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STATE CONTRACTORS' BOARD

**MINUTES OF THE MEETING
AUGUST 7, 2001**

The meeting of the State Contractors' Board was called to order by Vice-Chairman Mike Zech at 8:45 a.m., Tuesday, August 7, 2001, State Contractors' Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Mike Zech – Vice Chairman
Mr. Douglas W. Carson
Ms. Margaret Cavin
Mr. Jerry Higgins
Mr. Dennis Johnson (Exited at 3:25, Returned at 3:55)
Mr. Randy Schaefer

BOARD MEMBERS ABSENT:

Mr. Kim Gregory

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins)
Mr. David Reese, Legal Counsel (Cooke, Roberts & Reese)
Ms. Nancy Mathias, Licensing Administrator
Mr. George Lyford, Director of Special Investigations
Mr. Frank Torres, Deputy Director of Investigations
Ms. Kathy Stewart, Licensing Supervisor
Ms. Diana Sippola, Licensing Analyst
Mr. Ron Carney, Investigator
Mr. Gary Hoid, Investigator
Mr. Gary Leonard, Investigator
Mr. John Sapp, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Kate Murray, Court Reporter, Sierra Nevada Reporters; Jerry Lee Blades, Owner, Blades Construction; Complainants: Tammy Christopherson and Keith Kellison; Soren Christopherson; Cheryl and Brian Mueller; Gail Willey, Owner, High Sierra Trees; Attorney Jim Spoo for High Sierra Trees; Shirley Sunde, Complainant; Brian Dean; Bruce Bates, Former Foreman, High Sierra Trees; Attorney Michael Springer representing Shirley Sunde; Scott W. Reutner, President, Spur Development; Allan Stefka, Complainant; James David Goldberg, Owner, Westland Construction; Donna Brothers, Complainant; Joshua Goldberg; Ann Goldberg; Brennan Moore; Attorney Phillip Kreitlein for Westland Construction; Gerald Nott, Owner, Gerald Nott; Complainants James and Collette Jordan; Attorney James R. Hales for Gerald Nott; Debbra Davis, President, Ability Roofing; Mike Davis; Megan Gebhardt; David Strickler; Bill Pope, Temper Insurance; Bruce Cyra, Legal Assistant to Bob Maddox, Attorney; Dwight Douglas Englekirk, Owner, Englekirk Construction; Dale Bolton; Janet Massey; John Massey; Ray Eberlin; Mike Matuska,

Attorney for the Masseys; Michael K. Johnson, Attorney for Englekirk Construction; Kevin Rose, President, Four Seasons Design and Remodeling; Chris Stecker, Vice President, Four Seasons Design and Remodeling; Tom Thomas, Complainant; Tonya Byrd, President, Byrd Electric, Inc.; Buddy Byrd, Owner, Byrd Underground; Dan O'Brien, Manager, State Public Works Board; William Plouffe, President Backhoe Bills Inc; Ronald Tixier, Owner, Four Seasons Professional Painting; Attorney Paul Gilley for Four Seasons Professional Painting; Dana Harper, Owner, Le Manoir; and James Saxton, President, Saratoga Land & Development.

Ms. Grein stated that Ron Carney had posted the agenda in compliance with the open meeting law on August 1, 2001 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.

Mr. Zech called for a motion to approve the minutes of July 24, and July 30, 2001.

MR. HIGGINS MOVED TO APPROVE THE MINUTES OF JULY 24, AND JULY 30, 2001.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

It was learned there were 13 items on the amended agenda, each item of an emergency nature. In addition, item number 4, M B K Construction was requesting the withdrawal of their request for late renewal.

MS. CAVIN MOVED TO HEAR THE AMENDED AGENDAS.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

EXECUTIVE SESSION

TECH PARK 5, LLC AND NSCB LEASE AGREEMENT

Ms. Grein distributed copies of the proposed lease agreement for the Las Vegas office space. She said the agreement was to be reviewed by the Board of Examiners on August 10, 2001. The anticipated move in date was scheduled for November 15, 2001. The Board recommended that Ms. Grein acquire a copy of the commission agreement.

MR. CARSON MOVED TO APPROVE THE LEASE AGREEMENT.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

REGULATION - RECOVERY FUND - CITATIONS

The Board was informed by Ms. Grein that staff was still in the process of drafting changes to the Recovery Fund Regulations. A staff member in Las Vegas had been assigned to process claims. A form containing Frequently Asked Questions regarding the Recovery Fund had been posted on the web and a Recovery Fund Claim form was ready to post as well.

REGULATION - PROPOSED AMENDMENT TO NAC 624 REGULATIONS (POOL & SPA ADVERTISING)

Ms. Grein provided the Board with the first draft of the proposed Pool and Spa Advertising Regulation. Mr. Lyford had prepared the draft following the guidelines in NRS Chapter 597.

PERFORMANCE GUIDELINES

A new copy of the performance guideline was distributed to the Board members. Ms. Grein recommended using the material as a performance guideline rather than a performance standard, and to use the material as a reference along with the building codes.

MR. SCHAEFER MOVED TO ACCEPT THE PERFORMANCE GUIDELINES AS THE PRIMARY GUIDELINES FOR USE BY INVESTIGATIVE STAFF.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

The remainder of the Executive Session was postponed to address scheduled items on the agenda.

DISCIPLINARY HEARINGS

BLADES CONSTRUCTION #23397 - DISCIPLINARY HEARING (Continued from 6/5/01)

Jerry Lee Blades, Owner, Blades Construction, was present. Also present were Complainants: Tammy Christopherson and Keith Kellison; NSCB Investigator Gary Hoid; Soren Christopherson; and Cheryl and Brian Mueller.

In the hearing of June 5, 2001, Blades Construction had been found in violation of NRS 624.3017 (1) and NRS 624.3013 (5). All other charges had been dismissed. Blades Construction had then been ordered to retain the services of another duly licensed contractor to correct all outstanding items on the board's order to correct in both the Christopherson and Kellison complaints. All work was to be completed within 60 days or the license was to be automatically suspended. The penalty phase had been stayed.

NSCB Investigator Hoid said Mr. Blades had contacted a Mark Zinke to resolve the workmanship issues. However, Mr. Zinke decided he was not interested in performing the repairs. Thereafter, Mr. Blades contacted Powell Cabinets, who expressed an interest in doing the work. When Mr. Hoid contacted Roger Powell, he was informed Powell Cabinets was not interested either.

Mr. Kellison countered that Bill Powell, the owner of Powell Cabinets, had been willing to do the work at one time. Mr. Kellison believed he could get Powell Cabinets to perform the work now because Bill Powell was the one who had originally reviewed his cabinets and had identified the deficiencies in them. At the time, Bill Powell had expressed a desire to submit a bid to correct them. Mr. Kellison indicated he would like to have the cabinets corrected by Powell Cabinets.

