

KENNY C. GUINN  
Governor

STATE OF NEVADA



REPLY TO:

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**MEMBERS**  
MICHAEL ZECH  
*Chairman*  
DOUGLAS W. CARSON  
MARGARET CAVIN  
DAVID W. CLARK  
JERRY HIGGINS  
DENNIS K. JOHNSON  
RANDY SCHAEFER

**STATE CONTRACTORS' BOARD**

**MINUTES OF THE MEETING  
JANUARY 8, 2002**

The meeting of the State Contractors' Board was called to order by Chairman Michael Zech at 8:45 a.m., Tuesday, January 8, 2002, State Contractors' Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

**BOARD MEMBERS PRESENT:**

Mr. Michael Zech – Chairman  
Mr. Douglas W. Carson  
Ms. Margaret Cavin  
Mr. David W. Clark  
Mr. Jerry Higgins  
Mr. Dennis K. Johnson  
Mr. Randy Schaefer

**BOARD MEMBERS ABSENT:**

None

**STAFF MEMBERS PRESENT:**

Ms. Margi Grein, Executive Officer  
Ms. Nancy Mathias, Licensing Administrator  
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)  
Mr. David Reese, Legal Counsel (Cooke, Roberts & Reese)  
Mr. Frank Torres, Deputy Director of Investigations  
Ms. Kathy Stewart, Licensing Supervisor  
Ms. Diana Wallace, Licensing Analyst  
Mr. Gary Hoid, Compliance Investigator  
Mr. Gary Leonard, Compliance Investigator  
Mr. Larry Thompson, Compliance Investigator  
Mr. Fred Schoenfelt, Criminal Investigator  
Mr. Bart Thurgood, Human Resources Manager  
Ms. Sandy Diederich, Legal Assistant  
Ms. Tammy Stewart, Recording Secretary

**OTHERS PRESENT:**

Ms. Lesley A. Clarkson, Court Reporter, Sierra Nevada Reporters; Mr. Michael Hoy, Attorney; Mr. Jeff Wilson, Homeowner; Ms. Sylvia DaCosta, Homeowner; Mr. Lawrence DaCosta, Homeowner; Mr. Michael Hines; Mr. Dan Gaskil; Mr. Ray Sund; Mr. David Shiver; Mr. Sam Herceg, Homeowner; Mr. Ricky Burton, Managing Member, Break Em Excavation; Mr. David A. Livingston; Rick Imbrecht, Managing Member, Modernfold of Nevada; Mr. Ronald P. Schmitt, Vice President, Reno Construction; Mr. Paul J. Malikowski, Attorney; Mr. Tom Skjelstad, Executive Director, Assoc. Builders and Contractors; Mr. Tom Wallek, President, Ducore, Inc; Mr. Howard Herz, Homeowner; Ms. Kregg Herz, Homeowner; Mr. Alan L. Richards, Owner, A Richards Built Home; Mr. Mark Hughes, Attorney; Mr. David

Allen Dunn, Owner, Dunn-Rite Construction; Mr. Brent Kolvet, Attorney; Mr. Mark Lenz, Attorney; Mr. Kenneth Evans, Homeowner; Mr. Abe Grayson; Mr. Mike Weller, Secretary, Treasurer, Power Electric Inc.; Wayne E. Banaszak, Owner, W E Banaszak; Ms. Melinda James, Homeowner Mr. Chris M. Grellman, Finish Carpenter, W E Banaszak, Ms. Traci Varland, Inspector, City of Reno, Mr. Mike Efstratis, Qualified Employee, Double Diamond Ranch; Mr. Allen Smith, Attorney; Mr. Kreg D. Rowe, Member, Double Diamond Ranch; Mr. Eric Stovall, Attorney; Mr. Doug Lea, President, Quality Mechanical Inc.; Jerald Spillsbury, Qualified Employee, Quality Mechanical, Inc.; Mr. Curtis Lindskog, Director, IT Corporation; Mr. Mike Barrarigos, Carpenter, Performance Door Trim; Mr. Pete Sears, Sign Service ; Mr. Brian Franklin, Service Manager, Young Electric sign Company; Mr. Richard H. Bryan, Attorney; Bobby Hines, Western Sign Service; Mr. Lynn Forsberg, Owner, Forsberg Construction

Ms. Grein stated that Gary Leonard had posted the agenda in compliance with the open meeting law on January 2, 2002 at the Washoe County Court House, Washoe County Library, and Reno City Hall. In addition, it had been posted in both offices of the Board, Las Vegas and Reno, and on the Board's Internet web page.

