

KENNY C. GUINN  
Governor

STATE OF NEVADA

REPLY TO:

MEMBERS

KIM W. GREGORY  
*Chairman*  
DOUG CARSON  
MARGARET CAVIN  
DENNIS K. JOHNSON  
RANDY SCHAEFER  
DEBORAH WINNINGHAM SHELTRA  
MICHAEL ZECH



**RENO**  
9670 Gateway Drive, Suite 100  
Reno, Nevada 89511  
(775) 688-1141  
Fax (775) 688-1271  
Investigations (775) 688-1150

**LAS VEGAS**  
4220 So. Maryland Parkway  
Building D, Suite 800  
Las Vegas, Nevada 89119  
(702) 486-1100  
Fax (702) 486-1190  
Investigations (702) 486-1110

STATE CONTRACTORS' BOARD

MINUTES OF THE MEETING  
APRIL 19, 2000

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:40 a.m., Wednesday, April 19, 2000, State Contractors' Board, Las Vegas, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

**BOARD MEMBERS PRESENT:**

Mr. Kim Gregory - Chairman  
Mr. Doug Carson  
Ms. Margaret Cavin  
Mr. Dennis Johnson  
Mr. Randy Schaefer  
Ms. Deborah Sheltra  
Mr. Mike Zech

**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. Hal Taylor, Legal Counsel  
Ms. Nancy Mathias, Licensing Administrator  
Mr. George Lyford, Director of Special Investigations Unit  
Mr. Rick Bertuzzi, Director of Investigations  
Mr. Linc Dante', Investigator  
Mr. Loyd Mead, Investigator  
Mr. Greg Welch, Investigator  
Ms. Betty Wills, Recording Secretary

**OTHERS PRESENT:**

Barbara Kulish, Court Reporter, CSR Associates of Nevada; David Johnson, Legal Counsel, Greystone Nevada LLC, Tim Kent, Divisional President, Greystone Nevada LLC and former President, Inco Homes Corporation; Charles Freimanis, Complainant; Robert V. Jones, President, Robert V. Jones Corp.; and Dan Bradley, President, Dan Bradley Glass, Complainant.

**PLEASE REFERENCE EXHIBIT B, THE SIGN IN LOG, FOR OTHERS PRESENT FOR THE BOARD DISCUSSION OF REGULATIONS**

Ms. Grein stated that Chet Yekin had posted the agenda in compliance with the open meeting law on April 12, 2000, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. Additionally, the agenda had been posted in each office of the Board, Las Vegas and Reno, and on the Board's Internet web site.

### **EXECUTIVE SESSION**

### **UNFINISHED BUSINESS**

Ms. Grein reported that Hudgens Landscaping, license #40940, had requested a rehearing. The Board agreed to reconsider the matter.

### **DISCIPLINARY HEARINGS**

**INCO HOMES CORPORATION** #37874 - DISCIPLINARY HEARING (Continued from 2/23/00)

**G H I INC.** #41511 – DISCIPLINARY HEARING - (Continued from 2/23/00)

**GREYSTONE NEVADA LLC** #48844 - DISCIPLINARY HEARING (Continued from 2/23/00)

David Johnson, Legal Counsel, Greystone Nevada LLC, Tim Kent, Divisional President, Greystone Nevada LLC and former President, Inco Homes Corporation; Charles Freimanis, Complainant, and NSCB Investigator Loyd Mead, were present.

The notice of hearing and complaint, dated December 17, 1999 and consisting of pages 1-19, had been sent certified mail on December 21, 1999. No return receipt had been received.

The notice of continued hearing, dated December 30, 1999, had been sent certified mail. The return receipt was dated January 3, 2000.

An amended complaint dated February 3, 2000 and consisting of pages 1-22, had been sent certified mail on February 3, 2000. The return receipt dated February 4, 2000.

The notice of continued hearing, dated February 28, 2000, had been sent certified mail. The return receipt was dated February 29, 2000.

The notice of continued hearing, dated March 30, 2000, had been sent certified mail. The return receipt was dated April 3, 2000.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed, NRS 624.301 (4), willful failure or refusal without legal excuse on the part of a licensee as a contractor to prosecute a construction project or operation with reasonable diligence, thereby causing material injury to another; NRS 624.3013(5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the notice to correct; NRS 624.3014 (1) (a), acting in the capacity of a contractor under any license issued hereunder except in the name of the licensee as set forth upon the license; and NRS 624.307 (3), all advertising by a licensed contractor must include the number of his license; NRS 624.3018 (2), the performance of any act or omission by a Respondent, which is a cause for disciplinary action, likewise constitutes cause for disciplinary action against any other licensee with which the Respondent is connected.