Mr. Haney explained that the license would be automatically suspended unless the Board took other action to extend the time period.

Mr. Blades said it had been hard to find someone to do the work because everyone was afraid of a complaint. Mark Zinke had agreed to perform the work but later reneged. Roger Powell also said he was not interested in performing the job upon reviewing the amount of work that needed to be corrected.

Mr. Kellison reiterated he would like to have Powell Cabinets perform the work. Ms. Christopherson agreed that she, too, would accept Powell Cabinets as the contractor. The only condition Mr. Kellison requested was documentation indicating that he and Ms. Christopherson would be free from liability if Mr. Blades failed to pay the contractor.

Mr. Haney said he would work up something to protect both homeowners.

It was noted that all conversations should be coordinated through Investigator Hoid.

Mr. Haney recommended that status reports be made every two weeks until completion.

MS. CAVIN MOVED TO UPHOLD THE MOTION OF JUNE 5, 2001 FOR AUTOMATIC SUSPENSION OF LICENSE #23397, BLADES CONSTRUCTION; AND TO REQUIRE A STAFF UPDATE OF THE STATUS OF THE TWO PROJECTS IN TWO WEEKS AT THE NEXT LAS VEGAS BOARD MEETING. IF SUBSTANTIAL PROGRESS HAD BEEN MADE, THE BOARD WOULD CONSIDER REINSTATING THE LICENSE. BOTH PROJECTS WERE TO BE COMPLETED IN 45 DAYS.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED. (MR. JOHNSON ABSTAINED)

HIGH SIERRA TREES #28881 and #46825 - DISCIPLINARY HEARING (Continued from 6/5/01)

Gail Willey, Owner, High Sierra Trees, was present with his attorney, Jim Spoo. Also present were Shirley Sunde, Complainant; NSCB Investigator Gary Hoid; Brian Dean; Bruce Bates, Former Foreman, High Sierra Trees; and Attorney Michael Springer representing Shirley Sunde.

On June 5, 2001, the Board had accepted the respondent's stipulation to the charges, and had ordered the Licensee to hire and pay another licensed contractor to perform the corrective work. The penalty phase of the hearing had been stayed for 60 days to allow the corrective action to be accomplished.

Mr. Haney stated that he had recently received correspondence from Attorney Spoo that included a signed contract from Jim Bedlan, an addendum to the agreement, and a waiver of a mechanics lien as to Ms. Sunde's property. The documents had not been completed until sometime between July 27 to August 2, 2001. A copy of the documentation was entered into the record as EXHIBIT 2.

Mr. Springer stated that his only caveat after the last meeting was that large trees not be moved or set in hot weather. He wanted that work to be performed in cooler weather. The Board's deadline for the work to be completed was August 7, 2001, and, to date, not one shovel of dirt had been turned. He then detailed his other requests, which also had not been performed. He said his client was fed up. The complaint had been pending for three years, the work had not been performed according to the contract, and he was now asking the Board to discipline the license.

Mr. Spoo concurred that progress had been disappointing on all sides. It had taken a long time for Mr. Dean to provide a work plan, and then there had been a switch in contractors from Acme Landscaping to Bedlan Landscaping. It now appeared that Mr. Bates, who represented Ms. Sunde, had not responded to Mr. Dean's suggested work plan regarding Ms. Sunde's choices of the discretionary items. This prohibited the work from being accomplished.

Mr. Springer responded that Mr. Dean had not forwarded a copy of the work plan to Ms. Sunde for response. It had been forwarded only to the Contractors' Board. Mr. Springer had acquired a copy from Investigator Hoid. To date, the discretionary items had not been

chosen due to all the delays involving the selection of a contractor to perform the work and the delay in receiving Mr. Dean's work plan.

NSCB Investigator Hoid testified that Lisa Young of Acme Landscape had contacted him indicating that after reviewing the contract she did not want anything to do with the project. Bedlan Landscaping had accepted the project on August 3, 2001.

Mr. Reese recommended disciplining the license and to allow the parties to resolve their issues in court.

Mr. Willey testified that he had made an agreement to hire a professional person (Mr. Dean) to look at the problems and to recommend a resolution. He, himself, agreed to pay for all the repairs. He did not know why, to date, nothing had been accomplished. As it stood, if a contractor were to appear at the complainant's home, he would not know what to do. What was needed was clarity on what work needed to be performed. Mr. Willey said he wanted to please the Board and get the work done so that he could have a license.

The evidentiary portion of the hearing was closed.

MS. CAVIN MOVED TO REVOKE BOTH LICENSES IN 60 DAYS IF SUBSTANTIAL WORK HAD NOT BEEN ACCOMPLISHED TO THE STANDARD OF THE INDUSTRY TO REVIEWED BY THE BOARD INVESTIGATOR.

MR. JOHNSON SECONDED THE MOTION.

After some discussion of the motion, Ms. Cavin withdrew her motion and Mr. Johnson withdrew his second. The motion was declared withdrawn.

MR. CARSON MOVED TO MAINTAIN LICENSE #28881 AND #46825, HIGH SIERRA TREES AND HIGH SIERRA TREES & LANDSCAPING, IN A SUSPENDED STATE UNTIL FULL RESTITUTION WAS MADE TO THE DAMAGED PARTIES AND RECOVERY OF THE INVESTIGATIVE COST OF \$10,677 HAD BEEN MADE. ADDITIONALLY A PERMANENT LETTER OF REPRIMAND WAS TO BE PLACED IN THE LICENSE FILE.

The motion died due to a lack of a second.

MR. CARSON MOVED TO LEAVE BOTH LICENSES IN A SUSPENDED STATE PENDING THE OUTCOME OF LITIGATION, AT WHICH TIME THE LICENSES WERE TO BE BROUGHT BACK TO THE BOARD FOR FURTHER ACTION.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

SPUR DEVELOPMENT LTD #40930 and #47691 - DISCIPLINARY HEARING (Continued from 6/5/01)

Scott W. Reutner, President, Spur Development, was present, along with Allan Stefka, Complainant, and NSCB Investigator Gary Leonard.

On June 5, 2001, the Board found Spur Development Ltd. in violation of NRS 624.3017 (1), and NRS 624.3013 (5), and dismissed NRS 624.3018. The Licensee had been ordered to comply with the latest notice to correct and the penalty phase had been stayed.

Investigator Leonard testified that as of August 1, 2001, 4 or 5 items remained uncompleted. Some drywall, painting, damp proofing, final cleanup, and the reinforcement of one of the closet racks still needed to be corrected. The drywall had been corrected but not to the standard of the trade.

MR. CARSON MOVED TO REVOKE BOTH LICENSES AND TO REQUIRE FULL RESTITUTION BE MADE TO THE HOMEOWNER AND TO RECOVER THE INVESTIGATIVE COST OF \$3,388 PRIOR TO FUTURE CONSIDERATION FOR A LICENSE.