It was learned there were 24 items on the amended agenda, each item of an emergency nature. The agenda was amended to reflect that a continuance was granted to Break EM Excavation, however the matter is being considered for possible summary suspension.

**MS. CAVIN MOVED TO HEAR THE AMENDED AGENDA.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

The Chairman called for a motion to approve the minutes of December 18, 2001.

**MS. CAVIN MOVED TO APPROVE THE MINUTES OF DECEMBER 18, 2001.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

**EXECUTIVE SESSION**

**HUMAN RESOURCES DEPARTMENTAL REPORT**

Mr. Bart Thurgood, Human Resources Manager, reported that he has met with Board employees in both offices. He indicated the Christmas parties were successful.

The meeting was closed to discuss the role of the Human Resources position.

**DISCIPLINARY HEARINGS**

**RENO CONSTRUCTION #41932 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated August 28, 2001, consisting of pages 1-19, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received August 30, 2001.

The Answer was received on September 21, 2001.

The Notice of Hearing, dated September 24, 2001, consisting of pages 1-2 was sent certified mail to the Respondent's address of record on file with the Board on September 24, 2001. The return receipt was received September 28, 2001.

The Amended Complaint dated October 19, 2001, consisting of pages 1-3 was sent certified mail to the Respondent's address of record on file with the Board on October 22, 2001. The return receipt was received on October 29, 2001.

The Amended Notice of Hearing dated October 22, 2001, consisting of pages 1-2 was sent certified mail to the Respondent's address of record on file with the Board on October 22, 2001. The return receipt was received October 29, 2001.

The Notice of Continued Hearing dated November 20, 2001, consisting of pages 1-2 was sent certified mail to the Respondent's address of record on file with the Board on November 20, 2001. The return receipt was received on November 26, 2001.

The Amended Notice of Hearing, dated December 28, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received January 2, 2002.

The hearing was for possible violation of NRS 624.3012 (2), Willful or deliberate failure by any licensee of agent or officer thereof to pay any money when due; NRS624.3013 (3), Failure to establish financial responsibility; NRS 624.3013 (5); as set forth in NAC 624.640 (5), Failure to comply with the regulations of the Board by failing to include the monetary limit on Respondent's bid.

Mr. Ron Schmitt, Vice President, Reno Construction; Mr. Thomas Allen Wallek, President, Ducore, Inc.; and NSCB Investigator Larry Thompson were sworn in.

Mr. Paul J. Malikowski, attorney for the Respondent was also present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Mr. Wallek testified he entered into contract with the Respondent for a demolition project in the amount of \$32,500. The project has been completed, and a balance of \$6582.00 is owed.

Mr. Thompson testified he validated the money owing complaint.

Mr. Thompson testified he has not received a financial statement as requested, nor has he received a request for an extension of time to submit the financial statement. Mr. Thompson further testified the Respondents monetary limit was not on the contract.

Mr. Malikowski cross-examined Mr. Wallek. Mr. Wallek testified he was not the owner of Ducore, Inc. when the project was started. He sold Ducore, Inc. to Brad Norman and had to take the company back in June 2000.

The letter of request for extension to submit financial statements was entered as Respondent's Exhibit A.

A letter from Nevada State Contractors Board dated July 26, 2001 approved the removal of the personal indemnification for Mr. and Mrs. Brian Kernan and the financial statement was entered as Exhibit B.

Mr. Schmitt testified he submitted financial statements to the Board. Mr. Schmitt further testified he has made every effort to resolve the complaint.

Ms. Nancy Mathias, NSCB Licensing Administrator was sworn in.

Ms. Mathias testified the Board denied a request to remove the bond requirement since the applicant did not meet the financial responsibility requirement. Requests have been submitted by all indemnitors to withdraw their indemnification agreement. Ms. Mathias further testified that a financial statement had been approved in connection with the request.

Mr. Malikowski questioned Mr. Schmitt. Mr Schmitt testified he contracted with Ducore, Inc. for demolition work. Mr. Schmitt further testified there were problems with Ducore, Inc. completing the work according to the terms of the contract.

The evidentiary portion of the hearing was closed.

The Stipulation was signed and entered into the record as Exhibit #2.

**MR. JOHNSON MOVED TO DISMISS THE FIRST AND SECOND CAUSE OF ACTION.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. JOHNSON MOVED TO FIND RENO CONSTRUCTION, LICENSE NO. 41932 IN VIOLATION OF THE THIRD CAUSE OF ACTION AND TO PLACE A ONE YEAR LETTER OF REPRIMAND IN THE RESPONDENTS FILE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Zech requested the Respondent send the Board a current financial statement.

