

KENNY C. GUINN  
Governor

## STATE OF NEVADA



### MEMBERS

KIM W. GREGORY  
*Chairman*  
DOUGLAS W. CARSON  
MARGARET CAVIN  
JERRY HIGGINS  
DENNIS K. JOHNSON  
RANDY SCHAEFER  
MICHAEL ZECH

## STATE CONTRACTORS' BOARD

### REPLY TO:

**RENO**  
9670 Gateway Drive, Suite 100  
Reno, Nevada 89511  
(775) 688-1141  
Fax (775) 688-1271  
Investigations (775) 688-1150

### LAS VEGAS

4220 So. Maryland Parkway  
Building D, Suite 800  
Las Vegas, Nevada 89119  
(702) 486-1100  
Fax (702) 486-1190  
Investigations (702) 486-1110

## MINUTES OF THE MEETING FEBRUARY 22, 2001

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:05 a.m., Wednesday, February 22, 2001, State Contractors' Board, Las Vegas, Nevada. EXHIBIT A is the Meeting Agenda and EXHIBIT B is the Sign In Log.

### BOARD MEMBERS PRESENT:

Mr. Mike Zech - Chairman  
Mr. Douglas W Carson  
Ms. Margaret Cavin  
Mr. Jerry Higgins  
Mr. Randy Schaefer

### BOARD MEMBERS ABSENT:

Mr. Kim Gregory  
Mr. Dennis Johnson

### STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer  
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)  
Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins)  
Mr. David Reese, Legal Counsel (Cook, Roberts & Reese)  
Ms. Nancy Mathias, Licensing Administrator  
Mr. George Lyford, Director of Special Investigations Unit  
Mr. Rick Bertuzzi, Director of Investigations  
Mr. Roy Schoonmaker, Investigations Supervisor  
Mr. Bob Macke, Investigator Supervisor  
Mr. Greg Welch, Investigator Supervisor  
Ms. Pat Potter, Supervisor, Licensing  
Ms. Susie Kiger, Legal Assistant  
Ms. Lisa Bedsole, License Analyst  
Ms. Diane Williams, Licensing  
Ms. Olga Valenzuela, Licensing  
Mr. Bill Brandon, Recording Secretary

### OTHERS PRESENT:

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Anthony E. Elwart, Partner, A.E.E. Cement Contractor; Brian Burnham, Counsel, A.E.E. Cement Contractor; William

J. Wagner, Partner, Trico Development; Robert Nersesian, Counsel, Trico Development; Durward A. Brown, President, Woody Electric Inc.; Peter Brown, Owner, Deserae General Contractor; Victor B. Vincent, President, Vincent Development; Anthony Lewis, Owner, Anthony Homes; William Scouppa, Counsel, Vincent Development; Keith Gregory and Joshua Landish, Counsel, MEDCO Construction Inc.; Mehdi Owliaie, President, MEDCO Construction, Inc.; Darcey Green, Corporate Counsel, A.C. Houston Lumber Company; Brian Bugni, CFO, Mojave Electric, Inc.; Edward T. Manley, President, Champion Homes; Michael Van, Counsel, Champion Homes; James Groves, Office Manager, Coast West Plumbing; Michael C. Van, Counsel, Champion Homes; Michelle Laber, Perma Homes; Jenny Groves, Coast West Plumbing of Paramount Inc.; Angela Piccino; Lloyd P. Bouvier, President, Jordan S. Primack, Primack Homes Inc.; Brett Primack, Owner, Custom Homes by Chateau; Deanna Dean, Dean Roofing Company, Inc.; Dan Bradley, Dan Bradley's Glass Shop; Jeffrey Stafford, Republic Electric, Inc.; Joanne Downer, International Marble, Inc.; Sheryl Silber, Office Manager, Miracle Method; Jose Ernesto Hernandez, President and Carlos Hernandez, Vice President, Deznan Contractors Incorporated;

### **EXECUTIVE SESSION**

Ms. Grein – Legislative Discussion

SB216 – proposed revision to BDR 52-1037, Section #5 - Residential Pool Contractors

**MR. SCHAEFER MOVED TO DESIGNATE AN EMPLOYEE OF THE BOARD AS THE POOL HOTLINE CONTACT IN LIEU OF AN OMBUDSMAN.**

**MS. CAVIN SECONDED THE MOTION.**

**MOTION CARRIED.**

BDR 28-427, Section #7 - Amendment for Construction Education Fund Dispensation

Ms. Grein stated purpose of the fund was to start-up and support the construction education related programs within the Nevada education system.

