

MEMBERS

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MARGARET CAVIN
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RANDY SCHAEFER



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STATE CONTRACTORS BOARD

**MINUTES OF THE MEETING
JUNE 10, 2003**

1. CALL TO ORDER:

The meeting of the State Contractors Board was called to order by Adjudicating Board Member David W. Clark 8:30 a.m., Tuesday, June 10, 2003, State Contractors Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. David W. Clark
Mr. Jerry Higgins

STAFF MEMBERS PRESENT:

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 (Walter Bruce Robb)

Ms. Broussard stated that Mr. Torres had posted the agenda in compliance with the open meeting law on June 4, 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.

DISCIPLINARY HEARINGS:

ADJUDICATING BOARD MEMBER: DAVID W. CLARK

1. & 2. DISCIPLINARY HEARINGS:

GERBUS DEVELOPMENT, LICENSE NO. 29267
PADILLA CONSTRUCTION, LICENSE NO. 44856 (HEARD SIMULTANEOUSLY)

Mr. Michael Henry Gerbus, President; Mr. Joe Lopez, Vice President for Padilla Construction; Mr. Bruce Mundy, Attorney for Padilla Construction; Mr. and Mrs. Prothro, Homeowners; Investigator Gary Hoid were sworn in.

The hearing was for possible violations of NRS 624.3017(1); NRS 624.3013(5), as required by NAC 624.700(3)(a).

The Board Hearing File including, but not limited to the Notice of Hearing and Complaint, was entered into the record as Exhibit #1.

The Board Hearing File for Padilla Construction was entered into the record as Exhibit #2.

Dr. and Mrs. Prothro entered into a contract with Gerbus Development to perform work on their home for a contract price of 483,000. The project was completed on August 14, 1998. Respondent was paid in full.

Investigator Gary Hoid testified that he validated the workmanship items and issued a Notice to Correct to Gerbus Development on July 2, 2002. Mr. Hoid further testified that the south wall stucco is still not installed to the standards of the industry. A Notice to Correct was sent to Padilla Construction for the stucco replacement. However, Dr. Prothro denied access.

Dr. Prothro testified that Gerbus and Padilla have attempted to complete the repairs but the proposed workmanship to fix the problem was not acceptable.

Mr. Lopez testified that in his opinion the stucco problem may be due to inadequate waterproofing. Mr. Lopez further testified that the entire home would require new stucco and pain to correct the problem.

Photos were admitted as Exhibit #3.

Dr. Prothro offered to pay \$2,000 for completion of all required repairs.

A copy of an Invoice was admitted as Exhibit #4.

Mr. Clark found Respondent Gerbus Development, license #29267, guilty on the First cause of action, and dismissed the Second cause of action. Respondent is to make all necessary repairs within 90 days, or license will be suspended. Homeowner to allow access for repairs and will pay \$2,000 for additional repairs.

Mr. Clark found Padilla Construction, license #44856, guilty on the First cause of action, dismissed the Second cause of action. Respondent is to complete the entire home's restucco and paint within 90 days or the license will be automatically suspended. All work is to be performed at no cost to the General Contractor.

3. DISCIPLINARY HEARING

SKYHIGH BUILDERS, LICENSE NO. 30587

Mr. Gregory Liston, Owner of Skyhigh Builders; Martin Tate, Co-worker; Mr. & Mrs. Phillips, Homeowners; Investigator Gary Hoid 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 624.600 (1)(a)(b); NRS 624.3015 (1); NRS 624.3015(2); NRS 624.3013(5) as required in NRS 624.520 (1).

The Board Hearing File including, but not limited to the Notice of Hearing and Complaint, was entered into the record as Exhibit #1.

Court Transcripts from Small Claims Court was admitted as Exhibit #2.

Mr. and Mrs. Phillips entered into a verbal contract with Skyhigh Builders on March 22, 2002 for the remodeling of a bathroom for a contract price of \$12,500. Respondent was last on the project on August 1, 2002.

Mr. Hoid testified that he validated the substandard workmanship items and issued a Notice to Correct on December 11, 2002 to which Respondent did not comply in a timely manner. Mr. Hoid confirmed that a building permit was not pulled for the projects, a list of sub-contractors was not provided, and the contract does not provide the Residential Recovery

Fund disclosure. Mr. Hoid further stated that Respondent's license is a B-2 classification with a \$1,000 monetary limit.

Mrs. Phillips testified that Mr. Liston hired an unlicensed contractor to do the plumbing and the electrical work. Mrs. Phillips further stated that permits were not pulled for any portion of the project and she had to hire a licensed electrician to complete the job.