**DE JA VU CONSTRUCTION # 25869 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated October 19, 2001, consisting of pages 1-16, was sent certified mail to the Respondent's address of record on file with the Board on October 22, 2001. The return receipt was received on October 29, 2001.

The Answer was received on November 6, 2001.

The Notice of Hearing, dated November 20, 2001, consisting of pages 1-2 was sent certified mail to the Respondent's address of record on file with the Board on November 20, 2001. The return receipt was received on November 27, 2001.

The Amended Notice of Hearing, dated December 28, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on January 4, 2002.

The hearing was for possible violations of NRS 624.3017 (1), Substandard workmanship; NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), Failure to comply with the rules or regulations of the Board; NRS 624.3011 (1) (a), Willful and prejudicial departure from or disregard of plans or specifications in any material respect without the consent of the owner.

Mr. Sam Herceg, Owner, De Ja Vu Construction; Ms. Sylvia DaCosta, Homeowner; Mr. Lawrence DaCosta, Homeowner, Mr. Michael Hines; Mr. Dan Gaskil; Mr. Ray Sund; Mr. David Shiver; and NSCB Investigator Mr. Gary Hoid, were sworn in.

The Notice of Hearing and Complaint was entered into the Record as Exhibit #1.

Mr. Reese stated the DaCosta's complaint has been resolved and the Respondent agrees with the third cause of action.

The Stipulation was signed and entered into the record as Exhibit #2.

The evidentiary portion of the hearing was closed.

**MR. CLARK MOVED TO DISMISS THE FIRST, SECOND AND FOURTH CAUSES OF ACTION, AND TO FIND DE JA VU CONSTRUCTION LICENSE NO.25869 IN VIOLATION OF THE THIRD CAUSE OF ACTION.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CLARK MOVED TO PLACE A ONE YEAR LETTER OF REPRIMAND IN THE RESPONDENTS FILE.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Herceg testified for the record that all liens will be released.

**A RICHARDS BUILT HOME # 30828 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated November 2, 2001, consisting of pages 1-6, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received November 9, 2001.

The answer was received on November 20, 2001.

The Notice of Hearing, dated November 21, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received December 5, 2001.

The Amended Notice of Hearing, dated December 28, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt has not been received as of January 4, 2002.

The hearing was for possible violations of NRS 624.3015 (2), Bidding to contract or contracting in excess of the limit placed on the license by the Board; NRS 624.3013 (5), as set forth in NAC 624.640 (5), Failure in any material respect to comply with the provisions of this chapter or the regulations of the Board; Each licensee shall include in all bids or contracts he enters into the number of his license and monetary limit placed upon his license, NRS 624.3013 (5) as set forth in NAC 624.670 (3) (a) (b), Failure to procure the performance and payment bond that was required as a condition of approval of the one time raise.

Ms. Margaret Cavin recused herself from participating in this matter since she had been a member of the Enforcement Advisory Committee on this matter.

Mr. Alan Richards, Owner, A Richards Built Home; Mr. Howard Herz, Homeowner; Ms. Gregg Herz, Homeowner; Ms. Margi Grein, NSCB Executive Officer, Ms. Diana Wallace, NSCB Licensing Analyst; and NSCB Investigator Gary Leonard, were sworn in.

Mark A. Hughs, attorney for the Respondent was also present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Mr. Herz testified he entered into a contract with the Respondent to build a home. The contract did not have the monetary limit on it. Mr. Herz testified he agreed to a partial waiver of the bond. Mr. Herz further testified he was informed that the Board's approval of the Respondent's one time raise in limit application was contingent upon a payment and performance bond being obtained.

Mr. Hughs, questioned Herz. Mr. Herz testified there is a letter on file with the Board and the differences between him and the Respondent have been resolved.

Mr. Leonard testified he validated the complaint and had reviewed contract between the homeowner and the Respondent. Mr. Leonard further testified that the contract did not show the monetary limit.

Ms. Grein testified that on August 6, 2001 the Respondent appeared before the Enforcement Advisory Committee. A settlement agreement was offered to the Respondent based on the charges before the Board today but was not accepted. Ms. Grein further testified the complaint before the board today was originally filed with a workmanship complaint that has been partially resolved.

Mr. Hughs questioned Mr. Richards. Mr. Richards testified that he was not aware that the original complaint filed by Mr. Herz had been separated into two complaints.

