

KENNY C. GUINN  
Governor

STATE OF NEVADA

REPLY TO:

MEMBERS

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



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STATE CONTRACTORS' BOARD

MINUTES OF THE MEETING  
DECEMBER 4, 2001

The meeting of the State Contractors' Board was called to order by Vice-Chairman Michael Zech at 9:02 a.m., Tuesday, December 4, 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. David W. Clark  
Mr. Jerry Higgins  
Mr. Dennis Johnson  
Mr. Randy Schaefer

**BOARD MEMBERS ABSENT:**

None

**STAFF MEMBERS PRESENT:**

Ms. Margi Grein, Executive Officer  
Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins)  
Mr. David Reese, Legal Counsel (Cooke, Roberts & Reese)  
Mr. George Lyford, Director of Investigations  
Mr. Frank Torres, Deputy Director of Investigations, Reno  
Mr. Chris Denning, Interim Deputy Director of Investigations, Las Vegas  
Ms. Nancy Mathias, Licensing Administrator  
Ms. Kathy Stewart, Licensing Supervisor, Reno  
Ms. Diana Sippola, Licensing Analyst  
Mr. Gary Hoid, Investigator  
Ms. Sandy Diederich, Legal Assistant  
Ms. Pat Potter, Licensing Supervisor, Las Vegas  
Ms. Sonya Ruffin, Public Relations  
Mr. Bart Thurgood, Human Resources Manager  
Ms. Tammy Stewart, Administrative Assistant  
Ms. Melinda Mertz, Recording Secretary

**OTHERS PRESENT:**

Kate Murray, Court Reporter, Sierra Nevada Reporters; Ms. Ellen Ewing, Homeowner; Mr. Hal Taylor, Attorney; Mr. Leroy Arneson, President, Arneson Development, Inc.; Mr. Geno Menchetti, Attorney; Mr. N. Fred Dooley, Owner, F J D Enterprises; Mr. Vance Gabbert, Engineer, Gabbert & Woods; Mr. John Dean, Building Inspector, Washoe County; Mr. John Derheim, Gurr's Roofing; Mr. Michael Keane, Attorney; Mr. and Mrs. Ernie Rose, Homeowners; Mr. Rod Sabatoni, Rod's Excavation Co.; Mr. Michael Hoy; Mr. Ron Granata, Vice President, Martin Iron Works; Mr. Dwight Harris, General Manager, Standard General;

Mr. John Dooley, Homeowner; Mr. Lee Christensen, Owner, C & C Contractors; Mr. Greg Holcomb, Owner, TLC Builders; Mr. Philip Kreittein, Attorney; Ms. Tammie Christopherson, Homeowner; Mr. Mike Efstratis, Double Diamond Ranch; Mr. Kreg Rowe, Manager, Double Diamond Ranch; Mr. Loren Christopherson, Homeowner; Mr. Randy Warren; Mr. Jerry Blades, Owner, Blades Construction.

Ms. Grein stated that Frank Torres had posted the agenda in compliance with the open meeting law on November 28, 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.

It was learned there were 18 items on the amended agenda, each item of an emergency nature.

**MR. HIGGINS MOVED TO HEAR THE AMENDED AGENDAS.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

The Vice-Chairman called for a motion to approve the minutes of November 20, 2001.

**MS. CAVIN MOVED TO APPROVE THE MINUTES OF NOVEMBER 20, 2001.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

### **OATH OF OFFICE**

Mr. David Clark read the oath of office. Ms. Grein informed the Board that the Governor had appointed Mr. Clark to the Board on November 22, 2001.

### **ELECTION OF BOARD OFFICERS**

**MR. HIGGINS MOVED TO ELECT MR. MICHAEL ZECH CHAIRMAN.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. HIGGINS MOVED TO ELECT MR. DOUG CARSON VICE CHAIRMAN.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. HIGGINS MOVED TO ELECT MR. DENNIS JOHNSON TREASURER.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Johnson requested of the Board that Ms. Cavin remain as an alternate to the Treasurer in Reno and Mr. Schaefer to be the alternate in Las Vegas. The Board approved the request.

