supervise their employees, subcontractors, or salespersons. That order assessed a \$6,500 penalty, of which \$5,500 was stayed so long as they did not violate any law or rule over which the Commissioner had authority.
7. On February 8, 2024, after receiving a notice of tax delinquency from the Department of Revenue, the Commissioner revoked MCI's license pursuant to Minn. Stat. § 270C.72, subd. 1. The Department ordered MCI to cease and desist from acting or holding itself out as a residential building contractor in Minnesota until the Commissioner received a tax clearance certificate and reinstated MCI's license. After receiving the necessary tax clearance certificate, the Commissioner reinstated MCI's license effective April 19, 2024.

The Remodeling and Insurance-Related Projects

8. In late 2023, Ms. Carter assisted the homeowner with refinancing her \$335,000 home. The homeowner hoped to purchase a new vehicle and remodel her home. Even though she was not a family member, attorney-in-fact, guardian, or conservator, Ms. Carter was directly involved with negotiating and facilitating the homeowner's refinancing transaction. After

successfully refinancing in January 2024, the homeowner transferred \$79,876.97 directly into the Ms. Carter's checking account as advance payments for the homeowner's automobile purchase and remodeling project. Ms. Carter commingled the homeowner's funds in her personal account, from which she made numerous cash withdrawals and paid personal expenses, including payments to Verizon, Comcast, Amazon, Macys, Xcel, and TransAmerica Insurance.

9. Less than a week later, the homeowner signed a \$40,800 labor-only contract with Mr. Carter to remodel her home, with the homeowner agreeing to pay for all materials and supplies. The contract identified Mr. Carter as the "project manager" and required all payments be made to him even though the homeowner had already given his wife nearly \$80,000. Mr. Carter represented to the homeowner that his standard price for the project was \$68,380 and thus she supposedly received a \$27,580 discount.
10. The scope of the remodeling contract included a master bathroom renovation, including moving the electrical and updating the plumbing, installing sheetrock, and priming and painting; a kitchen renovation, including plumbing and electrical, and installing flooring, cabinets, countertops; a master bedroom "refresh," including installing new ceiling sheetrock and priming and painting the walls; guest bedroom "refresh," including repairing and retexturing ceilings and priming and painting walls; and a dining room/living room/hallway "refresh," including installing new sheet rock, priming and painting, and replacing electrical switches and outlets. In addition to plumbing and electrical, the scope of Mr. Carter's work thus included multiple special skills and trades as defined by Minn. Stat. § 326B.802, subd. 15 (2024), including carpentry, interior finishing, drywall/plaster.

11. Notwithstanding the homeowner's advance payment, the remodeling contract specified that a \$17,500 labor downpayment was due to Mr. Carter at the beginning of the work and that the remaining \$17,500 was "due at the completion of the work."¹
12. Mr. Carter commenced the work and hired co-laborers—including MCI and McLemore—and at least two unregistered subcontractors (i.e., Aaron Boone and David Ibarro). The Carters ignored the contracted payment schedule, withdrawing unscheduled payments directly from Ms. Carter's commingled account for labor and materials as the project progressed.
13. Mr. Carter, MCI, and McLemore failed to obtain any requisite building permits and inspections for the remodeling project. Mr. Carter admitted to the homeowner's family members during the project that no permits were obtained due to their costs.
14. Representing that the homeowner was "my mother," Ms. Carter also filed a claim with the homeowner's insurance company in late January related to alleged interior and exterior storm damage. In mid-February, the homeowner issued Mr. Carter a \$1,021.89 check, which included a notation "insurance money for ceiling repair."
15. Ms. Carter later submitted to the homeowner's insurer a contract between MCI and the homeowner dated February 29, 2024. The contract was for \$33,191.02, which included \$23,019.18 for insurance-approved roofing work; \$3,225 to remove and replace damaged sheetrock in the ceiling; \$765 to remove and replace ceiling light fixtures; \$650 for a dumpster;

¹ These two scheduled labor payments total \$35,000, which is \$5,800 less than the contracted labor price. About one week after the homeowner executed the contract, Ms. Carter sent her the following text: "Mother Jenkins, if your daughter asks why the total project doesn't match the payment schedule of [\$35,000] is because you won't have enough money to pay \$40,800. So, you're receiving an additional \$5800 [in labor] as a donation. This is if [your daughter] wants to know."

and \$5,531.84 for unidentified purposes and no assigned scope of work. Zachary Lockett signed the contract on MCI's behalf and identified himself as MCI's president/manager.