Ms. Grein testified that complaints can be filed by anyone and not all complaints are heard by the Board. Board Investigators validate the complaints and if the complaints are not resolved the matter is heard by the Board. Ms. Grein further testified that the Attorney General has ruled that complaint matters are not confidential.

NSCB Deputy Director of Investigations, Reno, Mr. Frank Torres was sworn in.

Mr. Torres testified that he reviewed the original complaint that was filed by the homeowners. Mr. Torres further testified he re-opened the complaint because the prior investigation was incomplete.

Mr. Hughs stated that he felt the Respondent's due process has been jeopardized because the complaints are considered public record.

**MR. JOHNSON MOVED TO REFER TO FORMAL FINDINGS OF FACTS AND CONCLUSIONS OF LAW.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**DUNN-RITE CONSTRUCTION #28839 AND # 48823 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated November 1, 2001, consisting of pages 1-6, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received November 6, 2001.

The Answer was received on November 20, 2001.

The Amended Complaint and Notice of Hearing, dated November 26, 2001, consisting of pages 1-6, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received December 3, 2001.

The hearing was for possible violations of NRS 624.3015 (1), Acting in the capacity of a contractor beyond the scope of the license; NRS 624.3014 (1) (a), Acting in the capacity of a contractor under any license issued hereunder except: (a) In the name of the licensee as set forth upon the license.

Ms. Margaret Cavin recused herself from participating in this matter since she had been a member of the Enforcement Advisory Committee on this matter.

Mr. David Allen Dunn, Owner, Dunn-Rite Construction; and NSCB Deputy Director of Investigations, Reno, Mr. Frank Torres were sworn in.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

The Stipulation was signed and entered into the record as Exhibit #2.

Mr. Torres testified that a former investigator for the Board Mr. John Sapp validated the complaint. Mr. Torres stated he has reviewed the hearing file. Mr. Torres testified that the Respondent entered into contracts that were outside the scope of his B-2 license. Mr. Torres further testified that the Respondent was advertising as Dunn-Rite Seamless Gutters with the wrong license number.

Mr. Dunn testified that he felt the settlement agreement offered by the Enforcement Advisory Committee was excessive. Mr. Dunn further testified that once he was notified by the Boards investigators his B-2 license did not cover the installation of seamless gutters he applied for and was granted the proper license.

The evidentiary portion of the hearing was closed.

**MR. JOHNSON MOVED TO FIND DUNN-RITE CONSTRUCTION, LICENSE NO. 48823 IN VIOLATION OF THE THIRD CAUSE OF ACTION AND TO DISMISS THE FIRST AND SECOND CAUSES OF ACTION AND TO PUT A ONE YEAR LETTER OF REPRIMAND IN THE LICENSE FILE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**GENERAL BUILDERS, INC. d.b.a. SILVER STATE POOLS # 22816A and # 22816 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated November 7, 2001, consisting of pages 1-11, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on November 14, 2001 and November 15, 2001.

The Answer was received on December 4, 2001.

The Notice of Hearing, dated December 5, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on December 13, 2001.

The hearing was for possible violations of NRS 624.3017 (1), Substandard workmanship; NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the Board; NRS 624.3013 (5), as set forth in NAC 624.640 (5) failure to comply with regulations of the Board by failing to include the license number or monetary limit on Respondent's bid or contract; NRS 624.301 (1), Abandonment ; NRS 624.3013 (5), pursuant to NRS 597.713, 597,716 NAC 624.695-264.697; NRS 624.3013 (5), pursuant to NRS 597.713, 597.716 NAC 624.6995 – 624.697; 624.3011 (1) (a), Willful and prejudicial departure from or disregard of plans or specifications in any material respect without the consent of the owner; NRS 624.3015 (1), Acting in the capacity of a contractor beyond the scope of the license, NRS 624.3018 (2), The performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action.

Mr. John Fred Sieben, Jr., President, Silver State Pools, American General Development; Mr. Jeffrey Wilson, Homeowner; Mr. Kenneth Evans, Homeowner; Mr. Abe Grayson; NSCB Investigator Mr. Gary Leonard; and NSCB Investigator Mr. Gary Hoid were sworn in.

Mr. Michael Hoy, and Mr. Mark Lenz, attorneys for the Respondent, was present.

Mr. Brent Kolvet attorney for Mr. Jeffrey Wilson, was also present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

The Stipulation was signed and entered into the record as Exhibit #2.

Mr. Evans testified that he and the Respondent entered into a settlement agreement and signed a stipulation resolving his complaint. Mr. Evans further testified he is happy with the settlement agreement and the workmanship issues have been resolved.

