FILED
SUPREME COURT
STATE OF WASHINGTON
5/1/2025
BY SARAH R. PENDLETON
CLERK

Case #: 1041209

FILED
Court of Appeals
Division I
State of Washington
5/1/2025 2:27 PM

Case No: 858378

COURT OF APPEALS DIVISION 1 OF THE STATE OF WASHINGTON

LEGACY CONSTRUCTION GROUP, LLC, Respondent

v.

NEVIN and YAVUZ DRAMAN, et al. Appellants

APPELLANTS' PETITION FOR REVIEW

IN ACCORDANCE WITH RAP 13.4

Appellants
NEVIN DRAMAN (she/her) and YAVUZ DRAMAN (he/his)
are filing their own petition for review

17416 NE 38th St, Redmond, WA 98052 nev.draman@gmail.com

TABLI	E OF CO	NTENTS	Pages:
TABLI	E OF AUT	THORITIES	3-4
A. PET	TITIONE	R	5
B. CO	URT OF A	APPEALS DECISION	5
C. ISSI	UES PRE	SENTED FOR REVIEW	5-9
D. STA	TEMEN'	T OF THE CASE	10-14
E. ARG	GUMENT		
	E.1	RAP 13.4 b (1)	14-15
	E.2	RAP 13.4 b (4)	16-18
	E.3	RAP 13.4 b (3)	18-42
F. CO	NCLUSIC)N	42
G. APP	PENDIX-A	A	44
H. AP	PENDIX-	В	45-46
Ι ΔΡΕ	PENDIX.	~	47

TABLE OF AUTHORITIES	Pages:
Cases:	
Dobson v. Archibald (2023)	7, 14
Feyen v. Spokane Tchrs. Credit Union,	35
Statutes:	
<u>RCW 18.27.005</u> - Strict enforcement	6,18, 22
<u>RCW 18.27.010</u> – Definitions	7, 23, 40
<u>RCW 18.27.020</u> - Registration required8, 9, 15	5, 18, 24,
28, 39, 40), 41, 42
RCW 18.27.030 - Application for registration	21, 25
—Grounds for denial and suspension	
<u>RCW 18.27.040</u> - Bond or other security 1	8, 21, 25
required—Actions against—Suspension of	
registration upon impairment.	
<u>RCW 18.27.050</u> - Insurance or financial 1	8, 21, 25
responsibility required—Suspension of	
registration upon impairment.	
<u>RCW 18.27.060</u> - Certificate of registration8, 9, 15, 1	8, 24, 39
—Issuance, duration, renewal—Suspension	

<u>RCW 18.27.062</u> - Inspection by department18, 40, 41
—Subcontractor list—Certificate of registration
<u>RCW 18.27.080</u> - Registration prerequisite to suit7, 8, 15,
16, 18, 20, 24, 42
<u>RCW 18.27.110</u> - Building permits—8, 9, 11, 17, 19, 23, 28
Verification of registration required 32, 35, 39, 40
<u>RCW 18.27.114</u> - Disclosure statement6, 7, 15, 16, 17, 19,
required —Prerequisite to lien claim 20, 21, 29
<u>RCW 19.27.050</u> - Enforcement
<u>RCW 19.27.095</u> - Building permit application7, 8, 9, 11, 16,
—Consideration—Req. 17, 19, 22, 23, 27, 31, 32, 33, 38, 39
<u>RCW 25.15.031</u> - Purpose and powers
<u>RCW 25.15.036</u> - Business transactions of
member or manager with the limited
liability company
RCW 25.15.071 - Certificate of formation 6, 19, 29, 30

A. PETITIONER

Appellants Nevin, and Yavuz Draman

B. COURT OF APPEALS DECISION

COA's March 3, 2025 decision (Appendix – A)

COA's <u>April 1, 2025</u> order denying Appellants' motion for reconsideration (Appendix – B)

C. ISSUES PRESENTED FOR REVIEW

ERROR NO.2: Trial Court failed to understand that Legacy's "Claim of Lien" (Ex 222) was void.

ISSUE to be solved by the Superior Court: Legacy's lien (Ex222) should be dismissed and Yavuz should get back his right to use his property as he wishes.

Trial Court decided that Legacy's contracts were with MSC, not Dramans (FOF#12,COL#47).

Legacy filed lien (Ex222) by naming <u>Nevin</u> and <u>Yavuz</u> as "indebted to claimant". MSC wasn't mentioned in lien.

Legacy named Yavuz as Owner of Property on lien

(Ex222,Pg1). Lien didn't mention Nevin as Owner.

Nevin signed contracts with Legacy, as "Sole Owner of MSC"

(Ex209,Ex210). Yavuz wasn't mentioned in Contracts.

Yavuz is Owner of Property. (FOF#4,5)

Nevin is Owner of MSC. (FOF#6,7)

MSC paid for and owned improvements (Ex209,Ex210).

MSC is a separate legal entity per **RCW 25.15.071 (3)**.

Legacy was required to know and obey <u>RCW 18.27</u> per <u>RCW 18.27.005 – Strict Enforcement.</u>

Legacy was strictly enforced to give disclosure statement to its client MSC per RCW 18.27.114 - Disclosure statement

required—Prerequisite to lien claim before starting work.

Legacy didn't give disclosure statement to MSC.

Legacy didn't give disclosure statement to Dramans, either,

Per <u>RCW 18.27.114</u> Legacy had no right to claim lien on Property as it didn't give disclosure statement to MSC.

Also, lien was filed wrong naming Dramans as indebted.

ERROR NO.3: Trial Court failed to understand that Legacy breached Contracts and broke laws by not obtaining several permits per RCW 19.27.095 for Legacy, and subcontractors and using unlicensed contractors (FOF#38).

ISSUE to be solved by the Superior Court: Legacy's case should be dismissed per RCW 18.27.080 - Registration prerequisite to suit and Dramans should be granted the relief they sought at COA.

Two Courts' decision is in conflict with **Washington Supreme**Court's decision *Dobson v. Archibald (2023)*.

Precedent says that "anyone engaged in the activities of a contractor is presumed to know the requirements of this Chapter" and is strictly enforced to obey RCW 18.27.

Precedent says that contractor failing to comply with the requirement of <u>current registration</u> per <u>RCW 18.27.020</u> and <u>RCW 18.27.060</u> can't sue, and claim compensation at the court per <u>RCW 18.27.080</u> even if other party didn't raise these facts, because it is the responsibility of contractor to strictly obey the related statues of <u>RCW 18.27</u>.

Legacy failed to issue Redmond City permits per RCW

19.27.095, and Legacy's registration was NOT verified and was NOT found to be current by Redmond City's permit process per RCW 18.27.110, and RCW 18.27.010.

A.Contreras testified that Legacy didn't issue permits, claiming that the city didn't require Legacy to issue permits with its name and registration number printed on them, but his words (RP 352-353) contradicted with RCW 19.27.095.

RCW 18.27.110 - Building permits—Verification of

registration required strictly enforced Redmond City to make

verification before issuing permits, but Legacy didn't pass this as Legacy failed to issue permits.

Also, RCW 19.27.050 – Enforcement enforced the city to obey RCW 19.27.095 - Building permit application—

Consideration—Requirements and the city enforced contractors to obtain permits with their names and current registration numbers printed on them before doing any work in excess of \$5,000. Two Contracts (Ex209, Ex210) were \$80,000 and \$35,000 respectively.

Contractor registration is valid for two years, and could be suspended per RCW 18.27.060. Legacy failed to submit evidence to the Court to prove that Legacy's registration was current and without issue per RCW 18.27.020 and RCW 18.27.060, despite its failure (RP 352-353) to have it verified by the city.

D. STATEMENT OF THE CASE

MSC and Legacy signed Contracts on <u>2/7/2019</u> for remodeling, and painting & flooring at Yavuz's Property in Redmond, WA. MSC would run Adult Family Home (AFH) at Property. Nevin signed as MSC's Sole Owner. A.Contreras signed for Legacy. **Remodeling** (Ex209), valued \$80,000, required Legacy to remodel Property into AFH per Approved Plans (Ex207), AFH Inspection List (Ex208), and Contract.

Painting & Flooring (P&F) (Ex210), valued \$35,000, required Legacy to strengthen insulation, install crown molding and baseboards, texture, prime and paint Property with 17 doors, and install interlocking flooring.

By <u>5/4/2019</u>, Property would pass the city's "Final", and "AFH Inspection" (Ex208). Remodeling started on <u>2/7/2019</u> and P&F would start on <u>3/22/2019</u> (Ex210,Pg2).

Timely completion was extremely important to apply to AFH licensing, start business, and get E-2 visas for Dramans through MSC. Payments depended on milestones. **Also, Remodeling's**

\$20,000, and P&F's \$15,000 depended on completion by 5/4/2019.

Remodeling required Legacy to register to the city to take over BLDG-2018-08556, permit issued to Yavuz for plans' approval (Ex205). P&F required a second permit.

Dramans discovered in May that Legacy didn't issue permits and tricked them. Legacy broke RCW 19.27.095 and RCW 18.27.110, and breached Contracts.

A.Contreras acted as if Owner's "Authorized Agent", and used Yavuz's permit (Ex205) to pass inspections (Ex237), without Yavuz's knowledge, and consent.

While Remodeling, inspections were failed and postponed due to faulty and missing work (Ex237). Final was on <u>8/22/2019</u> (Ex237,Pg2), not <u>05/04/2019.</u>

There was one "Change Order" on <u>2/26/2019</u> (Ex213) to build concrete slab instead of crawl space in the old garage, without budget and schedule change.

Legacy cancelled important work items without MSC's consent: fire sprinkler installation, sleeving of main sewer pipe under newly built entrance (Ex209), and strengthening insulation inside walls (Ex210).

Legacy delivered inferior flooring (Ex77), not the agreed one (Ex275,Ex24). Most materials, including eight windows, nine sinks, and WCs arrived in May-June.

Nevin cancelled P&F on <u>5/9/2019</u> for total breach. The same day A.Contreas called the police to accuse Nevin with 4th degree assault, but case was dismissed with prejudice. (Ex224) Legacy's starting P&F on <u>5/2/2019</u> despite <u>5/4/2019</u> deadline, bringing inferior flooring, starting flooring installation while messy Remodeling was happening (Ex240), jumping to texture by cancelling insulation strengthening, and missing permits were the reasons for "total breach".

Besides, Remodeling was far behind schedule with hardly 50% complete past due date (Ex240), and A.Contrreas was using the same three people for both Remodeling and P&F.

Meanwhile, Dramans were living in construction without budget to move out (Ex262), and getting late for E-2 visas.

P.Revelo and S.Pereira testified to knowing Legacy previously, and reaching out Nevin to work after hearing about the police incident from A.Contreras' crew. (RP 9,123-124).

A.Contreras accepted P.Revelo for tiling, but refused S.Pereira for P&F. He had no right to do so after the breach. Nevin cited MSC's rights per P&F, and S.Pereira started to work. **Ex33** shows A.Contreras's terrible acts at work. S.Pereira testified to his bad faith, knowing him for years. (RP 136-137,140).

S.Pereira testified to correcting Legacy's mistakes, doing most of P&F, and getting \$32-36,000 from Nevin (RP 140,147-149).

P.Revelo testified to Nevin paying him \$4,000 (RP 8-10,20).

Ex233 shows payments to S.Pereira and P.Revelo.

MSC paid \$6,065 for materials that Legacy didn't buy (Ex250). \$80,000 was paid to Legacy, and \$44,065 was paid to others and materials. MSC spent \$124,065 to finish \$115,000 valued Contracts with missing important items and 3.5 months delay.

On <u>9/10/2019</u> Legacy filed Lien, naming Dramans, not MSC, as "indebted to claimant" (Ex 222).

On <u>6/7/2020</u>, Legacy served summons to Dramans, not MSC. MSC was added as defendant with Dramans' motion. Basically, Legacy requested the value of P&F that it didn't perform, claiming that it did most of the work (Ex221). Pictures in Ex240 on <u>05/11/2019</u> show that it wasn't the case. So does payment to S.Pereira, and his testimony.

E. ARGUMENT E.1: RAP 13.4 b(1) Trial Court's and COA's decision is in conflict with Washington Supreme Court's decision <u>Dobson v. Archibald</u> (2023).

Precedent says that "anyone engaged in the activities of a contractor is presumed to know the requirements of this

Chapter" (<u>RCW 18.27</u>) including people who isn't registered contractor, but can be defined as contractor by the five-part test used by the Washington COA in <u>Rose v. Tarman (1977)</u>.