16. MCI's license was revoked for tax delinquencies when it contracted with the homeowner. MCI's contract also failed to include statutorily required performance guidelines, statutory warranties, exclusions, right to inspect and offer to repair, or other mandatory provisions. Minn. Stat. §§ 326B.809, 327A.08(c) (2024). Moreover, even if it were active, MCI's residential building contractor license did not authorize it to perform or offer to perform electrical work.

17. Based on Ms. Carter's representations and MCI's submitted contract, the insurer issued a \$15,848.25 check to the homeowner for the roofing work, which reflected the \$17,348.25 actual cash value of MCI's contract, less the homeowner's \$1,500 deductible. An additional \$5,670.93 in recoverable depreciation would have been available to the homeowner had all the approved work been completed in the required timeframe.

18. Instead of tendering her insurance proceeds to MCI, the homeowner issued Mr. Carter a \$15,848.25 check, which Ms. Carter deposited into her commingled account. Ms. Carter then transferred \$12,000 to Zac L. Enterprises, LLC, a company owned and operated by Zachary Lockett, the person who signed the roofing contract on MCI's behalf. Zac L. Enterprises is not licensed in any capacity by the Department. Ms. Carter then withdrew \$2,000 in cash for some unspecified purpose and issued her husband an \$1,848.25 check supposedly for "roof claim sheetrock & dumpster & cleanup."

19. McLemore later applied for and obtained the building permit for MCI to reroof the home notwithstanding that its license was revoked. MCI also placed a yard sign in the homeowner's yard, which listed its name, contact information, and license number, and offered to provide free

estimates for hail and windstorm damage. MCI similarly parked a van bearing its name and license number at the homeowner's property.

20. In April, the homeowner suffered a series of strokes and passed away a short time later. The homeowner's actual daughter became her guardian and conservator in mid-April and asked the Carters for an accounting of the project, which remained significantly incomplete. Mr. Carter assured her that he kept very good records and would provide all the requested materials. He also asked about the status of two additional insurance checks that he was expecting the homeowner to receive related to extra work Respondents performed on her roof. At this point, between the insurance proceeds and refinancing funds, the Carters had already received at least \$96,747.11 from the homeowner.

21. Two days later, and despite the homeowner's substantial advance payments, Ms. Carter claimed that \$8,624.94 remained due and owing on the incomplete remodeling project. Ms. Carter provided the following accounting:

Building Materials:	\$27,301.91
Labor:	\$35,000
Vehicle:	\$26,200
Total Expense:	\$88,501.91
Bank Transferred:	\$79,876.97
Balance Due:	\$8,624.94

Notably, and aside from not accounting for any insurance proceeds or insurance-related work, the receipts and documents that the Carters provided did not support their accounting. But the Carters' records confirmed that they paid \$2,000 to MCI for floor and wall repair related to the remodeling

project. Moreover, and despite the explicit contract payment schedule, the Carters admitted that they paid themselves in full before completing the contract. Indeed, Ms. Carter's bank statement reflected that she had fully spent the homeowner's advance payments and only had a \$17.09 balance in her commingled account when the homeowner died.

22. On April 22, Respondents abandoned the in-progress remodeling project, leaving it deficiently performed and otherwise incomplete. On information and belief, the roof was the only item completed by Respondents; however, they failed to submit pictures of the roof's iceand-water shield to the city or request a final roof inspection, thus, the roofing permit was never finalized. Likewise, Respondents never submitted a completion certificate to the insurer to allow the homeowner to obtain her recoverable depreciation.

23. The City of Newport's building official, senior inspector, and electrical inspector have since viewed the abandoned project and noted the following deficiencies:

- a. Building and plumbing permits were required and not obtained for Respondents' work in the kitchen; primary bedroom, primary bathroom, guest bedroom, dining room, living room, and hallway.
- b. The kitchen area is missing lighting and cabinets, and a vent was not installed to the outside.
- c. The work in the primary bedroom was not complete.
- d. The primary bathroom was in a rough-in stage and had an open plumbing vent.
- e. No work was performed in the guest bedroom.
- f. The dining room and hallway were missing trim and doors.
- g. The entryway was missing a door and trim.
- h. The stairs were not covered or completed and are in a rough-in stage.

i. The requisite electrical permit was not obtained for the extensive electrical work performed.

j. At least sixteen electrical code violations were observed.

24. The homeowner's daughter has since received a \$33,500 estimate to correct and finish the work.

The Department's Investigation

25. The homeowner's daughter contacted the Department about Respondents taking advantage of her deceased mother and abandoning the remodeling project. She also noted that McLemore had previously performed plumbing work at her mother's house in 2021 and posted a picture of his in-progress work on Facebook.

26. The Carters acknowledged to the Department their roles in the remodeling and insurance-related projects. They claimed to be "co-laborers" with MCI and McLemore and claimed that the homeowner knew that the Carters were not licensed contractors, electricians, and plumbers. They also claimed the work was "performed with detail in the spirit of excellence."