**MR. CARSON MOVED TO PROCEED WITH THE STIPULATION THAT BDR 28-427, SECTION #7, BE MODIFIED TO BROADEN THE DEFINITION.**

**MR. SCHAEFER SECONDED THE MOTION.**

**MOTION CARRIED.**

### **A. E. E. CEMENT CONTRACTOR, #36573 – RECONSIDERATION OF DECISION & ORDER**

Mr. Burnham, Counsel for Respondent, petitioned the Board for reconsideration of the Decision and Order revoking the license of A.E.E. Cement Contractor citing that the Notice

of Hearing was not received. Mr. Burnham indicated the patio contract with Bleazard Concrete has been rectified and previous NSCB investigative costs have been paid. Mr. Burnham confirmed that the A. E. E. Cement Contractor address for notification is 4211 Thicket Avenue, North Las Vegas, NV 89031.

**MR. CARSON MOVED TO RESCIND REVOCATION OF LICENSE #36573, A. E. E. CEMENT CONTRACTOR AND TO SET THE MATTER FOR REHEARING.**

**MR. SCHAEFER SECONDED THE MOTION.**

**MOTION CARRIED.**

### **TRICO DEVELOPMENT, #36097A – DISCIPLINARY HEARING**

The Notice of Hearing & Complaint, dated January 18, 2001, consisting of pages 1-6, was sent certified mail to the Respondent at the address of record on file with the Board. The return receipt was received by NSCB dated January 22, 2001.

The hearing was for possible violations of NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when he has received sufficient money therefor; NRS 624.3013 (3), failure to establish financial responsibility; NRS 624.301 (5), willful failure or refusal without legal excuse on the part of a licensee to comply with the terms of a construction contract or written warranty; and NRS 624.3013 (5), failure to include the monetary limit placed on the license, as required by NAC 624.640 (5).

Mr. William M. Wagner, Partner, Trico Development, Mr. Durward A. Brown, President, Woody Electric Inc. and NSCB Investigator Mr. Mike Perko, were sworn in, also in attendance was Mr. Robert Nersesian, Counsel, Trico Development.

The Notice of Hearing and Complaint were entered into the record as EXHIBIT 1, and the stipulation was signed.

Mr. Brown testified that on May 11, 1999, Woody Electric and the Respondent entered into a contract for electrical construction work of which forty-percent of the work was completed and a total of \$11,337.06 is still owed by the Respondent. Mr. Brown submitted to the Board his Daily Time & Job Progress Reports as evidence of work completed and billed.

The Daily Time & Job Progress Reports were entered into evidence as EXHIBIT 2.

Mr. Nersesian stated that demolition work is not covered in the contract and that any work completed per the contract would not be paid for until the owner had paid the Respondent per Clauses 11.1 and 11.2. Counsel stated the Claimant was unable to keep a full crew on the job and the subsequent contractor had to be hired to complete the job. Mr. Nersesian stated the Financial Statement was not submitted in compliance with an Administrative Meeting request of September 21, 1999 due to pending litigation. Counsel indicated that two Financial Statements were presented to the Board staff in October, 1999 and February, 2000 for monetary limit increases.

Mr. Perko testified that a Financial Statement was not requested during the October 6, 1999 administrative meeting, however, at administrative meetings on December 14, 1999 and February 2, 2000 the Respondent was notified to submit an updated Financial Statement. Mr. Perko did not receive the Financial Statement.

**MR. CARSON MOVED TO CONTINUE UNTIL A FINAL DETERMINATION OF AN AWARD FOR ARBITRATION IS MADE.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**DESERAE GENERAL CONTRACTOR, #36998 – SUMMARY SUSPENSION HEARING**

Mr. Peter M. Brown, Owner, Deserae General Contractor and NSCB Investigator Greg Mincheff were sworn in.

Mr. Mincheff testified that three complaints against Deserae General Contracting are presently under investigation. The Broderick complaint will be heard in March, 2001. The second case involves work that has not been completed and the third case is under investigation for possible soil problems, which have resulted in significant damage to the residence due possibly to improper pad construction.