The motion died due to a lack of a second.

Investigator Leonard said progress had been made. What remained was minor, most of the work having been performed by subs. Mr. Reutner, himself, only needed to correct the front door and to perform some damp proofing underneath the rear porch. Mr. Leonard said the corrective work would require 1 or 1 ½ days.

Mr. Stefka stated that he was not interested in having the work corrected. He preferred the Board discipline the license.

Mr. Reutner stated he attempted to perform the remaining repairs but he was not allowed access.

Investigator Leonard replied that the homeowners worked for the school district. Mr. Reutner had all summer to make the repairs but waited until the end of the specified period to perform the work, after Mrs. Stefka had been required to return to work.

Mr. Reutner said he could return next Saturday, August 11, 2001.

MR. CARSON MOVED TO SUSPEND LICENSE #40930 AND #47691, SPUR DEVELOPMENT. IF THE CONTRACTOR DID NOT PERFORM THE REPAIRS BY THE NEXT RENO BOARD MEETING OR WITHIN THE NEXT 30 DAYS, WHICHEVER CAME FIRST, TO THE STANDARD OF THE INDUSTRY TO BE REVIEWED BY THE BOARD INVESTIGATOR, THE LICENSES WERE TO BE AUTOMATICALLY REVOKED. UPON COMPLETION OF THE REPAIRS, THE LICENSES WERE TO REMAIN SUSPENDED UNTIL THE INVESTIGATIVE COST OF \$3,388 WAS RECOVERED, TO BE PAID WITHIN 120 DAYS; AND ONCE THE SUSPENSIONS WERE LIFTED TO PLACE A 2-YEAR LETTER OF REPRIMAND INTO THE LICENSE FILES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

WESTLAND CONSTRUCTION #20727 - DISCIPLINARY HEARING

The Notice of Hearing for the August 7, 2001 hearing, consisting of two pages, was mailed certified on July 6, 2001, return receipt received on July 9, 2001.

The Notice of Complaint and Requirement to Answer consisting of 1-20 pages was sent certified mail on May 16, 2001. The return receipt had not been received.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; NRS 624.3013 (5) as set forth in NAC 624.700 (3) (a) failure to comply with the regulations of the Board by failing to comply with the Board's notice to correct; NRS 624.3013 (5) as set for the in NAC 624.640 (5), failure to comply with the regulations of the Board by Respondent's contract not containing the monetary license limit; NRS 624.3013 (5) as set forth in NRS 624.600, the Respondent

did not provide the Notice to Owner, requiring disclosures regarding subcontractors and mechanics lien; NRS 624.3011 (1) (a) disregard of plans or specifications; 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.

Ms. Grein withdrew the charge of NRS 624.3013 (3) because a financial statement had been received.

James David Goldberg, Owner, Westland Construction; NSCB Investigator Gary Leonard; Donna Brothers, Complainant; Joshua Goldberg; Ann Goldberg; and Brennan Moore were sworn in. Attorney Phillip Kreitlein representing Westland Construction was identified.

The notice of hearing and a signed stipulation were entered into the record as EXHIBIT 1.

Ms. Brothers testified that on or about March 16, 2000 she had entered into a contract with the Respondent for the construction of a single-family residence for a total contract price of \$204,965. Ms. Brothers said the insulation in the under floor space did not meet code; the rear deck was not constructed at the proper height; the door of the master bathroom shower was not to Uniform Building Code; the door jams in the master bathroom and master closet were made of pine instead of oak; the overhead cabinets and shelves in the laundry room were not installed as per plans; the installed fireplace was not the unit agreed upon by both parties; parts of the exterior trim were missing, some were cut short, and some were not painted; the overhead trim on the hallway door did not fit properly; the trim work on the lower kitchen cabinets was not installed; rain diverters were not installed over the front door, garage door, and rear patio; the man door in the garage had not been painted on the interior side; and the baseboards were not caulked properly.

Mr. Kreitlein questioned Ms. Brothers regarding the items and the changes that had occurred during construction for potential buyers of the residence. Ms. Brothers stated that she had not intended to occupy the home. The residence was built as an owner builder for the purpose of selling.

Investigator Leonard testified that the plans called for shelves and cabinets in the laundry room; a concrete patio, which was later changed to redwood; and oak door jams that were substituted with pine. He added that insulation of the stem wall was a County code requirement and that the Uniform Building Code required the master bath shower door to be a minimum of 22". It was 19". Regarding the fireplace, Investigator Leonard said Mr. Goldberg had signed an agreement to install a specific type and model. On the baseboards, some areas needed to be re-caulked and on the cabinets some trim needed to be installed. Overall, these were pickup items that should have been done.

Mr. Kreitlein said Westland Construction had sued the Brothers' for the money still owed on the contract balance and extras totaling \$53,896.45. A suit was pending.

When asked if there was an access issue, Mr. Kreitlein said yes, Mr. Goldberg had been terminated from the job and had not been allowed to return to finish the job.

Ms. Brothers said she had notified Mr. Goldberg that he did not have Workman's Compensation. At that time, Mr. Goldberg told her that he did not have the finances to complete the job. Based on those two facts she did not allow him back.

Investigator Leonard stated he had issued the notice to correct on March 14, 2001 prior to an access issue. Mr. Goldberg went back one time to work on the door jams. At that time, Ms. Brothers learned Mr. Goldberg did not have industrial insurance and did not want him back on the job.

Mr. Kreitlein pointed out that there seemed to be a serious issue of law as to whether or not Mr. Goldberg has a right to work without industrial insurance coverage for himself. Mr. Goldberg had received a notice taped to the property, which read "Termination of Services. The Letter of Termination notice dated March 16, 2001 was entered into the record as EXHIBIT 2.

In further testimony, Investigator Leonard testified that the contract did not contain the monetary limit and the required disclosures regarding subcontractors and mechanic liens had not been given to the homeowner. He also confirmed that the plans called for a specific type and model of prefabricated unit in the fireplace that had not been installed.

Mr. Goldberg testified that he had filed a mechanics lien on the property but had lifted it for the new owners. He had not been terminated from the job until after the Certificate of Occupancy had been issued.

Mr. Haney pointed out that the license number was on the contract with a mechanics lien notice at the bottom of the contract, but the limit was missing, as well as the list of subcontractors.

MR. JOHNSON MOVED TO CONTINUE THE HEARING PENDING THE OUTCOME OF LITIGATION.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

SPANISH SPRINGS ELECTRIC #44844 - DISCIPLINARY HEARING

Glen T. Cogburn, Owner, Spanish Springs Electric, was not present, nor was anyone present on the Respondent's behalf.

The Notice of Hearing for the August 7, 2001 hearing consisting of 2 pages was sent certified mail on July 6, 2001. The envelope was returned unopened, undeliverable.

