



NSCB News Release



FOR IMMEDIATE RELEASE
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POOL CONTRACTOR PLEADS GUILTY TO DIVERSION OF FUNDS

HENDERSON, Nev. – On March 13, former licensed pool contractor Kelly Ann Sagona, owner of Blue Lagoon Pools, was convicted of a gross misdemeanor by the District Court of Clark County after pleading guilty to diversion of funds. The Nevada State Contractors Board (NSCB) submitted the case to the District Attorney’s office requesting Sagona be prosecuted for acts of constructional fraud in the operation of her business.

Sagona’s sentence orders she pay \$182,427.90 in restitution and serve twelve months in Clark County Detention Center, which was suspended on the condition Sagona serve up to three years probation. Conditions of her probation include monthly restitution payments, actively seeking and maintaining employment, completion of 20 hours of community service each month unless employed full-time, and that no contact be made with her victims.

“Resolution of this case highlights the collaborative efforts of the Board and the District Attorney’s office to provide restitution to the affected homeowners and the State of Nevada,” stated Margi A. Grein, NSCB Executive Officer. “It also demonstrates the importance we place on protecting the health and safety of the public.”

In Oct. 2011, NSCB concluded a year-long investigation into Blue Lagoon Pools, which involved 18 homeowners, subcontractors, and four days of disciplinary hearings. At the final disciplinary hearing on Sept. 13, 2011, Blue Lagoon Pools was found guilty on 75 of the original 89 causes of actions. Violations included failure to comply with regulations of the Board governing contracts for work concerning residential pools and spas, willful or deliberate disregard and violation of the building laws, and willful or deliberate failure to pay any money when due for any materials or services rendered in connection with the licensee’s operations as a contractor.

At the hearing, Blue Lagoon Pools stipulated to the revocation of its license and a total of \$138,363 in fines and investigative costs were ordered to be paid. A Residential Recovery Fund hearing was conducted Oct. 19, 2011 where 18 homeowners were awarded a combined total of \$183,543.

The Residential Recovery Fund has been offering protection to Nevada homeowners of single-family residences who conduct work with licensed contractors since 1999. Eligible homeowners may receive up to \$35,000 for a claim against a single contractor. To learn more about how to hire a licensed contractor or apply for the Residential Recovery Fund, please visit: www.nscb.nv.gov or contact NSCB at (702) 486-1100 (Southern Nevada) or (775) 688-1141 (Northern Nevada).

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MEDIA NOTE:

A full listing of the statutory violations from NSCB's discipline hearing against Blue Lagoon Pools is below:

- NRS 624.3013(5), per NRS 624.263(3)
- NRS 624.3016(1)
- NRS 624.3013(3)
- NRS 624.302(6)
- NRS 624.3013(5), per NRS 624.260(a)(b)(c)
- NRS 624.3016(5), per NRS 624.940(2)(g) (4 counts)
- NRS 624.3016(5), per NRS 624.940(2)(k) (13 counts)
- NRS 624.3016(5), per NRS 624.940(2)(d) (12 counts)
- NRS 624.3016(5), per NRS 624.940(3)(a) (6 counts)
- NRS 624.3011(1)(b)(1) (9 counts)
- NRS 624.3017(1) (3 counts)
- NRS 624.3013(5), per NAC 624.700(3)(a)
- NRS 624.3012(2) (7 counts)
- NRS 624.3011(1)(a) (2 counts)
- NRS 624.301(5) (6 counts)
- NRS 624.302(5) (6 counts)
- NRS 624.3014(2)(a)

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