Precedent says that contractor failing to comply with the requirement of <u>current registration</u> per <u>RCW 18.27.020</u> and <u>RCW 18.27.060</u> can't sue, and claim compensation at the court per <u>RCW 18.27.080</u> even if other party didn't raise these facts, because it is the responsibility of contractor to strictly obey the related statues of <u>RCW 18.27</u>.

Per <u>RCW 18.27.005 - Strict enforcement</u>, the doctrine of substantial compliance couldn't be used for contractor's failure to obey the statutes of <u>RCW 18.27</u>.

Two Courts failed to <u>dismiss case</u> initiated by Legacy with non-current registration per <u>RCW 18.27.080</u>.

Two Courts failed to <u>dismiss lien</u> with missing disclosure statement per <u>RCW 18.27.114</u>; Legacy was strictly enforced to know, and obey all statues of RCW 18.27.

E.2: RAP 13.4 b(4)

Two Courts' disregarding the statues of "strictly enforced"

RCW 18.27 – Registration of Contractors and "enforced"

RCW 19.27-State Building Code stands as an issue of substantial public interest by setting wrong example.

Two Courts decided to award compensation to Legacy:

- who deliberately failed to issue permits per <u>RCW</u>
 19.27.095, and avoided its registration to be verified per <u>RCW</u> 18.27.110, <u>RCW</u> 18.27.010 and <u>RCW</u> 18.27.005,
- who didn't prove to the Court that it met <u>substantial</u>
 <u>compliance</u> criteria per <u>RCW 18.27.080 Registration</u>
 <u>prerequisite to suit</u> despite avoiding the city's registration
 verification per <u>RCW 18.27.110</u>, and whose case needed to be dismissed per <u>RCW 18.27.080</u>.
- 3. who didn't give disclosure statement to MSC or Dramans per RCW 18.27.114 Disclosure statement required—

<u>Prerequisite to lien claim,</u> and whose lien needed to be dismissed per <u>RCW 18.27.114.</u>

RCW 18.27.010 – Definitions states:

Finding—1993 c 454: "The legislature finds that unregistered contractors are a serious threat to the general public and are costing the state millions of dollars each year in lost revenue. ..." [1993 c 454 s 1.]

Two Courts' decision can be a dangerous Precedent paving the way to contractors to get compensation from the Court despite breaking "strictly enforced" statutes of <u>RCW 18.27</u>, and "enforced" RCW 19.27.095.

Even a word of mouth circulating in close-knit Contractors' Association can be as dangerous as a Precedent.

This case can give contractors the wrong message that it is ok to work un-permitted, avoiding registration verification by the city, hiding behind Owner's permit as unregistered contractor, and employing illegal people without leaving any trace at the city's system without permit, and city's business license.

E.3: RAP 13.4 b(3)

Trial Court and COA failed to consider, and obey the statutes below:

RCW 18.27.005 - Strict enforcement

RCW 18.27.020 - Registration required

<u>RCW 18.27.040</u> - Bond or other security required—Actions against—Suspension of registration upon impairment.

<u>RCW 18.27.050</u> - Insurance or financial responsibility required—Suspension of registration upon impairment.

RCW 18.27.060 - Certificate of registration—Issuance, duration, renewal—Suspension

RCW 18.27.062 - Inspection by department—Subcontractor list—Certificate of registration

RCW 18.27.080 - Registration prerequisite to suit

<u>RCW 18.27.110</u> - Building permits—Verification of registration required

RCW 18.27.114 - Disclosure statement required—

Prerequisite to lien claim

RCW 19.27.050 - Enforcement.

RCW 19.27.095 - Building permit application—

Consideration—Requirements

RCW 25.15.031 - Purpose and powers

<u>RCW 25.15.036</u> - Business transactions of member or manager with the limited liability company

RCW 25.15.071 - Certificate of formation

Contracts required MSC and Legacy to obey the laws, rules, and regulations of WA State and the USA (Ex209, Ex210), including the ones listed above.

Trial Court and COA (Two Courts) failed to understand the significance of **Legacy's not issuing Redmond City permits**, and intentional failure to obey WA State laws, including **RCW**

18.27 – Registration of Contractors and RCW 19.27-State

Building Code.

Two Courts were required to, but failed to dismiss Legacy's case per RCW 18.27.080, and its lien per RCW 18.27.114;

Legacy failed to fulfill these statues, so Legacy didn't have the right to sue, and put lien on Property.

RCW 18.27.080 - Registration prerequisite to suit (valid in 2019) states:

No person engaged in the business or acting in the capacity of a contractor may bring or maintain any action in any court of this state for the collection of compensation for the performance of any work or for breach of any contract for which registration is required under this Chapter without alleging and proving that he or she was a duly registered contractor and held a current and valid certificate of registration at the time

he or she contracted for the performance of such work or entered into such contract.

For the purposes of this section, the court shall not find a contractor in substantial compliance with the registration requirements of this Chapter unless:

- (1) The department has on file the information required by <u>RCW 18.27.030</u>;
- (2) the contractor has at all times had in force a current bond or other security as required by **RCW 18.27.040**; and
- (3) the contractor has at all times had in force current insurance as required by **RCW 18.27.050**.

<u>Prerequisite to lien claim</u> (valid in 2019) states:

(1) Any contractor agreeing to perform any contracting project: (a) For the repair, alteration, or construction of

four or fewer residential units or accessory structures on such residential property when the bid or contract price totals one thousand dollars or more ... must provide the customer with the following disclosure statement in substantially the following form ... prior to starting work on the project: ...

Two Courts failed to obey statues, and consider the closely linked facts listed below:

1. Legacy was obliged to know and obey <u>RCW 18.27</u> per <u>RCW 18.27.005 - Strict enforcement</u> (valid in 2019):

This chapter shall be strictly enforced. Therefore, the doctrine of substantial compliance shall not be used by the department in the application and construction of this chapter. Anyone engaged in the activities of a contractor is presumed to know the requirements of this chapter.

2. Legacy failed to issue Redmond City permits per RCW 19.27.095, and Legacy's registration was NOT verified

and was NOT found to be <u>current</u> by Redmond City's permit process per <u>RCW 18.27.110</u>, and <u>RCW 18.27.010</u>.

RCW 18.27.110 - Building permits—Verification of

registration required strictly enforced Redmond City to

make registration verification before issuing permits to

contractors, but Legacy didn't pass this verification as

Legacy failed to issue permits.

RCW 18.27.010 – Definitions defines "Verification" as:

the receipt and duplication by the city, town, or county of a contractor registration card that was current on its face, checking the department's contractor registration database, or calling the department to confirm that the contractor was registered.

Also, <u>RCW 19.27.050 – Enforcement</u> enforced the city to obey <u>RCW 19.27.095 - Building permit application—</u>

<u>Consideration—Requirements</u> and the city enforced contractors to obtain permits with their names and <u>current</u>

- registration numbers printed on them before doing any work in excess of \$5,000. Two Contracts (Ex209, Ex210) were \$80,000 and \$35,000 respectively.
- 3. Contractor registration is valid for two years, and could be suspended per RCW 18.27.060. Legacy failed to submit evidence to the Court to prove that Legacy's registration was current and without issue per RCW 18.27.020 and RCW 18.27.060, despite its intentional failure (RP 352-353) to have its registration verified by the city's permit process.

Per RCW 18.27.080 - Registration prerequisite to suit

Legacy was required to prove that it met the bullet-points

below for substantial compliance, despite missing

verification by the City, but it failed to do so.

a) The department had on file the information required by **RCW 18.27.030**;

- b) the contractor has at all times had in force a current bond or other security as required by RCW 18.27.040; and
- c) the contractor has at all times had in force current insurance as required by **RCW 18.27.050**.
- 4. A.Contreras acted as an unregistered contractor, by the definition of the five-part test used by the Washington COA in *Rose v. Tarman (1977)*. He did Remodeling work instead of Legacy by pretending to the city as if he worked for Yavuz as his "Authorized Agent", without contract and without Dramans' knowledge.

As seen in Ex8,Pg2 below A.Contreras signed permit applications for electric, plumbing and mechanical contractors (Ex8 -11, Ex13-14, Ex245).

He signed as:

"BUILDING OWNER OR AUTHORIZED AGENT" stating that:

"I hereby certify that I have read and examined this application and know the same to be true and correct, and I am authorized to apply for this permit"

Ex8,Pg2

BUILDING OWNER OR AUTHORIZED AGENT							
I hereby certify th	at I have read and ex	amined this application and know the same	e to be true and correct, and I	am authorized to app	ly for this permit.		
Print Name:	Accens	Conheras	Date:	04-6-	20/5		
Signature:_	House	Owhen.		,			
3/19/2018	Development	Services Center, 15670 NE 85th St,	, Redmond, WA 98052	425.556.2473	Page 1		

He lied to the city as he wasn't authorized to apply for subcontractor permits tied to permit BLDG-2018-08556 (Ex205) that was issued to Yavuz. He needed to issue permit for Legacy, and then apply for subcontractor permits tied to Legacy's own permit as The General Contractor per Remodeling Contract, Ex209,Pg2 below.

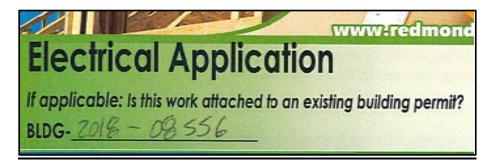
Ex209,Pg2

Details of the agreement through this Contract

Responsibilities of the Contractor:

- 1. Obtain the contractor permit from the City of Redmond to start the project in the week of 02/04/2019.
- 2.Take over the project as the general contractor from the Project Owner through the filing of the related form at the City of Redmond by the Project Owner in the week of 02/04/2019.
- 3.Take the necessary precautions according to the City of Redmond's rules and regulations and the laws of the WA State, in the construction site so that the workers and employees working in the project, auditing parties from the City of Redmond and the King County and neighbors of the house won't have any harm because of the construction.

Ex8,Pg2



As seen in Ex8,Pg2 above, Electric permit application was attached to <u>BLDG-2018-08556</u> in A.Contreras' handwriting. <u>BLDG-2018-08556</u> was the permit issued to Yavuz while getting the plans approved as part of the procedure until the Prime Contractor was decided.

A.Contreras broke <u>RCW 18.27.110 2(a)</u> and <u>RCW 19.27.095 2(b)(c)</u> by using <u>BLDG-2018-08556</u> as if issued

to Legacy. Legay was required to issue own permit with its name and registration number on it.

Two Courts disregarded that Legacy was the contractor as an LLC signing Contracts with MSC with nothing to do with Yavuz and A.Contreras as a person. And Yavuz had nothing to do with A.Contreras or MSC in any capacity. No FOF or COL stated otherwise.

Two Courts failed to obey the statues below. As an LLC Legacy was legally separate from A.Contreras as a person. WA State's Doctrine of Corporate Disregard wasn't applicable between Legacy and A.Contreras per the plain wording of <u>RCW 18.27.020</u>. As a contractor Legacy LLC was totally different than A.Contreras as a person doing construction.

RCW 25.15.031

A limited liability company has the same powers as an individual to do all things necessary or convenient to carry on its activities.

RCW 25.15.036

A member or manager...., subject to other applicable law, has the same rights and obligations with respect to the loan or other transaction as a person who is not a member or manager.

RCW 25.15.071

- (3) A limited liability company formed under this Chapter is a separate legal entity and has a perpetual existence.
- 5. Legacy failed to give disclosure statement to MSC and also to Dramans per RCW 18.27.114 Disclosure statement required—Prerequisite to lien claim.
 - a. Legacy didn't give Dramans disclosure statement despite
 naming them as indebted to Legacy on Lien (Ex222) as if
 Legacy worked for them or contracted with them,
 - **b.** Legacy signed contracts with MSC (FOF#12,COL#47), but didn't give MSC disclosure statement before starting work.
- 6. Quantum meruit wasn't applicable to Property owner

 Yavuz because MSC paid for and owned the improvements

per Contracts (Ex 209, Ex210). No FOFs or COLs stated that Dramans got rich from the value of improvements, or tiered MSC's corporate veil. So, WA state's Doctrine of Corporate Disregard wasn't applicable.

Two Courts failed to respect <u>RCW 25.15.071 - Formation</u>

<u>Certificate of formation</u> that states:

(3) A limited liability company formed under this Chapter is a separate legal entity and has a perpetual existence.

Two courts made decisions as if they were totally unaware of <u>RCW 25.25</u>, <u>RCW 19.27</u> and <u>RCW 18.27</u>.