The Notice of Complaint and Requirement to Answer, consisting of pages 1-74, was mailed to Respondent's address of record, by Certified Mail, Return Receipt Request on May 30, 2001. It was returned to NSCB on June 4, 2001, stamped "Moved, Left No Forwarding Address" by the U.S. Postal Service.

Default was mailed on April 5, 2001 certified mail.

The Notice of Hearing and Complaint, consisting of pages 1-74, was mailed to Respondent's address of record, by Certified Mail, Return Receipt Requested on February 7, 2001. It was returned to NSCB on February 13, 2001, stamped "Moved, Left No Forwarding Address" by the U.S. Postal Service.

The hearing was for possible violation of NRS 624.301, abandonment or failure to complete or prosecute diligently project for construction; willful failure to comply with terms of contract or written warranty; NRS 624.3012 (2), diversion of money; failure to pay for materials or services; failure to release lien against property to be improved; NRS 624.302 (5), failure or refusal to respond to or comply with written requests of board to cooperate in the investigation; NRS 624.263 (3), financial responsibility of applicant or licensee; NRS 624.3013 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to report a change of address.

The notice of hearing was entered into the record as EXHIBIT 1.

NSCB Investigator John Sapp was sworn in. He testified that he had established that there had been a subcontract between the Respondent and American General Development for a total contract price of \$399,850. Mr. Sapp said he had also established

that American General had paid a sum of \$220,410.29 to the Respondent who failed to return to complete the project, and that he had verified the Respondent had entered into a contract with Lassco Sound and Systems to provide material and labor at the Lander County Jail for a total contract price of \$99,781.98. To his knowledge the Respondent had not been paid. The Respondent had been noticed of a administrative meeting to discuss the matter and to provide documents concerning the investigation on November 30, 2000.

The Respondent did not attend the meeting. Mr. Sapp said during his investigation he learned that the Respondent had filed a bankruptcy petition in the bankruptcy court for the district of Nevada, and at no time had the Board been notified in writing of the filing. It was through the Assessor's Office that Mr. Sapp learned that the Respondent had moved. The Respondent had confirmed that information as well.

The evidentiary portion of the hearing was closed.

MS. CAVIN MOVED TO ACEPT THE FILE AND TESTIMONY AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND LICENSE #44844 IN VIOLATION OF ALL CHARGES; TO REVOKE THE LICENSE OF SPANISH SPRINGS ELECTRIC; AND PRIOR TO FUTURE LICENSURE, TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES AND TO RECOVER THE INVESTIGATIVE COST OF \$2,730.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

GERALD NOTT #42232 - DISCIPLINARY HEARING

The Notice of Hearing for the August 7, 2001 hearing consisting of 2 pages was sent certified mail on July 6, 2001. Return receipt was received in NSCB on July 12, 2001.

The Notice of Complaint and Requirement to Answer consisting of 21 pages was sent certified mail on May 1, 2001. Return receipt was received at NSCB on May 7, 2001.

An answer was received on May 15, 2001.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; NRS 624.3013 (5), failure to comply with law or regulations of the board as set forth in NAC 624.700 (3) (a), by failing to comply with the Board's Notice's to Correct; NRS 624.3013 (5), failure to comply with law or regulations of the board as set forth in NAC 624.640 (5), by failing to provide the required disclosure by general building contractors.

Gerald Nott, Owner, was sworn in along with Complainants James and Collette Jordan and NSCB Investigator Gary Leonard. Also present was Mr. Nott's attorney, James R. Hales.

The notice of hearing and the signed stipulation were entered into the record as EXHIBIT 1.

Mr. Jordan testified that on or about November 17, 1999, he had entered into a contract with the Respondent to complete a single family dwelling for a total contract price of \$24,545.00. Mr. Jordan said he had paid the Respondent a total of \$21,287.28 towards the contract price, but subsequently, because of litigation initiated by Mr. Nott he had paid Mr. Nott additional monies.

Mr. Jordan said he had reported several workmanship issues to the board. The second floor guest bedroom door was out of plumb ¼", 16 windowsills were cut incorrectly; there were several problems in the master bath: the vanity tile was inconsistent in color, the electrical wires were exposed, the soap dish caulking was incomplete, and the shower door did not open properly; problems on the second floor included skylights that were not painted on the inside, the return air grill was not painted, the ceiling fan attachment was

out of square, the thermostat and the B vent were not installed correctly, under the kitchen cabinets there was a large gap at floor tile junction; the under stairs door on the first floor was out of plumb; the cover on the electrical box in the storage closet had not been installed; the closets in several areas had not been painted; the stair cap on pony wall was out of level; the kitchen sink was out of square 3/16"; several faceplates were missing in the kitchen; and the guest bath cabinets had a 1/4" to 3/8" inch gap on both sides.

Investigator Leonard testified that he had validated all of the issues as presented.

Mr. Hales questioned Investigator Leonard as to when he performed his inspection. It was learned the notices to correct had been sent on June 5 and July 25, 2000. Mr. Leonard's inspection occurred in March 2001 because the case had originally been assigned to a former Board investigator. Investigator Leonard said he did not specifically speak to Mr. Nott regarding the items on the notice to correct.

Investigator Leonard confirmed that he was aware that two notices to correct had been issued. To his knowledge, Mr. Nott did not comply with the notices to correct. Additionally, Mr. Leonard stated that there was no monetary limit on the contract.

Mr. Nott testified that the Jordans had purchased a house that was unfinished. They had approached Mr. Nott for an estimate to complete the work that remained unfinished. Mr. Nott provided them with a line item estimate, which meant that as a line item on the estimate was completed, he would bill them. He explained to them that they would be billed approximately every 2 weeks, at which time, Mr. Nott expected to be paid. The Jordans agreed to this.

Mr. Hales presented a book of exhibits, which was entered into the record as EXHIBIT 2. He said the problem his client had with the Jordans was an access issue. He then presented evidence utilizing EXHIBIT A.

Mr. Nott testified that he had submitted a completed work invoice dated January 1, 2000 for \$9,093.00. Prior to delivering the invoice, Mr. Nott suspected that the Jordans were not going to pay him because the Jordans wanted to use the house for the year-end holidays and wanted the Certificate of Occupancy prior to completion of the work. Approximately 10% of the work remained uncompleted. When the Jordans moved in, he asked them to prepare a punch list of all correction items. When he contacted them at the end of December, Ms. Jordan told Mr. Nott that the house was deplorable and that they did not intend to pay him. It was at that time Mr. Nott invoiced the Jordans and liened the property. When the Jordans asked for arbitration, Mr. Nott took that to mean that the Jordans did not want him to return to correct any work. Four months later Mr. Nott was invited to attend an Administrative Hearing at the Board, but he did not attend on the advice of his former attorney because they both understood 'to settle by appropriate means' to mean arbitration.

The Arbitrator's Opinion was entered into the record as EXHIBIT B.