27. In contrast, MCI and McLemore largely failed to cooperate with the Department's investigation. For example, the Department asked MCI and McLemore for a complete description of and supporting documentation for all work it performed at the homeowner's residence. Luckett emailed MCI's and McLemore's response, which consisted of six pages of documents that failed to explain, document, or articulate their respective roles in the projects. Luckett vaguely agreed that MCI and McLemore were "co-laborers" with the Carters and received \$2,000 for work on the remodeling project. Luckett claimed to produce MCI's contract, invoices, proof of expenses and a \$12,000 payment, an email, and the roofing permit, but no such information was included. Luckett did, however, submit a new form notifying the Department that, effective August 28, 2024,

he joined McLemore as an owner, officer, or partner of MCI. See also Minn. Stat. § 326B.805, subd. 5(b) (2024) (requiring licensees to notify the Commissioner of any change in owners, officers, or directors within 15 days of the change). In addition to asking for documentation about the projects, the Department had asked about MCI's 2019 admission in a lawsuit that Luckett was one of MCI's officers. Luckett provided no explanation why they waited five years to notify the Commissioner that he became an officer. Nor did he explain the discrepancy between the 2019 admission and the new form claiming he became an officer in 2024.

28. The Department followed up with Luckett about the missing information, specifically requesting copies of all contracts for the homeowner's projects; a description of the work that Zac L. Enterprises performed; a complete accounting of all expenses with supporting invoices and receipts; a list of other projects in which MCI used its license to obtain a building permit without performing the work; and documentation memorializing Luckett becoming an officer at MCI. Without producing any additional documentation, MCI and McLemore incorrectly claimed that they previously produced the contract and all receipts with the initial response. They claimed that Zac L. Enterprises completed the work on the homeowner's roof and that no documents existed to memorialize Luckett becoming an officer. Finally, they refused to identify other instances of MCI obtaining building permits and not performing the work, claiming they did not "understand the relevance."

29. The Department served the Carters with an administrative order, which imposed a \$15,000 penalty against them, jointly and severally, and required them to comply with a cease and desist order.

The Carters' request for a hearing to contest the administrative order is attached and incorporated by reference.

30. The Department also served MCI and McLemore with a licensing order, which censured their license and registration, lifted the stay on the prior \$5,500 penalty, imposed an additional \$9,000 penalty, and required them to comply with a cease and desist order. MCI's and McLemore's request for a hearing to contest the licensing order is attached and incorporated by reference.

31. The Department has since consolidated the matters involving the Respondents pursuant to Minn. R. 1400.6350, subp. 2 (2023), because they arise out of the same set of facts and circumstances.

32. This order is in the public interest.²

VIOLATIONS

Count I

The Carters acted or held themselves out as residential building contractors, residential remodelers, or residential roofers in the state of Minnesota without a license, violating Minn. Stat. §§ 326B.082, subd. 7, 326B.805, subds. 1, 3, 326B.81 (2024).

Count II

The Carters performed or offered to perform electrical work in Minnesota without the required electrical contractor and personal electrician licenses or registrations, violating Minn. Stat. §§ 326B.082, subd. 7, 326B.33, subds. 1, 2, 12, 14-16 (2024).

Count III

² The Department has no record of receiving Respondents' respective emailed hearing requests in a timely manner. Respondents have since provided sufficient proof that they emailed timely hearing requests even if not received by the Department. In the interest of justice, the Department has accepted as timely Respondents' respective requests for a hearing.

The Carters performed or offered to perform plumbing work in the state of Minnesota without the required plumbing contractor and personal plumber licenses or registrations, violating Minn. Stat. §§ 326B.082, subd. 7, 326B.46-.47 (2024).

Count IV

The Carters performed electrical work without filing an electrical permit at or before commencing work, violating Minn. Stat. §§ 326B.082, subd. 7, 326B.36 (2024).

Count V

The Carters failed to reasonably supervise employees, agents, subcontractors or salespersons, or performed negligently or in breach of contract so to cause injury or harm to the public, violating Minn. Stat. §§ 326B.082, subd. 7, 326B.84(4) (2024).

Count VI

The Carters engaged in fraudulent, dishonest, and deceptive practices or demonstrated incompetence, untrustworthiness, and financial irresponsibility by:

- Remodeling the homeowner's home without first filing the required building and plumbing permits;
- Misappropriating payments received from the homeowner;
- Making false representations to the homeowner's insurer regarding their alleged relationship with the homeowner.

Minn. Stat. §§ 326B.082, subd. 7, 326B.84(2) (2024), Minn. R. 1300.0120 and 2891.0040, subp. 1H (2023).