A rational person would agree that The Court undertaking a construction litigation case concerning a contractor and two LLCs should know and obey <u>RCW 25.15 – Limited Liability</u> <u>Companies</u>, <u>RCW 18.27 – Registration of Contractors</u>, and <u>RCW 19.27-State Building Code</u> as the "pillars".

A rational person would also agree that when it isn't ok for a contractor not to know "strictly enforced" RCW 18.27,

then it isn't ok for The Court not to know <u>RCW 18.27</u>, either; especially <u>when permits were non-existent for Legacy</u>, the prime contractor per Contracts.

A.Contreras testified that Legacy didn't issue permits, claiming that the city didn't require Legacy to issue permits with its name and registration number printed on them, but his words (RP 352-353) contradicted with RCW 18.27.110 - Building permits—Verification of registration and RCW 19.27.095 - Building permit application. Two Courts disregarded that A.Contreras was lying and not credible.

RCW 18.27.110 - Building permits—Verification of registration required states:

(1) No city, town or county shall issue a construction building permit for work which is to be done by any contractor required to be registered <u>under this Chapter</u> <u>without verification that such contractor is currently</u> registered as required by law. ...

- (2) At the time of issuing the building permit, all cities, towns, or counties are responsible for:
- (a) Printing the contractor registration number on the building permit; and
- (b) Providing a written notice to the building permit applicant informing them of contractor registration laws and the potential risk and monetary liability to the homeowner for using an unregistered contractor.

RCW 19.27.095 - Building permit application states:

- (2) The requirements for a fully completed application ... at a minimum:
- (a) The legal description, or the tax parcel number assigned ...
- (b) The property owner's name, address, and phone number;

(c) The <u>prime contractor's</u> business name, address, phone number, <u>current</u> state contractor <u>registration</u> <u>number</u>; and ...

RCW 19.27.050 – Enforcement enforced RCW 19.27.095 - Building permit application to be fulfilled by the cities, including Redmond City:

The state building code required by this Chapter shall
be enforced by the counties and cities. Any county or
city not having a building department shall contract with
another county, city, or inspection agency approved by
the county or city for enforcement of the state building
code within its jurisdictional boundaries.

Despite permit requirements per Contracts, <u>RCW 18.27</u>, and <u>RCW 19.27</u>, Legacy's failure to issue Redmond City permits for itself <u>was breaking the laws deliberately for its</u> own benefit while hurting <u>Dramans</u>; not an unintentional mistake, nor a "mischief" to avoid permit fee. Legacy acted

in bad faith, and did everything to keep Dramans unaware of it.

Legacy exposed Dramans to serious risks and liability because in the city's records Yavuz was and still is the Prime Contractor of BLDG-2018-08556, the permit tied to Remodeling done.

Legacy didn't issue permit to override Yavuz's permit and take over as the General Contractor (*Prime Contractor*). Without his knowledge, Yavuz stayed responsible for issues that might take place because of the work done at the Property by

A.Contreras and his crew, i.e. newly built walls collapsing on senior residents, or sewer backing up into the rooms.

Per <u>RCW 18.27.110</u> the city is only responsible for making verification of contractor registration if the contractor applies for permit, and nothing else. By keeping Yavuz as the Prime Contractor, and not applying to the city for permit for itself, Legacy put all the liability on Yavuz, and left none on Legacy and the city. Two Courts totally failed to understand the severe consequences of such a situation.

Every contract has an implied duty of good faith and fair dealing. "This duty obligates the parties to cooperate with each other so that each may obtain the full benefit of performance."

Feyen v. Spokane Tchrs. Credit Union, 23 Wn. App. 2d 264, 276-77, 515 P.3d 996 (2022).

Legacy didn't deal in good faith and fairly with MSC and Dramans. Despite signing two Contracts with MSC, and committing to work per WA State and the USA laws, Legacy broke several laws and hid this fact from Dramans.

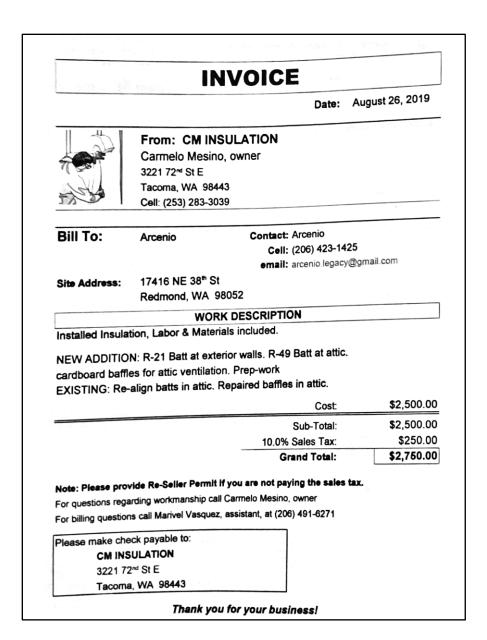
Two Courts failed to acknowledge Legacy's acts as material breaches of Contracts (ERROR No.1 - No.3).

Dramans had no negligence to cause Legacy's wrongdoings; no FOFs or COLs stated otherwise. Neither RCW 18.27 nor RCW 19.27 didn't give Dramans and MSC any responsibility to check the contractor. Both Chapters enforced Legacy to obey them. Till late May 2019 Dramans weren't even aware of Legacy's failure to obey the laws; Nevin discovered it after

cancelling P&F and going to the city to cancel Legacy's P&F permit for the records when A.Contreras refused putting the cancellation in writing (*ERROR No.1*). She found out that there was neither P&F, nor Remodeling permit issued to Legacy.

Apparently, Legacy didn't meet the city's verification to issue permits, and A.Contreras worked as an unregistered contractor with his family and friends instead of Legacy, pretending to be working under Yavuz's permit for Remodeling and without any permit for P&F.

Legacy didn't submit any employment records for witnesses E.Contreras, G.Viveros and several other people, i.e. Alexis Contreras who were recorded as working at the Property per Exhibits (Ex262-263, Ex257 Pg 1,2,3,6,9) to prove they worked as Legacy's legal employees despite Legacy's failure to issue permit and Redmond business license (Ex206) and they didn't work with A.Contreras, an unregistered contractor.



In Ex17,Pg2 above, "CM Insulation" invoiced <u>Arcenio</u> for insulation work. There is no evidence submitted to the Court showing A.Contreras or CM Insulation being registered

contractors. Per A.Contreras' testimony (RP 403-404, 406)

"Jaime, the plumber" was in a similar situation while relocating the main sewer pipe in the crawl space.

A.Contreras brought electric, plumbing and mechanical contractors and issued permits that totaled \$20,000 (Ex8 -11, Ex13-14, Ex245). For Remodeling's remaining work (*concrete* demolition, framing, installation of fixtures, etc.) with a total of \$60,000 there was no single contractor permit issued despite RCW 19.27.095, RCW 18.27.110, Ex206 and Contracts requiring them. For P&F, there was no single permit issued for a total of \$35,000 despite Legacy claiming that it did \$27,050 worth of work for this contract (Ex221). Yavuz didn't have P&F permit as P&F wasn't part of the plans' approval, and only Remodeling was. So, neither Legacy nor its subcontractor passed any single inspection for P&F because there was no permit to request inspections and to record the results in the city's system. Whatever work Legacy claims to have done for P&F it wasn't done legally.

\$87,050 worth of work (\$60,000 Remodeling, \$27,050 P&F) that was claimed to be performed by Legacy was:

- 1. strictly enforced to be done by only registered contractors per RCW 18.27.010, and RCW 18.27.020,
- 2. done with no single contractor's permit, and registration verification per RCW 18.27.110 and RCW 19.27.095,
- 3. not performed by Legacy although Legacy signed contracts with MSC, because Legacy didn't have the right to work in Redmond City with missing permit, registration verification and Redmond business license per Ex206, <u>RCW 18.27.060</u>, RCW 18.27.110 and <u>RCW 19.27.095</u>,
- 4. performed by A.Contreras and his crew, as unregistered contractor instead of Legacy; Legacy didn't submit to the Court any permit, contractor's registration, Redmond City permit, and employment records for A.Contreras and crew.

Legacy didn't submit records for any other contractor who might have worked for Legacy. Legacy committed a gross misdemeanor per RCW 18.27.020 - Registration required by using A.Contreras as unregistered contractor to do the work in MSC Contracts despite committing to MSC to perform per WA State and the US laws.

Legacy failed to prove that it held a current certificate of registration without suspension as an LLC at the time Legacy contracted with MSC or that another registered contractor with a current certificate worked for Legacy.

Per Contracts Legacy needed to become The General Contactor (*i.e. Prime Contractor*) and it was The General Contractor's duty per <u>RCW 18.27.020</u> and <u>RCW 18.27.062</u> to make sure that contractors working at the Property were registered, and listed as Legacy's subcontractors <u>with copies</u> of certificates of registration. Legacy didn't submit these documents to the Court.

RCW 18.27.020 - Registration required (valid in 2019) states:

- (1) Every contractor shall register with the department.
- (2) It is a **gross misdemeanor** for any contractor to:
 - (e) <u>Subcontract to or use an unregistered</u> <u>contractor</u>

RCW 18.27.062 - Inspection by department—Subcontractor list—Certificate of registration (valid in 2019) states:

A contractor must maintain and have available for inspection by the department a list of all direct subcontractors and a copy of their certificate of registration.

As a contractor Legacy was strictly enforced to know all statutes of RCW 18.27, and comply with them, including RCW 18.27.020 and RCW 18.27.062, but it didn't. Legacy didn't prove at the Court that it worked with registered subcontractors to do \$87,050 worth of work claimed to be

no right to claim and collect compensation at the Court

from Dramans and MSC per RCW 18.27.080 - Registration

prerequisite to suit.

Two Courts disregarded Legacy's gross misdemeanor per RCW 18.27.020 - Registration required and failed to dismiss the case per RCW 18.27.080 - Registration prerequisite to suit, paving the way to terribly dangerous Precedent.

F. CONCLUSION

Appellants kindly request their petition for review to be accepted in accordance with RAP 13.4, the Supreme Court to review the COA's decision that is presented in Appendix A, and to grant Appellants the relief they sought at COA.

We certify that the number of words contained in this document is **4,759** and in compliance with the word limits set forth in RAP18.17.

1st day of May, 2025 1st day of May, 2025

W. Attle

Nevin Draman Yavuz Draman

Mary Graurou

G. APPENDIX A: Court of Appeals Decision

Cover Letter

The Court of Appeals

LEA ENNIS Court Administrator/Cler State of Washington

DIVISION I One Union Square 600 University Street Seattle, WA 98101-4170 (206) 464-7750

March 3, 2025

Nevin Draman 17416 Ne 38th St Redmond, WA 98052 nev.draman@gmail.com Yavuz Draman 17416 Ne 38th St Redmond, WA 98052 nev.draman@gmail.com

Christian Linville Linville Law Firm PLLC 4025 Delridge Way SW Ste 540 Seattle, WA 98106-1271 clinville@linvillelawfirm.com

Case #: 858378

Legacy Construction Group, LLC, Res. v. Nevin and Yavuz Draman, et al., Apps. King County Superior Court No. 20-2-08186-8

Counsel

Enclosed is a copy of the opinion filed in the above-referenced appeal which states in part:

We affirm.

Counsel may file a motion for reconsideration within 20 days of filing this opinion pursuant to RAP 12.4(b). If counsel does not wish to file a motion for reconsideration but does wish to seek review by the Supreme Court, RAP 13.4(a) provides that if no motion for reconsideration is made, a petition for review must be filed in this court within 30 days.

In accordance with RAP 14.4(a), a claim for costs by the prevailing party must be supported by a cost bill filed and served within ten days after the filing of this opinion, or claim for costs will be deemed waived.

Should counsel desire the opinion to be published by the Reporter of Decisions, a motion to publish should be served and filed within 20 days of the date of filing the opinion, as provided by RAP 12.3 (e).

Sincerely,

Lea Ennis Court Administrator/Clerk

ejq

cc: Honorable Matthew Segal

Decision

Submitted as separate "Other" file to COA's e-filing (18 Pages)

H. APPENDIX B: Order Denying Appellant's Motion for

Reconsideration of the Decision

Cover Letter

LEA ENNIS Court Administrator/Clerk The Court of Appeals of the State of Washington

DIVISION I One Union Square 600 University Street Seaftle, WA 98101-4170 (206) 484-7750

April 1, 2025

Nevin Draman 17416 Ne 38th St Redmond, WA 98052 nev.draman@gmail.com Yavuz Draman 17416 Ne 38th St Redmond, WA 98052 nev.draman@gmail.com

Christian Linville Linville Law Firm PLLC 4025 Delridge Way SW Ste 540 Seattle, WA 98106-1271 clinville@linvillelawfirm.com

Case #: 858378

Legacy Construction Group, LLC, Res. v. Nevin and Yavuz Draman, et al., Apps. King County Superior Court No. 20-2-08186-8

Counsel

Enclosed please find a copy of the Order Denying Motion for Reconsideration entered in the above case.