Mr. Brown testified that the soil problem was due to the homeowner's irrigation of lawn within the restricted distance of the residence set forth in the addendum to the contract. The Respondent testified he has built more than 200 homes in Pahrump. The Respondent testified that he is willing to provide performance bonds for future jobs and explore alternative processes for laying the pads due to the soil conditions.

**MR. CARSON MOVED THAT LICENSE #36998, DESERAE GENERAL CONTRACTOR BE PUT IN A PROBATIONARY STATUS WITH THE REQUIREMENT OF PERFORMANCE BONDS AND A SECOND SOIL ENGINEER EVALUATIONS.**

**MR. SHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**VINCENT DEVELOPMENT, #16170 – DISCIPLINARY RE-HEARING**

The Notice of Hearing & Complaint, dated July 21, 2000, consisting of pages 1-26, sent certified mail to the Respondent at the address of record on file with the Board, 911 Athens

Avenue, Henderson, Nevada 89015 as well as an additional address at 648 Joey Lane, Henderson, Nevada 89015. The return receipt was not received by NSCB. All envelopes were returned by the post office stamped "Unclaimed."

The Notice of Hearing and Amended Complaint, dated August 28, 2000, consisting of pages 1-26, sent certified mail to the Respondent at the address of record on file with the Board, 911 Athens Avenue, Henderson, Nevada 89015 as well as an additional address at 648 Joey Lane, Henderson, Nevada 89015. The return receipt was not received by NSCB. All envelopes were returned by the post office stamped "Unclaimed."

The Notice of Re-Hearing, dated January 19, 2001, consisting of one page, sent certified mail to the Respondent at the address of record on file with the Board, 1941 Ramrod Avenue, Henderson, Nevada 89014. The return receipt was dated January 22, 2001.

The hearing was for possible violations of NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when he has received sufficient money therefor; NRS 624.3013 (5), failure to include the monetary limit placed on the license, as required by NAC 624.640 (5); NRS 624.3013 (5), as set forth in NAC 624.700 (3) (b), failure to attend the scheduled informal meeting with the Board's staff and the complainant; and NRS 624.3013 (3), failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board.

Mr. Victor B. Vincent, President, Vincent Development, Mr. Anthony Lewis, Owner, Anthony Homes, and NSCB Investigator Mr. Ron Ramsey were sworn in, also in attendance was Mr. William Souppa, Counsel, Vincent Development.

The Notice of Hearing and Complaint were entered into the record as EXHIBIT 1, and the stipulation was signed.

The Financial Statement was entered into evidence as EXHIBIT 2.

The Notice of Settlement and Notice of Complaint were entered into evidence as EXHIBIT 3.

The letter of Close To Settlement was entered into evidence as EXHIBIT 4.

Mr. Ramsey testified that all money-owing complaints have been satisfied. Mr. Ramsey stated he has not examined any of the Respondent's new contracts to determine if the License Number and Monetary Limit is correctly reflected.

Mr. Vincent testified that 1941 Ramrod Avenue, Henderson, NV 89014 is his official business address of record. The renewal of license was returned as the Respondent's QE passed away and the Respondent is going to attempt to qualify as the QE on the license or will hire a new QE and will obtain indemnification.

MR. CARSON MOVED TO DISMISS THE FIRST, THIRD AND FOURTH CAUSE OF ACTION.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED THAT LICENSE #16170, VINCENT DEVELOPMENT WAS IN VIOLATION OF THE SECOND CAUSE OF ACTION.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED THAT LICENSE #16170, VINCENT DEVELOPMENT; WAS ORDERED TO PAY A FINE OF \$500.00; TO RECOVER THE INVESTIGATIVE COSTS OF \$4,022.00.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

**MEDCO CONSTRUCTION INC.**, #33771, #32003, and #33770, and **RYAN ANTHONY & ASSOCIATES**, #45211 – DISCIPLINARY HEARING (Continued from 1/24/01)

Mr. Mehdi Owliaie, President, MEDCO Construction, Inc, and NSCB Investigator Ron Ramsey was sworn in, also in attendance was Mr. Keith Gregory, Counsel for MEDCO Construction, Inc. and Mr. Joshua Landish, Bankruptcy Counsel for MEDCO Construction, Inc.