Count VII

The Carters engaged persons who were not registered construction contractors to provide or perform building construction or improvement services, violating §§ 326B.082, subds. 1, 7, 11, 326B.701, subd. 5(b)(3) (2024).

Count IX

MCI and McLemore engaged in fraudulent, dishonest, and deceptive practices by:

- Contracting with the homeowner and obtaining the roofing permit while MCI's license was revoked;
- Knowingly contracting for, or performing, a service beyond the scope of their license and registration;
- Performing construction without obtaining the applicable local building permits and inspections; and,
- Conducting business in any name other than the one in which MCI is licensed.

Minn. Stat. §§ 326B.802, subd. 11(b)(1), (8), 326B.84(2), Minn. R. 2891.0040, supb. 1.E-H.

Count X

MCI and McLemore performed or offered to perform electrical work in Minnesota without the required electrical contractor and personal electrician licenses or registrations, violating Minn. Stat. §§ 326B.082, subd. 11(b)(1), 326B.33, subds. 1, 2, 12, 14-16.

Count XI

MCI and McLemore performed or offered to perform plumbing work in Minnesota without the required plumbing contractor and personal plumber licenses or registrations, violating Minn. Stat. §§ 326B.082, subd. 11(b)(1), 326B.46-.47.

Count XI

MCI and McLemore performed negligently or in breach of contract so to cause injury or harm to the public, violating Minn. Stat. §§ 326B.082, subd. 11(b)(1), 326B.84(4).

Count XII

MCI and McLemore failed to notify the Department in writing within fifteen days of Lockett becoming MCI's officer, violating Minn. Stat. §§ 326B.082, subd. 11(b)(1), 326B.805, subd. 5(b) (2024).

Count XIII

MCI and McLemore failed to cooperate with the Department's investigation by providing responses that were false, misleading, or incomplete, violating Minn. Stat. §§ 326B.082, subd. 11(b)(1), (6), 326B.84 (14), (16) (2024).

Count XIV

MCI and McLemore violated the July 25, 2017 consent order and the February 8, 2024 revocation order, violating Minn. Stat. §§ 326B.082, subd. 11(b)(1), (5), 326B.84(5).

Count XV

MCI and McLemore failed to include performance guidelines, statutory warranties, exclusions, right to inspect and offer to repair, or other mandatory provisions, violating Minn. Stat. §§ 326B.802, subd. 11(b)(1), 326B.809, 327A.08(c) (2024).

Count XVI

Alternatively, MCI and McLemore applied for and obtained a building permit for an unlicensed person, Zac L. Enterprises, violating Minn. Stat. §§ 326B.802, subd. 11(b)(1), 326B.84(12).

ADDITIONAL NOTICE

1. Respondents' failure to appear at the hearing or any prehearing conference, or any failure to comply with an order of the Administrative Law Judge, may result in a finding that Respondents are in default, that the Department's allegations contained in this notice and order may be accepted as true, and its proposed action may be upheld.

2. If any party has good cause for requesting a delay of the hearing or any prehearing conference, the request must be made in writing to the Administrative Law Judge at least five days prior to the scheduled date. A copy of the request must be served on the other party.

3. Any party intending to participate as a party in this proceeding must file a Notice of Appearance form and return it to the Administrative Law Judge within 20 days of the date of service of this notice and order. A copy must be served on the Department's attorney. A Notice of Appearance form is enclosed.

4. All parties have the right to be represented by legal counsel, by themselves, or by a person of their choice if not otherwise prohibited as the unauthorized practice of law. The parties are entitled to the issuance of subpoenas to compel witnesses to attend the hearing. The parties will have the opportunity to be heard orally, to present evidence and cross-examine witnesses, and to submit evidence and argument. Ordinarily the hearing is digitally recorded. The parties may request that a court reporter record the testimony at their expense.

5. Persons attending the hearing should bring all evidence bearing on the case, including any records or other documents. Be advised that if data that is not public is admitted into the record, it may become public data unless an objection is made and relief is requested under Minn. Stat. § 14.60, subd. 2 (2024).

6. Requests for subpoenas for the attendance of witnesses or the production of documents at the hearing shall be made in writing to the Administrative Law Judge pursuant to Minn. R. 1400.7000. A copy of the subpoena request shall be served on the other parties. A subpoena request form is available at www.mn.gov/oah or by calling [REDACTED]

7. This case may be appropriate for mediation. The parties are encouraged to consider requesting the Chief Administrative Law Judge to assign a mediator so that mediation can be scheduled promptly. “No matter shall be ordered for mediation if the agency or any party is opposed.” Minn. Rule 1400.5950, subp. 3C.