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

Mr. Taylor stated the matter regarded a workmanship issue, and the reason the hearing had been continued previously was to allow the Respondent to make the repairs to the Freimanis property. The repairs had been made. Mr. Taylor pointed out that counsel would argue that Inco Homes Corporation, who currently did not have an active license, should have been the party held responsible for the repairs. But, he added, a problem with the stationary still remained.

Mr. Freimanis testified he was satisfied with the repairs.

Attorney Johnson desired to file a response to the charges, therefore, the attorney's brief was entered into the record as EXHIBIT A. He then spoke to the stationary, saying that Greystone had gone through a large restructuring process through the Florida office. Subsequently, they had been required to re-file with the State Contractors' Board and go through the process of acquiring a new Nevada license under the name Greystone Nevada LLC. NSCB staff required that the old license remain active under a dba called G H I, Greystone Homes. Internally, that was a mistake because the company used the old information on their letterhead. It had since been corrected.

Regarding the Inco matter, Attorney Johnson commented Inco Homes had constructed the Freimanis home. The only thing Greystone had purchased from Inco Homes was dirt. Inco had pulled the permit, and Inco had built the house. Greystone had nothing to do with Inco Homes. Mr. Johnson said he did not represent Inco Homes and he never had. He represented Greystone. It was his contention that no warranty responsibility had been purchased in connection with standing inventory. Ira Norris Companies owned Inco Homes. Mr. Kent was formerly the President of this division of Inco Homes.

The stipulation was signed.

Attorney Johnson added that the reason the repairs were made was because Greystone's feet had been held to the fire for Inco Homes' complaints. It was Greystone's desire that this not continue. He stated it was not correct. Mr. Kent was not another man, another company. Mr. Kent had worked for Ira Norris, he now worked for the fourth largest builder in the country. Mr. Kent was not a person who was slipping into one license and out of another. It was not appropriate for Mr. Kent to be responsible because of a change in his employment.

It was learned that the status of the Inco Homes license was inactive, not renewed, as of June 30, 1996.

The evidentiary was closed.

**MR. JOHNSON MOVED TO DISMISS ALL CHARGES AGAINST LICENSE #41511, G H I INC., AND LICENSE #48844, GREYSTONE NEVADA LLC.**

**MR. ZECH SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

**MR. JOHNSON MOVED TO FIND LICENSE #37874, INCO HOMES CORPORATION, IN VIOLATION OF ALL CHARGES.**

**MS. SHELTRA SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

Penalty phase.

**MR. JOHNSON MOVED TO IMPOSE AN ADMINISTRATIVE FINE OF \$2,000 PER CHARGE, FOR A TOTAL OF \$6,000, AND TO RECOVER THE INVESTIGATIVE COST OF \$4,429.06 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE OF INCO HOMES CORPORATION OR ITS SUBSIDIARIES IN THE STATE OF NEVADA.**

**MS. SHELTRA SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

**ROBERT V. JONES CORP. #23498 – REHEARING**

**THE ROBERT V. JONES COMPANY #44321 – REHEARING**

**R V J C ELECTRICAL #43827 – REHEARING**

**SUN VALLEY PLUMBING AND MECHANICAL #42529 - REHEARING**

(Continued from 8/25/99, 9/23/99, 11/23/99, 12/22/99, and 1/11/00)

Robert V. Jones, President, Robert V. Jones Corp., was present, as well as Linc Dante, NSCB Investigator; and Dan Bradley, President, Dan Bradley Glass.

Mr. Taylor recapped what had occurred in the last hearing. A request for reconsideration had been since been made.

Mr. Jones spoke on his behalf. He said he had not been made aware of the last hearing until three hours after the fact. His reason for appearing before the Board was to let the Board know he was not an irresponsible person, and he did not just ignore the Board. He then explained what caused his problems. For the last two years he had been trying to wind down the home building business. He said he desired to keep his license because he wanted to get back into the apartment business in October when his 'non compete' ran out. It was what he did and what he was good at. He said all he had right now was a 36-unit condominium project in Summerland to finish. Thereafter, he was out of the home building business. Regarding the outstanding obligations to vendors and subcontractors, he had another company he was heavily invested in that he was doing an IPO on. In the next five or six months it would raise plenty of cash to pay off everybody. Although he only had a skeleton staff, he still had a customer service department, and he was attempting to keep up with customer service issues.

When Mr. Jones was asked where he stood with the Dan Bradley Glass complaint, Mr. Jones said he would not be able to pay it off by the end of the month; he would have to work it out with Mr. Bradley.

Discussion then occurred regarding the results of the revocation to the complainants and to possible new complaints. Mr. Gregory stated he did not want the complaints dismissed because of the revocation.