Mr. Griffy stated that this continued matter pertained to the establishment of a final reorganization plan in conjunction with the bankruptcy counsel being present to affirm the plan parameters.

The affidavit of Bankruptcy was entered into evidence as EXHIBIT 3.

The checks returned for insufficient funds were entered into evidence as EXHIBIT 4.

Mr. Landis stated that MEDCO Construction filed a Chapter 11 bankruptcy and reorganization will occur during the latter part of March, 2001. Counsel stated safeguards will be in place and money for reorganization will be available and the reorganization plan will be ready for Board review by the end of March, 2001. The respondent will establish a retroactive bond for the B-2 contractor license effective as of May 31, 2000.

The evidentiary portion of the hearing was closed.

**MR. CARSON MOVED THAT LICENSE #33770, MEDCO CONSTRUCTION INC.; BE REACTIVATED WITH A REDUCTION OF LIMIT TO ONE MILLION DOLLARS AND A TWENTY THOUSAND DOLLAR BOND; LICENSES WILL BE ON A PROBATIONARY STATUS PENDING RECEIPT OF A PERSONAL INDEMINIFICATION.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO CONTINUE THE HEARING ON APRIL 24, 2001.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**M B LEWIS CONSTRUCTION, #39667A – STAFF UPDATE**

NSCB Counsel presented a staff update for consideration by the Board. The Respondent is requesting the fine be reduced since some of the charges were dismissed.

**CHAMPION HOMES, #37853, MANLEY DEVELOPMENT INC., #36387 – DISCIPLINARY HEARING STAFF UPDATE (Continued from 1/24/01)**

Mr. Edward T. Manley, President, Champion Homes, James Groves, Office Manager, Coast West Plumbing, Michelle Laber, Perma Homes, Jenny Groves, Coast West Plumbing of Paramount Inc. and NSCB Investigator Mr. Bob Macke were sworn in, also in attendance was Mr. Michael Van, Counsel, Champion Homes.

Mr. Griffy stated that this update was to determine the status of workmanship issues and money owing complaints.

Counsel for Champion Homes stated on the Notice to Correct only two items remain to be resolved: the vinyl flooring and the drywall repair. Both complaints will be satisfied by Saturday, February 24, 2001.

**MR. CARSON MOVED TO REVIEW WORKMANSHIP STATUS IN 30 DAYS.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**BUDGET PAINTING AND DRYWALL**, #47210 – DISCIPLINARY / LICENSE RENEWAL HEARING

The Notice of Hearing & Complaint, dated January 19, 2001, consisting of pages 1 - 8, was sent certified mail to the Respondent at the address of record on file with the Board. The return receipt was received by NSCB dated January 20, 2001.

The Amended Notice of Hearing , dated February 9, 2001, consisting of pages 1 - 2, was sent certified mail to the Respondent at the address of record on file with the Board. The return receipt was not received by NSCB.

The hearing was for possible violations of NRS 624.3013 (3), failure to establish financial responsibility; NRS 624.302 (6), failure to comply with a written request by the board for records; NRS 624.3017 (1), Workmanship which is not commensurate with the standard of the trade; and 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 by failing to comply with the notice to correct.

Ms. Angela Pachino, NSCB Investigators Greg Mincheff and Lisa Bedsole, NSCB License Analyst were sworn in.

Mr. Gary Bridges , Owner, Budget Painting and Drywall, was not present, nor was anyone present on Respondent's behalf.

The Notice of Hearing and Complaint were entered into the record as EXHIBIT 1

Ms. Pachino testified the Respondent installed a pocket door in the hall at her residence and she paid \$1,200.00 to the Respondent. The door wall frame is crooked and the frame is uneven. The Window covering blind that was removed was not replaced. Complainant has had no contact with the Respondent.

Mr. Mincheff testified that the workmanship was below industry standards and a Notice to Correct was sent to the Respondent's address on record on July 12, 2000. A Final Notice to Correct was sent certified mail to the Respondent's address on August 1, 2000. Mr. Mincheff has not had any with the Respondent since a telephone call in July, 2000. The Respondent stated to Mr. Mincheff that he had a C4 (a, b, c, e) contractors license and was not authorized to do the framing.

