

KENNY C. GUINN  
Governor

STATE OF NEVADA

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**MEMBERS**

MICHAEL ZECH  
*Chairman*  
DOUGLAS W. CARSON  
MARGARET CAVIN  
DAVID W. CLARK  
SPIRIDON G. FILIOS  
JERRY HIGGINS  
RANDY SCHAEFER

**STATE CONTRACTORS' BOARD**

**MINUTES OF THE MEETING  
DECEMBER 16, 2002**

**1. A. CALL TO ORDER**

Chairman Michael Zech called the meeting of the State Contractors' Board to order at 8:30 a.m., Monday, December 16, 2002, State Contractors' Board, Henderson, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

**BOARD MEMBERS PRESENT:**

Mr. Michael Zech - Chairman  
Mr. Douglas W. Carson  
Ms. Margaret Cavin - attended in Reno via Video Conference  
Mr. David Clark  
Mr. Spiridon G. Filios  
Mr. Jerry Higgins - attended in Reno via Video Conference  
Mr. Randy Schaefer

**BOARD MEMBERS ABSENT:**

None

**STAFF MEMBERS PRESENT:**

Ms. Margi Grein, Executive Officer  
Ms. Nancy Mathias, Licensing Administrator  
Mr. George Lyford, Director of Investigations  
Mr. Chris Denning, Deputy Director of Investigations

**LEGAL COUNSEL PRESENT:**

Ms. Carolyn Broussard, Legal Counsel

Ms. Grein stated that Greg Welch had posted the agenda in compliance with the open meeting law on December 11, 2002, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. The agenda was also posted in both offices of the Board, Henderson and Reno, and on the Board's Internet web site.

It was learned there were 9 items on the amended agenda, each item of an emergency nature.

**MS. CAVIN MOVED TO HEAR THE AMENDED AGENDA.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Chairman Zech called for a motion to approve the minutes of November 20, 2002 and December 4, 2002.

**MR. HIGGINS MOVED TO APPROVE THE MINUTES OF NOVEMBER 20, 2002 AND DECEMBER 4, 2002.**

**MR. FILIOS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**2. STRATEGIC PLANNING SESSION:**

**A. REVIEW MISSION STATEMENT:**

The Board reconfirmed the mission statement as written.

**B. REVIEW FY 01-02 GOALS AND OBJECTIVES:**

**C. SUMMARY OF BOARD PROGRAMS AND PROJECT GOALS:**

Ms. Grein provided a summary of the 2002 strategic plan goals. She summarized individual plan accomplishments, reporting on improvements to the executive session of each board meeting, hiring in-house counsel, reduction in legal service costs, and the selection of a lobbyist for the 2003 legislative session. Ms. Grein reported on the installation of video conferencing equipment and its benefit to the agency. She pointed out the replacement of the licensing and enforcement database would be a top priority for the coming year.

**DEPARTMENT REPORTS**

**LICENSING DEPARTMENT:**

Ms. Mathias summarized the accomplishments of the Licensing Department, providing statistical data regarding the number of application processed and average processing time. The department focused on the streamlining the renewal process, and creating a customer service department in the Henderson office. She noted the development of the new examination program, and status of the classification streamlining project.

**HUMAN RESOURCES DEPARTMENT:**

Mr. Thurgood summarized the accomplishments of the HR Department. Emphasis had been placed on establishing in-house recruitment programs, training programs, conflict resolution, and minimizing costs of benefits. Good working relationships had been established with managers and employee, and there had been a reduction in the turnover rate of approximately 7%.

**PUBLIC RELATIONS DEPARTMENT:**

Ms. Ruffin summarized the accomplishment of the Public Relations Department, reporting on the new brochures and advertisements that had been produced, customer survey results, news letters, press releases, participation in trade shows, and public appearances. Ms. Ruffin informed the Board that she had received her certificate of accreditation in public relations, and is the current Accreditation Chairperson for the Public Relations Society.

The Board requested that a review of the job management placed on the agenda for

approval at the next meeting in Las Vegas.

**INVESTIGATIONS DEPARTMENT:**

Mr. Lyford summarized the accomplishments of the Investigations Department, including an analysis of the number of complaints processed, decrease in processing time, reduction in backlog of pending cases and hearings, increased Enforcement Advisory Committee meetings, and improvements to the complaint process. Emphasis had been placed on case management, improving the default hearing process, recovery fund hearing process, and use of hearing officers for disciplinary cases.

**D. REVIEW OF SELF ASSESSMENT FORMS:**

This matter was continued.

**E. DEVELOP FY 2002-03 GOALS AND OBJECTIVES:**

This matter was continued.

**3. LEGAL REPORT**

**A. PENDING CASE REPORT**

Ms. Grein provided a summary report of pending litigation.