Mr. Haney asked if all of the items had been brought up in the arbitration, Mr. Nott replied yes, and said they had all been settled.

Ms. Jordan explained the reason for the arbitration was because of the mechanics lien. She said they had to get the lien removed in order to sell the house.

Mr. Haney questioned if in the arbitration proceedings, there was an award to compensate the Jordans for the workmanship items. The Jordans said they did not believe so. Mr. Haney referenced Item 6 on page 6 of the arbitration award, which indicated that a refund-credit for repairs requested by the Contractors' Board had been awarded.

Mr. Nott stated that the items on the notice to correct were standard punch items that normally would have been taken care of. Ms. Jordan disagreed.

Mr. Hales stipulated to the third cause of action, NRS 624.3013 (5) as set forth in NAC 624.640 (5).

Mr. Haney, when questioned, agreed that the arbitration award addressed the second cause of action, NRS 624.3015 (5) as set forth in NAC 624.700 (3) (a).

The evidentiary portion of the hearing was closed.

MR. CARSON MOVED TO DISMISS THE SECOND CAUSE OF ACTION, NRS 624.3015 (5) AS SET FORTH IN NAC 624.700 (3) (A) AND TO FIND LICENSE #42232, GERALD NOTT, IN VIOLATION OF THE FIRST AND THIRD CAUSE OF ACTIONS, NRS 624. 3017 (1) AND NRS 624.3015 AS SET FORTH IN NAC 624.640 (5).

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO PLACE A PERMANENT LETTER OF REPRIMAND IN THE FILE OF LICENSE #42232, GERALD NOTT; AND TO IMPOSE THE RECOVERY OF THE INVESTIGATIVE COST OF \$2,470, TO BE PAID WITHIN 90 DAYS OR THE LICENSE WAS TO BE AUTOMATICALLY SUSPENDED.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED. (MS. CAVIN AND MR JOHNSON WERE OPPOSED)

ABILITY ROOFING #42233 - DISCIPLINARY HEARING

The Notice of Hearing for the August 7, 2001 hearing, which consisted of 2 pages was mailed certified mail on July 6, 2001 return receipt requested. The certified mail receipt was returned on July 11, 2001.

The Notice Of Complaint And Requirement To Answer for the August 7, 2001 hearing, which consists of pages 1-19, was mailed Certified, Return Receipt Requested on May 1, 2001. The Certified Mail Receipt was received on May 8, 2001, with the envelope unopened.

An answer was received at the Nevada State Contractors' Board office on June 8, 2001.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; NRS 624.3013 (5), failure to comply with law or regulations of the board as set forth in NAC 624.700 (3) (a), by failing to comply with the Board's Notice's to Correct; NRS 624.3013 (5), failure to comply with law or regulations of the board as set forth in NAC 624.640 (5), by failing to provide the required disclosures regarding the number of his license and any monetary limit placed upon the license.

Debbra Davis, President, Ability Roofing; Mike Davis; Megan Gebhardt; David Strickler; Bill Pope; and NSCB Investigator Gary Leonard were sworn in. Bruce Cyra, Legal Assistant to Bob Maddox, Attorney, was identified.

The notice of hearing and the signed stipulation were entered into the record as EXHIBIT 1.

Mrs. Gebhardt testified that on or about September 16, 1997, she had entered into a contract with Ability Roofing to remove and replace the roof of a duplex. The total contract price was \$7,750. To date, the Respondent had not been paid any monies on the contract. The complaint regarded roof nails that penetrated through the pine tongue and grovel

paneling on the opened beamed ceiling and when the nails were sawed off, the hot tips fell on and damaged the carpet. Estimates to correct the work had been acquired.

Mr. Cyra provided the Board with a packet of documents that was entered into the record as EXHIBIT 2. The exhibit contained the bid to correct the roof as well as the bid to replace the carpet damage, which amounted to \$5,500. In addition, Mr. Cyra provided a letter of withdrawal for his allegation that the shingles used on the project were not Owens Corning. He said he had received a call from Owens Corning indicating that the laboratory had confirmed the shingles were indeed their product. His letter of withdrawal was entered into the record as EXHIBIT 3.

Investigator Leonard said he had investigated the case. He did not see the nails penetrating through the tongue and paneling because they had already been sawed off, but he validated the carpet damage.

Ms. Gebhardt said the corrective work now involved the outside of the roof because an ice and water shield had not been used. She then detailed the current condition of the roof on the inside and outside. She said all she wanted was to have the ceiling restored to its original condition, but the parties could not agree on a fix. Nine pages with 4 photographs per page depicting the problems with the roof and interior damage were entered into the record as group EXHIBIT 4.

Investigator Leonard validated that Mr. Edstrom had met with the parties to review the complaint and the file reflected that the notice to correct had been sent on July 23, 1999. The notice had not been complied with but Mr. Leonard believed an effort had been made to compensate the complainant through an insurance claim. Mr. Leonard confirmed the contract did not contain the Respondent's license number.

Under questioning by Mr. Haney, Mr. Davis admitted putting the roof on and that the nails had penetrated through the pine. When the nails were cut off, the carpet was damaged.

Ms. Davis testified she had contacted her insurance agent. Additionally, they had provided Ms. Gebhardt with a bid for correction. The bid was entered into the record as EXHIBIT A. Both Mr. & Mrs. Davis admitted there were problems. Their insurance agent was present to address the claim that had been filed.

Bill Pope, Agent, Temper Insurance, testified that his company had been handling the claim but that they were at an impasse. There was approximately a \$10,000 difference. Their expert had looked at roof but Mr. Pope said he did not agree that the whole roof needed to be torn off and rebuilt. Ms. Gebhardt had retained two attorneys and he was trying to work with them.

Mr. Zech pointed out that the roof needed to be corrected to the standard of the trade in general to be reviewed by the Board Investigator.

Mr. Pope explained what repairs his company was willing to perform. But upon contacting Ms. Gebhardt's attorney, he learned that the case was now being considered a construction defect case.

Ms. Gebhardt commented that a \$7,700 repair job now required \$59,000 of repair work.

Mr. Cyra said a Chapter 40-mediation letter had been served but the matter was not yet in civil litigation.

MR. CARSON MOVED TO CONTINUE THE MATTER UNTIL THE CONCLUSION OF CHAPTER 40 LITIGATION.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

GRASS VALLEY HOMES #41185 & #41224 - DISCIPLINARY HEARING

John Lee Wagoner, Owner, Grass Valley Homes, was not present, nor was anyone present on the Respondent's behalf.

The Notice of Hearing for the August 7, 2001 hearing, which consisted of 2 pages was mailed certified mail on July 6, 2001 return receipt requested. The certified mail receipt was returned on July 10, 2001.