Within 30 days after the order is filed, the opinion of the Court of Appeals will become final unless, in accordance with RAP 13.4, counsel files a petition for review in this court. The content of a petition should contain a "direct and concise statement of the reason why review should be accepted under one or more of the tests established in [RAP 13.4](b), with argument." RAP 13.4(c)(7).

In the event a petition for review is filed, opposing counsel may file with the Clerk of the Supreme Court an answer to the petition within 30 days after the petition is served.

Sincerely

Lea Ennis

Court Administrator/Clerk

ejg

c: Reporter of Decisions

Decision

FILED 4/1/2025 Court of Appeals Division I State of Washington

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON

LEGACY CONSTRUCTION GROUP,

No. 85837-8-I

Respondent,

DIVISION ONE

V.

ORDER DENYING MOTION FOR RECONSIDERATION

NEVIN AND YAVUZ DRAMAN,

Appellants.

Appellants Nevin and Yavuz Draman filed a motion for reconsideration of the opinion filed on March 3, 2025 in the above case. A majority of the panel has determined that the motion should be denied. Now, therefore, it is hereby

ORDERED that the motion for reconsideration is denied.

FOR THE COURT:

Chung, J.

Judge

I. APPENDIX C: Statutes Relevant to the Issues Presented for Review

Submitted as separate "Other" file to COA's e-filing

(33 Pages)

FILED
3/3/2025 FILED

Court of Ap Court of Appeals
Division | Division |
State of Washington
5/1/2025 2:30 PM

IN THE COURT OF APPEALS OF THE STATE OF WASHINGTON

LEGACY CONSTRUCTION GROUP, LLC,

No. 85837-8-I

Respondent,

DIVISION ONE

٧.

NEVIN AND YAVUZ DRAMAN,

UNPUBLISHED OPINION

Appellants.

CHUNG, J. — Nevin and Yavuz Draman appeal from the judgment entered against them following a bench trial. The Dramans challenge numerous findings of fact and conclusions of law and assert that the trial court should have entered judgment in their favor. We disagree and affirm.

FACTS

Nevin and Yavuz Draman are a married couple. In 2018, Yavuz¹ purchased a residential property located in Redmond, Washington. Mindful Senior Care LLC (MSC) is a Washington limited liability company owned by Nevin and formed for the purpose of renovating the Redmond property into an adult family home to provide elderly clients with residential care. Nevin worked on creating a renovation plan that would allow for the Draman family, along with six

¹ Because the Dramans share a last name, we refer to them by their first names for clarity. We intend no disrespect.

patients and a caregiver, to reside in the home. The plans drawn up by Nevin and architect James Raptis called for the house to be divided into eight bedrooms and nine bathrooms. Two bedrooms and one bathroom were to be built in an area of the house that was initially an attached garage. This was the only area of the house that did not have a crawlspace, but instead had a concrete slab on grade.

Nevin reached out to Legacy Construction Group LLC to carry out the renovation plans. Legacy Construction is a licensed general contractor owned and operated by Arcenio Contreras. After discussing the project with Nevin and reviewing the plans, Legacy Construction prepared a proposed construction agreement. Nevin took the proposed agreement and edited it into two documents, dividing the scope and price to create a "General Remodeling" contract and a "Painting and Flooring" contract. Both documents had a deadline for completion of the work in May 2019, with a "grace period for remediation" in June 2019. The cost for the project under the combined documents was \$115,000 plus tax, for a total of \$126,500. The parties signed both documents on February 7, 2019, and MSC made a \$10,000 down payment. MSC paid an additional \$30,000 on February 21, 2019, and \$40,000 on April 5, 2019.

The first work that Legacy Construction performed on the project was to break up the old concrete slab in the garage. As it began excavating, Legacy Construction discovered that part of the existing foundation walls did not go down deep enough to be able to create a crawlspace. To build the floor as planned, the entire foundation would have to be reconstructed. After consulting with her

engineer, Nevin concluded that the cost to reconstruct the foundation was prohibitive and agreed to proceed with Legacy Construction's suggestion to construct a concrete slab on grade with an insulated floor. Legacy Construction agreed to perform the change in design at no additional cost. However, the change in design added approximately one month to the project schedule.

During this time, Nevin became progressively more upset and aggressive with Legacy Construction, threatening to harm it financially or see its reputation tarnished. As time went on, Nevin became more abusive, ill-tempered, and condescending in her daily treatment of Contreras and his employees, accusing them of not doing their work properly. Each time Nevin accused Legacy Construction of doing something wrong, it had to stop its work, address the concern, and attempt to work out a resolution that met Nevin's demands. These delays continued to extend the overall time line out further than contemplated in the contract.

The delays led to worse behavior by Nevin, to the point that her actions made it impossible for Legacy Construction to complete the work in a timely manner. Nevin began to refer to Contreras as "stupid" and "naïve" and threatened to kill him with a knife. The threats turned physical when on May 9, 2019, Nevin grabbed and pulled Contreras by his shirt. She then picked up a sharp tool and, in front of Contreras and his employees, struck a door multiple times so hard that it went through the door in two locations. Contreras called the police and Legacy Construction stopped work on the project.

Legacy Construction and the Dramans eventually reached an agreement for the project to be completed, and Legacy Construction returned to the project site. In the interim, the Dramans hired other workers to take over portions of the project. Although Nevin frequently threatened to cancel the contract with Legacy Construction, she never clearly did so. Legacy Construction completed all of the contract work (aside from that performed by the Dramans' new hires) by the end of July 2019 and received all inspection approvals from the City of Redmond (City).

On August 23, 2019, Legacy Construction issued its final invoice to MSC, in the amount of \$37,263. This amount consisted of the \$46,500 unpaid remainder of the contract price, minus \$13,145 in credit for work performed by the Dramans' other hires, plus \$3,908 in additional work. After the Dramans refused to pay, Legacy Construction filed a lien against the property.

Legacy Construction then filed suit against MSC and the Dramans for breach of contract and foreclosure on the lien. The court conducted a bench trial on the parties' claims² beginning on March 27, 2023.

Following trial, the court conducted a presentation hearing and delivered its oral ruling in favor of Legacy Construction. The court then circulated its proposed findings and conclusions to the parties, offered the parties the opportunity to object, and allowed Legacy Construction to submit a final fee declaration. Legacy Construction had no objection to the court's findings and

² The Dramans asserted various defenses and counterclaims, the nature of which are not part of the record on appeal.

conclusions. The Dramans, on the other hand, filed over 100 pages of objections. The trial court determined that the Dramans' objections "contest[ed] the Court's credibility determinations," "contest[ed] the overall result," "attempt[ed] to reargue the merits of the case in full including numerous arguments not made at trial or supported by the trial record," and "cite[d] substantially to new evidence or evidence that was not admitted at trial." The trial court declined to modify its findings or conclusions based on the objections.

The trial court entered a judgment in favor of Legacy Construction in the principal amount of \$33,355.00, plus prejudgment interest, costs, and attorney fees. It also ordered that Legacy Construction's lien be foreclosed and the property sold by the King County Sheriff. In conjunction with the judgment and order, the trial court entered detailed findings of fact and conclusions of law.

The Dramans appeal.³

ANALYSIS

I. Standards of review

As a preliminary matter, we note that the Dramans represent themselves on appeal. While we recognize the difficulties of self-representation, " 'the law does not distinguish between one who elects to conduct his or her own legal affairs and one who seeks assistance of counsel—both are subject to the same procedural and substantive laws.'" In re Marriage of Olson, 69 Wn. App. 621, 626, 850 P.2d 527 (1993) (quoting In re Marriage of Wherley, 34 Wn. App. 344,

³ A commissioner of this court dismissed MSC as a party on appeal because it was not represented by counsel.

349, 661 P.2d 155 (1983)). In other words, we hold pro se litigants to the same standards as attorneys. Id.

A party challenging a finding of fact must make a separate assignment of error for each finding they believe was improperly made and must reference each finding by number. RAP 10.3(g). Failure to assign error to a finding of fact results in that finding becoming a verity on appeal. In re Est. of Lint, 135 Wn.2d 518, 532-33, 957 P.2d 755 (1998); Tapper v. Emp't Sec. Dep't, 122 Wn.2d 397, 407, 858 P.2d 494 (1993). Similarly, failure to assign error to a conclusion of law renders the conclusion the law of the case. Nguyen v. City of Seattle, 179 Wn. App. 155, 163, 317 P.3d 518 (2014) (citing King Aircraft Sales, Inc. v. Lane, 68 Wn. App. 706, 716, 846 P.2d 550 (1993)).

"When reviewing a trial court's findings of fact and conclusions of law following a bench trial, we determine 'whether the findings of fact are supported by substantial evidence and whether those findings support the conclusions of law.' "Chiu v. Hoskins, 27 Wn. App. 2d 887, 892, 534 P.3d 412 (2023), review denied, 2 Wn.3d 1018, 542 P.3d 569 (2024) (quoting 224 Westlake, LLC v. Engstrom Props., LLC, 169 Wn. App. 700, 705, 281 P.3d 693 (2012)). "Substantial evidence to support a finding of fact exists where there is sufficient evidence in the record 'to persuade a rational, fair-minded person of the truth of the finding.' "Hegwine v. Longview Fibre Co., 162 Wn.2d 340, 353, 172 P.3d 688 (2007) (quoting In re Est. of Jones, 152 Wn.2d 1, 8, 93 P.3d 147 (2004)).

"As an appellate tribunal, we are not entitled to weigh either the evidence or the credibility of witnesses even though we may disagree with the trial court in either regard." In re Welfare of Sego, 82 Wn.2d 736, 739–40, 513 P.2d 831 (1973). "Even where the evidence is conflicting, we need determine only whether the evidence most favorable to the respondent supports the challenged findings." Miller v. Badgley, 51 Wn. App. 285, 290, 753 P.2d 530 (1988); see also Herdson v. Fortin, 26 Wn. App. 2d 628, 637, 530 P.3d 220 (2023), review denied, 2 Wn.3d 1009, 539 P.3d 7 (2023) (" '[W]e will not substitute our judgment for the court's' even if this court might have reached a different result.") (quoting Parkridge v. City of Seattle, 89 Wn.2d 454, 464, 573 P.2d 539 (1978)).

II. <u>Determination of contractual obligations</u>

In their first assignment of error, the Dramans assert that the trial court erred by treating the two documents signed by Legacy Construction as one contract rather than two separate contracts. But here, the trial court specifically found that there were two contracts. First, it found that while Legacy Construction presented the proposed agreement to Nevin as one document, Nevin then edited it into two documents. The trial court further found that Nevin split the agreement into two "smart contracts" in order to avoid paying all the profits to Legacy later.⁴ The Dramans did not separately assign error to any of these findings.

Nor did the trial court err to the extent it treated the documents as a single contract in analyzing the breach of contract claims. The Dramans claim the court

⁴ This finding is directly supported by the testimony of Deborah Bartel, a woman who lived with the Dramans while the project was ongoing, who testified that Nevin "told me that she had two contracts with [Contreras] . . . she called them two smart contracts, and she arranged it that way so that she wouldn't have to pay all the profit later, is what she told me." The trial court found Bartel credible, and we defer to the trial court's finding. See Seattle Police Dep't v. Jones, 18 Wn. App. 2d 931, 945, 496 P.3d 1204 (2021) (appellate court defers to finder of fact on witness credibility).

erred in stating "the parties ultimately agreed to continue *the contract*," whereas MSC had cancelled the contract for painting and flooring and continued only the remodeling contract. A contract may consist of multiple documents. Kelley v.,

Tonda, 198 Wn. App. 303, 311, 393 P.3d 824 (2017). "Instruments which are part of the same transaction, relate to the same subject matter and are executed at the same time should be read and construed together as one contract." Turner v.

Wexler, 14 Wn. App. 143, 146, 538 P.2d 877 (1975) (citing Am. Pipe & Constr.

Co. v. Harbor Constr. Co., 51 Wn.2d 258, 265, 317 P.2d 521 (1957)); see also

RESTATEMENT (SECOND) OF CONTRACTS § 202 (AM. LAW INST. 1981). The trial court found that both agreements were between the same parties, concerned construction work at the same location, contained the same completion deadline, and were signed on the same date. Thus, the agreements could be properly read and construed together as one contract.