**DISCIPLINARY HEARINGS**

**F J D ENTERPRISES, Nos. 40350 & 40350A - DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated August 28, 2001, consisting of pages 1-22, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received September 7, 2001.

The Answer was received on September 12, 2001.

The Notice of Hearing, dated September 17, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on September 24, 2001.

The Amended Notice of Hearing, dated September 27, 2001, was sent certified mail to the Respondents' attorney, Mr. D.G. Menchetti, LTD. The return receipt was received on October 2, 2001.

The hearing was for possible violations 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 a Notice to Correct; NRS 624.3013(5), as set forth in NAC 624.640(5), licensee shall include on bids monetary limit placed on license; NRS 624.3018(2), the performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership, corporation, firm or association, and who participated in such prohibited act or omission.

Mr. John Dean, Building Inspector, Washoe County; Mr. N. Fred Dolley, Owner, F J D Enterprises; Dr. Ellen Ewing, Homeowner; Mr. Rod Sabatoni, Rod's Excavation Co; and NSCB Investigator Mr. Gary Hoid were sworn in.

Mr. Geno Menchetti, the attorney for the Respondent, was present.

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

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

Dr. Ewing testified that she had entered into a contract with the Respondent for the construction of a property fence and gates at her residence. Soon after the completion of the job, Dr. Ewing stated that two by fours at the bottom of the fifteen foot fence fell off, the pickets began to break, the gate pulled away from the wall and the fence boards began to crack. Dr. Ewing identified the pictures taken by Investigator Hoid, as those of her fence.

Mr. Menchetti questioned Dr. Ewing. Dr. Ewing testified that she had not signed the original complaint, however was co-owner of the property. Dr. Ewing stated that she had had landscape work done after the fence had been completed.

Mr. Hoid testified that he had validated the workmanship items in the Notice to Correct. He testified that the bottom of the gate had fallen apart, the entire gate had pulled away from

house, and there were numerous splits in the fence. Mr. Hoid further testified that he was aware that the homeowner had had landscaping work done after the completion of the fence. He stated that there were tire marks made by a backhoe on the fence opposite from the fence pulling away from the house. Mr. Hoid testified that a Notice to Correct had been mailed June 26, 2001 to the Respondent but none of the items had been corrected. Mr. Hoid stated that he had spoken with the Respondent's attorney regarding the letter contesting the Notice to Correct. Mr. Hoid further testified that the respondent's monetary limit was not on the contract.

Mr. Menchetti questioned Mr. Hoid. Mr. Hoid testified that it had been almost a year from the time the fence was completed to when he had inspected the fence. Mr. Hoid further testified that he had no way of knowing if the landscaper had done the damage to the fence. He stated that there were tire marks on one of the gates and the fencing against the house was pulling away. Mr. Hoid further stated that if dirt had been removed from around the 6x6-post damage could have resulted.

Mr. Menchetti questioned Mr. Dean. Mr. Dean testified that he was a building inspector for Washoe County and had inspected the fence at the complainants' home. Mr. Dean felt the fence had been constructed satisfactorily and had signed off on it. Mr. Dean mentioned that he had pointed out the tire marks on the fence to Mr. Dolley, the contractor. Mr. Dean further testified that there are no established codes for fencing in Washoe County. The inspection is solely to determine if the fence is appropriately located. They do not inspect the quality of the construction.

Mr. Rob Sabatoni testified that he had installed a sprinkler system, built a retaining wall, put down sod, and did grading work at the complainants' home. Mr. Sabatoni further testified that he had removed rocks from the backyard and imported topsoil. He stated that a trench of approximately one-foot in length had been dug in the backyard. All of this had been done after the construction of the fence.