**B. LEGAL SERVICES**

**C. CONTRACTS 2003**

**MR. SCHAEFER MOVED THAT BRUCE ROBB BE RETAINED AS LEGAL COUNSEL FOR THE BOARD, AND THAT THE EXECUTIVE OFFICER WAS TO EXECUTE A CONTRACT FOR THOSE SERVICES FOR A PERIOD OF 1 YEAR.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**4. PROPOSED REGULATIONS**

**5. 2003 LEGISLATIVE DISCUSSION**

Ms. Grein provided an update regarding various meetings and conversations with the construction industry legislative coalition. She also reported on her recent meeting with American Strategies, and future meetings that were planned with industry representatives.

Jay Parmer stated he had been unable to meet with Irene Porter of the Southern Nevada Home Builders because of scheduling conflicts. He anticipated a meeting within the next few weeks. He commented the Board's role is "downstream" as it relates to construction defects.

Subcommittee assignments were considered for issues related to construction defect legislation and construction management.

Ms. Grein suggested creating a Board Member Emeritus status as a way to recognize

former Board Members for their service to the State of Nevada and utilize their expertise as hearing officers and committee members. Since the law currently provided authority to appoint hearing officers and committee members as needed, it was decided that a regulation change was not needed.

Ms. Grein referenced a draft of proposed legislative changes submitted by a group of surety companies. She explained the group was soliciting the Board's support for legislation to amend NRS 624.270 (4) and (8) and NRS 624.273 (3) by deleting "a person whose long-term debt obligations are rated "A" or better by a nationally recognized rating agency" and substituting "an insurer which complies with regulations adopted by the Board". The Board opposed any changes to the current law.

Mr. Zech asked that a discussion regarding legislative issues be placed on each meeting agenda prior to and during the legislative session.

The Strategic Planning Session was continued to the January 2003 meeting in Las Vegas.

Ms. Grein was asked to schedule an evaluation session during the January meeting in Las Vegas, at which time she is to submit a summary review of each department for 2002 and a report outlining goals for 2003.

### 3. FINANCIAL RESPONSIBILITY – DEFAULT HEARING:

KANGA ROOTER, LICENSE #51949

No one from Kanga Rooter was present.

The hearing was for possible violation of NRS 624.3013(3) and NRS 624.302(6).

Licensing analyst Deb Clarke was sworn in.

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

Ms. Clarke testified that Floyd and Patty Jo Heaton had withdrawn their indemnification of the license in a letter dated June 5, 2002. Ms. Clarke further testified that a financial statement had been requested on June 7, 2002, September 5, 2002, and October 2, 2002 but Respondent had not complied with the requests.

The evidentiary portion of the hearing was closed.

**MR. HIGGINS MOVED TO ACCEPT THE FILE AND TESTIMONY AS FORMAL FINDINGS OF FACT AND CONCLUSIONS OF LAW; TO REVOKE LICENSE #51949, KANGA ROOTER; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND RECOVER ANY COSTS PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

### 4. INTERVIEW – FINANCIAL REVIEW:

R. A. ELECTRIC, LICENSE #23297

Mr. L. A. Ousley, Owner of R. A. Electric; Ms. Deb Clarke, Licensing Analyst; and Ms. Pat Potter, Licensing Supervisor were present.

Ms. Potter stated that on January 4, 2002, a financial statement was requested and was received on April 30, 2002. The financial statement was dated December 31, 2001 and did not support the license limit.

Ms. Broussard informed the Board that a default hearing had been held on October 22, 2002 and it was the decision of the Board to require the Respondent to satisfy money owed within 60 days or license will be suspended. Additionally, a current financial statement was requested.

Mr. Ousley stated that he had submitted a current financial statement, plus had provided a requested copy of his workers compensation insurance. Mr. Ousley provided a copy of his current financial statement.

Ms. Potter stated that she had not received his workers compensation information, but the financial statement reviewed did not support the license limit.

Mr. Ousley stated he would accept a reduction in his license limit to \$100,000.

**MR. CARSON MOVED TO RESCIND THE PREVIOUS ORDER OF OCTOBER 22, 2002 CONTINGENT UPON THE LICENSEE VOLUNTARILY REDUCE HIS LICENSE LIMIT TO \$100,000 AND SNE EQUIPMENT SERVICES PAID IN FULL WITHIN 10 DAYS.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED THAT LICENSEE PROVIDE PROOF OF THE CIVIL LITIGATION THAT IS IN PROCESS WITH QED AND PROOF OF CURRENT WORKERS COMPENSATION INSURANCE BY THE NEXT LAS VEGAS BOARD MEETING. FAILURE TO COMPLY WOULD RESULT IN FURTHER ACTION BY THE BOARD.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**5. APPLICATION INTERVIEW:**

**WESTCARE WORKS INC. (B-2 RESIDENTIAL AND SMALL COMMERCIAL; C-2 ELECTRICAL; AND C-1 PLUMBING AND HEATING) NEW APPLICATION**

Mr. Peter Ventrella, CFO of Westcare Works Inc.; Mr. Michael Lavin, VP of Operations of Westcare Works Inc.; Mr. Daniel Cowin, Qualified Employee of Westcare Works Inc.; Ms. Pat Potter, Licensing Supervisor; and Ms. Nancy Mathias, Licensing Administrator were present.