III. Validity of foreclosure lien

In their second assignment of error, the Dramans assert that the trial court erred by concluding that Legacy Construction was entitled to a decree of foreclosure because its claim of lien was legally void for failure to give notice.

Legacy Construction asserts that this argument was not raised in the trial court and, therefore, the Dramans have waived it. We agree that the Dramans have waived this argument.

A trial court may decline to consider any new theory presented for the first time in a motion for reconsideration. Wilcox v. Lexington Eye Inst., 130 Wn. App. 234, 241, 122 P.3d 729 (2005); JDFJ Corp. v. Int'l Raceway, Inc., 97

Wn. App. 1, 7, 970 P.2d 343 (1999). A court does not abuse its discretion solely by refusing to consider new theories raised for the first time in a request for reconsideration. River House Dev. Inc. v. Integrus Architecture, P.S., 167 Wn. App. 221, 231, 272 P.3d 289 (2012).

The first time the Dramans argued that Legacy Construction's claim of lien was void for failure to provide notice under RCW 60.04.031 was in their initial objections to the trial court's proposed findings of fact and conclusions of law. In its findings and conclusions, the trial court noted that the Dramans' "objections" effectively constituted a motion for reconsideration, as it contested the court's credibility determinations, contested the overall result, and attempted to reargue the merits of the case. The court recognized that the "objections" made "numerous arguments not made at trial or supported by the trial record. The court expressly refused to consider these new arguments and declined to modify its findings and conclusions.

Because the Dramans did not argue that Legacy Construction's lien was void for lack of service before their post-trial motion and because the trial court refused to consider it, we deem this argument waived.

IV. Legacy's compliance with its contractual obligations

In their third assignment of error, the Dramans assert that finding of fact 38 is not supported by sufficient evidence because Legacy "breached contracts and broke laws" by not obtaining several required permits. We disagree.

⁵ Nothing in the record, including the Dramans' pretrial brief, indicates that they asserted this claim prior to trial.

Finding of fact 38 states in its entirety, "Legacy obtained all of the necessary permits for the work, including framing, electrical, and plumbing (Exs. 8-11, 13, 14, 245-249). Legacy ultimately successfully received all inspection approvals from the City of Redmond."

The Dramans claim that Legacy lied to them and to the City, that the City should not have issued any permits to Legacy Construction, and that Legacy Construction was performing unlicensed work. These assertions are based either on facts not in the record or on an interpretation of the evidence with which the trial court did not agree. This court will not and cannot reassess the weight of the evidence presented to the trial court. Sego, 82 Wn.2d at 739–40.

Instead, the record contains Exhibits 8 through 11, which consist of permits issued by the City for electrical work, duct work, and plumbing. Exhibit 13 is a permit issued by the City for the installation of exhaust fans and Exhibit 14 is a permit issued by the City to change the location of the drain pipe in the crawl space, along with a credit card receipt showing that the permit application was paid for. The record on appeal contains no objection to the admission of these exhibits.

Other evidence also supports finding of fact 38. Raman Singh, the owner of Legacy Construction's plumbing subcontractor, testified that he had all of the permits necessary for his work on the project and passed all required inspections. Contreras also testified that Legacy Construction obtained all the necessary permits for plumbing, electrical, and mechanical work, and that all work fell within the scope of those permits. Contreras further testified multiple

times that the project passed the City's inspections. Thus, there is substantial evidence to support finding of fact 38, that Legacy Construction obtained all of the necessary permits for the project.

The Dramans also contend that Legacy Construction acted in bad faith and breached the contract in a myriad of ways, citing to a number of trial exhibits as proof of the alleged breaches. "Generally, where a trial court does not make a finding of fact, we presume a finding against such fact. It is not a function of this appellate court to speculate whether the trial court would have made the findings argued by [the appellant]." Recreational Equip., Inc. v. World Wrapps Nw., Inc., 165 Wn. App. 553, 565, 266 P.3d 924 (2011). The trial court concluded that Legacy had substantially complied with its obligations under both contracts. The trial court did not find that Legacy Construction acted in bad faith or that it materially breached any contract between the parties. We presume the absence of such findings was intentional, and we will not speculate about whether the trial court should have found otherwise.

V. Reasons for delay

The court concluded that Nevin's actions breached both contracts and preempted claims for delay damages by the Dramans or any claim that Legacy was not owed payment for its work due to delay. The Dramans raise several challenges to findings underlying these conclusions. Specifically, the Dramans assert that the evidence does not support the trial court's findings that the delay in the project was attributable to an unforeseen issue with the garage foundation, rather than to Legacy Construction. We disagree.

The Dramans assign error to findings of fact 17, 18, and 19, claiming that these findings were not supported by expert evidence that constructing a new concrete slab would take longer and be more expensive than the original planned crawl space. But no such specific evidence was necessary to support these findings that the changes in the plan caused delay.

The Dramans also assert that the trial court erred by concluding that Nevin's actions breached both contracts. Specifically, the Dramans contend that findings of fact 24 through 29 are not supported by the evidence because "Legacy's witnesses were not credible and they were intentionally trying to distort the truth." Br. of Appellant, at 26. Because this court does not "reassess the credibility of trial court witnesses," <u>Garza v. Perry</u>, 25 Wn.App.2d 433, 453, 523 P.3d 822 (2023), the Dramans' argument is without merit.

The Dramans also claim that the court confused the chronology of events in findings of fact 17, 25, 26, 27, 29, and, thus, erred by concluding Nevin was the cause of the delay in the project's completion. The Dramans do not specify in what way they challenge these findings other than the conclusion about the cause of delay. The Dramans assert that in finding of fact 17, the trial court implied that Nevin's hostile e-mails to Legacy Construction predated the change in construction plans for the garage, when Exhibits 213 and 214 demonstrated that the change in construction plans occurred first. Finding of fact 17 reads:

Ms. Draman became very upset about the garage foundation issue, and she grew more angry over time. She tried to blame Legacy for the issue, even though Legacy discovered the issue in the normal course of its work and did not create the problem. Ms. Draman began to accuse Legacy of improperly trying to deviate from the Plans and threatened to cancel the contract and find another

contractor to take over her project (Ex 214, Page 1). Though Legacy correctly pointed out that the problem was with the foundation walls not being deep enough, Ms. Draman argued "there is no issue with my home. The issue is with your attitude." (Ex 214, Page 2). Despite Ms. Draman's attempts to blame Legacy, Legacy continued in good faith and procured a design from the project architect, James Raptis, for the slab on grade solution (Ex 213).

Contrary to the Dramans' claim, finding of fact 17 does not suggest that the trial court misinterpreted the timeline of events. Rather, the trial court found that Legacy Construction continued to work on the project despite Nevin's hostility. The Dramans do not articulate how the dates of the exhibits have any material effect on this finding.

The Dramans also assert that the trial court misconstrued the chronology of events because Deborah Bartel was not present at the property for the first three months of the project and therefore could not have testified credibly.

Because this court does not reassess the credibility of witnesses, <u>Garza</u>, 25 Wn. App. at 453, the Dramans' argument does not demonstrate any error by the trial court.

Moreover, other findings to which the Dramans do not assign error support the trial court's conclusion that the Dramans, not Legacy Construction, were responsible for the delay. Specifically, they do not challenge finding of fact 15, which reads as follows:

As Legacy removed the concrete slab and began excavating, however, Legacy discovered a problem. [Footnote omitted.] The Plans called for a crawlspace to be dug out and an elevated floor system to be constructed and attached to the existing foundation walls. In the location where the old garage entrance used to be, however, the existing foundation walls (and the footings supporting them) did not go down deep enough. The shallow depth of the foundation did not allow enough space to create room for the new

crawlspace. To build the new floor as planned (with a crawlspace), the foundation running under the garage walls would have to be reconstructed so that the foundation went significantly deeper. That would entail substantial additional work and expense.

And the Dramans did not assign error to finding of fact 20, that "[a]s time went on, Ms. Draman became more and more abusive, ill-tempered, and condescending in her daily treatment of Mr. Contreras and his crew. She accused them of not doing their work properly without a good faith basis to do so." The Dramans also did not assign error to finding of fact 24:

Each time Ms. Draman accused Legacy of doing something wrong, Legacy had to stop its work, address the concern, and attempt to work out a resolution that met Ms. Draman's demands. These delays continued to extend the overall project time-line out further than was originally contemplated in the Contracts. This, in turn, led to worse and worse behavior by Ms. Draman, to the point that Ms. Draman's actions made it impossible to complete the contract in a timely manner.

These unchallenged findings support the court's determination that the delays in the project were not attributable to Legacy Construction. The Dramans' argument to the contrary asks us to reweigh the evidence, which we will not do.

VI. Discovery of garage foundation issue

In their sixth assignment of error, the Dramans assert that Legacy

Construction discovered the issue with the garage foundation before the

contracts were signed and that they were thus "tricked" into signing the contract.

A footnote in finding of fact 15 states, "Despite allegations at trial that Legacy

knew about this issue sooner, the evidence did not support that assertion. Mr.

Contreras credibly testified that he learned of the issue during the excavation.

Ms. Draman's testimony to the contrary was speculation." Thus, the trial court

specifically rejected the argument the Dramans make here. As the Dramans failed to assign error to this finding, it is a verity on appeal, and their argument on this issue fails.

VII. Credibility of Respondent's expert

The Dramans also assert that the trial court erred by finding Legacy Construction's expert witness to be credible. It is the appellant's responsibility to provide a record sufficient for this court to review its claims of error. State v. Sisouvanh, 175 Wn.2d 607, 619, 290 P.3d 942 (2012). The Dramans did not provide the trial testimony of either expert witness. Even if the Dramans had provided an adequate record for review, we will defer to the trial court on its findings of witness credibility. Seattle Police Dep't v. Jones, 18 Wn. App. 2d 931, 945, 496 P.3d 1204 (2021). We decline to further consider this assignment of error.

VIII. <u>Calculation of damages</u>

The Dramans assert that the trial court erred in its calculation of damages in several regards. These arguments are unavailing.

First, the Dramans assert that the trial court erred in its calculation of damages because they canceled the painting and flooring contract, and, thus, Legacy Construction was not owed any payment under it. But the Dramans did not assign error to finding of fact 37, in which the trial court explicitly found that "Ms. Draman threatened to cancel the Painting and Flooring Contract, but she never clearly did so." The court also found that "Legacy installed most of the flooring, with the exception of the living room and kitchen area," and "performed

most of the painting work." Because the Dramans did not assign error to finding of fact 37, we treat the finding as true. See Lint, 135 Wn.2d at 532-33. Further, because the Dramans never canceled the painting and flooring contract, even if they hired others to do some of the work, they still owed Legacy Construction payment for the work Legacy did pursuant to the contract. In its final invoice, Legacy subtracted its costs avoided regarding work that others performed, totaling \$13,145.

Next, the Dramans contend that Legacy Construction did not remit sales tax to the government and did not timely issue accurate invoices to MSC. They also contend that they are entitled to damages due to the rupture of a sewer pipe. The trial court did not make any findings that Legacy Construction failed to pay taxes, that its invoices were inaccurate, that it did not timely issue invoices to MSC, or that it otherwise committed any act that would excuse the Dramans from paying the amount remaining under the original contract, minus costs for work performed by other parties. The trial court also did not find that Legacy Construction caused the rupture of the sewer pipe or would otherwise be financially responsible for the repair work. It is not the role of the appellate court to make factual findings in the trial court's stead. Recreational Equip., 165 Wn. App. at 565. In light of the lack of any findings to support the factual basis for Dramans' arguments, we conclude that the Dramans have not demonstrated any error in the trial court's calculation of damages.

IX. Fees on appeal

RAP 18.1 allows us to award reasonable attorney fees or expenses "[i]f applicable law grants to a party the right to recover" such attorney fees or expenses. The Dramans did not devote a separate section of their brief explaining their right to recover fees as required by RAP 18.1(b). Accordingly, the Dramans are not entitled to fees.

The Dramans request an award of attorney fees on appeal.

Legacy Construction also requests an award of attorney fees pursuant to RAP 18.1, the terms of the contract, and RCW 60.04.181(3). RCW 60.04.181(3) states that the court may award the prevailing party in an action to foreclose a construction lien "as part of the costs of the action, the moneys paid for recording the claim of lien, costs of title report, bond costs, and attorneys' fees and necessary expenses incurred by the attorney in the . . . court of appeals . . . as the court or arbitrator deems reasonable."