Mr. Dolley testified that he had contracted with the complainant to build the fence. He further testified that he had provided the monetary limit placed on his license through a pocket card presented to the complainant at the time of presenting his bid. Mr. Dolley stated that he had dug holes approximately two feet down, filled them with cement and placed the 6x6 posts in them. Mr. Dolley testified that he had returned to the complainants' home and inspected the damaged gate and fence. Mr. Dolley stated that he felt the landscaper had assumed the damage and that he was not responsible for the repair to the gate and fence.

Mr. Menchetti asked to enter two affidavits into evidence regarding the quality of the wood used on the fence and the workmanship of the fence.

Mr. Reese objected, stating that the individuals were not present for cross-examination.

The affidavit from Mr. Rich Wier, employed by Reno Lumber, regarding the lumber used on the fence for Dr. Ewing, was entered into the record as Exhibit A.

The affidavit from Mr. Pat Tholl, Principal, Tholl Fence, regarding the lumber used and the workmanship of the fence, was entered into the record as Exhibit B.

Dr. Ewing testified that the material put on the fence should have protected the wood from cracking and splitting. She stated that she felt the wood was defective.

The evidentiary portion of the hearing was closed.

**MR. CARSON MOVED TO FIND F J D ENTERPRISES, LICENSE NOS. 40350 AND 40350A, IN VIOLATION OF ALL CAUSES OF ACTION AND TO SHOW THE 3<sup>RD</sup> CAUSE OF ACTION AS PERTINENT TO THE MONETARY LIMIT PLACED ON THE LICENSE BY THE BOARD.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. HIGGINS, MR. SCHAEFER AND MR. JOHNSON DISSENTED.**

Ms. Ewing informed the Board that she had hired another contractor to repair the damage to the fence and gate at an addition cost of \$725.

**MR. HIGGINS MOVED THAT F J D ENTERPRISES, LICENSE NOS. 40350 AND 40350A REIMBURSE THE HOMEOWNER \$725.00 WITHIN 30 DAYS OR LICENSE NOS. 40350 AND 40350A WOULD BE SUSPENDED AND A SIX MONTH LETTER OF REPRIMAND WILL BE PLACED IN THE FILE.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

#### **ARNESON DEVELOPMENT, INC., #24166 - DISCIPLINARY HEARING**

The Notice of Complaint and Requirement to Answer, dated August 28, 2001, consisting of pages 1-18, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on September 4, 2001.

The Answer was received on September 24, 2001.

The Notice of Hearing, dated September 25, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on October 2, 2001.

The Notice of Continued Hearing, dated October 1, 2001, consisting of pages 1-2, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was not received.

The Amended Complaint, dated October 5, 2001, was sent certified mail to the Respondent's attorney, Mr. Michael Keane, Esq.. The return receipt was received on October 10, 2001.

The hearing was for possible violations 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 a Notice to Correct; NRS 624.3015(1), acting beyond the scope of the license by entering into a purchase agreement over the monetary limit of the license.

Mr. Roy Arneson, President, Arneson Development, Inc.; Mrs. Nancy Rose, Homeowner; Mr. Ernie Rose, Homeowner; Mr. John Derheim, Gurr's Roofing; Mr. Vance Gabbart, Gabbart & Woods; and NSCB Investigator Mr. Gary Hoid were sworn in.

Mr. Michael Keane, the attorney for the Respondent, was present.

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

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

Mrs. Rose testified that she had entered into a purchase agreement with the Respondent for a single family dwelling to be built by the Respondent. Mrs. Rose stated that they filed a complaint with the Board due to the substandard workmanship. Mrs. Rose testified that the tile floor in the entry is not level; the wall at the closet is not straight; the living room ceiling in the southern corner is not level; the faucet in the tub in the hall bathroom is not anchored; the laundry room wall behind the dryer is not straight; and there were numerous areas of the roof where the roofing material was not applied properly.