8. The Office of Administrative Hearings conducts contested case proceedings in accordance with the Minnesota Rules of Professional Conduct and the Professionalism Aspirations adopted by the Minnesota Supreme Court.

9. A Guide to Participating in Contested Case Proceedings at the Office of Administrative Hearings is available at www.mn.gov/oah or by calling [REDACTED]

10. Any party who needs an accommodation for a disability in order to participate in this hearing process may request one. Examples of reasonable accommodations include wheelchair accessibility, an interpreter, or Braille or large-print materials. If any party requires an interpreter, including a foreign language interpreter, the administrative law judge must be promptly notified. To arrange for an accommodation or an interpreter, contact the Office of Administrative Hearings at P.O. Box 64620, St. Paul, Minnesota 55164-0620, or may call [REDACTED] [REDACTED] (voice) or [REDACTED] (TTY).

NICOLE BLISSENBACH
Commissioner

Dated: February 20, 2025

BY: Sean O'Neil
SEAN O'NEIL
Director of Licensing and Enforcement

Construction Codes and Licensing Division
Department of Labor and Industry
443 Lafayette Road North
Saint Paul, Minnesota 55155
Telephone: ()

November 19, 2024

MN Department of Labor and Industry
443 Lafayette Road North
St. Paul, MN 55155-4344

RE: Investigative File No. RBC2407-0019/CMW

Charles and Pamela Carter are appealing the accusations regarding fraud, deception, dishonesty, incompetency, and financial irresponsibility outlined in this investigation. We endeavor to provide accurate statements and documentation to clarify that these allegations are false. For instance, we want to clarify that CC operated as the liaison between CJ and Shaun Irvin investigated CC and PC and found no evidence of criminal activity, then closed the case. Moreover, investigator John Barnacle from CJ's home insurance ruled out fraudulent charges. In addition, CC and PC will provide detailed explanations of the money previously sent to investigator Chris Williams. Most importantly, these explanations will address the discrepancies in this investigation to prove that CC and peer family support.

II. FINDINGS OF FACT

2. Charles and Pamela Carter never indicated to have a contractor's license. We worked from a family peer support. Cecilia Jenkins watched HGTV regularly and wanted some renovation for her home. CJ called a meeting in the summer of 2023 with CC and Saran Crayton to discuss the renovation project.

3. CJ had observed the grooming of the church and approached CC about her renovation project.

4. On January 23, 2024, PC received an unexpected phone call from Blaze Credit Union to verify identity so that a transfer of \$79,876.97 deposited into my account from Cecelia Jenkins. Before the call, PC did not know CJ was depositing money into the account. Throughout the relationship, CJ asked PC to help with the nursing home placement, burial arrangements, and funeral program booklets for her late husband. CJ valued and trusted PC and requested assistance with refinancing her home. CJ asked PC to be the liaison to ensure all paperwork was sent timely.

5. CC and PC were not biological children to CJ, but she acknowledged PC as her godchild to others and even to her biological daughter, Saran Crayton.

7. CC and PC were under investigation by CJ's Homeowner Insurance, which ruled out fraudulent activities or charges. There is no record of false representation given to CJ's insurance company. All payments made to the workers was for the service performed.
8. The budget agreed upon for the renovation had decreased due to CJ's vehicle choice, which left a deficit for the remodeling project. $\$79,876.97$ (refinancing money received) - $\$26,200$ (vehicle purchase) = $\$53,676.97$, which was for material ($\$27,301.91$) and labor ($\$26,375.06$).
9. When the ceiling damage was discovered, CJ asked PC to assist with the process of filing a claim with her insurance company for a roof assessment.
10. Photos sent to the insurance company to confirm completion of the project. See Trumbull Insurance Company for details.
11. Please refer to project documentation and receipts for additional wall and ceiling repairs for $\$1021.89$.
12. For clarity, question ten is the same payment ($\$15,848.25$) mentioned for the roof replacement. The $\$15,848.25$ mentioned in question ten and the $\$1021.89$ mentioned in question eleven total the $\$16,870.14$.
13. Even though the roof was subcontracted to McLemore Construction, CJ used CC as a liaison and family peer support for the roofing project, which included the distribution of payment.
15. Payment was issued to ZLE as a sub-contractor under McLeMore Construction as requested.
16. See response for question ten.
- 17-22. CC operated as a liaison for CJ only for the roof replacement project payment.
26. If two personal items were not deducted from the receipt, it was truly an oversight.
28. Before CC met SC on April 16, SC called to inform CC not to continue the work until CC consulted with SC. On April 16, SC and CC met to discuss the next plan of action and were ready to complete the identified task that SC never identified. Instead of SC communicating the next steps, she became hostile and started talking about the money and began to make false accusations CC and the workers felt threatened, cleaned the work area, packed their tools, and left the property. While they were leaving SC yelled false accusations until her daughter asked her to stop.
29. Weeks before April 2, CC followed up with CJ to see if the disbursement of the depreciation check for the roof replacement was received to complete payment to McLemore Construction and CJ reported it was not. After that, SC was asked if a depreciation check was received, and

she refused to acknowledge or give a response. For clarity, CC never inquired about an insurance check for additional work on the roof.