We award Legacy Construction reasonable fees in responding to this appeal under RCW 60.04.181(3) and RAP 18.1, contingent upon its compliance with the procedural requirements of the RAPs.

We affirm.

Chung, J.

WE CONCUR:

18

Colour, J. Mann, J.

any part thereof including the installation of carpeting or other floor covering, the erection of scaffolding or other structures or works in connection therewith, the installation or repair of roofing or siding, performing tree removal services, or cabinet or similar installation; or, who, to do similar work upon his or her own property, employs members of more than one trade upon a single job or project or under a single building permit except as otherwise provided in this chapter.

- (b) "Contractor" also includes a consultant acting as a general contractor.
- (c) "Contractor" also includes any person, firm, corporation, or other entity covered by this subsection (1), whether or not registered as required under this chapter or who are otherwise required to be registered or licensed by law, who offer to sell their property without occupying or using the structures, projects, developments, or improvements for more than one year from the date the structure, project, development, or improvement was substantially completed or abandoned. A person, firm, corporation, or other entity is not a contractor under this subsection (1)(c) if the person, firm, corporation, or other entity contracts with a registered general contractor and does not superintend the work.
- (2) "Department" means the department of labor and industries.
- (3) "Director" means the director of the department of labor and industries or designated representative employed by the department.
- (4) "Filing" means delivery of a document that is required to be filed with an agency to a place designated by the agency.

- (5) "General contractor" means a contractor whose business operations require the use of more than one building trade or craft upon a single job or project or under a single building permit. A general contractor also includes one who superintends, or consults on, in whole or in part, work falling within the definition of a contractor.
- (6) "Notice of infraction" means a form used by the department to notify contractors that an infraction under this chapter has been filed against them.
- (7) "Partnership" means a business formed under Title 25 RCW.
- (8) "Registration cancellation" means a written notice from the department that a contractor's action is in violation of this chapter and that the contractor's registration has been revoked.
- (9) "Registration suspension" means either an automatic suspension as provided in this chapter, or a written notice from the department that a contractor's action is a violation of this chapter and that the contractor's registration has been suspended for a specified time, or until the contractor shows evidence of compliance with this chapter.
- (10) "Residential homeowner" means an individual person or persons owning or leasing real property:
- (a) Upon which one single-family residence is to be built and in which the owner or lessee intends to reside upon completion of any construction; or
- (b) Upon which there is a single-family residence to which improvements are to be made and in which the owner or lessee intends to reside upon completion of any construction.

- (11) "Service," except as otherwise provided in RCW 18.27.225 and 18.27.370, means posting in the United States mail, properly addressed, postage prepaid, return receipt requested, or personal service. Service by mail is complete upon deposit in the United States mail to the last known address provided to the department.
- (12) "Specialty contractor" means a contractor whose operations do not fall within the definition of "general contractor". A specialty contractor may only subcontract work that is incidental to the specialty contractor's work.
- (13) "Substantial completion" means the same as "substantial completion of construction" in RCW **4.16.310**.
- (14) "Successor" means an applicant operating with all or part of the assets of another entity previously registered under this chapter, where the applicant is under substantially common ownership, management, or control of the other entity.
- (15) "Unregistered contractor" means a person, firm, corporation, or other entity doing work as a contractor without being registered in compliance with this chapter. "Unregistered contractor" includes contractors whose registration is expired, revoked, or suspended. "Unregistered contractor" does not include a contractor who has maintained a valid bond and the insurance or assigned account required by RCW 18.27.050, and whose registration has lapsed for 30 or fewer days.
- (16) "Unsatisfied final judgment" means a judgment or final tax warrant that has not been satisfied either through payment, court approved settlement, discharge in bankruptcy, or assignment under RCW 19.72.070.

(17) "Verification" means the receipt and duplication by the city, town, or county of a contractor registration card that is current on its face, checking the department's contractor registration database, or calling the department to confirm that the contractor is registered.

[2023 c 213 s 1; 2015 c 52 s 1; 2007 c 436 s 1; 2001 c 159 s 1; 1997 c 314 s 2; 1993 c 454 s 2; 1973 1st ex.s. c 153 s 1; 1972 ex.s. c 118 s 1; 1967 c 126 s 5; 1963 c 77 s 1.]

NOTES:

Finding—1993 c 454: "The legislature finds that unregistered contractors are a serious threat to the general public and are costing the state millions of dollars each year in lost revenue. To assist in solving this problem, the department of labor and industries and the department of revenue should coordinate and communicate with each other to identify unregistered contractors." [1993 c 454 s 1.]

Effective date—1963 c 77: "This act shall take effect August 1, 1963." [1963 c 77 s 12.]

RCW 18.27.020

Registration required—Prohibited acts—Criminal penalty—Monitoring program.

- (1) Every contractor shall register with the department.
- (2) It is a gross misdemeanor for any contractor to:

- (a) Advertise, offer to do work, submit a bid, or perform any work as a contractor without being registered as required by this chapter;
- (b) Advertise, offer to do work, submit a bid, or perform any work as a contractor when the contractor's registration is suspended or revoked;
- (c) Use a false or expired registration number in purchasing or offering to purchase an advertisement for which a contractor registration number is required;
- (d) Transfer a valid registration to an unregistered contractor or allow an unregistered contractor to work under a registration issued to another contractor; or
- (e) Subcontract to or use an unregistered contractor.
- (3) It is not unlawful for a registered contractor to employ an unregistered contractor who was registered at the time he or she entered into a contract with the registered contractor, unless the registered contractor or his or her representative has been notified in writing by the department of labor and industries that the contractor has become unregistered.
- (4) All gross misdemeanor actions under this chapter shall be prosecuted in the county where the infraction occurs.
- (5) A person is guilty of a separate gross misdemeanor for each day worked if, after the person receives a citation from the department, the person works while unregistered, or while his or her registration is suspended or revoked, or works under a registration issued to another contractor. A person is guilty of a separate gross misdemeanor for each worksite on which he or

she violates subsection (2) of this section. Nothing in this subsection applies to a registered contractor.

(6) The director by rule shall establish a two-year audit and monitoring program for a contractor not registered under this chapter who becomes registered after receiving an infraction or conviction under this chapter as an unregistered contractor. The director shall notify the departments of revenue and employment security of the infractions or convictions and shall cooperate with these departments to determine whether any taxes or registration, license, or other fees or penalties are owed the state.

[2007 c 436 s 2, 1997 c 314 s 3, 1993 c 454 s 6, 1987 c 362 s 1, 1986 c 197 s 1, 1983 1st ex.s. c 2 s 17, 1973 1st ex.s. c 153 s 2, 1963 c 77 s 2.]

NOTES:

Finding—1993 c 454: See note following RCW <u>18.27.010</u>.

Effective date—1983 1st ex.s. c 2: See note following RCW 18.27.200.

Violations as infractions: RCW <u>18.27.200</u>.

RCW 18.27.030

Application for registration—Grounds for denial and suspension.

(1) An applicant for registration as a contractor shall submit an application under oath upon a form to be prescribed by the

- director and which shall include the following information pertaining to the applicant:
- (a) Employer social security number or individual taxpayer identification number.
- (b) Unified business identifier number.
- (c) Evidence of workers' compensation coverage for the applicant's employees working in Washington, as follows:
- (i) The applicant's industrial insurance account number issued by the department;
- (ii) The applicant's self-insurer number issued by the department; or
- (iii) For applicants domiciled in a state or province of Canada subject to an agreement entered into under RCW 51.12.120(7), as permitted by the agreement, filing a certificate of coverage issued by the agency that administers the workers' compensation law in the applicant's state or province of domicile certifying that the applicant has secured the payment of compensation under the other state's or province's workers' compensation law.
- (d) Employment security department number.
- (e) Unified business identifier (UBI) account number may be substituted for the information required by (c) and (d) of this subsection if the applicant will not employ employees in Washington.
- (f) Type of contracting activity, whether a general or a specialty contractor and if the latter, the type of specialty.

- (g) The name and address of each partner if the applicant is a firm or partnership, or the name and address of the owner if the applicant is an individual proprietorship, or the name and address of the corporate officers and statutory agent, if any, if the applicant is a corporation or the name and address of all members of other business entities. The information contained in such application is a matter of public record and open to public inspection.
- (2) The department may verify the workers' compensation coverage information provided by the applicant under subsection (1)(c) of this section, including but not limited to information regarding the coverage of an individual employee of the applicant. If coverage is provided under the laws of another state, the department may notify the other state that the applicant is employing employees in Washington.
- (3)(a) The department shall deny an application for registration if: (i) The applicant has been previously performing work subject to this chapter as a sole proprietor, partnership, corporation, or other entity and the department has notice that the applicant has an unsatisfied final judgment against him or her in an action based on work performed subject to this chapter or the applicant owes the department money for penalties assessed or fees due under this chapter as a result of a final judgment; (ii) the applicant was an owner, principal, or officer of a partnership, corporation, or other entity that either has an unsatisfied final judgment against it in an action that was incurred for work performed subject to this chapter or owes the department money for penalties assessed or fees due under this chapter as a result of a final judgment; (iii) the applicant is a successor to an entity with an unsatisfied final judgment against

it in an action that was incurred for work performed subject to this chapter or owes the department money for penalties assessed or fees due under this chapter as a result of a final judgment, except as provided under (d) of this subsection (3); (iv) the applicant does not have a valid unified business identifier number; (v) the department determines that the applicant has falsified information on the application, unless the error was inadvertent; (vi) the applicant does not have an active and valid certificate of registration with the department of revenue; or (vii) the applicant is under 18 years old at the time of application.

- (b) The department shall suspend an active registration if (i) the department has determined that the registrant has an unsatisfied final judgment against it for work within the scope of this chapter; (ii) the department has determined that the registrant is a sole proprietor or an owner, principal, or officer of a registered contractor that has an unsatisfied final judgment against it for work within the scope of this chapter; (iii) the registrant does not maintain a valid unified business identifier number; (iv) the department has determined that the registrant falsified information on the application, unless the error was inadvertent; or (v) the registrant does not have an active and valid certificate of registration with the department of revenue.
- (c) The department may suspend an active registration if the department has determined that an owner, principal, partner, or officer of the registrant was an owner, principal, or officer of a previous partnership, corporation, or other entity that has an unsatisfied final judgment against it.

- (d) For the purposes of (a)(iii) of this subsection (3), it is presumed that an applicant knew or should have known of the relevant unsatisfied final judgment. If an applicant demonstrates by a preponderance of the evidence that the applicant did not know of the unsatisfied final judgment, by having exercised due diligence and timely verifying with the department that the other contractor was in good standing, then the department may grant the application for registration under this section, provided that the applicant meets applicable requirements under this chapter. The department shall adopt rules for the purposes of implementing this subsection (3)(d).
- (4) The department shall not deny an application or suspend a registration because of an unsatisfied final judgment if the applicant's or registrant's unsatisfied final judgment was determined by the director to be the result of the fraud or negligence of another party, unless the applicant or registrant is a successor to said party under subsection (3)(a)(iii) of this section.

[2023 c 213 s 2; 2008 c 120 s 1; 2007 c 436 s 3; 2001 c 159 s 2; 1998 c 279 s 3; 1997 c 314 s 4; 1996 c 147 s 1; 1992 c 217 s 1; 1988 c 285 s 1. Prior: 1987 c 362 s 2; 1987 c 111 s 9; 1973 1st ex.s. c 153 s 3; 1963 c 77 s 3.]

NOTES:

Conflict with federal requirements—2008 c 120: "If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation

of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state." [2008 c 120 s 15.]

Severability—2008 c 120: "If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected." [2008 c 120 s 16.]

Finding—Intent—1998 c 279: See note following RCW 51.12.120.

Conflict with federal requirements—Severability—Effective date—1987 c 111: See notes following RCW 50.12.220.

RCW 18.27.040

Bond or other security required—Actions against—Suspension of registration upon impairment.

(1) Each applicant shall file with the department a surety bond issued by a surety insurer who meets the requirements of chapter 48.28 RCW in the sum of \$30,000 if the applicant is a general contractor or \$15,000 if the applicant is a specialty contractor. If no valid bond is already on file with the department at the time the application is filed, a bond must accompany the registration application. The bond shall have the state of Washington named as obligee with good and sufficient surety in a form to be approved by the department. The bond shall be continuous and may be canceled by the surety upon the surety giving written notice to the director. A cancellation or

revocation of the bond or withdrawal of the surety from the bond automatically suspends the registration issued to the contractor until a new bond or reinstatement notice has been filed and approved as provided in this section. The bond shall be conditioned that the applicant will pay all persons performing labor, including employee benefits, for the contractor, will pay all taxes and contributions due to the state of Washington, and will pay all persons furnishing material or renting or supplying equipment to the contractor and will pay all amounts that may be adjudged against the contractor by reason of breach of contract including improper work in the conduct of the contracting business. A change in the name of a business or a change in the type of business entity shall not impair a bond for the purposes of this section so long as one of the original applicants for such bond maintains partial ownership in the business covered by the bond.

