

No. **2024-8736**

**Official Order
of the
Texas Commissioner of Insurance**

Date: 7/16/2024

Subject Considered:

Nicholas Mitchell Carrillo, P.E. Bay
City, Texas

Consent Order
TDI Enforcement File No. 34199

General remarks and official action taken:

This is a consent order with Nicholas Mitchell Carrillo, P.E. (Carrillo). The department alleged Carrillo submitted a windstorm inspection report that contains a false or fraudulent statement. Carrillo agrees that his qualified inspector appointment will be placed on probation for one year, subject to certain conditions.

Waiver

Carrillo acknowledges that the Texas Insurance Code and other applicable law provide certain rights. Carrillo waives all of these rights, and any other applicable procedural rights, in consideration of the entry of this consent order.

Findings of Fact

1. The department appointed Carrillo as a qualified inspector to perform building inspections for the purpose of establishing that buildings or structures are eligible for windstorm and hail insurance through the Texas Windstorm Insurance Association (TWIA).
2. Carrillo's license number is 125070, and he is associated with the firm Lynn Engineering.

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255 Easy Street, Port O'Connor

3. The department received an Application for Windstorm Building Inspection Form WPI-1 (WPI-1) on January 26, 2022, for a new metal building located at [REDACTED], Port O'Connor (Easy Street). The WPI-1 listed Carrillo as the engineer-of-record.
4. The department received an Inspection Verification Form WPI-2 (WPI-2) for the structure on August 30, 2022. The WPI-2 listed Carrillo as the engineer-of-record for the structure and contained his engineering seal and signature.
5. By his submission of the WPI-2, Carrillo certified that he was personally responsible as the engineer-of-record for the windstorm inspection for the structure and that he provided standard and customary review services.
6. Carrillo further certified that the structure was designed and inspected with the wind load provisions of the *International Residential Code, 2018 Edition*. Carrillo certified that inspections were conducted on January 27, 2022; February 22, 2022; March 2, 2022; March 8, 2022; March 14, 2022; April 4, 2022; July 13, 2022; August 12, 2022; and August 16, 2022. Carrillo stated that he understood and intended that the department would rely on his statement of compliance in determining whether to issue a Certificate of Compliance, Form WPI-8 (WPI-8) for the structure and to notify TWIA that the structure was eligible for windstorm insurance.
7. Based on Carrillo's certification, the department issued a WPI-8 for the structure on August 31, 2022.
8. On January 23, 2023, the department received a complaint from the property owner about the certification of the structure.
9. In response to the complaint, the department conducted an inspection of the structure on March 6, 2023. The department found deficiencies with the structure during the inspection. The deficiencies included improperly installed doors and roof panels, and incorrect hardware, framing, and cable bracing.
10. Between March 2023 and January 2024, the department and Carrillo exchanged multiple rounds of correspondence. Carrillo agreed to a corrective action plan to

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correct the identified deficiencies with the structure, but the property owner did not agree to move forward with the corrective action plan.

11. Carrillo represents that the inspector involved in this project is no longer employed with Lynn Engineering.

Conclusions of Law

1. The commissioner has jurisdiction over this matter under TEX. INS. CODE §§ 82.051–82.055, 84.021–84.044, 2210.001–2210.256; and 28 TEX. ADMIN. CODE § 5.4604.
2. The commissioner has the authority to informally dispose of this matter as set forth in TEX. GOV'T CODE § 2001.056; TEX. INS. CODE §§ 36.104 and 82.055; and 28 TEX. ADMIN. CODE § 1.47.
3. Carrillo has knowingly and voluntarily waived all procedural rights to which he may have been entitled regarding the entry of this order, including, but not limited to, issuance and service of notice of intention to institute disciplinary action, notice of hearing, a public hearing, a proposal for decision, rehearing by the commissioner, and judicial review.
4. Carrillo violated TEX. INS. CODE § 2210.256 and 28 TEX. ADMIN. CODE § 5.4604 by knowingly, willfully, fraudulently, or with gross negligence signing or causing to be prepared an inspection report that contains a false or fraudulent statement.

Order

It is ordered that Carrillo's qualified inspector appointment be placed on probation for one year, effective as of the date of this order. Carrillo's probation is subject to the following terms and conditions:

1. These terms and conditions apply to all inspections performed on or after the date of this order for the purpose of establishing that building, structure, addition, alteration, roof, foundation, repair is eligible for wind and hail insurance and all WPI-1s and WPI-2s submitted on or after the date of this order.
2. Carrillo will submit inspection notes for all projects. Inspection notes shall include the following: the applicable TDI product evaluation, independent testing

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laboratory report, model code product evaluation report, or manufacturer's high wind installation requirements.

3. For all new construction projects in which Carrillo submits at WPI-2, Carrillo must submit signed and sealed design drawings and on request by TDI, substantiating information as required by 28 TEX. ADMIN. CODE § 5.4626. For all new constructions projects in which Carrillo performed the design, the submission must include calculation packages that comply with 28 TEX. ADMIN. CODE § 5.4623.
4. Carrillo must provide windstorm inspections with the name, address, telephone number, resume, and qualifications, of all individuals performing building inspections under his supervision for the purpose of establishing that a structure is eligible for wind and hail insurance.
5. Carrillo must perform at least one inspection with individuals listed above in (4) for all new constructions projects. Inspections shall be one of the following:
 - a. Framing (uplift resistance);
 - b. Framing (main wind force resisting);
 - c. Components;
 - d. Cladding; or
 - e. Final.
6. Carrillo must prepare quality control procedures or guidelines to ensure that inspections conducted by employees under his supervision are properly conducted.
7. This order and the conditions of probation apply to any inspections Carrillo certifies or performs individually as an appointed qualified inspector, as well as those conducted under the supervision of another engineer appointed as a qualified inspector.
8. Carrillo must send all submissions required under the terms of this order by email to windstorm@tdi.texas.gov or uploaded directly through the windstorm system, as applicable.
9. Carrillo must comply with Texas Insurance Code ch. 2210 and 28 TEX. ADMIN. CODE § 5.4604. Any violation of the Texas Insurance Code, Texas Administrative Code, or

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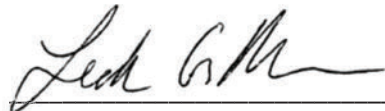
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the terms of this order, may result in disciplinary action against Carrillo and his appointment as a qualified inspector.

DocuSigned by:

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Cassie Brown
Commissioner of Insurance

Recommended and reviewed by:



Leah Gillum, Deputy Commissioner
Fraud and Enforcement Division



Mandy Meesey, Associate Commissioner
Enforcement

Affidavit

STATE OF TX §
§
COUNTY OF MATAGORDA §

Before me, the undersigned authority, personally appeared Nicholas Mitchell Carrillo, P.E., who being by me duly sworn, deposed as follows:

"My name is Nicholas Mitchell Carrillo. I am of sound mind, capable of making this statement, and have personal knowledge of these facts which are true and correct.

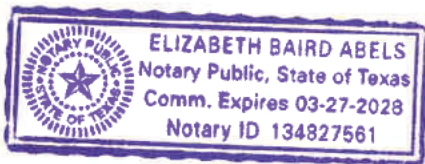
I have knowingly and voluntarily entered into the foregoing consent order and agree with and consent to the issuance and service of the same by the commissioner of insurance of the state of Texas."




Affiant

SWORN TO AND SUBSCRIBED before me on July 3, 2024.

(NOTARY SEAL)





Signature of Notary Public

Elizabeth Baird Abels

Printed Name of Notary Public