Mr. Tate testified that he worked for Mr. Liston occasionally performing roof repairs, plumbing, taping, and texturing work.

Mr. Liston described his understanding of the scope of the project. Mr. Liston stated homeowner had paid for the electrical and tile work separately.

Mr. Clark found Skyhigh Builders, license #30587 guilty on the First, Second, Third, Fourth, Fifth, Sixth and Seventh causes of action, assessed a fine of \$500 per violation for a total of \$3,500 and assessed investigative costs of \$1,620 to be paid within 90 days and suspended the Respondent's license until all work is completed. The repairs must be completed and costs paid within 90 days or the license will be automatically revoked.

4. DISCIPLINARY HEARING

HOME WORKS, LICENSE NO. 31708

Jeff Heckman, Son of William F. Heckman, Owner; Mrs. Andrea Heckman; Jim Rankle, Attorney for Mr. & Mrs. Heckman; Mr. & Mrs. Clark, Homeowners; Investigator Gary Leonard were sworn in.

The hearing was for possible violations of NRS 624.3017(1); NRS 624.3013(5), as required by NAC 624.700(3)(a); NRS 624.3011(1)(a).

The Board Hearing File including, but not limited to the Notice of Hearing and Complaint, was entered into the record as Exhibit #1.

Mr. and Mrs. Clark entered into a contract with Homeworks to perform work on a roof, workshop and sunroom on February 18, 2002 for a contract price of \$31,700. Four written change orders were submitted bringing the contracted price to \$26,995. Respondent was last on the project on May 13, 2002.

Investigator Gary Leonard testified he validated the substandard workmanship items and was last at the site on June 9, 2003. Mr. Leonard further stated that five items were still in need of repair.

Set of plans was admitted as Exhibit #2.

Letter from Velux dated February 10, 2003 was admitted as Exhibit #3.

Mr. Clark testified that he did not deny access to the home.

Complaint Form was admitted as Exhibit #4.

Copy of Decision and Order was admitted as Exhibit #5.

Letter dated September 3, 2002 signed by Frank Torres on behalf of Investigator Gary Hoid was admitted as Exhibit #6.

Four-page letter from Mark Donahue was admitted as Exhibit #7.

Mrs. Heckman further stated that N R C Roofing was hired to complete the repairs.

Documents from N R C Roofing were admitted as Exhibit #8.

Mr. Jeff Heckman described his understanding of the scope of the project.

Letter from the Clarks to Homeworks was admitted as Exhibit #9.

Mr. Clark found Homeworks, license #31708 Guilty on the First cause of action, not guilty on the Second cause of action, dismissed the Third cause of action, assessed investigative costs of \$2,314, repairs must be completed and costs must be paid within 30 days or the license will be suspended.

5. ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned by Adjudicating Board Member, David W. Clark at 12:15 p.m.

Respectfully Submitted,

Diana V. Alvarado, Recording Secretary

APPROVED:

Margi A. Grein, Executive Officer

Adjudicating Board Member, David W. Clark

CALL TO ORDER:

The meeting of the State Contractors Board was called to order by Adjudicating Board Member Jerry Higgins 12:17 p.m., Tuesday, June 10, 2003, State Contractors Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

DISCIPLINARY HEARINGS:

ADJUDICATING BOARD MEMBER: JERRY HIGGINS.

6. DISCIPLINARY HEARING:

LEGENDS STUDIO, LICENSE NO. 43023

Mr. Marty M. Mitchum, Project Manager for Clark & Sullivan, Complainant; Investigator Fred Schoenfeldt were sworn in.

The hearing was for possible violations of NRS 624.301(1).

The Board Hearing File including, but not limited to the Notice of Hearing and Complaint, was entered into the record as Exhibit 1.

No one from Legends Studio was present.

Clark and Sullivan entered into a contract with Legends Studio on March 12, 2001 for work on banner structures, aluminum wall panels and a kiosk for a contract price of \$115,415. No work was conducted.

Mr. Mitchum verified the terms of the contract and stated that Legends Studio failed to start or perform work on the contract.

Investigator Fred Schoenfeldt testified that the work was not performed and verified the terms of the contract.

Mr. Higgins found Legends Studio, license #43023 guilty as charged, revoke license, all parties to be whole, reimburse Clark & Sullivan \$42,878 and assessed investigative costs of \$1,579 all to be paid prior to future re-licensure.

7. ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned by Adjudicating Board Member, Jerry Higgins at 12:23 p.m.

Respectfully Submitted,

Diana V. Alvarado, Recording Secretary

APPROVED:

Margi A. Grein, Executive Officer

Adjudicating Board Member, Jerry Higgins