

MEMBERS

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STATE CONTRACTORS BOARD

**MINUTES OF THE MEETING
FEBRUARY 11, 2003**

1. BOARD GOVERNANCE AND ADMINISTRATION CALL TO ORDER – MICHAEL ZECH, CHAIRMAN

The meeting of the State Contractors Board was called to order by Chairman Michael Zech at 8:35 a.m., Tuesday, February 11, 2003, 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. Spiridon G. Filios
Mr. Jerry Higgins
Mr. Randy Schaefer

BOARD MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. George Lyford, Director of Special Investigations
Mr. Frank Torres, Deputy Director of Investigations
Ms. Nancy Mathias, Licensing Administrator

LEGAL COUNSEL PRESENT:

Ms. Carolyn Broussard, In House Counsel
Mr. Bruce Robb, Legal Counsel

Ms. Grein stated that Gary Leonard had posted the agenda in compliance with the open meeting law on February 5, 2003 at the Washoe County Court House, Washoe County Library, and Reno City Hall. The agenda was also posted in both offices of the Board, Reno and Henderson, and on the Board's Internet web page.

B. CONSIDERATION OF PROPOSED AMENDMENT TO NAC 624.130 TO ESTABLISH A FEE TO CONSIDER AN APPLICATION FOR CONVERSION OF ENTITY:

Ms. Mathias informed the Board that NRS was amended by the 2001 legislature allow a corporation to convert to an LLC. An amendment to NAC 624.130 would be required to allow for an application fee.

The Board requested that the matter be noticed for workshop and public hearing.

SUBCOMMITTEE REPORTS (NRS 624.100):

B. RECOVERY FUND SUBCOMMITTEE:

Ms. Grein informed the Board there are approximately nine claims pending hearing by the Residential Recovery Fund Subcommittee.

C. CONSTRUCTION MANAGEMENT SUBCOMMITTEE:

Ms. Grein stated the Construction Management Subcommittee will have an update at the next meeting.

D. CLASSIFICATION / REGULATION SUBCOMMITTEE:

Ms. Cavin updated the Board on the progress of changes to the license classifications.

2. LEGAL REPORT:

A. LITIGATION STATUS:

Mr. Robb informed the Board that at the hearing on February 4, 2003 Legal Counsel for Vision Craft introduced additional exhibits. Simultaneous briefs are due to Hearing Officer David Clark on or before March 21, 2003, at which time Mr. Clark will prepare a written order to Vision Craft. Vision Craft will be able to appeal that order, however, this case should be completed by April, 2003.

Mr. Robb informed the Board that the Fiori case is being prepared for a Confidential Settlement Statement to be reviewed by the board.

3. LEGISLATIVE REVIEW:

A. LEGISLATION UPDATE FROM AMERICAN STRATEGIES:

Mr. Jay Parmer and Mr. Buzz Harris of American Strategies were present and provided the Board an update of their activities before the legislature. Weekly reports will be provided to Ms. Grein and the Board members, in addition to updates at each Board meeting.

5. STRATEGIC PLANNING SESSION (CONTINUED FROM DECEMBER 16, 2002 AND JANUARY 7, 2003)

A. PROGRESS REPORT ON 2002 PRIORITIES AND IDENTIFIED GOALS:

Ms. Grein provided a summary of the status of the division action plans including:

- Reduction in the number of pending cases and processing times for the Licensing and Investigations Divisions.
- Enhanced public relations including new radio and television ads; brochures in English and Spanish; installation of Pool Complaint Hot Line.
- Establishment of in-house legal division.
- Completion of compensation and benefit package and establishment of staff training program by Human Resource Manager.
- Establishment of security system and enhanced internal control procedures.
- Streamlining of Board meetings including use of Hearing Officers; Enforcement Advisory Committee and Residential Recovery Fund Committee.
- The retention of American Strategies to represent the Board during the 2003 session of the Nevada Legislature.
- Database replacement for licensing and enforcement tracking purposes is still in the

research and development stage. Awaiting completion of "Requirements Study" by Department of Information Technology.

- Development of Streamlined license classifications continues.

B. STATISTICS AND TRENDS:

C. DEPARTMENT REVIEWS:

Ms. Grein summarized goals achieved by each department.