The Stipulation between Mr. Evans and the Respondent was entered as Exhibit A.

NSCB Executive Officer, Ms. Margi Grein was sworn in.

Ms. Grein testified that the Board has received two different stipulations one signed by the Respondent and one signed by Mr. Evans and the stipulations are different.

Mr. Hoy stated that the stipulation signed by Mr. Evans and the Respondent was sent to the Board.

Ms. Grein testified she has not seen the stipulation signed by both parties.

A packet of Respondent' supporting documentation was entered as Exhibit B.

Mr. Hoy stated that the formal contract did include the monetary limit. He further stated the Notice of Complaint did not include attached exhibits and the Respondent cannot respond to the charges without knowing what they are.

Mr. Hoid testified that he validated the Evans workmanship complaint. Mr. Hoid further testified he issued a Notice to Correct to the Respondent.

**MR. JOHNSON MOVED TO ACCEPT THE STIPULATION BETWEEN THE RESPONDENT AND THE EVAN'S AND TO DISMISS CAUSES SIX THRU TWELVE.**

**MS. CAVIN SECONDED THE MOTION**

**THE MOTION CARRIED.**

**CONTINUE WITH CAUSES ONE THRU FIVE ON THE WILSON CASE.**

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

The Stipulation was signed and entered as Exhibit #2.

Mr. Wilson testified that he entered into a contract with the Respondent to build a swimming pool at his residence.

Mr. Lenz stated the complaint issued by the Board did not contain the exhibits that state the charges.

Mr. Wilson testified that he filed a workmanship complaint against the Respondent. Mr. Wilson testified that the pool decks and walkways are spalling there is vertical displacement between the two slabs and the slabs are not level. Mr. Wilson further testified that the slide was not installed according to the manufacturer's specifications, the tile and the brick surrounding the pool is chipped and some areas are not grouted.

Mr. Lenz questioned Mr. Wilson. Mr. Wilson testified that Mr. Leonard had inspected the project several times. Mr. Wilson further testified he estimates that the project is 65% complete.

Mr. Leonard testified he validated the workmanship complaint and issued a Notice to Correct. Mr. Leonard further testified the contract did not contain the licensee's monetary limit and does not meet industry regulations for pool contracts pertaining to payment schedules.

**MR. HIGGINS MOVED TO DISMISS THE FIFTH CAUSE OF ACTION WITH PREJUDICE.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Lenz questioned Mr. Leonard. Mr. Leonard testified that Mr. Wilson is a licensed contractor however, he has no knowledge whether or not Mr. Wilson is going to do any work on this project.

Mr. Lenz questioned Mr. Sieben. Mr. Sieben testified that he is aware of the Notice to Correct with four items to be replaced, including the concrete deck, the slide mounting and/or the placement of the slide, chipped tile and the stone. Mr. Sieben further testified the problem with the water slide is because of the relocation of the slide.

Mr. Leonard testified that the slide was not installed according to manufacturer specifications.

Mr. Sieben testified one of the manufacturer requirements is that the slide meets ANSI and NSPI. Mr. Sieben further testified he has not gone back to finish the job because the equipment room is not built and an outstanding balance is owed to him.

**MR. CARSON MOVED TO RESCIND THE EARILER MOTION MADE BY MR. HIGGINS TO DISMISS THE FIFTH CAUSE OF ACTION WITH PREJUDICE, AND TO CONTINUE THIS CASE TO THE NEXT RENO BOARD HEARING, AND TO RE-NOTICE THE RESPONDENT.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**APPLICATION HEARINGS**

**J.T. BEAUMONT CONSTRUCTION – APPLICATION HEARING**

The Notice of Hearing and Complaint, dated December 6, 2001, consisting of pages 1-21 was sent certified mail to the Respondent's address of record on file with the Board. The envelope was received December 12, 2001, undeliverable moved no forwarding order.

The Second Notice of Service, dated December 14, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was received December 21, 2001, undeliverable moved left no address.

The hearing was for the denial of the Respondent's application based on NRS 624.263, Failure to meet financial responsibility requirement; as set forth in NRS 624.26 and NRS 624.265 (1) (c), Failure to demonstrate good character.

NCSB Licensing Supervisor, Ms.Kathy Stewart was sworn in.

No one from J.T. Beaumont Construction was present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Ms. Stewart testified that all Notices were sent to the Respondents address of record on file with the Board and were returned undeliverable. She called the Respondent's phone number and was informed by a former roommate, he left town.