The Notice Of Complaint And Requirement To Answer was mailed on May 3, 2001, which consisted of pages 1-18, was mailed Certified, Return Receipt Requested on May 3, 2001. The Certified Mail Receipt was received on May 8, 2001.

An Answer was received at the Nevada State Contractors' Board office on June 11, 2001.

The hearing was for possible violation of NRS 624.3012 (2), failure to pay for materials or services; NRS 624.302 (5), failure to respond to a written request from the Board to cooperate in the investigation of a complaint; 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; NRS 624.3018 (2), any act or omission by a respondent which is cause for disciplinary action likewise constitutes cause for disciplinary action against any other licensee with which the Respondent is connected; NRS 624.263, Respondent failed to notify the Board in writing upon the filing of a Petition for Bankruptcy.

NSCB Investigator Ron Carney was sworn in. He testified that he had determined that the Respondent had failed to pay an indebtedness to Miller Construction for \$9,754.80. The Respondent had been advised of an Administrative Meeting on January 24, 2000. He did not appear. A request for a CPA prepared financial statement had been made, but none had been provided. A petition for Chapter 7 bankruptcy had been filed on April 14, 2000, but the board had not been advised of the filing.

Mr. Reese noted that the bankruptcy had been discharged, therefore he recommended that the first cause of action, NRS 624.3012 (2) be dismissed. The in-house financial statement was entered into the record as EXHIBIT 2.

The evidentiary portion of the hearing was closed.

MR. JOHNSON MOVED TO FIND LICENSE #41185 & #41224, GRASS VALLEY HOMES, IN VIOLATION OF NRS 624.3013 (3) AND NRS 624.3018 (2) AND TO DISMISS ALL OTHER CHARGES.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO REVOKE LICENSE #41185 & #41224, GRASS VALLEY HOMES.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

ENGLEKIRK CONSTRUCTION #41997 & #48458 - DISCIPLINARY HEARING (Continued from 7/10/01)

The Continued Notice of Hearing for the August 7, 2001 hearing consisting of 2 pages was sent certified mail on July 16, 2001 return receipt requested. Return receipt was received on July 25, 2001.

The Notice of Hearing for the July 10, 2001 hearing, consisting of 2 pages was sent by certified mail. Return receipt requested to Respondent's address of record on June 7, 2001. Return receipt was received on June 15, 2001.

The Notice of Complaint and Requirement to Answer for the July 10, 2001 hearing, consisting of pages 1-20, was sent by certified mail, return receipt requested to Respondent's address of record on May 1, 2001. Return receipt was received by NSCB on May 14, 2001.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; NRS 624.3013 (5), failure to comply with law or regulations of the board as set forth in NAC 624.700 (3) (a), by failing to comply with the Board's Notice's to Correct; NRS 624.3013 (5), failure to comply with law or regulations of the board as set forth in NAC 624.640 (5), respondent failed to include on the contract his monetary limit placed upon the license; NRS 624.3013 (4), failure to maintain in full force the bond for the full period required by the Board; NRS 624.3018 (2), performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action likewise constitutes cause for disciplinary action against any licensee who is a member.

Dwight Douglas Englekirk, Owner, Englekirk Construction; NSCB Investigator Gary Leonard; Dale Bolton; Janet Massey; John Massey; Ray Eberlin; and NSCB Investigators: Garry Leonard and Gary Hoid were sworn in. Mike Matuska, Attorney for the Masseys and Michael K. Johnson, Attorney for Englekirk Construction were identified.

The notice of hearing and the signed stipulation were entered into the record as EXHIBIT 1.

It was noted that license #41997, the sole proprietorship license, was suspended. License #48458, the limited liability license was active.

Attorney Johnson stated that there was a non-binding arbitration scheduled for August 25, 2001. He said he viewed the matter as a collection action to recoup \$20,000. There were counter claims filed by the homeowner based on construction defect or workmanship issues. Englekirk was the plaintiff in the matter.

Mr. Massey testified that on or about September 2, 1999 he had entered into a contract with the Respondent for the remodel of a single-family dwelling. The contract was a time and material contract. The amount invoiced was \$164,350. The amount paid was \$145,228.53. The workmanship items were addressed, specifically the exterior stain was inadequate; the mantel and crown molding over the fire place did not match; the crown molding joints were not finished; the interior window frames were not completely stained; the doors were not properly cleaned; the stain was not properly applied on the front doors; the back splash in the tile was cracked; the stairway handrail was not secure; the fireplace stone to the crown molding was incorrectly; the kitchen and dining room hardwood floor was warped; and the bay window on the first floor leaked.

The Board issued three notices to correct: October 2, November 9, and December 13, 2000 requesting that the Respondent correct the items. When asked if there had been any attempts to correct, Mr. Massey said no. Rather, two offers had been made. One offer was if Englekirk Construction was paid \$19,000, they would come and correct the items. The second offer was if the Masseys paid the company \$3,000, the company would walk away. Both offers had been made through the attorney for Englekirk Construction.

NSCB Investigator Leonard testified that on the day of the job site visit he had been subpoenaed to court. It was Investigator Hoid who had performed the job site visit.

NSCB Investigator Hoid testified that he had validated all of the items, although two items had been added after his job site visit, the warped hardwood floor and the bay window that leaked

Mr. Zech questioned Mr. Massey about the access issue addressed in his letter of August 10, 2000. He said there wasn't an access issue but rather a problem with Mr. Bolton. This caused him to decide he did not want Mr. Bolton on his property. A lien had been placed on the property but it had been removed because the deadline for filing had been missed. Once removed, Englekirk sued the Masseys.

Mr. Leonard confirmed that the Masseys were willing to allow the Respondent access onto the property.

Mr. Massey added that on May 7, 2001 Englekirk had requested access to the home to have their expert witness identify what needed to be corrected. At that meeting, all parties agreed that Dale Bolton could come in and do the work. A letter dated May 7, 2001 was then sent to their attorney agreeing to allow Mr. Bolton onto the property. The letter was entered into the record as EXHIBIT 2.

Attorney Johnson entered a packet of three documents into the record as Exhibit A and questioned Mr. Massey regarding the monetary conditions outlined in EXHIBIT 2, conditions that needed to be met before allowing the Respondent back on the property.

Investigator Leonard testified that the contract did not contain the monetary limit and that license #41997 had been suspended for no bond.

Attorney Johnson indicated that when the license was issued to the LLC, the bond had transferred to the new license.

Mr. Massey stated that Englekirk Construction LLC had worked on his house as an unlicensed contractor. He entered correspondence between Michael Johnson, Esquire, and the law firm of Brooke & Shaw as EXHIBIT 3.

For the record, Mr. Haney clarified that when a new license was issued, a new bond was required. A bond did not transfer but stayed with the old license.

Mr. Englekirk said once the new license had been issued, he let the sole proprietorship license lapse. The changeover occurred during the project. He next explained why the license number was not on the contract.