D. REVIEW AND DISCUSS FY 02-03 PRIORITIES AND GOALS:

The following goals and priorities were established for FY 2002-2003:

- Complete database replacement.
- Streamline Board meeting application review.
- Conduct informational contractor forum.
- Review and update investigative complaint procedures including allegations and public information.
- Continue the Hearing Officer procedure for disciplinary cases.

E. SUMMARY:

Ms. Grein summarized the priorities and goals for FY 2002 – 2003 and will present an outline of the plan at the next Board meeting.

6. PERSONNEL SESSION (CONTINUED FROM JANUARY 28, 2003):

A. PERFORMANCE EVALUATION OF EXECUTIVE OFFICER (CLOSED SESSION):

It was moved and seconded to continue this matter to the next Board meeting in Henderson on February 25, 2003.

ADJUDICATING BOARD MEMBER: MARGARET CAVIN

7. DISCIPLINARY HEARING:

S & N BUILDERS – LICENSE #37462 AND 36298

Mr. Stephen P. St. Clair, Owner S & N Builders; Ms. Nancy J. St. Clair, Qualified Employee S & N Builders; Ms. Ellen McBride, Homeowner; Ms. Andy Riparbelli, Finance Manager CB Concrete; and Investigator Gary Leonard were sworn in.

The hearing was for possible violations of NRS 624.3017 (1); NRS 624.3013 (5) as set forth in NAC 624.700 (3) (a); NRS 624.3013 (5) as set forth in NAC 624.640 (5); NRS 624.301 (5); NRS 624.3013 (5) as required by NRS 624.520 (1); and NRS 624.3018 (2).

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

Ms. Broussard stated the Respondent has stipulated to the third, fifth and sixth causes of action.

Mr. St. Clair testified he has revised all contracts, bids and proposals to include his license number, monetary limit and the residential recovery fund information.

Mr. Leonard testified he validated the workmanship complaint and a Notice to Correct for six items was issued to which Respondent has not complied. In addition the concrete truck

hit the northwest corner of the home during construction and damaged the seamless gutter. Mr. Leonard stated in his opinion the work performed is below the standards of the industry, including the finish work; failure to include fiber mesh as stated on the contract; and improper aggregate washing. Mr. Leonard stated CB Concrete is willing to repair the damage caused by the concrete truck.

The invoice from CB Concrete was entered into the record as Exhibit #B.

Three additional photos were entered into the record as Exhibit # C-1, C-2 and C-3.

Ms. McBride testified she entered into a contract for the installation of a driveway and sidewalk for \$8,910.00 and has paid \$4,400.00 toward the contract. Ms. McBride testified she gave Respondent an additional three months from the deadline of the Notice to Correct to complete and make repairs to the project. Ms. McBride further testified CB Concrete was willing to replace the concrete with fiber mesh included as long as Respondent performed the labor.

Ms. Riparbelli testified that fiber mesh had not requested by the Respondent when the order was placed. CB Concrete filed a lien against the property for \$2,600.00 since Respondent did not pay for the concrete.

Mr. St. Clair testified he has been doing business with CB Concrete for over 20 plus years and has never had to specify to include fiber mesh. Mr. St. Clair further testified he did not comply with the Notice to Correct in a timely manner because the homeowner thought it was too cold to pour concrete and wanted to wait for warmer weather, however, he is willing to install new concrete with fiber mesh.

The evidentiary portion of the hearing was closed.

MS. CAVIN FOUND S & N BUILDERS, LICENSE NOS. 37462 AND 36298 IN VIOLATION OF THE THIRD, FIFTH AND SIXTH CAUSES OF ACTION; TO PLACE A PERMANENT LETTER OF REPRIMAND IN RESPONDENT'S FILE; IN VIOLATION OF THE FIRST, SECOND AND FOURTH CAUSES OF ACTION; TO FINE THE RESPONDENT \$250.00 EACH FOR THE FIRST, SECOND AND FOURTH CAUSES OF ACTION; RECOVER THE INVESTIGATIVE COSTS OF \$1,602.00 WITHIN 120 DAYS OR THE LICENSES WILL AUTOMATICALLY BE SUSPENDED; AND TO PAY CB CONCRETE IN FULL WITHIN 10 DAYS OR THE LICENSES WILL AUTOMATICALLY BE SUSPENDED.

8. ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned by Adjudicating Board Member Cavin at 2:39 p.m.

Respectfully Submitted,

Tammy Stewart, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Chairman