The evidentiary portion of the hearing was closed.

**MR. JOHNSON MOVED TO REAFFIRM THE ORIGINAL DENIAL OF THE LICENSE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**BREAK EM EXCAVATION LLC # 49305 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated October 29,2001, consisting of pages 1-101, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received November 5, 2001.

The Answer was received on November 30, 2001.

The Notice of Hearing, dated December 7, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received December 14, 2001.

The Request for Continuance was received on December 17, 2001. The Continuance was granted, however the Respondent was noticed of a possible Summary Suspension pursuant to NRS 624.291.

Mr. Ricky Burton, Managing Member, Break E M Excavation; and NSCB Licensing Supervisor, Ms. Kathy Stewart were present.

Ms. Stewart stated that she had received an interim financial statement on January 7, 2002 which had been prepared by the Office Manager of Break EM Excavation. Ms. Stewart further testified a current Certified Public Accountant prepared financial statement had not been provided and the most recent statement was dated December 2000.

Mr. Burton stated that he can provide a current financial statement to the Board within 90 days.

The evidentiary portion of the hearing was closed.

**MR. JOHNSON MOVED TO CONTINUE THE HEARING FOR 90 DAYS.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

### **DISCIPLINARY HEARINGS**

#### **W.E. BANASZAK # 40602 – DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated November 2, 2001, consisting of pages 1-6, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on November 9, 2001.

The Answer was received on November 21, 2001.

The Notice of Hearing, dated November 21, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on November 30, 2001.

The hearing was for possible violations of NRS 624.3014 (2) (a-d), Misuse of license; NRS 624.3015 (5), as set forth in NAC 624.640 (5), Each licensee shall include in all bids he submits or contracts he enters into the number of his license and monetary limit placed upon his license: NRS 624.305 (1) as set forth in NAC 624.650 (1), Association with unlicensed person.

Ms. Melinda James, Homeowner; Mr. Wayne Ernest Banaszak, Owner, W E Banaszak; NSCB Compliance Investigator, Gary Hoid were sworn in.

Mr. Eric Stovall, attorney for the Respondent was also present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Mr. Hoid testified that he reviewed the contract between the Respondent and Kevin McNally for the construction of a new home. Mr. Hoid testified about half way through the project Mr. McNally decided to sell the property, but at that time the Respondent had left the project. Mr. Hoid further testified that the Respondents monetary limit was not on the contract.

Mr. Stovall questioned Mr. Hoid. Mr. Hoid testified he did not know when the property went on the market. Mr. Hoid further testified to his knowledge the contract between McNally and the Respondent was not changed during construction.

Ms. James testified that she purchased the home from Mr. McNally and was told the home was built by the Respondent. Ms. James further testified she picked up a flyer that advertised the home was being built by the Respondent.

The Flyer was entered as Exhibit A.

Ms. James testified that she encountered problems with the house 3 days after closing. Ms. James testified there is water under the house, there are drainage problems, the light fixtures appear to be used and have shorted out. Ms. James further testified that she is currently involved in a lawsuit with the Respondent.

Mr. Stovall questioned Ms. James. Ms. James testified that she settled her case with Mr. McNally.

Mr. Banaszak testified that he did not build the house that it was built by Mr. McNally. Mr. Banaszak testified his name stayed on the contract and he had not notified the lender he was not building the home. Mr. Banaszak testified he has performed repairs and has received payment from Mr. McNally for some of his work. Mr. Banaszak further testified that he did not loan his license to Mr. McNally.

**MR. CARSON MOVED TO CONTINUE THE INVESTIGATION AND RE-NOTICE IF NECESSARY.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 241.033 TO DISCUSS FINANCIAL MATTERS.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**APPLICATIONS**

**IRWIN INDUSTRIES, INC.** – LICENSE NO. 25838 AND 34310 (A-22 POWER CHEMICAL PETROLEUM BUILDINGS AND C-1A BOILERS) OFFICER CHANGE WITH LATE RENEWAL

Mr. Randle Renny, Qualified Employee, Irwin Industries, Inc; Alfredo Alfonso, and Richard Bryan, attorneys for the applicant was present. Mr. Renny was informed by the board that late renewal for both license applications (A-22 Power Chemical Petroleum Buildings and C-1A Boilers) were granted.