Mr. Bolton testified as to what work he did to get the Masseys into the home by Christmas 1999 and what occurred at the Massey's home when he attempted to collect payment for the outstanding invoice. He said he had participated in the administrative meeting but he did not recall hearing that he specifically could come back on to the property.

Investigator Leonard said that at the meeting Mr. Massey expressed concern regarding Mr. Bolton, and allowing him access to the property. He did, however, agree to allow him to perform the corrective work.

Mr. Bolton said when the project began he was acting in the capacity of manager for Englekirk Construction. He was now a member on the LLC license.

Mr. Reese questioned Mr. Englekirk regarding the time and maintenance contract under which work had been performed for the Masseys. He said: "You entered into the contract with the Masseys as a sole proprietor. During the course of the project you became a limited liability company. Do you admit that your LLC did work on this time and maintenance contract?"

Mr. Englekirk admitted that both licenses had performed work on the project.

Mr. Eberlin testified that he had performed an inspection of the house for Englekirk Construction. He considered the items in the notice to correct as incomplete rather than workmanship issues. He based his opinion on his own general contracting experience.

In closing, Mr. Massey presented a photograph, which was entered into the record as EXHIBIT 4.

The evidentiary portion of the hearing was closed.

MR. CARSON MOVED TO DISMISS THE FOURTH CAUSE OF ACTION, NRS 624.3013 (4), AGAINST LICENSE #41997 AND #48458, ENGLEKIRK CONSTRUCTION AND ENGLEKIRK CONSTRUCTION LLC,

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO FIND LICENSE #41997 AND #48458, ENGLEKIRK CONSTRUCTION AND ENGLEKIRK CONSTRUCTION LLC, IN VIOLATION 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), AND NRS 624.3018 (2).

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

A motion was made, seconded, amended, and acted upon as follows:

MR. CARSON MOVED TO PLACE A PERMANENT LETTER OF REPRIMAND IN THE FILE OF LICENSE #41997 AND #48458, ENGLEKIRK CONSTRUCTION AND ENGLEKIRK CONSTRUCTION LLC; TO IMPOSE A FINE OF \$500 PER VIOLATION FOR A TOTAL OF \$2,000; AND TO RECOVER THE INVESTIGATIVE COST OF \$2,385, BOTH TO BE PAID WITHIN 60 DAYS OR THE LICENSES WOULD BE AUTOMATICALLY REVOKED.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

FOUR SEASONS DESIGN & REMODELING #28602A - DISCIPLINARY HEARING
(Continued from 7/10/01)

Kevin Rose, President, Four Seasons Design and Remodeling, was present along with Chris Stecker, Vice President, Four Seasons Design and Remodeling, Tom Thomas, Homeowner; and NSCB Investigator Gary Hoid.

In the hearing of July 10, 2001, the Board moved to give the Respondent 30 days to perform corrective action and to conclude the hearing in today's meeting.

Ms. Grein pointed out that in 1997 when the license was issued, a condition of licensure was based upon representation that all complaints against license #28602 would be resolved. License #28602 had since lapsed.

NSCB Investigator Gary Hoid testified that he had received a copy of a letter on July 26, 2001 from Four Seasons to Mr. Thomas stating that they were going to schedule their repair work on August 1, 2001 at approximately 8:00 a.m. Water tests were performed on August 2. Mr. Thomas took photographs and sent Mr. Hoid a graph of their water test. After approximately 2 hours, 2 sections were still leaking. On August 3, 2001, Mr. Thomas performed a rain bird water test. After approximately 4 hours, he had leaks in four different

places. On August 4 he moved the rain bird and tested another section. He had leaks in five different places after 4 hours of water.

Mr. Rose stated that Chris Stecker had accomplished the corrections and performed the water test, at which time two leaks were found. Those two leaks were fixed and a second water test was performed for two hours and no leaks were found. Mr. Rose said he believed the items had been corrected. He also believed he would never satisfy Mr. Thomas because the matter had been going on since 1996 with numerous leaks cropping up throughout that time period. Mr. Rose said he did not know what else to do.

MR. CARSON MOVED TO FIND LICENSE #28602A, FOUR SEASONS DESIGN & REMODELING, IN VIOLATION OF ALL CHARGES.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO SUSPEND LICENSE #28602A, FOUR SEASONS DESIGN & REMODELING, UNTIL CORRECTIVE ACTION WAS TAKEN.

MR. SCHAEFER SECONDED THE MOTION.

Discussion regarding appropriate measures of correction followed with suggestions to hire a properly licensed contractor to perform the work or to reach a settlement agreement.

THE MOTION CARRIED. (MS. CAVIN AND MR. JOHNSON WERE OPPOSED)

DEFAULT ORDERS

A motion was made, seconded, and carried to postpone the default hearings until the next Reno meeting.

ADVISORY OPINIONS

1. **ZACHRY CONSTRUCTION CORPORATION** - Licensing Requirements To Construct Power Plants

Zachry Construction Corporation requested an advisory opinion from the Nevada State Contractors' Board concerning the license requirements to construct power plants, including site grading, foundation construction structural steel erection, equipment setting, electrical & instrumentation, mechanical, boiler/pressure vessel erection, piping, painting, insulation, plumbing and building construction.

No representatives of Zachry Construction Corporation were present for the discussion.

Based upon the information provided, the Board opined that a full A-General Engineering or an AB-General Engineering and Building could perform the work described.

2. **NEVADA POWER COMPANY** - Licensing Requirements For DCA Contracts

A & B Construction Corporation and Trenchers, Inc. requested an advisory opinion from the Nevada State Contractors' Board concerning the license requirements for Nevada Power Company's DCA Contracts.

Representatives of Byrd Electric were present for the discussion.

Based upon the information provided, the Board opined that those contractors who were granted a special license to participate in Nevada Power Company's Quick

Program could perform the work required under Nevada Power Company's DCA Contracts. Additionally, a licensee holding both a C2(f) and an A17 license classification could perform the work described.

3. **STATE PUBLIC WORKS BOARD** - Licensing Requirements For The Western Community College Observatory

The State of Nevada Public Works Board requested an advisory opinion from the Nevada State Contractors' Board concerning the license requirements for the Western Nevada Community College Observatory.

Representatives of the State Public Works Board were present for the discussion.

Based upon the information provided, the Board suggested that the State Public Works Board obtain a formal Opinion from the Nevada Attorney General.

4. **BACKHOE BILLS INC** - Scope Of Work Permitted By The General Engineering Classification With Regard To Gas Piping And Concrete

Backhoe Bills Inc. requested an advisory opinion from the Nevada State Contractors' Board concerning the license requirements to install gas lines, on-site from meters to pool and spa heaters both under and above ground, steel and poly.

William Plouffe , President of Backhoe Bills, Inc. was present for the discussion.

Based upon the information provided, the Board opined that a C1(h) Pipes and Vents for Gas license limited to the installation of pool plumbing only would be required to perform the work described.