- (2) At the time of initial registration or renewal, the contractor shall provide a bond or other security deposit as required by this chapter and comply with all of the other provisions of this chapter before the department shall issue or renew the contractor's certificate of registration. Any contractor registered as of June 30, 2024, who maintains that registration in accordance with this chapter is in compliance with this chapter until the next renewal of the contractor's certificate of registration.
- (3) Any person, firm, or corporation having a claim against the contractor for any of the items referred to in this section may bring suit against the contractor and the bond or deposit in the superior court of the county in which the work was done or of any county in which jurisdiction of the contractor may be had.

The surety issuing the bond shall be named as a party to any suit upon the bond. Action upon the bond or deposit brought by a residential homeowner for breach of contract by a party to the construction contract shall be commenced by filing the summons and complaint with the clerk of the appropriate superior court within two years from the date the claimed contract work was substantially completed or abandoned, whichever occurred first. Action upon the bond or deposit brought by any other authorized party shall be commenced by filing the summons and complaint with the clerk of the appropriate superior court within one year from the date the claimed labor was performed and benefits accrued, taxes and contributions owing the state of Washington became due, materials and equipment were furnished, or the claimed contract work was substantially completed or abandoned, whichever occurred first. Service of process in an action filed under this chapter against the contractor and the contractor's bond or the deposit shall be exclusively by service upon the department. Three copies of the summons and complaint and a fee adopted by rule of not less than \$50 to cover the costs shall be served by registered or certified mail, or other delivery service requiring notice of receipt, upon the department at the time suit is started and the department shall maintain a record, available for public inspection, of all suits so commenced. Service is not complete until the department receives the fee and three copies of the summons and complaint. The service shall constitute service and confer personal jurisdiction on the contractor and the surety for suit on claimant's claim against the contractor and the bond or deposit and the department shall transmit the summons and complaint or a copy thereof to the contractor at the address listed in the contractor's application

and to the surety within two days after it shall have been received.

- (4) The surety upon the bond shall not be liable in an aggregate amount in excess of the amount named in the bond nor for any monetary penalty assessed pursuant to this chapter for an infraction. The liability of the surety shall not cumulate where the bond has been renewed, continued, reinstated, reissued or otherwise extended. The surety upon the bond may, upon notice to the department and the parties, tender to the clerk of the court having jurisdiction of the action an amount equal to the claims thereunder or the amount of the bond less the amount of judgments, if any, previously satisfied therefrom and to the extent of such tender the surety upon the bond shall be exonerated but if the actions commenced and pending and provided to the department as required in subsection (3) of this section, at any one time exceed the amount of the bond then unimpaired, claims shall be satisfied from the bond in the following order:
- (a) Employee labor and claims of laborers, including employee benefits;
- (b) Claims for breach of contract by a party to the construction contract;
- (c) Registered or licensed subcontractors, material, and equipment;
- (d) Taxes and contributions due the state of Washington;
- (e) Any court costs, interest, and attorneys' fees plaintiff may be entitled to recover. The surety is not liable for any amount in excess of the penal limit of its bond.

A payment made by the surety in good faith exonerates the bond to the extent of any payment made by the surety.

- (5) The total amount paid from a bond or deposit to claimants other than residential homeowners must not exceed one-half of the bond or deposit.
- (6) The prevailing party in an action filed under this section against the contractor and contractor's bond or deposit, for breach of contract by a party to the construction contract involving a residential homeowner, is entitled to costs, interest, and reasonable attorneys' fees. The surety upon the bond or deposit is not liable in an aggregate amount in excess of the amount named in the bond or deposit nor for any monetary penalty assessed pursuant to this chapter for an infraction.
- (7) If a final judgment impairs the liability of the surety upon the bond or deposit so furnished that there is not in effect a bond or deposit in the full amount prescribed in this section, the registration of the contractor is automatically suspended until the bond or deposit liability in the required amount unimpaired by unsatisfied judgment claims is furnished.
- (8) In lieu of the surety bond required by this section the contractor may file with the department an assigned savings account, upon forms provided by the department.
- (9) Any person having filed and served a summons and complaint as required by this section having an unsatisfied final judgment against the registrant for any items referred to in this section may execute upon the security held by the department by serving a certified copy of the unsatisfied final judgment by registered or certified mail upon the department within one year

of the date of entry of such judgment. Upon the receipt of service of such certified copy the department shall pay or order paid from the deposit, through the registry of the superior court which rendered judgment, towards the amount of the unsatisfied judgment. The priority of payment by the department shall be the order of receipt by the department, but the department shall have no liability for payment in excess of the amount of the deposit.

- (10) Within 10 days after resolution of the case, a certified copy of the final judgment and order, or any settlement documents where a case is not disposed of by a court trial, a certified copy of the dispositive settlement documents must be provided to the department by the prevailing party. Failure to provide a copy of the final judgment and order or the dispositive settlement documents to the department within 10 days of entry of such an order constitutes a violation of this chapter and a penalty adopted by rule of not less than \$250 may be assessed against the prevailing party.
- (11) The director may require an applicant applying to renew or reinstate a registration or applying for a new registration to file a bond of up to three times the normally required amount, if the director determines that an applicant, or a previous registration of a corporate officer, owner, or partner of a current applicant, has had in the past five years one final judgment in actions under this chapter involving a residential single-family dwelling.
- (12) The director may adopt rules necessary for the proper administration of the security.

[2023 c 213 s 3; 2019 c 155 s 1; 2007 c 436 s 4; 2001 c 159 s 3; 1997 c 314 s 5; 1988 c 139 s 1; 1987 c 362 s 6; 1983 1st ex.s. c 2 s 18; 1977 ex.s. c 11 s 1; 1973 1st ex.s. c 153 s 4; 1972 ex.s. c 118 s 2; 1967 c 126 s 1; 1963 c 77 s 4.]

NOTES:

Effective date—2023 c 213 ss 3-9: "Sections 3 through 9 of this act take effect July 1, 2024." [2023 c 213 s 12.]

Unpaid wages by public works contractor constitute lien against bond: RCW 39.12.050.

RCW 18.27.050

Insurance or financial responsibility required—Suspension of registration upon impairment.

- (1) At the time of registration and subsequent reregistration, the applicant shall furnish insurance or financial responsibility in the form of an assigned account in the amount of fifty thousand dollars for injury or damages to property, and one hundred thousand dollars for injury or damage including death to any one person, and two hundred thousand dollars for injury or damage including death to more than one person.
- (2) An expiration, cancellation, or revocation of the insurance policy or withdrawal of the insurer from the insurance policy automatically suspends the registration issued to the registrant until a new insurance policy or reinstatement notice has been filed and approved as provided in this section.

- (3)(a) Proof of financial responsibility authorized in this section may be given by providing, in the amount required by subsection (1) of this section, an assigned account acceptable to the department. The assigned account shall be held by the department to satisfy any execution on a judgment issued against the contractor for damage to property or injury or death to any person occurring in the contractor's contracting operations, according to the provisions of the assigned account agreement. The department shall have no liability for payment in excess of the amount of the assigned account.
- (b) The assigned account filed with the director as proof of financial responsibility shall be canceled at the expiration of three years after:
- (i) The contractor's registration has expired or been revoked; or
- (ii) The contractor has furnished proof of insurance as required by subsection (1) of this section;
- if, in either case, no legal action has been instituted against the contractor or on the account at the expiration of the three-year period.
- (c) If a contractor chooses to file an assigned account as authorized in this section, the contractor shall, on any contracting project, notify each person with whom the contractor enters into a contract or to whom the contractor submits a bid that the contractor has filed an assigned account in lieu of insurance and that recovery from the account for any claim against the contractor for property damage or personal injury or death occurring in the project requires the claimant to obtain a court judgment.

[2001 c 159 s 4; 1987 c 303 s 1; 1963 c 77 s 5.]

RCW 18.27.060

Certificate of registration—Issuance, duration, renewal—Suspension.

- (1) A certificate of registration shall be valid for two years and shall be renewed on or before the expiration date. The department shall issue to the applicant a certificate of registration upon compliance with the registration requirements of this chapter.
- (2) If the department approves an application, it shall issue a certificate of registration to the applicant.
- (3) If a contractor's surety bond or other security has an unsatisfied judgment against it or is canceled, or if the contractor's insurance policy is canceled, the contractor's registration shall be automatically suspended on the effective date of the impairment or cancellation. The department shall mail notice of the suspension to the contractor's address on the certificate of registration within two days after suspension using a method by which the mailing can be tracked or the delivery can be confirmed.
- (4) Renewal of registration is valid on the date the department receives the required fee and proof of bond and liability insurance, if sent by certified mail or other means requiring proof of delivery. The receipt or proof of delivery shall serve as the contractor's proof of renewed registration until he or she receives verification from the department.

(5) The department shall immediately suspend the certificate of registration of a contractor who has been certified by the department of social and health services as a person who is not in compliance with a support order or a visitation order as provided in RCW 74.20A.320. The certificate of registration shall not be reissued or renewed unless the person provides to the department a release from the department of social and health services stating that he or she is in compliance with the order and the person has continued to meet all other requirements for certification during the suspension.

RCW 18.27.062

Inspection by department—Subcontractor list—Certificate of registration.

A contractor must maintain and have available for inspection by the department a list of all direct subcontractors and a copy of their certificate of registration.

[<u>2009 c 432 s 1</u>.]

RCW <u>18.27.080</u>

Registration prerequisite to suit.

No person engaged in the business or acting in the capacity of a contractor may bring or maintain any action in any court of this state for the collection of compensation for the performance of any work or for breach of any contract for which registration is

required under this chapter without alleging and proving that he or she was a duly registered contractor and held a current and valid certificate of registration at the time he or she contracted for the performance of such work or entered into such contract. For the purposes of this section, the court shall not find a contractor in substantial compliance with the registration requirements of this chapter unless: (1) The department has on file the information required by RCW 18.27.030; (2) the contractor has at all times had in force a current bond or other security as required by RCW 18.27.040; and (3) the contractor has at all times had in force current insurance as required by RCW 18.27.050. In determining under this section whether a contractor is in substantial compliance with the registration requirements of this chapter, the court shall take into consideration the length of time during which the contractor did not hold a valid certificate of registration.

[<u>2011 c 336 s 474</u>; <u>2007 c 436 s 5</u>; <u>1988 c 285 s 2</u>; <u>1972 ex.s. c</u> <u>118 s 3</u>; <u>1963 c 77 s 8</u>.]

RCW 18.27.110

Building permits—Verification of registration required— Responsibilities of issuing entity—Penalties.

(1) No city, town or county shall issue a construction building permit for work which is to be done by any contractor required to be registered under this chapter without verification that such contractor is currently registered as required by law. When such verification is made, nothing contained in this section is intended to be, nor shall be construed to create, or form the basis for any liability under this chapter on the part of any city, town or county, or its officers, employees or agents. However, failure to verify the contractor registration number results in liability to the city, town, or county to a penalty to be imposed according to *RCW 18.27.100(7)(a).

- (2) At the time of issuing the building permit, all cities, towns, or counties are responsible for:
- (a) Printing the contractor registration number on the building permit; and
- (b) Providing a written notice to the building permit applicant informing them of contractor registration laws and the potential risk and monetary liability to the homeowner for using an unregistered contractor.
- (3) If a building permit is obtained by an applicant or contractor who falsifies information to obtain an exemption provided under RCW 18.27.090, the building permit shall be forfeited.

[<u>1997 c 314 s 11</u>; <u>1993 c 454 s 5</u>; <u>1986 c 197 s 14</u>; <u>1967 c 126 s</u> <u>4</u>.]

NOTES:

*Reviser's note: RCW <u>18.27.100</u> was amended by 2008 c 120 s 2, changing subsection (7)(a) to subsection (8)(a).

Finding—1993 c 454: See note following RCW <u>18.27.010</u>.

RCW 18.27.114

Disclosure statement required—Prerequisite to lien claim.