**QUALITY MECHANICAL CONTRACTORS INC.** – LICENSE NO. 10867A, 27806 AND 27807A (C-21 REFRIGERATION AND AIR CONDITIONING, C-1 PLUMBING AND HEATING AND AB GENERAL ENGINEERING). FINANCIAL STATEMENT REVIEW

Mr. Douglas Lea, President, Quality Mechanical Contractors Inc.; Jerald Spilsbury, Quality Mechanical; Bob Woods, Quality Mechanical Contractors Inc.; Stacey Ross, Quality Mechanical Contractors Inc.; and Greg Vermese, attorney for the applicant, was present. Ms. Mathias reported that the financial statement request was the result of a liquidation of the licensee's parent company. All assets including those of Quality Mechanical Contractors Inc., along with Quality Mechanical Contractors Inc. stock had been sold to the Whiting Company. A LLC company had been created which now held those assets. The Corporate licensee would be dissolved in the future, however continued to operate in the

interim. Mr. Lea had offered a limit indemnified agreement which was submitted to the Board. The Board informed Mr. Lea they approved the continuation of the license for 6 months based on indemnification by Quality Mechanical Contractors LLC.

**FORSBERG CONSTRUCTION** – (B-2 RESIDENTIAL AND SMALL COMMERCIAL) NEW APPLICATION

Mr. Lynn Forsberg, President, Forsberg Construction was present. The Board informed Mr. Forsberg that his license application (B-2 Residential and Small Commercial) was granted with a monetary limit of \$100,000 and a bond of \$15,000.

**I T CORPORATION ( A CALIFORNIA CORPORATION)** – (A-22 HAZARDOUS WASTE REMOVAL) NEW APPLICATION

Mr. Curtis Lindskog, Director, I T Corporation, was Present. The Board informed Mr. Lindskog that his license application (A-22 Hazardous Waste Removal) was granted as unlimited with a \$50,000 bond.

**MODERNFOLD OF NEVADA LLC** – (C-3-I OVERHEAD DOORS) NEW APPLICATION

Mr. Rick Imbrecht, Qualified Employee, Modernfold of Nevada LLC, was present. The Board informed Mr. Imbrecht that his license application (C-3-I Overhead Doors) was granted with a monetary limit of One Million and a bond of \$30,000.

**MR. CARSON MOVED TO RE-OPEN THE MEETING TO THE PUBLIC.**

**MS. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**DOUBLE DIAMOND RANCH LLC, # 42185** – BOARD INTERVIEW

Mr. Kreg Douglas Rowe, Member, Double Diamond Ranch, Mr. Michael Efstratis, Qualified Employee, Double Diamond Ranch; and NCSB Licensing Supervisor, Ms. Kathy Stewart were present

Mr. Allen Smith, attorney for the Respondent was also present.

Ms. Stewart stated that an interview had been conducted on December 5, 2001 regarding licensee. The licensee did not disclose a Chapter 11 Bankruptcy filing that occurred October 24, 2001. On January 7, 2002 Double Diamond Ranch LLC provided copies of the bankruptcy documents and a letter of explanation. The last financial statement received was prior to the filing of the Bankruptcy.

Mr. Rowe explained the reorganization plan would allow for lot sales to satisfy the pending obligation.

Ms. Stewart stated that there are 3 open complaints pending against the license.

Mr. Rowe stated that Double Diamond Ranch LLC is in the process of resolving the complaints filed with the Board.

**MR. CARSON MOVED TO PLACE DOUBLE DIAMOND RANCH, LLC., LICENSE NO. 42185 ON PROBATION FOR 90 DAYS WITH STAFF UPDATES EVERY 30 DAYS.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**ADVISORY OPINIONS**

Traci Varland, a sign inspector for the City of Reno requested an Advisory Opinion from the Board concerning the license requirements for sign maintenance.

Ms. Mathias asked Ms. Varland to explain the scope of work involved in sign maintenance.

Ms. Varland indicated that it has been her experience that sign maintenance could include painting, changing light bulbs, repairing and replacing transformers and electrical wiring. The work was being performed on bill board, neon and electrical signs. It is her opinion that a contractors' license should be required for sign maintenance.

Mr. Johnson stated that the C-6 (Erecting Signs) does not include a provision strictly for sign maintenance and suggested that she ask the city to adopt guidelines for sign maintenance.

Ms Mathias indicated the definition of a contractor in NRS 621.020 included "improvements and repair."

Mr. Zech and Mr. Carson also expressed concern.

**MR. JOHNSON MOVED THAT SINCE NAC 624.240 DOES NOT SPECIFICALLY ADDRESS SIGN MAINTENANCE, STAFF SHOULD OPEN A RULEMAKING PROCEEDING.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**W A JONES # 48007 – DISCIPLINARY HEARING DEFAULT ORDER**

The Notice of Complaint and Requirement to Answer, dated November 6, 2001, consisting of pages 1-6, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt has not been received to date.