Mr. Keane questioned Mrs. Rose. Mrs. Rose testified that the Respondent had been to their home approximately 20 times to fix the items listed above but had not done the repairs satisfactorily.

Mr. Hoid testified that he had validated the workmanship issues. The tile floor in the entry was 5/16 of an inch out of level but the ceiling repair met industry standards.

The pictures taken of the workmanship issues by the investigator were entered into the record as Exhibit #3.

Mr. Hoid further testified that the laundry room ceiling had not been repaired, the entry wall was ¼ to 5/16 of an inch out of plumb, and the roof has leaked. Mr. Hoid informed the Board that the faucet in the hall bathroom had been anchored to his satisfaction. He stated that of the original 40 items on the Notice to Correct, 34 had been satisfactorily completed.

Mr. Keane questioned Mr. Hoid. Mr. Hoid testified that of the remaining six items on the Notice to Correct, two had been corrected. The faucet in the hall bathroom had been tightened up and the ceiling in the living room had been repaired to industry standards. Mr. Hoid further testified he used a 4' level to verify that tile floor in the entry was 5/16" out of level and that the wall in the entry was 3/8" out of plumb from industry standards. He confirmed that industry standard for level on a floor is 3/16" within 4 feet. Mr. Hoid further confirmed that to verify if a wall is plumb it must be measured at the corner and at the doorway. He agreed with Mr. Keane that the adjustments to the tile floor and walls were minor. Mr. Hoid stated that Mr. Arneson had contacted the roof manufacturer, GAF Materials Manufacturing, regarding the warranty on the roof. The representative from GAF Materials referred Mr. Arneson to Gurr's Roofing to do the repairs, however Gurr's Roofing decided not to do the job because of warranty questions.

A picture of the shower faucet, taken by NSCB Investigator Hoid, was entered into the record as Exhibit #3.

Mr. Rose testified to the condition of the roof. He stated that the roof had open seams, the gutter was missing from the entire length of the house, and the entire roof had been pieced together instead of having it installed in sheets. Mr. Rose testified that Mr. Arneson had hired Gurr's Roofing to do the repair work but that they had pulled out of the job. Mr. Rose further testified that the manufacturer told him that the repairs that were to be made by Gurr's Roofing would invalidate the warranty on the roof.

Mr. Reese then asked Investigator Hoid if he knew if the plumbing and electrical work had been subcontracted out. Mr. Hoid replied that the Respondent had completed the work.

Mr. Keane questioned Mr. Rose. Mr. Rose testified that Gurr's Roofing came to complete the repairs. Mr. Rose stated that he had called Mr. Hoid to verify that the contractor needed to provide a letter stating that the warranty would remain intact before work could be done. Mr. Hoid told him that a letter afterwards would be sufficient. After this call, the roofer decided not to do the job. Mr. Rose further testified that he had not been given a copy of the proposal from the Respondent on the cost of the repairs to the roof and did not know that Mr. Arneson was going to pay the contractor for the material.

Mr. Keane informed the Board that the Respondent, Mr. Arneson had been under the impression that all of the items on the Notice to Correct had been completed except for the repair of the roof. After Mr. Hoid's testimony today, Mr. Arneson is willing to repair the four items addressed besides the roof. Mr. Keane further stated that Mr. Arneson had contacted the roofing manufacturer regarding the roof warranty and had been referred to Gurr's Roofing to do the repair work.

Mr. Derheim of Gurr's Roofing was questioned regarding his willingness to finish the work on the roof. Mr. Derheim stated that in his original inspection of the roof, he had not noticed any leaks. Mr. Derheim informed the Board that it was not possible to do the permanent repairs on the roof until spring, but he should be able to accomplish the temporary repairs within the three-week time frame requested by the Board.