30. CC and workers did not feel comfortable working in a hostile environment. See question 28 for additional information.

31. The following response addresses a-k. CC and workers, purpose was to complete the remodeling according to the contract. However, SC created a hostile and threatening environment that resulted in the incomplete remodeling project. The kitchen cabinet was delivered damaged and was reordered and communicated to SC. The kitchen light is on the property waiting for installation. A vented microwave was installed. The master bedroom was completed the bathroom was 90% finished. The agreement was that CJ would sleep in the guest bedroom until the master bedroom was completed. The doors were damaged and falling apart so CC gifted doors inside the garage to CJ which was not included in the contract. The stairs were not included in the remodeling project, so they were left as is.

32. For clarity, please see the explanation for the \$96,747.11. \$79,876.97 (money received from home refinancing), \$26,200 (vehicle purchase) \$27,301.91 (project material), \$26,375.06 (labor), and \$16,870.14 (roof replacement). Due to the hostile communication and environment, CC and workers were forced to cease the project. The contract labor was for \$35,000 and they only received \$26,375.06 leaving a balance of \$8,624.94 owed.

33. When CJ heard that Valerie Land was selling her vehicle CJ expressed interest. Days later, CJ test-drove vehicle, liked it, and made a business arrangement to buy it. CJ received a cleared title.

III. CONCLUSIONS OF LAW

1. CC and PC never indicated to have a contractor's license. We worked from a family peer support system.
2. CJ was knowledgeable that CC and PC did not have an electrical contractor's license.
3. CJ was knowledgeable that CC and PC did not have a plumbing contractor's license.
7. CC and workers performed duties as a unit at CJ's residence. The work performed with detail in the spirit of excellence. SC halted the remodeling project then created a hostile environment with threats and intimidation that caused CC and workers to clean up and remove their equipment before evacuating the premises.
8. CC and PC were under investigation by CJ's homeowner insurance, which ruled out fraudulent activities and charges. There was no record of false representation provided to CJ's insurance company. All payments made to the workers for service performed. CC never inquired about an insurance check for additional work on the roof. Receipts were

provided to show where monies were allocated for the remodeling project and vehicle purchase, with the exception, of two personal items overlooked for sum of \$59.74 plus taxes.

Sincerely Submitted,
Charles & Pamela Carter

11/20/2024

Neeka L. McLemore
McLemore Construction Inc.
1533 University Ave W. Suite 100
Saint Paul, MN 55104

Chris Williams, Senior Investigator
MN Department of Labor and Industry
443 Lafayette Road North
St. Paul, MN 55155-4344

Subject: Contest Regarding information below on Account Investigative File No. RBC2407-0019/CMW

Dear: Mr. Williams

I will be requesting a hearing based upon the accusations and the narrative that was presented, to bring light to the intentions and actions and reverence of the situation. These are the following line items in the matter that I would like to contest:

II. FINDINGS OF FACT

- 4. On July 5, 2017, the commissioner executed a consent order against MCI and McLemore based upon allegations they engaged in violations of Minn. 326B.082, subd. 11(b)(9); 326B.805, subd. 5(c); and 326B.84 (4)(9)(15). The order assessed a \$6,500 monetary penalty, of which \$5,500.00 was stayed conditioned upon their compliance with provisions of the consent order and any law, rule, or order over which the commissioner has authority.
- 5. On February 8, 2024, the Commissioner issued an Order for Revocation of License to MCI pursuant to Minn. Stat. § 270C.72, subd. 1 relative to notice received from the Minnesota Department of Revenue ("Revenue") which advised MCI owed the state delinquent taxes, penalties, or interest or had failed to file tax returns. The Order revoked MCI's residential building contractor license until such a time the Department receives a clearance from Revenue and issues an order of reinstatement. The Order specifically ordered MCI to cease and desist from acting or holding itself out as a residential building contractor in the state of Minnesota.
- 8. Trumbull approved the replacement of CJ's roof, and minimal interior repair work to the ceilings in the living room, hallway, and bedroom, and issued an actual cash value payment of \$15,848.25 to CJ. An additional \$5,670.93 would have been available to CJ had all of the work included in Trumbull's claim report been completed within the required timeframe.
- 9. On February 14, 2024, CJ issued \$1,021.89 cashier's check to PDC's spouse, Charles Edward Carter ("CEC") which noted the payment was the insurance money for the ceiling repairs.