Ms. Mathias informed the Board that the applicant had applied for three licenses, a C-1, C-2 and B-2. This matter had been tabled at the last Board hearing for further clarification due to questions regarding what type of work was to be performed and to interview the qualified employee

Mr. Lavin stated that they operate shelters for abused and battered children and provide vocational counseling. The licenses would help them save money by allowing them to complete maintenance work and renovations to buildings purchased.

The Board informed Mr. Lavin that the license applications (B-2 Residential and Small Commercial; C-1 Plumbing and Heating; and C-2 Electrical) had been granted with a \$1M license limit and a bond of \$30,000 with a financial statement upon renewal. The trade exam for the B-2 license will be waived.

**6. FINANCIAL REVIEW HEARING:**

**SPECIALIZED FLOORING, LICENSE #44466A**

This matter was continued to the January 28, 2003 Board Hearing.

**7. APPLICATION HEARING:**

**C-3 IMPROVEMENTS (C-3 CARPENTRY) NEW APPLICATION**

Mr. Christopher Carpluk, Owner of C-3 Improvements and Ms. Doris Talley, Licensing Analyst were sworn in.

The hearing was for denial of the license application based on NRS 624.263.

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

Ms. Talley testified that the application had been denied because the financial statement did not demonstrate sufficient financial responsibility for the operation of a contracting business.

Mr. Carpluk testified that his credit rating was high and payments were never paid late. Mr. Carpluk further testified that he would not begin a project until he received a down payment for materials.

**MR. CARSON MOVED TO APPROVE C-3 IMPROVEMENTS (C-3 CARPENTRY) WITH A \$5,000 LICENSE LIMIT AND A BOND OF \$2,000 WITH A FINANCIAL STATEMENT ON RENEWAL.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**8. APPLICATION HEARING:**

**JAYCEE ELECTRIC, INC. (C-2A,G ELECTRICAL AND RESIDENTIAL WIRING) NEW APPLICATION**

Mr. James Cox, President of Jaycee Electric Inc.; Mr. Nephi Allred, Accountant for Jaycee Electric Inc.; and Ms. Doris Talley, Licensing Analyst were sworn in.

The hearing was for denial of the license application based on NRS 624.263.

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

Ms. Talley testified that a current financial statement had been received December 5, 2002, and that it supported the requested license limit.

**MR. CARSON MOVED TO APPROVE JAYCEE ELECTRIC, INC. (C-2A,G ELECTRICAL AND RESIDENTIAL WIRING) WITH A \$400,000 LICENSE LIMIT**

**AND A \$15,000 BOND.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**12. APPLICATIONS:** (CLOSED MEETING PURSUANT TO NRS 241.030)

**MR. CARSON MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 624.030 TO DISCUSS FINANCIAL MATTERS.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**AKAL CONSTRUCTION,** (B-2 RESIDENTIAL AND SMALL COMMERCIAL) RAISE IN LIMIT

Mr. Jaspal Sidhu, President of AKAL Construction and Senator Bill O'Donnell were present. The Board informed Mr. Sidhu the raise in limit to \$750,000 had been granted.

**PERFORMANCE CONCRETE INC.** (C-5 CONCRETE CONCRACTING) 90 DAY EXTENSION, BOARD DECISION, RECONSIDERATION

Mr. Alan Schrimpf, Qualified Employee for Performance Concrete, Inc. was present. Mr. Schrimpf was informed that the 90-day extension request had been granted.

The remainder of the applications on the agenda were reviewed and discussion occurred on the following: Nos. 5, 6, 8-11, 19, 20, 24-27, 29, 30, 36, 40, 42-45, 47, 49-51, 54, 57, 58, 60, 62, 63, 66, 67, 70-76, 80, 89, 94, 97, 100, 102-106, 108, 109, 112, 114; and on the amended agenda: Nos. 1-9.

**MS. CAVIN MOVED TO REOPEN THE MEETING TO THE PUBLIC.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MS. CAVIN MOVED TO RATIFY ALL APPLICATIONS NOT SPECIFICALLY DISCUSSED IN CLOSED SESSION AS RECOMMENDED BY STAFF.**

**MR. CARON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**13. PUBLIC COMMENT**

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

**14. ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned by Chairman Zech at 4:00 p.m.

Respectfully Submitted,

Melinda Mertz, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Chairman