**MR. CARSON MOVED TO CONTINUE THIS MATTER FOR SIX MONTHS TO ALLOW PERMANENT REPAIR OF THE ROOF AND FOR THE BALANCE OF THE DEFICIENCIES BE CORRECTED ON THE INTERIOR OF THE HOME WITH THE STIPULATION THAT THE TEMPORARY REPAIRS BE DONE WITHIN THE NEXT THREE WEEKS.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**ACCURATE COMPANIES, #42254 - DISCIPLINARY HEARING**

The Notice of Hearing and Complaint, dated October 25, 2001, consisting of pages 1-36, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received October 31, 2001.

The Answer was received November 5, 2001.



The hearing was for possible violations of NRS 624.3013(3), failure to establish financial responsibility; NRS 624.3013(5), failure to notify Board in writing upon the filing of bankruptcy.

No one from Accurate Companies was present.

Mr. Ron Granata, Vice President, Martin Iron and Licensing Supervisor Ms. Kathy Stewart were sworn in.

Mr. Clark informed the Board that he had done business with the Respondent in the past but currently there were no outstanding contracts.

Mr. Zech stated that his company had had a complaint against the Respondent that had been resolved.

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

Ms. Stewart testified that the Respondent had been asked to furnish the Board with a current financial statement and one had not been furnished. The Respondent had applied for a late renewal of his license and was denied.

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

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

The financial statement was discussed.

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

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

The evidentiary portion of the hearing was closed.

**MR. JOHNSON MOVED TO DENY THE RENEWAL OF ACCURATE COMPANIES, LICENSE #42254.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**L J CONSTRUCTION, #41539, AND L J FENCING, #43414 - DISCIPLINARY HEARING**



The Notice of Complaint and Requirement to Answer, dated June 15, 2001, consisting of pages 1-24, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on June 26, 2001.

The Notice of Default, dated July 20, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on July 26, 2001.

The Answer was received on September 10, 2001.

The Notice of Hearing, dated September 11, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was not received.

The Amended Complaint and Amended Notice of Hearing, dated October 29, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on October 31, 2001.

The hearing was for possible violations of NRS 624.301(2), abandonment of a construction project; NRS 624.3013(5), as set forth in NAC 624.640(5), failure to comply with the regulations of the Board by failing to include the monetary limit on Respondent's bid; NRS 624.3015(2), bidding to contract for a sum in excess of license limit placed on the license by the Board; NRS 624.3015(1), acting beyond scope of license by contracting to perform plumbing and electrical work; NRS 624.3018(2), the performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership, corporation, firm or association, and who participated in such prohibited act or omission; NRS 624.3013(5), as set forth in NRS 624.263(3), failure to notify the Board in writing of filing for bankruptcy; NRS 624.600, failure to comply with providing required disclosures.

No one from L J Construction and L J Fencing was present.

Mr. John Dooley and NSCB Investigator Mr. Gary Hoid were sworn in.

Mr. Reese requested that the Board withdraw the 4th cause of action.

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

Mr. Dooley testified that he had entered into a contract with the Respondent for the complete remodeling of four duplexes. He further testified that the project was approximately 30% complete when the Respondent was last on the project. Mr. Dooley informed the Board that he had hired another contractor to complete the work costing him an additional \$75,000 to \$100,000. Mr. Dooley stated that he had been informed that the Respondent's bonding company had gone bankrupt.

The evidentiary portion of the hearing was closed.

**MR. JOHNSON MOVED TO DISMISS THE 4<sup>TH</sup> CAUSE OF ACTION AND FIND L J CONSTRUCTION, LICENSE #41539, AND L J FENCING, LICENSE #43414, IN VIOLATION OF THE 1<sup>ST</sup>, 2<sup>ND</sup>, 3<sup>RD</sup>, 5<sup>TH</sup>, 6<sup>TH</sup>, AND 7<sup>TH</sup> CAUSES OF ACTION.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. JOHNSON MOVED TO REVOKE LICENSE #41539, L J CONTRUCTION, AND LICENDE #43414, L J FENCING; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$2,041.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

### **DEFAULT ORDERS**

#### **HANSEN ELECTRIC, #31518 - DISCIPLINARY HEARING - DEFAULT ORDER**

The Notice of Complaint and Requirement to Answer, dated August 28, 2001, consisting of pages 1-31, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was returned unopened "unclaimed" on September 24, 2001.

The Notice of Default, dated September 25, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The return receipt was received on October 2, 2001.

The Amended Complaint, dated October 23, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was returned "unopened" on November 21, 2001.

The hearing was for possible violations of NRS 624.3013(3), failure to establish financial responsibility; NRS 624.302(5), failure to respond to a written request from the Board to cooperate in the investigation of a complaint; NRS 624.30113(5), as set forth in NAC 624.236(3), failure to notify the Board in writing of a filing of bankruptcy.

No one from Hansen Electric was present.

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

**MS. CAVIN MOVED TO ACCEPT THE FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND HANSEN ELECTRIC, LICENSE #31518, IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #31518; TO REQUIRE FULL RESITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$1,938.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**DISCIPLINARY HEARING**

**T L C BUILDERS, #34059 - DISCIPLINARY HEARING (Continued from 10/23/01)**

The Notice of Complaint and Requirement to Answer, dated August 28, 2001, consisting of pages 1-21, was sent certified mail to the Respondent's address of record on file with the Board. The envelope was returned "unopened" on September 17, 2001.

The Notice of Default was mailed on September 18, 2001.

The Notice of Hearing and Notice of Complaint and Requirement to Answer, dated October 29, 2001, was sent certified mail to the Respondent's address of record on file with the Board. The return receipts were received on October 31, 2001.

The hearing was for possible violations of NRS 624.3015(1), performing framing work which is beyond the scope of the license; NRS 624.3013(5), as set forth in NAC 624.640(5), failure to comply with the regulations of the Board by failing to include the license number or monetary limit on Respondent's bid; NRS 624.302(5), failure to respond to a written request from the board to cooperate in the investigation of a complaint.

Mr. Gregory Holcomb, Owner, T L C Builders, Ms. Kathy Stewart, Licensing Supervisor and NSCB Investigator Mr. Gary Hoid were sworn in.

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

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

Mr. Hoid testified that he had validated the contract between Mr. William Barclay and the Respondent. Mr. Hoid stated that the contract between Mr. Barclay and the Respondent did not contain the monetary limit placed on the license by the Board. Mr. Hoid further testified that the Respondent had not attended the May 15, 2001, Administrative Meeting.

Mr. Holcomb testified that he had not received all of the notices due to personal reasons. Mr. Holcomb further testified that he did not know that his monetary limit was required on all contracts. Mr. Holcomb stated that Mr. Barclay had approached him to do the work and that all was fine until the wind blew down the trusses.

Ms. Stewart testified that the Respondent's renewal application was denied September 7, 2001 and to date the Respondent has not requested a hearing on the matter.

The evidentiary portion of the hearing was closed.

**MR. JOHNSON MOVED TO DISMISS THE 1<sup>ST</sup> CAUSE OF ACTION.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. JOHNSON MOVED TO FIND T L C BUILDERS, LICENSE #34059, IN VIOLATION OF THE 2<sup>ND</sup> AND 3<sup>RD</sup> CAUSES OF ACTION AND TO PLACE A ONE YEAR LETTER OF REPRIMAND IN THE FILE.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Holcomb was advised that the license was suspended not renewed. If he wanted to pursue the renewal application, he must request a hearing in writing.

**C & C CONTRACTORS, #48022 - DISCIPLINARY HEARING**

The Notice of Hearing and Complaint, dated November 26, 2001, consisting of pages 1-9, was hand delivered to the Respondent's address of record on file with the Board by Gail Wilson of the Nevada State Contractors Board in Las Vegas, Nevada on November 26, 2001.

The hearing was for possible violations of NRS 624.3013(3), failure to establish financial responsibility; NRS 624.3012(2), misrepresentation of material fact by an applicant or licensee in connection with any information or evidence furnished the board in connection with official matters of the board.