- 11. Neither CEC nor PDC entered a contract with CJ for the roof replacement and interior repairs approved by Trumbull despite accepting \$16,870.14 from her for work which requires licensure.
- 12. Neither CEC nor PDC hold a residential building contractor, residential remodeler, or residential roofer license in the state of Minnesota.
- 14. ZLE does not hold a residential building contractor, residential remodeler, or residential roofer license in the state of Minnesota. Minnesota Secretary of State ("SOS") online business records reflect Zachary Luckett ("Luckett") is ZLE's manager.
- 15. Despite the February 8, 2024, Order which revoked MCI's residential building contractor license and ordered MCI to cease and desist from acting or holding itself out as a residential building contractor, MCI contracted with CJ on February 29, 2024, for work that included:

"All work included in CJ's claim with Trumbull	\$23,019.18
'Remove and install 15 sheets of sheetrock	\$ 3,225.00
'Electrical: remove and replace ceiling light fixtures	\$ 765.00
.30-yard dumpster	\$ 650.00

- 16. MCI's February 29, 2024, contractual agreement, which is also identified as an invoice, lists a subtotal of \$27,659.18 and includes an additional amount of \$5,531.84 for a total cost of \$33,191.02. No description of work was provided for the \$5,531.84 cost. Luckett identified himself as MCI's "President/Manager" on the contractual agreement.
- 17. MCI does not hold an electrical contractor license which would enable the company or its employees, owners, officers, or members to perform electrical work in the state of Minnesota. -
- 18. As of February 29, 2024, neither MCI nor McLemore had provided written notification to the Department of any change in control, ownership, officers or directors as required by Minn. Stat. § 326B.805, subd. 5(b).
- 21. On or about March 6, 2024, McLemore, using MCI's revoked license, obtained a building permit for CJ's roof replacement from the city of Newport.
- 22. On April 19, 2024, MCI's residential building contractor license was reinstated after all Revenue deficiencies were resolved and all applicable reinstatement and license renewal fees were paid.
- 24. In response to the Department's July 23, 2024, request for information, MCI and McLemore represented:
 - They communicated with PDC and CEC regarding CJ's contractual agreement with MCI.

- Neither PDC nor CEC are employees of MCI. -MCI has

no employees.

- MCI did not hire any subcontractors to complete the contracted work at CJ's Newport residence.
- MCI received an additional \$2,000 from PDC for flooring work which was part of CEC's interior remodeling of CJ's residence.
- The \$12,000 payment PDC issued to Luckett's company ZLE was not paid to MCI

25. MCI and McLemore declined to provide copies of their contract, invoices, and accounting of expenses for their remodeling of CJ's bathroom, which McLemore posted on his Facebook page on April 6, 2021. Photos posted on April 6, 2021, show the job included drywall, interior finishing, carpentry and plumbing work. The city of Newport has no record of building and-plumbing permits for Respondents'2021-bathroomremodel at CJ's residence.

- 26. Neither MCI nor McLemore hold a plumbing contractor license, and McLemore does not hold a master or journey worker plumber license or registration as an unlicensed individual.
- 27. Despite MCI and McLemore's representation to the Department that they have no employees and did not hire any subcontractors to perform work at CJ's residence, CEC advised CJ's daughter ("SC") on April 16, 2024, that he was looking for two insurance checks which he purported had been sent to CJ by Trumbull. CEC advised SC that he had performed additional work on the roof and want her to find the checks and give them to him.

If you have any further questions, please feel free to email or call me @ admin@mclemoreexteriors.com or [REDACTED] I look forward to hearing from you soon.

Owner of McLemore Construction Inc.

Neeko McLemore

Neeko McLemore

OAH Docket Number: _____

STATE OF MINNESOTA OFFICE OF ADMINISTRATIVE HEARINGS

NOTICE OF APPEARANCE

[Insert matter title]

PLEASE TAKE NOTICE that:

1. The party/agency named below (Party/Agency) will appear at the prehearing conference and all subsequent proceedings in the above-entitled matter.

2. By providing its email address below, the Party/Agency chooses to opt into receiving electronic notice from the Office of Administrative Hearings in this matter.

Note: Provision of an email address does not constitute consent to electronic service from any opposing party or agency in this proceeding.

To opt in to electronic notice, this form must be emailed to OAH.efiling.support@state.mn.us. If the party does not wish to opt in to electronic notice, this form may be filed with the Office of Administrative Hearings via facsimile, U.S. Mail, or personal service.³ The form must be served upon the opposing party.