The Default, dated November 29, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt has not been received to date.

The hearing was for possible violations of NRS 624.301 (1), Abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor; NRS 624.3013(5), as set forth in NAC 624.700(3) (a), Failure in any material respect to comply with the provisions of this chapter or the regulations of the Board; NRS 624.3013(3), Failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265; NRS 624.3013 (5), as set forth in NAC 624.640 (5), Each licensee shall include in all bids he submits or contracts he enters into the number of his license and monetary limit placed upon his license; NRS 624.302 (5) Failure or refusal to respond to a written request from the board in the investigation of a complaint.

No one from W A Jones was present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

**MS. CAVIN MOVED TO ACCEPT THE FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND W A JONES COMPANY, LICENSE #48007, IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #48007; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COST OF \$3,855.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**NEVADA WINDOW COMPANY # 47238 – DISCIPLINARY HEARING DEFAULT ORDER**

The Notice of Complaint and Requirement to Answer, dated August 28, 2001, consisting of pages 1-18, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was returned on September 17, 2001 unopened with an address of P.O. Box 2543, Sparks, Nevada 89432. A second copy of the Notice of Complaint and Requirement to Answer, was sent certified mail to P.O. Box 2543, Sparks, Nevada 89432. The envelope was returned unopened on October 9, 2001.

The Default, dated November 26, 2001, consisting of pages 1-2, was sent certified mail to P.O. Box 2543, Sparks, Nevada 89432 and to 1925 Prosperity Street, Reno Nevada 89502 to the Respondent's address of record on file with the Board. Both envelopes were returned unopened and unclaimed.

The Second Notice of Complaint and Requirement to Answer and Amended Complaint, dated November 6, 2001, consisting of pages 1-5, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was returned unopened, unclaimed on November 26, 2001.

The Default, dated November 26, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was returned unopened, unclaimed on December 17, 2001.

The hearing was for possible violations of NRS 624.3013 (3), Failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265; NRS 624.302 (5), Failure or refusal to respond to a written request from the Board to cooperate in the investigation of a complaint; NRS 624.301 (5) as set forth in NRS 624.263 (3), A licensed contractor shall notify the Board in writing upon the filing of a petition or application relating to the contractor that initiates any proceeding, appointment or assignment.

No one from Nevada Window Company was present.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

The evidentiary portion of the hearing was closed.

**MR. HIGGINS MOVED TO ACCEPT THE FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND NEVADA WINDOW COMPANY, LICENSE #47238, IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #47238; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COST OF \$1,696.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**APPLICATIONS**

**MR. CARSON MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 241.033 TO DISCUSS FINANCIAL MATTERS.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

The following applications on the agenda were reviewed and discussed: Nos. 8, 9, 10, 14, 17, 18, 19, 21, 22, 23, 25, 29, 31, 38, 39, 40, 42, 43, 44, 50, 52, 55, 20, 59, 61, 62, 64, 66, 67, 68, 69, 70, 76, 83, 84, 86, 88, 92, 109, 113, 118, 130, 132, 133, 135, 140 and on the amended agenda: Nos. 2, 4, 7, 8, 9, 10, 11, 14.

**MR. JOHNSON MOVED TO RE-OPEN THE MEETING TO THE PUBLIC.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. HIGGINS MOVED TO APPROVE ALL APPLICATIONS NOT SPECIFICALLY DISCUSSED IN CLOSED SESSION PER STAFF RECOMMENDATION.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**EXECUTIVE SESSION**

**BUDGET APPROVAL FISCAL YEAR 2001 – 2002.**

**MR. JOHNSON MOVED TO APPROVE THE BUDGET FOR THE FISCAL YEAR 2001 - 2002.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**LEGAL AND PROFESSIONAL SERVICES.**

Ms Grein informed the Board that the advertisement for in-house counsel has been mailed.

**REVIEW OF ADMINISTRATIVE PROCEDURES ACT AND RULES OF PRACTICE**

Mr. Griffy, Legal Counsel, reviewed the requirements of the Administrative Procedures Act and Rules of Practice.

**PUBLIC COMMENT**

No one from the general public was present to speak for or against any items on the agenda.

There being no further business to come before the Board, the meeting was adjourned by Chairman Zech at 4:45 p.m.

Respectfully Submitted,

Tammy Stewart, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Chairman