Mr. Lee Christensen, Owner, C & C Contractors and Ms. Pat Potter, Licensing Supervisor, Las Vegas, were sworn in.

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

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

Ms. Potter testified that the Respondent's application for renewal had been denied on October 21, 2001 and the Respondent had then requested a Board hearing. A current financial statement had been received on November 21, 2001, but did not contain the full disclosures.

Additionally, Mr. Christensen stated on the renewal application that he was not subject to a court order for the support of a child when in fact he was.

Mr. Christensen waived his right to a closed hearing.

Ms. Potter testified that the Respondent's Credit Report showed a collection account owed to Child Support Services in the amount of \$18,000.

Mr. Christensen testified that the issues regarding his child support had been resolved. He submitted a fax from the State of Washington stating the child support was up to date. The fax was entered into the record as Exhibit A. Mr. Christensen further testified that he was

in negotiation for the repayment of his bond. The promissory note was entered into the record as Exhibit B.

The evidentiary portion of the hearing was closed.

**MS. CAVIN MOVED TO CONTINUE THIS MATTER TO THE DECEMBER 18, 2001 BOARD HEARING TO ALLOW MR. CHRISTENSEN TO FURNISH A CURRENT FINANCIAL STATEMENT WITH FULL DISCLOSURES.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**BLADES CONSTRUCTION, # 23397 - FINAL DECISION AND ORDER**

On June 5, 2001, the Respondent had been found in violation of 2 counts of NRS 624.3017(1), workmanship which is not commensurate with the standards of the trade in general; 2 counts of NRS 624.3013(5), as set forth in NAC 624.700(3)(a), failure to comply with a Notice to Correct; and 1 count of NRS 624.3013(5), as set forth in NAC 624.640, failure to include the license number and monetary limit on Respondent's contract. The penalty phase had been continued and Blades Construction had been ordered to hire a licensed contractor to complete the corrective work within sixty (60) days. Failure to comply with the corrective order would result in automatic suspension of the license. On August 7, 2001, the license was suspended. The Respondent was given forty-five (45) days to comply with the corrective order before final action would be taken. On October 9, 2001, the license was revoked and fined by Board action.

Mr. Clark did not participate in the hearing because he had not heard the testimony from the previous hearings.

Mr. Jerry Blades, Owner, Blades Construction; Mr. Philip Kreitlein, the attorney for the Respondent; and Mr. and Mrs. Soren Christopherson were present.

Mr. Haney informed the Board that this case was before the Board for a final decision because of a notice error on October 9, 2001. The case was posted for a staff update so the Respondent did not know that a final decision was going to be made. After the Board meeting of October 9, 2001, Mr. Haney was contacted by the Respondent's attorney, Mr. Philip Kreitlein, to reconsider the decision and to reschedule the case for the next Board meeting. Mr. Haney informed the Board that the license was currently suspended.

Mr. Kreitlein requested of the Board a continuance of this matter for his client to hire a licensed contractor to finish the repairs. Mr. Kreitlein informed the Board that he had been working with Board staff to obtain approval on a contractor. One had been approved at the end of November and he was in the process of notifying the homeowners and schedule appointments.

Mr. Haney informed the Board that this hearing started in June of this year and had been continued to allow corrective action. When the Board met in August the Respondent was

given an additional 60 days to complete the repairs and at the October Board meeting the repairs had still not been completed.

The Kellison complaint was submitted in September of 1999 and the Christopherson complaint in February 2000.

**MS. CAVIN MOVED TO RESCIND THE DECISION OF THE OCTOBER 9, 2001, BOARD HEARING REGARDING BLADES CONSTRUCTION, LICENSE #23397.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MS. CAVIN MOVED TO REVOKE LICENSE #23397, BLADES CONSTRUCTION; IMPOSE A FINE OF \$3,000 PER VIOLATION; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COST OF \$9,418 PRIOR TO FUTURE LICENSURE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

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

Mr. Craig Rowe, Member, Double Diamond Ranch LLC, was present.