- (1) Any contractor agreeing to perform any contracting project:
- (a) For the repair, alteration, or construction of four or fewer residential units or accessory structures on such residential property when the bid or contract price totals one thousand dollars or more; or (b) for the repair, alteration, or construction of a commercial building when the bid or contract price totals one thousand dollars or more but less than sixty thousand dollars, must provide the customer with the following disclosure statement in substantially the following form using lower case and upper case twelve-point and bold type where appropriate, prior to starting work on the project:

"NOTICE TO CUSTOMER

This contractor is registered with the state of Washington, registration no. . . ., and has posted with the state a bond or deposit of for the purpose of satisfying claims against the contractor for breach of contract including negligent or improper work in the conduct of the contractor's business. The expiration date of this contractor's registration is

THIS BOND OR DEPOSIT MIGHT NOT BE SUFFICIENT TO COVER A CLAIM THAT MIGHT ARISE FROM THE WORK DONE UNDER YOUR CONTRACT.

This bond or deposit is not for your exclusive use because it covers all work performed by this contractor. The bond or deposit is intended to pay valid claims up to that you and other customers, suppliers, subcontractors, or taxing authorities may have.

FOR GREATER PROTECTION YOU MAY WITHHOLD A PERCENTAGE OF YOUR CONTRACT.

You may withhold a contractually defined percentage of your construction contract as retainage for a stated period of time to provide protection to you and help insure that your project will be completed as required by your contract.

YOUR PROPERTY MAY BE LIENED.

If a supplier of materials used in your construction project or an employee or subcontractor of your contractor or subcontractors is not paid, your property may be liened to force payment and you could pay twice for the same work.

FOR ADDITIONAL PROTECTION, YOU MAY REQUEST THE CONTRACTOR TO PROVIDE YOU WITH ORIGINAL "LIEN RELEASE" DOCUMENTS FROM EACH SUPPLIER OR SUBCONTRACTOR ON YOUR PROJECT.

The contractor is required to provide you with further information about lien release documents if you request it.

General information is also available from the state Department of Labor and Industries.

of Labor and maustries.
I have received a copy of this disclosure statement.
(Signature of customer)"
(2) The contractor must retain a signed copy of the disc

(2) The contractor must retain a signed copy of the disclosure statement in his or her files for a minimum of three years, and produce a copy of the signed disclosure statement to the department upon request.

- (3) A contractor subject to this section shall notify any consumer to whom notice is required under subsection (1) of this section if the contractor's registration has expired or is revoked or suspended by the department prior to completion or other termination of the contract with the consumer.
- (4) No contractor subject to this section may bring or maintain any lien claim under chapter <u>60.04</u> RCW based on any contract to which this section applies without alleging and proving that the contractor has provided the customer with a copy of the disclosure statement as required in subsection (1) of this section.
- (5) This section does not apply to contracts authorized under chapter <u>39.04</u> RCW or to contractors contracting with other contractors.
- (6) Failure to comply with this section shall constitute an infraction under the provisions of this chapter.
- (7) The department shall produce model disclosure statements, and public service announcements detailing the information needed to assist contractors and contractors' customers to comply under this section. As necessary, the department shall periodically update these education materials.

[<u>2020 c 57 s 26</u>; <u>2007 c 436 s 8</u>; <u>2001 c 159 s 9</u>; <u>1997 c 314 s</u> 12; <u>1988 c 182 s 1</u>; <u>1987 c 419 s 1</u>.]

NOTES:

Voluntary compliance with notification

requirements: "Nothing in RCW <u>18.27.114</u> shall be construed to prohibit a contractor from voluntarily complying with the

notification requirements of that section which take effect July 1, 1989, prior to that date." [1988 c 182 s 2.]

RCW 19.27.020

Purposes—Objectives—Standards.

The purpose of this chapter is to promote the health, safety and welfare of the occupants or users of buildings and structures and the general public by the provision of building codes throughout the state. Accordingly, this chapter is designed to effectuate the following purposes, objectives, and standards:

- (1) To require minimum performance standards and requirements for construction and construction materials, consistent with accepted standards of engineering, fire and life safety.
- (2) To require standards and requirements in terms of performance and nationally accepted standards.
- (3) To permit the use of modern technical methods, devices and improvements.
- (4) To eliminate restrictive, obsolete, conflicting, duplicating and unnecessary regulations and requirements which could unnecessarily increase construction costs or retard the use of new materials and methods of installation or provide unwarranted preferential treatment to types or classes of materials or products or methods of construction.

- (5) To provide for standards and specifications for making buildings and facilities accessible to and usable by physically disabled persons.
- (6) To consolidate within each authorized enforcement jurisdiction, the administration and enforcement of building codes.

[1985 c 360 s 6; 1974 ex.s. c 96 s 2.]

RCW 19.27.050

Enforcement.

The state building code required by this chapter shall be enforced by the counties and cities. Any county or city not having a building department shall contract with another county, city, or inspection agency approved by the county or city for enforcement of the state building code within its jurisdictional boundaries.

RCW 19.27.095

Building permit application—Consideration— Requirements.

(1) A valid and fully complete building permit application for a structure, that is permitted under the zoning or other land use control ordinances in effect on the date of the application shall be considered under the building permit ordinance in effect at

the time of application, and the zoning or other land use control ordinances in effect on the date of application.

- (2) The requirements for a fully completed application shall be defined by local ordinance but for any construction project costing more than five thousand dollars the application shall include, at a minimum:
- (a) The legal description, or the tax parcel number assigned pursuant to RCW <u>84.40.160</u>, and the street address if available, and may include any other identification of the construction site by the prime contractor;
- (b) The property owner's name, address, and phone number;
- (c) The prime contractor's business name, address, phone number, current state contractor registration number; and
- (d) Either:
- (i) The name, address, and phone number of the office of the lender administering the interim construction financing, if any; or
- (ii) The name and address of the firm that has issued a payment bond, if any, on behalf of the prime contractor for the protection of the owner, if the bond is for an amount not less than fifty percent of the total amount of the construction project.
- (3) The information required on the building permit application by subsection (2)(a) through (d) of this section shall be set forth on the building permit document which is issued to the owner, and on the inspection record card which shall be posted at the construction site.

- (4) The information required by subsection (2) of this section and information supplied by the applicant after the permit is issued under subsection (5) of this section shall be kept on record in the office where building permits are issued and made available to any person on request. If a copy is requested, a reasonable charge may be made.
- (5) If any of the information required by subsection (2)(d) of this section is not available at the time the application is submitted, the applicant shall so state and the application shall be processed forthwith and the permit issued as if the information had been supplied, and the lack of the information shall not cause the application to be deemed incomplete for the purposes of vesting under subsection (1) of this section. However, the applicant shall provide the remaining information as soon as the applicant can reasonably obtain such information.
- (6) The limitations imposed by this section shall not restrict conditions imposed under chapter 43.21C RCW.

[<u>1991 c 281 s 27</u>; <u>1987 c 104 s 1</u>.]

NOTES:

Liberal construction—Effective date, application—1991 c 281: See RCW 60.04.900 and 60.04.902.

RCW <u>25.15.031</u>

Purpose and powers.

- (1) A limited liability company may be formed under this chapter for any lawful purpose, regardless of whether for profit.
- (2) Unless this chapter, its certificate of formation, or its limited liability company agreement provides otherwise, a limited liability company has the same powers as an individual to do all things necessary or convenient to carry on its activities.

[<u>2015 c 188 s 8</u>.]

RCW 25.15.036

Business transactions of member or manager with the limited liability company.

A member or manager may lend money to and transact other business with a limited liability company and, subject to other applicable law, has the same rights and obligations with respect to the loan or other transaction as a person who is not a member or manager.

2015 c 188 s 10.

RCW 25.15.071

Formation—Certificate of formation.

(1) In order to form a limited liability company, one or more persons must execute a certificate of formation. The certificate of formation must be delivered to the office of the secretary of state for filing in accordance with Article 2 of chapter 23.95 RCW and set forth:

- (a) The name of the limited liability company;
- (b) The name and address of the registered agent for service of process required to be maintained by RCW <u>25.15.021</u> and Article 4 of chapter <u>23.95</u> RCW;
- (c) The address of the principal office of the limited liability company;
- (d) If the limited liability company is to have a specific date of dissolution, the latest date on which the limited liability company is to dissolve;
- (e) Any other matters the members decide to include; and
- (f) The name and address of each person executing the certificate of formation.
- (2)(a) Unless a delayed effective date is specified in accordance with RCW 23.95.210, a limited liability company is formed when its certificate of formation is filed by the secretary of state.
- (b) The secretary of state's filing of the certificate of formation is conclusive proof that the persons executing the certificate satisfied all conditions precedent to the formation.
- (3) A limited liability company formed under this chapter is a separate legal entity and has a perpetual existence.
- (4) Any person may apply to the secretary of state under RCW 23.95.235 to furnish a certificate of existence for a

domestic limited liability company or a certificate of registration for a foreign limited liability company.

[<u>2015 c 176 s 7106</u>; <u>2015 c 188 s 18</u>.]

FILED
Court of Appeals
Division I
State of Washington
5/1/2025 2:31 PM

APPENDIX - C: Statutes Relevant to the Issues Presented

for Review		

RCW 18.27.005

Strict enforcement.

This chapter shall be strictly enforced. Therefore, the doctrine of substantial compliance shall not be used by the department in the application and construction of this chapter. Anyone engaged in the activities of a contractor is presumed to know the requirements of this chapter.

[<u>1997 c 314 s 1.</u>]		

RCW 18.27.010

Definitions.

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1)(a) "Contractor" includes any person, firm, corporation, or other entity who or which, in the pursuit of an independent business undertakes to, or offers to undertake, or submits a bid to, construct, alter, repair, add to, subtract from, improve, develop, move, wreck, or demolish any building, highway, road, railroad, excavation or other structure, project, development, or improvement attached to real estate or to do

MINDFUL SENIOR CARE LLC

May 01, 2025 - 2:30 PM

Transmittal Information

Filed with Court: Court of Appeals Division I

Appellate Court Case Number: 85837-8

Appellate Court Case Title: Legacy Construction Group, LLC, Res. v. Nevin and Yavuz Draman, et al., Apps.

The following documents have been uploaded:

• 858378 Other 20250501142758D1585515 1481.pdf

This File Contains:

Other - Attachment to Petition for Review Appendix A

The Original File Name was Supreme Court Petition for Review Appendix A.pdf

A copy of the uploaded files will be sent to:

• clinville@linvillelawfirm.com

• info@mindfulseniorcare.com

Comments:

Appendix A of Supreme Court Petition for Review

Sender Name: Nevin Draman - Email: nev.draman@gmail.com

Address:

17416 NE 38TH ST Redmond, WA, 98052 Phone: (323) 274-8537

Note: The Filing Id is 20250501142758D1585515

MINDFUL SENIOR CARE LLC

May 01, 2025 - 2:27 PM

Transmittal Information

Filed with Court: Court of Appeals Division I

Appellate Court Case Number: 85837-8

Appellate Court Case Title: Legacy Construction Group, LLC, Res. v. Nevin and Yavuz Draman, et al., Apps.

The following documents have been uploaded:

• 858378_Petition_for_Review_20250501142525D1660139_9932.pdf

This File Contains: Petition for Review

The Original File Name was Supreme Court Petition for Review.pdf

A copy of the uploaded files will be sent to:

- clinville@linvillelawfirm.com
- info@mindfulseniorcare.com

Comments:

Has two attachments as Appendix

Sender Name: Nevin Draman - Email: nev.draman@gmail.com

Address:

17416 NE 38TH ST Redmond, WA, 98052 Phone: (323) 274-8537

Note: The Filing Id is 20250501142525D1660139

MINDFUL SENIOR CARE LLC

May 01, 2025 - 2:31 PM

Transmittal Information

Filed with Court: Court of Appeals Division I

Appellate Court Case Number: 85837-8

Appellate Court Case Title: Legacy Construction Group, LLC, Res. v. Nevin and Yavuz Draman, et al., Apps.

The following documents have been uploaded:

• 858378_Other_20250501143013D1680790_3180.pdf

This File Contains:

Other - Attachment to Petition for Review Appendix C

The Original File Name was Supreme Court Petition for Review Appendix C.pdf

A copy of the uploaded files will be sent to:

- clinville@linvillelawfirm.com
- info@mindfulseniorcare.com

Comments:

Appendix C for Supreme Court Petition for Review

Sender Name: Nevin Draman - Email: nev.draman@gmail.com

Address:

17416 NE 38TH ST Redmond, WA, 98052 Phone: (323) 274-8537

Note: The Filing Id is 20250501143013D1680790