The evidentiary portion of the hearing was closed.

**MR. CARSON MOVED TO ACCEPT THE FILE AND TESTIMONY AS FORMAL FINDINGS OF FACTS, CONCLUSIONS OF LAW.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO FIND BUDGET PAINTING AND DRYWALL, #47210, GUILTY OF ALL VIOLATIONS.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO REVOKE LICENSE #47210, BUDGET PAINTING AND DRYWALL; TO REQUIRE RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$2,212.00; IF THE RESPONDENT OR ANY PRINCIPAL THEREOF REAPPLIED FOR LICENSURE IN THE STATE OF NEVADA.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**PRIMACK HOMES INC., #39359, PRIMIER CONSTRUCTION, #44414 and CUSTOM HOMES BY CHATEAU LLC, #51092 – DISCIPLINARY HEARING STAFF UPDATE  
(Continued from 1/23/01)**

Mr. Lloyd P. Bouvier, President, and Mr. Jordan S. Primack, Primack Homes Inc., Mr. Brett Primack, Owner, Custom Homes by Chateau, Ms. Deanna Dean, Dean Roofing Company, Mr. Dan Bradley, Dan Bradley's Glass Shop, Mr. Jeffrey Stafford, Republic Electric, Inc., Ms. Joanne Downer, International Marble, Inc., and NSCB Investigator Mr. Ron Ramsey were sworn in.

Mr. Bradley testified that he was settling with the Respondent at twenty-five cents on the dollar and is owed \$5,448.00.

Mr. Dean testified that he was settling with the Respondent at twenty-five cents on the dollar and is owed \$2,247.00.

Mr. Stafford testified that he was settling with the Respondent at twenty-five cents on the dollar and is owed \$5,984.00.

Ms. Downer testified that he was settling with the Respondent at twenty-five cents on the dollar and is owed \$2,220.00.

Mr. Hall testified he has been offered a settlement by the Respondent but has not made his final decision and is owed \$5,448.00.

The letters to the homeowners offering a settlement were entered into evidence as EXHIBIT 3.

Mr. Brent Primack testified that he has one home under construction and that Mr. Jordan Primack is not affiliated with his company in any way shape or form.

**MR. CARSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**DEPENDABLE PAINTING, #28605 – FINDINGS OF FACT, CONCLUSIONS OF LAW**

Mr. Glen Campbell, Owner, Dependable Painting, was not present, nor was anyone present on Respondent's behalf.

Mr. Schaefer recused himself.

Mr. Griffy, NSCB counsel, stated there was insufficient evidence to establish the Second and Third Cause of Action as violations. The Board would be acting on the First and Fourth Cause of Action.

**MR. CARSON MOVED TO ACCEPT FORMAL FINDINGS OF FACTS, CONCLUSIONS OF LAW.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO SUSPEND LICENSE #28605, DEPENDABLE PAINTING; UNTIL SUCH TIME AS THE \$750.00 FINE IS PAID AND TO RECOVER INVESTIGATIVE COSTS OF \$2,316.00 WITHIN 90 DAYS OR THE LICENSE IS REVOKED; AND THAT A PERMANENT LETTER OF REPRIMAND BE PLACED IN LICENSE FILE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**DEZMAN CONTRACTORS INCORPORATED, #26413 – RECONSIDERATION OF SUSPENSION**

Mr. Griffy stated that the Respondent has existing contracts, in effect prior to the suspension of the license, and cannot pull the permits now that the license has been suspended.

Attorney Keith Gregory, requests Board determination regarding ability of the Respondent to obtain permits to complete contracts.

The Contracts were entered into evidence as EXHIBIT 3.

**MR. CARSON MOVED TO TAKE THE MATTER UNDER CONSIDERATION, HAVE COUNSEL REVIEW, AND HEAR AGAIN ON MARCH 6, 2001.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**EXECUTIVE SESSION**

Mr. Macke submitted changes to the Nevada Residential Construction Performance Guidelines Manual.

Ms. Grein provided an update on the new office space in Las Vegas.

**MS. CAVIN MOVED TO ADJOURN.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**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 Vice-Chairman Zech at 12:30 p.m.

Respectfully Submitted,

Bill Brandon, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman

Michael Zech, Vice Chairman