Mr. Johnson exited the meeting at 3:25 p.m.

APPLICATIONS

The following motion closed the meeting to the public.

MS. CAVIN MOVED TO CLOSE THE MEETING TO THE PUBLIC.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

The meeting was then closed to the public pursuant to NRS 241.030 to discuss financial and other data, which is confidential under NRS 624.110 (2).

FOUR SEASONS PROFESSIONAL PAINTING (C4A – Painting) NEW APPLICATION

Ronald Tixier, Owner, was present with his attorney Paul Gilley.

The license application had been denied on July 10, 2001 for lack of financial responsibility.

Kathy Stewart, Licensing Supervisor, stated that Mr. Tixier had problems in California. In February 2001, his surety bond had paid a claim for approximately \$1,000. The California license was currently suspended for no bond. Additionally, there had been a bankruptcy filing in October 2000. The applicant was currently seeking a reduced limit of \$30,000. No new financial information had been received.

Mr. Tixier said that the bond had been reinstated in California. The bankruptcy was a

result of two heart attacks that Mr. Tixier had suffered.

Mr. Gilley explained that the bankruptcy did not involve the business.

Mr. Tixier said he was not currently working. He typically performed repaint jobs.

MR. CARSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$20,000 AND A \$10,000 BOND, PROVIDED THE CALIFORNIA BOND HAD BEEN REINSTATED AND THE LICENSE WAS IN GOOD STANDING; AND A FINANCIAL REVIEW UPON RENEWAL.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED. (MS. CAVIN WAS OPPOSED)

LE MANOIR (B2 – Residential and Small Commercial) NEW APPLICATION

Dana Donovan Harper, Owner, was present.

Ms. Stewart stated that the license application had been approved on May 22, 2001 with a limit of \$500,000 and a \$50,000 bond. Mr. Harper was having difficulties obtaining the required bond. He was requesting a license with the same limit and bond amount he previously had on a license, \$750,000 and a \$10,000 bond. There had been past problems in California, which had been resolved: a citation in 1984 and claims that had been settled by Mr. Harper' surety bond. The surety had since been reimbursed.

Mr. Harper said he did not have a current license in California. It had been revoked in 1986. Since then, Mr. Harper said he had made restitution to all debtors.

Ms. Stewart confirmed that all monetary issues had been satisfied in 1992.

Mr. Harper said he was having trouble getting a \$50,000 bond. In 1993 he had received a Nevada license, which he surrendered around 1997 to work in Wisconsin.

Ms. Stewart stated that there had been a money owing complaint in 1997 against that license, but it had been resolved, and there had been an industry regulation in 1995 where responsibility could not be determined.

Mr. Zech explained that the standards had been raised considerably since 1993 when the previous license had been issued.

The general consensus was to lower the license limit to \$300,000 and a \$25,000 bond.

The one time raise in limit was explained to Mr. Harper.

PINON GULCH CONSTRUCTION (C3A – Carpentry, Remodeling, Repairs) NEW APPLICATION

Richard Bertucci, Owner, was present. He was notified that the license application had been approved with a limit of \$75,000 and a \$10,000 bond.

JEFF WHISLER CONSTRUCTION (C3A – Carpentry, Remodeling, Repairs) NEW APPLICATION

Jeff Whisler, Owner, was present. He was notified that the license application had been approved with a limit of \$20,000 and a \$5,000 bond.

SARATOGA LAND & DEVELOPMENT (B – General Building) NEW APPLICATION

The license application had been tabled on March 6, 2001 for information on all

unresolved complaints, and then again on March 21, 2001 for a new financial statement or possible indemnitor.

James Cullen Saxton, President, was present.

Mr. Haney questioned Mr. Saxton as to the limit amount he was not requesting. Mr. Saxton replied it was \$1 million.

Mr. Haney detailed what had been agreed upon in court. One item was that all subcontracts entered into with Saratoga were to be transferred to a licensed contractor. That request had been completed by July 31, 2001. There was now a licensed contractor on all of Saratoga's projects.

Ms. Grein asked Mr. Lyford if any of the complaints filed against the previous license pertained to the Kendall Creek project. Mr. Lyford found one from Cedar Roofing.

When asked about Sierra Wall Systems, Mr. Saxton said the matter was currently in litigation. The claim was disputed.

Ms. Mathias explained that the other license had been dissolved in a merger. There had been several pending complaints, which were represented on the spreadsheet provided to the Board.

Mr. Haney explained the statutory merger that had occurred about five years ago. The old company was merged into the new company. All subsequent license renewals were renewed as Saratoga Land & Development. Last fall the Board learned that the previous corporation no longer existed, rather a new one existed as Saxton Inc DBA Saratoga Land & Development. Thus the contractor was unlicensed. Through various processes, the company was requested to acquire a license. Originally the limit requested was for an unlimited license. The Applicant was now requesting a \$1 million limit.

Mr. Carson disclosed he had performed work with Mr. Saxton in the past. He asked if there was a desire on Mr. Saxton's part for him to recuse himself. Mr. Saxton replied no.

MR. CARSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$1 MILLION AND A \$50,000 BOND ON A PROBATIONARY STATUS UNTIL ALL ISSUES WERE RESOLVED. STAFF WAS TO MONITOR ALL OUTSTANDING MONEY OWING COMPLAINTS AS WELL AS HOMEOWNER COMPLAINTS.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

**SOUTHERN NEVADA MECHANICAL COMPANY (C21 – Refrigeration & Air Conditioning)
NEW APPLICATION**

Frank Cunningham, Partner, was present. He was notified that the license application was approved with a limit of \$500,000 and a \$25,000 bond.

DESMONI PLUMBING INC (C1D – Plumbing) NEW APPLICATION

Bennett Desmoni, Representative, Desmoni Plumbing Inc, was present. He was notified that the license application had been approved with a limit of \$75,000 and a \$10,000 bond.

**STROHM TREMAINE COMMERCIAL BUILDERS (B2 – Residential & Small Commercial)
ONE TIME RAISE IN LIMIT**

Chris Strohm, Partner, was present. He was notified that the one time raise in limit had been approved for \$2.4 million, payment and performance bonds, to perform the Lake

Vista 2 project.

Mr. Johnson returned at 3:55 p.m. during the next review.

The remainder of the applications on the agenda was reviewed and discussion occurred on the following: Nos. 2, 5, 9, 15, 19-20-21, 26, 29, 41, 46, 56-64, 67-68, 74-75, 77-79, 81, 87, 93, 98, 108, 113, 124-125, 132, 137-139, and 144; and on the amended agenda: Nos. 1, 4, and 12.

MR. JOHNSON MOVED TO REOPEN THE MEETING TO THE PUBLIC.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

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

MS. CAVIN 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 4:23 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Mike Zech, Vice Chairman