Ms. Stewart informed the Board that the license had expired in June of this year. The license renewal had come before the Board September 5<sup>th</sup> and was tabled for a current financial statement. The license was placed on active temporary status. Ms. Stewart then discussed the financial statement furnished September 12, 2001.

Mr. Rowe answered questions from the Board regarding the financial statement. Mr. Rowe stated that the financial statement was prepared on a tax basis and not on a market value basis. Mr. Rowe informed the Board that Double Diamond Ranch owns a master plan community and builds approximately 250 homes a year.

Ms. Stewart informed the Board on the status of outstanding complaints against the licensee.

**MS. CAVIN MOVED TO RENEW LICENSE #42185, DOUBLE DIAMOND RANCH, LLC.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**ADVISORY OPINION**

**STANDARD GENERAL, LLC** – Standard General, LLC requested an Advisory Opinion from the Board concerning the license requirements for the shade covering and monument addition at Martin Luther King Plaza which include cutting to size and welding light gauge panels and associated angle and flat iron onto existing structures.

The Board opined that the work described would fall within the scope of a B-2 (Residential and Small Commercial) license classification.

### **APPLICATIONS**

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

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

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

Mr. Randy Warren, Owner, Warrens Construction, was present. The Board informed Mr. Warren that his license application (B-2 Residential and Small Commercial) was granted with a monetary limit of \$180,000 and a bond of \$75,000 with a financial review upon renewal.

### **HERCULES MARBLE & GRANITE, INC.** – (C-19B MARBLE AND C-20 TILING) NEW APPLICATION

Mr. Keith Gregory, attorney for the applicant, was present. Mr. Gregory was informed by the Board that both license applications (C-19B Marble and C-20 Tiling) were granted with a monetary limit of \$100,000 and a bond of \$10,000 for both licenses.

The following applications on the agenda were reviewed and discussed: Nos. 2-5, 7-10, 14, 16, 18, 21, 22-24, 27, 28, 33, 34, 36, 41, 43, 45, 46-55, 69, 79, 80, 86, 88, 91, 93, 96, 101 and on the amended agenda: Nos. 2-6, 9, 15

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

**MR. SCHAEFER 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.**



**EXECUTIVE SESSION**

Ms. Grein requested approval of the proposed budget of the Board.

**MS. CAVIN MOVED TO CONTINUE THIS MATTER TO THE DECEMBER 18, 2001 BOARD MEETING.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Ms. Grein requested approval of the Executive Officer's Report dated September 30, 2001.

**MR. JOHNSON MOVED TO APPROVE THE EXECUTIVE OFFICER'S REPORT.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Ms. Kathy Stewart, Licensing Supervisor, presented the aging report for the Reno Licensing Department.

Ms. Grein presented the strategic planning action plans for each department along with a summary of accomplishments. Ms. Grein also reviewed statistical data and results achieved during 2001.

Mr. Bart Thurgood, Human Resources Manager, outlined goals for next year.

Ms. Sonya Ruffin, Public Relations, provided an overview of the Public Education Relations Program including the Board's new website, survey results and the possibility of an employee newsletter.

Mr. George Lyford, Director of Investigations, outlined the accomplishments and action plans completed to process cases in a more timely manner. Mr. Lyford noted that the time to process a case has decreased significantly over the last year.

Ms. Nancy Mathias, Licensing Administrator, outlined the steps that have been taken to streamline the application process and progress to date on the classification-streamlining project.

Ms. Grein reviewed the topics for discussion at the strategic planning session to be held the following day.

The Executive Session was continued to December 5, 2001.

**PUBLIC COMMENT**

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

There being no further business to come before the Board, the meeting was adjourned by Chairman Zech at 3:26 p.m.

Respectfully Submitted,

Melinda Mertz, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Chairman