3. The Party/Agency agrees to use best efforts to provide the Office of Administrative Hearings with the email address(es) for opposing parties and their legal counsel.

Party's/Agency's Name: _____

Pronouns (e.g., he/him; she/her; they/them): _____

Title (e.g., Mr.; Mrs.; Ms.; Mx.): _____

Email: _____ Phone: _____

Mailing Address: _____

Party's/Agency's Attorney: _____

Pronouns (e.g., he/him; she/her; they/them): _____

Title (e.g., Mr.; Mrs.; Ms.; Mx.): _____

³ See Minn. R. 1400.5550, subps. 2-5 (2023).

Firm Name: _____

Email: _____

Phone: _____

Mailing Address: _____



Respondent's/Opposing Party's Name: _____

Email: _____

Phone: _____

Mailing

Address: _____

Submitted by:

Dated: _____

Signature of Party/Agency or Attorney

STATE OF MINNESOTA
OFFICE OF ADMINISTRATIVE HEARINGS
FOR THE DEPARTMENT OF LABOR AND INDUSTRY

In re Charles Edward Carter and Pamela
Denise Carter and

NOTICE OF APPEARANCE

In re McLemore Constr., Inc., a/k/a
Zac L. Enters., LLC, and Neeka Lamont McLemore

PLEASE TAKE NOTICE that:

1. The agency named below will appear at the prehearing conference and subsequent proceedings in the above-entitled matter.
2. By providing his email address below, the agency's attorney named below hereby acknowledges that he has read and agrees to the terms of the Office of Administrative Hearings' e-Filing policy and chooses to opt into electronic notice from the Office of Administrative Hearings with respect to this matter. Note: Provision of an email address DOES NOT constitute the agency's or attorney's consent to electronic service from Respondents in this proceeding.
3. The agency named below agrees to use best efforts to provide the Office of Administrative Hearings with the email address for opposing parties and their legal counsel and to advise the Office of Administrative Hearings of any known or reported change in any party's email address.

Agency Name: Minnesota Department of Labor and Industry
Construction Codes & Licensing Division
443 Lafayette Road North, 2nd Floor
St. Paul, MN 55155


Attorney for Agency: Christopher M. Kaisershot Assistant
Attorney General
Attorney Reg. No. 0268665


Respondents' Names:

Charles E. Carter
Pamela D. Carter

[REDACTED]
[REDACTED]
(Charles)
(Pamela)
[REDACTED]

Neeka L. McLemore
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Zac L. Enterprises, LLC
1533 University Ave., Ste. 100
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559-1286
admin@mclemoreexteriors.com
nm@mclemorecon.com

Neeka L. McLemore

[REDACTED]

Zac. L. Enterprises, LLC
Attn: Zachary Luckett

[REDACTED]

Dated: February 18, 2025

KEITH ELLISON
Attorney General
State of Minnesota



CHRISTOPHER M. KAISERSHOT
Assistant Attorney General Atty.
Reg. No. 0268665

445 Minnesota Street, Suite 600
St. Paul, Minnesota 55101-2131

[REDACTED]

(Fax)
christopher.kaisershot@ag.state.mn.us

ATTORNEY FOR DEPARTMENT OF LABOR AND
INDUSTRY

CERTIFICATE OF SERVICE BY U.S. MAIL

Re: *In re Charles Edward Carter and Pamela Denise Carter and In re McLemore Constr., Inc., a/k/a Zac L. Enters., LLC, and Neeka Lamont McLemore*

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

I, ANN KIRLIN, certify that on February 20, 2025, I served the **Notice and Order for Prehearing Conference and Notice of Appearance**, by depositing the same in the United States mail, true and correct copy(ies) thereof, properly enveloped with prepaid first class postage, and addressed to:

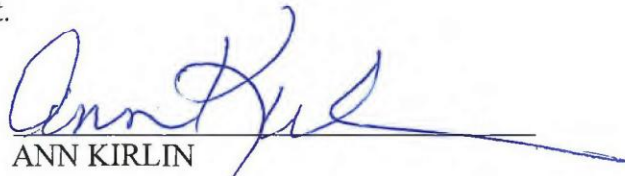
Charles E. Carter
Pamela D. Carter
[REDACTED]

Neeka L. McLemore
[REDACTED]

Zac. L. Enterprises, LLC
Attn: Zachary Lockett
[REDACTED]

Neeka L. McLemore
McLemore Construction, Inc.
Zac L. Enterprises, LLC
1533 University Ave., Ste. 100
St. Paul, MN 55104

Pursuant to Minn. Stat. § 358.116, I declare under penalty of perjury that everything I have stated in this document is true and correct.


ANN KIRLIN

This document was signed in Ramsey County, Minnesota.