**MR. CARSON MOVED TO RESCIND THE REVOCATION, AND TO PLACE LICENSE #'S 23498, 44321, 42529, AND 43827 INTO A STATE OF SUSPENSION UNTIL NOVEMBER 21, 2000, AT WHICH TIME THE BOARD COULD CONSIDER FURTHER ACTION.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

Ms. Sheltra asked Mr. Bertuzzi for monthly updates regarding the complaints, and Mr. Jones was urged to clean up the workmanship complaints.

**I X L MARKETING & DISTRIBUTION INC #36322A - DISCIPLINARY HEARING**

Bret Eric Jay, President, I X L Marketing & Distribution Inc., was not present. Neither was legal counsel or anyone else present to represent the Licensee.

The notice of hearing, dated March 16, 2000 and consisting of pages 1-28, had been sent certified mail. The return receipt was dated March 17, 2000.

The hearing was for possible violation of NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor; NRS 624.3013 (5), as set forth in NAC 624.700 (3) (b), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to meet informally with the board's staff and the complainant, 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.

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

NSCB Investigator Greg Welsh was sworn in. Mr. Welsh testified that the two money complaints were still due and owing. The Respondent had failed to appear for the administrative meeting, and had not responded to the request for a financial statement. Mr. Welsh also confirmed that the company had provided a letter indicating that it was no longer in business.

The evidentiary was closed.

**MR. JOHNSON MOVED TO ACCEPT THE FILE AND TESTIMONY AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

**MR. JOHNSON MOVED TO FIND LICENSE #36322A, I X L MARKETING & DISTRIBUTION, IN VIOLATION OF ALL CHARGES, AND TO REVOKE THE LICENSE.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

Penalty phase.

**MR. JOHNSON MOVED TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AND THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,310.35 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF**

**NEVADA.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED UNANIMOUSLY.**

Mr. Taylor left the meeting at 9:25 a.m.

**CONSIDERATION OF ADOPTION OF PROPOSED REGULATIONS PURSUANT TO NRS 338.147 AND 338.1389 - CERTIFICATE OF ELIGIBILITY FOR BIDDERS PREFERENCE; NRS 624.265(4) – FEES FOR PROCESSING FINGERPRINT; NRS 624.282.6(A)(B)(C) - APPLICATION AND RELATED FEES FOR INACTIVE LICENSE**

**CONTINUED DISCUSSION AND CONSIDERATION OF PROPOSED REGULATIONS PURSUANT TO NRS 624.112.1(B) - INVESTIGATOR QUALIFICATIONS; NRS 624.361.1 - FORM OF WRITTEN CITATIONS; 624.361.2 - TIME TO CORRECT A CONDITION; AND NRS 624.361.3 – IMPOSITION OF ADMINISTRATIVE FINES.**

Continued from 12/30/99, 1/20/00, 1/25/00, 2/8/00, 3/7/00, 3/21/00 and 4/4/00. Workshops had been conducted on 8/10/99 and 8/25/99, along with informal discussions.

Ms. Grein noted that the emergency regulation adopted on January 20, 2000 would expire on May 23, 2000, and requested that the Board consider adopting the emergency regulation as the permanent regulation.

Mr. Gregory clarified that the purpose of the discussion was for Board action.

Discussion then focused on the inclusion or exclusion of 'prime contractor' in the bidders preference regulation.

Mr. Gregory asked if there were any amendments to the emergency regulation as written.

**MS. CAVIN MOVED TO ADD 'A CONTRACTOR ACTING AS THE PRIME CONTRACTOR WOULD ALSO BE ELIGIBLE FOR BIDDERS PREFERENCE' LANGUAGE TO THE EMERGENCY REGULATION, AND TO ADOPT THE EMERGENCY REGULATION AS THE PERMANENT REGULATION.**

**MR. JOHNSON SECONDED THE MOTION.**

A lengthy dialogue ensued regarding the risks involved if this language was added to the bidders preference portion of the emergency regulation. Prior to voting, Chairman Gregory asked John Madole and Steve Holloway, Associated General Contractors (North and South), if they were in support of the motion to include prime contractor in the regulation, even though the legislation they sponsored did not include prime contractor and the entire bidders preference law could be jeopardized. Both concurred.

Discussion then turned to the bidders preference fee. The general consensus was to revisit this matter at a later date.

Mr. Gregory asked if there were any other amendments. It was agreed that apart from bidders preference, the emergency regulation worked well.

**THE MOTION CARRIED.** (MS. CAVIN, MR. JOHNSON, MS. SHELTRA, AND MR. GREGORY VOTED IN FAVOR OF THE MOTION)  
(MR. CARSON, MR. SCHAEFER, AND MR. ZECH VOTED AGAINST THE MOTION)

**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 Gregory at 10:30 a.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman