

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



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STATE CONTRACTORS' BOARD

MINUTES OF THE MEETING
MAY 23, 2000

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:34 a.m., Tuesday, May 23, 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 (Arrived at 8:57 a.m.)
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. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)
Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins) (Arrived at 8:39 a.m.)
Mr. Hal Taylor, Legal Counsel
Ms. Nancy Mathias, Licensing Administrator
Mr. George Lyford, Director of Special Investigations Unit
Mr. Rick Bertuzzi, Director of Investigations
Ms. Pat Potter, Licensing Supervisor
Ms. Lisa Bedsole, License Analyst
Ms. Doris Talley, License Management Assistant
Mr. Linc Dante', Investigator
Mr. Bob Macke, Investigator
Mr. Loyd Mead, Investigator
Mr. Greg Mincheff, Investigator
Mr. Ron Ramsey, Investigator
Mr. Tom Tucker, Investigator
Mr. Greg Welch, Investigator
Mr. Chet Yekin, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Keith Gregory, Legal Counsel for Jetstream Construction Inc., State Insulation and Drywall, Dayton Masonry LLC, Landscapes by Tim, and Morley Investments & Construction Inc.; Bruce Bayne, Vice President; T S I; Larry Miller, President; T S I; Rick Trausdall and Horace Smith, Associates, T S I; Robert Orlando, Owner, Robert Vincent Orlando; Benjamin Rowe, Owner, Pro-Tech Refrigeration; David O. Roberts,

President, D & J Roberts Inc., Dana Ronald, Accountant, D & J Roberts Inc.; John F. Murray, Jr., Associate, D & J Roberts Inc.; James T. Dayton, Jr., Member, Dayton Masonry LLC; Dennis Brown, Supervisor, U. S. Concrete Pumping; Tim Orr, President, U. S. Concrete Pumping; Jim Sitler, Owner, Bedrock Concrete Pumping; Arleen Hudson, Accounting Supervisor, Turf Equipment and Supply Company; Durward A. Brown, President, Woody Electric Inc.; Darcy Green, Representative, A C. Houston Lumber Company; Attorney George Ogilvie, regarding Bidders Preference; Complainants, Mike and Mary Ann Meyers, Phil and Debra Harris, and Mike Whyte, General Manager, Davis Concrete; David Stephens, Attorney for Eugene Simpson, Cascho Plumbing Co.; Albert Geoffrey Robins, President, Sun Gold Development; Gregory Clapp; Owen C. Palmer, President, Palmer & Sons Inc.; Len and Dianne Ferne, Complainants, Mike Tao; Jay Hampton, Legal Counsel for the Fernes; Jeff Posin, Legal Counsel for Owen Palmer; Walter Welty, Partner, Aqua Blue Pools; Shawn Marino, General Manager, Aqua Blue Pools; Peter and Daphne Burras, Complainants; Representative of Aqua Blue Pools: Karla Baker, Mitch Donner, and Josh Donner; Don Beury, Legal Counsel representing complainant Peter Burras; Kalani Hoo, Legal Counsel for Aqua Blue Pools; Frederic Chad Beesley & Peter M. Gazsy, Partners, Mojave Homes; Elaine Silva, Complainant ; Timothy H. Waldrup, Owner, Landscapes by Tim; Complainants Janis Webb, Kathryn Wonders, and Greg Rustad; Roy R. Morley, President, Morley Investments & Construction Inc.; Michelle Stalk, Urban Construction Company LLC; Robert Goldstein, Legal Counsel for Urban Construction Company LLC; Michael Toigo, Legal Counsel for Remington Homes; Attorney Mike Mushkin and Attorney Teddy Parker for Vision Craft Homes Inc; Attorney John Hanover with client Terrence Banich; and Complainant Fred Gawryk.

* * * * *

Ms. Grein stated that Loyd Mead and Linc Dante' had posted the agenda in compliance with the open meeting law on May 17, 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.

It was learned there were 32 items on the amended agenda, each item of an emergency nature. Additionally, the regular agenda was amended to include an advisory opinion request from the City of Sparks; a license number correction to item #12, Statewide Landscape, from #37053 to #27052; item #22, M Nielsen Corporation, was continued to the next Reno meeting on June 6, 2000; and an Internal Policy discussion was added to the Executive Session.

MR. SCHAEFER MOVED TO HEAR THE AMENDED AGENDA.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Gregory called for a motion to approve the minutes of May 9, 2000.

MS. CAVIN MOVED TO APPROVE THE MINUTES OF MAY 9, 2000.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

STAFF UPDATE ON COMPLAINTS

ROBERT V. JONES CORP. #23498

THE ROBERT V. JONES COMPANY #44321

R V J C ELECTRICAL #43827

SUN VALLEY PLUMBING AND MECHANICAL #42529

(Continued from 8/25/99, 9/23/99, 11/23/99, 12/22/99, and 1/11/00, 4/19/00) STAFF REPORT

The matter was continued.

EXECUTIVE SESSION

The Executive Session was continued until later in the day.

The following motion closed the meeting to the public.

APPLICATIONS

The following motion closed the meeting to the public.

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

MR. ZECH 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).

JETSTREAM CONSTRUCTION INC (C4 – Painting & Decorating) NEW APPLICATION

Keith Gregory, Legal Counsel, was present to represent John Field, President. Additionally, representatives of the Carpenters Union were present to protest the issuance of the license.

Mr. Lyford stated that allegations had been brought forward by the Carpenters Union, who was requesting that the license not be issued based upon a pending investigation.

Mr. Gregory pointed out that Jetstream Construction Inc. already had a license in the state of Nevada, therefore, the proper procedure would be for the Carpenters Union to file a complaint against the Licensee.

MR. JOHNSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$1 MILLION AND A \$15,000 BOND.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Haney arrived at 8:39 a.m.

STATE INSULATION AND DRYWALL #40491 (C3D – Insulation) CHANGE IN QUALIFIER**STATE INSULATION AND DRYWALL** #40491 (C3D – Insulation) CHANGE IN OFFICER

Keith Gregory, Attorney, was present to represent the Licensee, Kenneth Sheldon, President.

Mr. Gregory was informed that both the change in qualifier and the change in officer had been approved.

BECHTEL NEVADA CORPORATION (AB – General Engineering) NEW APPLICATION, RECONSIDERATION

The license application had been approved on February 9, 2000 for an "Unlimited" amount and a \$50,000 bond, with an indemnitor. The indemnitors had since been removed, and the applicants were asking for a reconsideration using their own financial statement.

Ron Butters, Chief Financial Officer, was present. He was notified the license application had been approved with a license limit of "Unlimited" and a \$50,000 bond.

THE PENTA BUILDING GROUP INC (B – General Building) NEW APPLICATION, WAIVER OF EXAMS

Blake Anderson, President, and Ken Alber, Secretary/Treasurer, were present. They were notified the license application had been approved with a license limit of "Unlimited," a \$50,000 bond, and waiver of the exams.

PERFORMANCE METAL WORKS LLC (C14 – Ornamental Metal) NEW APPLICATION, RECONSIDERATION

The license application had been tabled on April 18, 2000 for 90 days for new financial information and personal indemnification, which had been received.

Jim Yacksyzn, Manager/Member, was present. He was notified the license application had been approved with a limit of \$50,000 and a \$5,000 bond.

T S I (C2C, D, E – Fire Detection; Amplifying Systems; Signal Systems) NEW APPLICATION

Bruce Bayne, Vice President; Larry Miller, President; and Rick Trausdall and Horace Smith, Associates, were present.

The Board was interested in learning why the company possessed so many vehicles. Mr. Miller said the company was also in the security business, monitoring response in several communities.

The applicants were informed the license application was approved with a limit of \$50,000 and a \$5,000 bond.

UNITED SOLAR ENERGY INC #30600A (C37 – Solar Contracting) RENEWAL OF EXPIRED LICENSE

Ranan Ghatak, President, was present. He was notified the renewal of the license application had been approved.

ACE PLUMBING & MECHANICAL INC (C1D – Plumbing) NEW APPLICATION, RECONSIDERATION

The license application had been tabled on April 18, 2000 for possible indemnification. The indemnification information had since been received.

Jerry Klaizner, President, was present. He was informed the license application had been approved with a limit of \$100,000 and a \$10,000 bond.

CASA ENTERPRISES INC (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION

The license application had been denied on April 4, 2000 for lack of financial responsibility. New financial information had been provided.

Bruce Casarotto, President, was present. He was notified the license application had been approved with a limit of \$250,000 and a \$15,000 bond.

MOONLITE ELECTRIC INC (C2 – Electrical Contracting) NEW APPLICATION

Richard Hammond, President, was present. He was notified the license application had

been approved with a limit of \$50,000 and a \$5,000 bond.

ROBERT VINCENT ORLANDO (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION

The license application had been tabled twice, the first time on March 21, 2000 for a financial statement with full disclosures, and the second time on April 18, 2000 for new financial information or indemnification. An indemnitor had since been acquired.

Robert Orlando, Owner, was present. He was informed the indemnitor's financial information did not support the license limit request.

Mr. Orlando was asked what type of work he intended to perform with the license. He stated that he intended to start out building patios and performing small jobs.

The license application was approved with a limit of \$50,000, a \$10,000 bond, a bid letter, and a financial review upon renewal.

Mr. Orlando was asked to consider a different license category such as the C3 license due to the amount of trades involved in the B2 license classification.

Mr. Carson arrived at 8:57.

PRO-TECH REFRIGERATION (C21 – Refrigeration & Air Conditioning) NEW APPLICATION

Benjamin Rowe, Owner, was present.

A financial statement discussion ensued wherein Mr. Rowe said the only two recurring bills he had were a first and second mortgage loan. He owned all of his tools and equipment, which were not included in his net worth.

When asked what type of work he intended to perform, Mr. Rowe said he was only going to perform repair work.

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

MR. JOHNSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A \$25,000 LIMIT, A \$5,000 BOND, A BID LETTER, AND A FINANCIAL REVIEW UPON RENEWAL.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

CALIFORNIA DESIGN AND CONSTRUCTION LLC #48146 (B2 – Residential & Small Commercial) FINANCIAL REVIEW UPON RENEWAL

Michael Kerry, Member, was present. He was notified that the license renewal application had been approved.

SAHARA LANDSCAPE INC (C10 – Landscape Contracting) NEW APPLICATION

Dino Silvaggio, President was present. He was notified the license application had been approved with a limit of \$50,000 and a \$5,000 bond, contingent upon indemnification papers being provided.

The remainder of the applications on the agenda was reviewed and discussion occurred on the following: Nos. 4-7, 10, 14-15, 26-27, 30-31, 34-35, 42, 45, 52-53, 55, 60, 66, 69,

71, 80, 82, 86, 88, 100-101-102, 104-105, 107, 109-114, 125, 129-130, 134, 136, 143-144, 150-152, 154-155, 158-159, 162, 164, 166, 168, and 174-177.

APPLICATION INTERVIEW

OVERTON ESTATES LLC (A – General Engineering) APPLICATION INTERVIEW

Robert Lewis, Manager/Member and Vivian Lewis, Manager/Member, were not present. Neither legal counsel nor anyone else was present to represent the Licensee.

The license application was approved with a limit of \$250,000, a \$20,000 bond, and a waiver of the trade exam.

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

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

APPLICATION HEARINGS

D & J ROBERTS INC #47099 (C24 – Erecting Scaffolds & Bleachers) APPLICATION HEARING

David O. Roberts, President, D & J Roberts Inc., Dana Ronald, Accountant, Lisa Bedsole, License Analyst, and John F. Murray, Jr., Associate, D & J Roberts Inc., were sworn in.

The stipulation was signed.

The hearing was for possible violation of NRS 624.3013 (3), lack of financial responsibility at time of renewal.

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

Mr. Taylor stated the first cause of action indicated that on December 28, 1999, the Respondent applied for renewal of his expired license. On February 8, 2000, the Board reviewed and denied Respondent's application for renewal based on a financial statement dated September 30, 1999, as not demonstrating availability of sufficient working capital. New financial information had been provided this day. Mr. Taylor then reminded the Board that on June 17, 1998, the Board had granted licensure conditioned on the Respondent supplying copies of records documenting the resolution of various state and federal tax liens by June 30, 1998. The respondent had failed to provide the required documents to the Board, and, as of this date, Mr. Roberts credit report reflected the tax liens had not been resolved.

Ms. Bedsole testified that the most current credit information reflected there were two outstanding federal liens, one for \$107,728, and another for \$19,374; and there were three state liens totaling \$16,462.

Chairman Gregory pointed out the new financial statement supported the original license limit. The only issue to be addressed was the tax liens.

Mr. Roberts testified that all tax liens were personal. Mr. Roberts commented on why the Board had conditioned issuance of the license on the tax lien resolution, and what had occurred since, noting that his former accountant and he had misjudged how long it would take to resolve the issue.

Dana Ronald, Accountant, provided copies of the personal, balance due, 1040 tax return liens, EXHIBIT 2. Mr. Ronald stated that he specialized in negotiating settlements with the

IRS on back tax liabilities, suggesting he believed the matter would be resolved in 12 to 18 months. Mr. Ronald said Mr. Roberts had some back payroll taxes from 1999 in the amount of \$12,000, but not in the form of a lien.

Mr. Roberts concurred there was a \$12,000 tax liability on the part of the existing corporation for failure to pay accrued payroll taxes.

Mr. Ronald was asked to provide a copy of the California State Franchise Board tax lien or fine by mail. Mr. Ronald said it would take about 10 days to provide the information.

The evidentiary was closed.

MR. JOHNSON MOVED TO DISMISS THE CHARGES.

MR. ZECH SECONDED THE MOTION.

Mr. Carson asked Mr. Johnson if he would consider placing a letter of reprimand into the license file for one year. Mr. Johnson said no. He did not believe the personal financial information should have been included.

THE MOTION CARRIED. (MR. CARSON, MS. CAVIN, & MS. SHELTRA WERE OPPOSED)

MR. JOHNSON MOVED TO RENEW THE LICENSE RENEWAL APPLICATION WITH A FINANCIAL REVIEW UPON RENEWAL, AND CONDITIONED UPON THE RECEIPT OF THE CALIFORNIA TAX LIEN INFORMATION OR EVIDENCE OF THE LIABILITY WITHIN 30 DAYS OR THE LICENSE WOULD AUTOMATICALLY BE SUSPENDED.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

DAYTON MASONRY LLC – APPLICATION HEARING

James T. Dayton, Jr., Member, was present along with Keith Gregory, Legal Counsel for Dayton Masonry LLC, and Doris Talley, License Management Assistant.

Attorney Gregory explained that the license had been submitted over a year ago by the potential Licensee as a sole proprietorship. Subsequently, Attorney Gregory had submitted a second application for the LLC. Attorney Gregory believed that the only item before the Board was the sole proprietor application. He said he had different financial information on behalf of the LLC, which had previously been denied, and which was what Mr. Dayton was really interested in having licensed.

Mr. Zech disclosed he had business dealings with Dayton Masonry.

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

Attorney Gregory was informed no financial information had been provided for the LLC, which was why the application for the LLC had been denied. After learning that the financial statement in his possession was a personal financial statement, Attorney Gregory requested a two-week continuance to acquire new financial information for the LLC.

Chairman Gregory said a hearing was not necessary if a proper financial statement was provided.

The matter was then tabled for new financial information.

ADVISORY OPINIONS

1. **SITLER ENTERPRISES INC** – Licensing Requirements for Concrete Pumping Companies

Dennis Brown, Supervisor, U. S. Concrete Pumping, Tim Orr, President, U. S. Concrete Pumping, and Jim Sitler, Owner, Bedrock Concrete Pumping, were identified.

Mr. Mathias stated the matter regarded whether or not a license was required for concrete pumping services. The project was currently in place, and litigation was pending.

The Board opined that no license was required.

2. **E R S INDUSTRIAL** – City of Sparks – Filter Media Replacement, Ongoing Maintenance Project

No one was present for the advisory opinion.

The Board opined that no license was required for maintenance.

DISCIPLINARY HEARINGS

SIERRA ELECTRIC CO INC. #13035 - DISCIPLINARY HEARING

Anthony Pecorino, President, Sierra Electric Co Inc, was not present. Neither legal counsel nor anyone else was present to represent the Licensee.

NSCB Investigators Ron Ramsey and Linc Dante' were sworn in.

Mr. Dante' stated he had received a phone call from the Licensee indicating that the company was no longer in business, they had no intention of doing business, and they would not be present for the hearing.

The notice of hearing and complaint, dated April 13, 2000 and consisting of pages 1-27, had been sent certified mail. No return receipt was received, only the envelope had been returned.

The hearing was for possible violation of NRS 624.3013 (5), as set forth in NRS 624.263 (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board, specifically, a licensed contractor shall, as soon as it is reasonably practicable, notify the board in writing upon the filing of a petition or application relating to the contractor that initiates any proceeding, appointment or assignment set forth in paragraph (j) of subsection 2. the written notice must be accompanied by: (a) a copy of the petition or application filed with the court; and (b) a copy of any order of the court which is relevant to the financial responsibility of the contractor, including any order appointing a trustee, receiver or assignee; 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.

The status of the license was inactive, not renewed, as of July 1, 1999.

Mr. Taylor stated that there were two allegations. The request for financial documents to establish financial responsibility had not been complied with. This was testified to as true by both Investigators Ramsey and Dante'. Likewise, both confirmed a bankruptcy had

been filed by the Licensee in June, 1999, but the Board had not been notified of such.

The evidentiary was closed.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO FIND LICENSE #13035, SIERRA ELECTRIC CO, INC. IN VIOLATION OF ALL CHARGES.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MR. CARSON MOVED TO REVOKE LICENSE #13035, SIERRA ELECTRIC CO, INC., AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$3,041.06 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

HAVERSTICK, INC. #42785 - DISCIPLINARY HEARING

Catherine Ann Haverstick, President, was not present. Neither legal counsel nor anyone else was present to represent the Licensee.

Arleen Hudson, Accounting Supervisor, Turf Equipment and Supply Company, and NSCB Investigator Greg Welch, were sworn in.

The notice of hearing and complaint, dated April 12, 2000 and consisting of pages 1-20, had been sent certified mail. The return receipt was dated April 13, 2000.

The amended notice of hearing regarding a time change was dated May 10, 2000. It had been sent certified mail. The return receipt was dated May 11, 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 (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; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (b) and as set forth in NAC 624.640 (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board, specifically, if it appears from the investigation that a licensee may have violated the provisions of chapter 624 of NRS or these regulations, the executive officer may request the licensee to meet informally with the board's staff and the complainant, and if any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his license is based, he shall report the change in writing to the board within 30 days after the change occurs.

The status of the license was inactive, not renewed as of August 1, 1998.

The notices of hearing were entered into the record as EXHIBIT 1.

Mr. Taylor stated the matter was a money owing complaint, as well as a failure to produce documents to demonstrate financial responsibility, failure to appear at an administrative meeting, and the Licensee had apparently moved without notifying the board.

Ms. Hudson testified that the original money-owing amount totaled \$8,669.29, but \$5,000 had been secured from the surety company. An outstanding balance remained.

Mr. Welch testified the request for documents to establish financial responsibility had not been complied with, the Licensee failed to attend the administrative meeting, and letters had been sent but had been returned as undeliverable because of a change in address, which had not been indicated to the board within 30 days.

The evidentiary was closed.

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

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. ZECH MOVED TO FIND LICENSE #42785, HAVERSTICK INC, IN VIOLATION OF ALL CHARGES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MR. ZECH MOVED TO REVOKE LICENSE #42785, HAVERSTICK INC, AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$1,278.39 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

GEORGE STRAIN INC.-GENERAL CONTRACTOR #13399 & #13399A - DISCIPLINARY HEARING

George Mockebbee, President, George Strain Inc – General Contractor, was not present. Neither legal counsel nor anyone else was present to represent the Licensee.

Durward A. Brown, President, Woody Electric Inc., Darcy Green, Representative, A C. Houston Lumber Company, and NSCB Investigator Ron Ramsey, were sworn in.

The notice of hearing and complaint, dated March 31, 2000 and consisting of pages 1-40, had been sent certified mail to Respondent's address of record. The return receipt had not been received.

An amended notice of hearing regarding a time change, dated May 10, 2000, had been sent certified mail.

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 (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; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (b) and NAC 624.640 (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board, specifically: if it appears from the investigation that a licensee may have violated the provisions of chapter 624 of NRS or these regulations, the executive officer may request the licensee to meet informally with the board's staff and the complainant, and if any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his license is based, he shall report the change in writing to the board within 30 days after the change occurs.

The notices of hearing were entered into the record as EXHIBIT 1.

Mr. Taylor asked Ms. Green if A C Houston had an outstanding balance remaining. Ms. Green replied the amount was approximately \$15,000 due to a buy back.

Mr. Taylor moved to amend the complaint on its face to reflect that amount of money.

Mr. Ramsey testified that an administrative meeting had been scheduled. The Licensee had been present at the first meeting. Subsequently, because of other unsubstantiated complaints, letters had been sent on October 8 and October 12, 1998, and on June 30, August 19, September 8, and September 14, 1999, requesting documents to establish financial responsibility. None had been responded to. Unsuccessful attempts had been made to obtain a valid address. Mr. Ramsey added that a personal bankruptcy had been filed by George Mockebbee. It did not include George Strain Inc.

The evidentiary was closed.

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

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO FIND LICENSE #13399 AND #13399A, GEORGE STRAIN INC, IN VIOLATION OF ALL CHARGES.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO REVOKE LICENSE #13399 AND #13399A, GEORGE STRAIN INC, AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,916.95 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

STATEWIDE LANDSCAPE #8655 – DISCIPLINARY HEARING

STATEWIDE LANDSCAPE INC. #27052 - DISCIPLINARY HEARING

Glen Alfred Lorne Dodd, Owner and President, was not present. Neither legal counsel nor anyone else was present to represent the Licensee.

Darcy Green, Representative, A. C. Houston Lumber Company, and NSCB Investigator Ron Ramsey, were sworn in.

The notice and complaint dated April 5, 2000, consisting of pages 1-14, had been sent certified mail to Respondent's address of record, 10680 South Haven, Las Vegas, NV 89123. No return receipt had been received.

An amended notice of hearing regarding time, dated May 10, 2000, had been sent certified mail.

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 (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; and NRS 624.3013 (5), as set forth in NAC 624.640 (3): failure in any material respect to comply with the provisions of this chapter or the regulations of the board, and if any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his license is based, he shall report the change in writing to the board within 30 days after the change occurs.

The notices of hearing were entered into the record as EXHIBIT 1.

License #8655 was inactive, not renewed as of March 31, 1999. License #27052 was suspended for no bond as of November 28, 1998.

Ms. Green testified that A C Houston was owed \$1,565.20.

Mr. Ramsey testified that as a consequence of the money-owing complaint, notices had been sent requesting documents to establish financial responsibility. None had been supplied. Additionally, in attempts to locate the Licensee, a visit was made to the address of record. A telephone call from the current occupant revealed that the whereabouts of the Licensee was unknown. No notice of a move had been received by the board.

The evidentiary was closed.

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

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO FIND LICENSE #8655, STATEWIDE LANDSCAPE, AND #27052, STATEWIDE LANDSCAPE INC., IN VIOLATION OF ALL CHARGES.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MR. CARSON MOVED TO REVOKE LICENSE #8655, STATEWIDE LANDSCAPE, AND #27052, STATEWIDE LANDSCAPE INC., AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES AS WELL, AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$1,686.98 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. SHELTRA SECONDED THE MOTION.**THE MOTION CARRIED UNANIMOUSLY.**

Ms. Green indicated the company had filed bankruptcy, and the bond had been paid out.

BIDDERS PREFERENCE DISCUSSION

The Board amended the agenda to include a short discussion in the nature of public comment regarding Bidders Preference with Attorney George Ogilvie.

Mr. Ogilvie expressed his concerns regarding the Bidders Preference regulations. He supported including the specialty contractors who were able to act as prime contractors under specific circumstances, but disagreed with the Board's understanding that an out-of-state-contractor could acquire an existing bidders preference entitlement through the purchase of stock of a corporation, contending that, effective October 1, 1999, it could now only be transferred by gift, inheritance, or employee stock option plan.

Mr. Ogilvie stated that his intent on requesting to meet with the Board to discuss Bidders Preference was to point out that he took issue with restricting bidders preference to specific classifications, stating that it was improper, that it was not what the legislature intended, and that he believed it to be unconstitutional. Using the example of a C2 license holder, Mr. Ogilvie said that if the C2 license holder qualified for bidders preference by the payment of taxes as a C2, he could not qualify any other licenses he held under that C2 license.

In conclusion, Mr. Gregory informed Mr. Ogilvie that the Board's position remained the same. In its last action, the Board only acted to include specialty contractors on projects in which they could act as prime contractor.

DISCIPLINARY HEARINGS**TROPHY POOLS #38349 - DISCIPLINARY HEARING**

Donald Ray Plain, President, Trophy Pools, was not present. Neither legal counsel nor anyone else was present to represent the Licensee.

NSCB Investigators Greg Welch, Ron Ramsey, Chet Yekin, Loyd Mead, and Bob Macke; and Complainants, Mike and Mary Ann Meyers, Phil and Debra Harris, and Mike Whyte, General Manager, Davis Concrete, were sworn in.

The notice of hearing and complaint, dated April 19, 2000 and consisting of pages 1-64, had been sent certified mail. No return receipt was received.

An amended notice of hearing regarding a time change was dated May 10, 2000. It had been sent certified mail. No return receipt was received.

Investigator Greg Welch attempted service of the notice and amended notice, at Respondent's address of record, 355 East Jo Rae, Las Vegas, NV 89123, on May 11, 2000. The address did not exist. Mr. Welch also attempted service at the address listed on the top of Respondent's contract, 3355 Spring Mountain Road, Suite No. 67, Las Vegas, Nevada 89102, on May 11, 2000. The occupant of the address is a medical supply vendor who had no knowledge of Respondent.

The hearing was for possible violation of NRS 624.3016 (5), as set forth in NRS 597.716 (3), NRS 597.719 (2), NRS 597.719 (3), failure to comply with NRS 597.713, 597.716 or 597.719 or any regulations of the board governing contracts for the construction of residential pools and spas: if satisfactory payment is made for any portion of the work performed, the contractor shall, before any further payment is made, furnish the owner a full and unconditional release from any claim of mechanic's lien for that portion of the work

for which payment has been made, the contract must contain, in close proximity to the signatures of the owner and the contractor, a notice stating that the owner has the right to request a bond for payment and performance, at the time the owner signs the contract, the contractor shall furnish him a legible copy of all documents signed and a written and signed receipt for any money paid to the contractor by the owner. All written information provided in the contract must be printed in at least 10-point bold type; NRS 624.3013 (5), as set forth in NAC 624.6958 (i) (l) and (2), (1) and (2), (k), (o), (1), NAC 624.640 (5), and NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board, specifically: each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license, a contractor shall ensure that each contract for the construction of a residential pool or spa that the contractor enters into contains the following, each of which must be printed in at least 10-point bold type: a statement that the contractor has provided to the owner: the notice and informational form required pursuant to NRS 624.321; and any other notices and forms required pursuant to federal, state or local law; a plan and scale drawing showing the shape, size, dimensions and the specifications for the construction and equipment for the residential pool or spa and for other home improvements, and a description of the work to be done, the materials to be used and the equipment to be installed, and the agreed consideration for the work; a notice, in close proximity to the signatures of the owner and the contractor, stating that the owner has the right to request a bond for payment and performance; a statement that upon satisfactory payment being made for any portion of the work performed, the contractor shall, in accordance with subsection 3 of NAC 624.6966 and before any further payment is requested or made, provide to the owner a full and unconditional release from any claim of mechanic's lien for that portion of the work for which payment has been made; 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 (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; and NRS 624.301 (1), abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor.

The notices of hearing were entered into the record as EXHIBIT 1.

The license was suspended for no bond as of October 30, 1999.

Mr. Taylor questioned Mr. Whyte, who testified Davis Concrete had been owed \$33,263. Payments had since been made by two homeowners. However, because of the money-owing complaint, documents had been requested to establish financial responsibility.

Mr. Ramsey testified that the Licensee could not be located through the mail, but Mr. Welch had signed an affidavit indicating that a financial statement had been personally requested. The response from the Licensee was he did not intend to spend hundreds of dollars to furnish the Board with a financial statement, therefore, none had been provided.

Mr. Harris testified he had entered into a contract with the Licensee to construct a pool at his residence for a total contract price of \$65,306. A total of \$62,306 had been paid on the contract. Mr. Harris said industry regulations had been violated because proper notices had not been provided to him. In addition, Thunderbird Electric had filed a lien against the property for approximately \$1,100 of unpaid electrical work. The lien remained upon the property, but Thunderbird Electric had indicated they would attempt to go after the Licensee.

The Meyers testified that he and his wife had entered into a contract with the Licensee for the construction of a pool for a total contract amount of \$20,000. The Meyers' paid approximately \$12,000 on the contract. Mr. Meyers stated he had spent a great deal of time supervising his pool construction. At some point, the pool project was abandoned by the Licensee, when the project was 90% complete. Mr. Meyers then gave a current status

of his pool, adding that a representative of Trophy Pools had attempted to talk him out of appearing before the Board, and that Trophy Pools had filed a lien on his property

Mr. Welch testified that correction notices had been issued.

Chairman Gregory clarified that some of the liens were not valid. He also commented that the license was personally indemnified.

Mr. Yekin testified he had validated the Meyers' workmanship issues, and that correction notices had been sent but had not been responded to.

Mr. Whyte said he had attempted to serve notice on the homeowner. At that time, he learned the homeowner had paid Mr. Plain. Subsequently, in a phone conversation with Mr. Plain, Mr. Plain told Mr. Whyte he would call him later and he would have a check for him that afternoon. Mr. Plain never called.

Mr. Welch validated a violation of failure to provide proper notice in the Deppe and King complaints.

Mr. Gregory pointed out that the Licensee had an active B2 license, Fiesta Construction and Development. It had not been included in the hearing notice.

The evidentiary was closed.

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

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO FIND LICENSE #38349, TROPHY POOLS AND SPAS, IN VIOLATION OF ALL CHARGES.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MR. JOHNSON MOVED TO REVOKE LICENSE #38349, TROPHY POOLS AND SPAS, AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$4,507.70 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Further emergency measures.

MR. CARSON MOVED TO AMEND THE AGENDA TO TAKE ACTION ON LICENSE #29076, FIESTA CONSTRUCTION AND DEVELOPMENT, AS AN EMERGENCY NATURE, DUE TO THE FAILING FINANCIAL CONDITION OF TROPHY POOLS AND SPAS, AND TO SUMMARILY SUSPEND LICENSE #29076, FIESTA CONSTRUCTION AND DEVELOPMENT, FOR LIFE AND HEALTH SAFETY ISSUES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.**CASHCO PLUMBING CO #38747 – DISCIPLINARY HEARING**

Eugene S. Simpson, President, Cashco Plumbing Co., was not present. David Stephens, Attorney for Eugene Simpson, was identified and NSCB Investigator Ron Ramsey was sworn in.

Mr. Gregory inquired why the Licensee was not present. Mr. Stephens said it was because he believed the problem with Ahern Rentals had been resolved, and that he assumed the Licensee would not be needed to testify.

The notice of hearing & complaint, dated April 13, 2000 and consisting of pages 1-12, had been sent certified mail. No return receipt had been received. However, an answer to the complaint dated May 2, 2000, had been received.

An amended notice of hearing regarding a time change, dated May 10, 2000, had been sent certified mail. The return receipt was dated May 11, 2000.

The hearing was for possible violation of 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 624.3013 (5), as set forth in NRS 624.263 (3) (b) and NAC 624.640 (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board; NRS 624.263 (3), a licensed contractor shall, as soon as it is reasonably practicable, notify the board in writing upon the filing of a petition or application relating to the contractor that initiates any proceeding, appointment or assignment set forth in paragraph (j) of subsection 2. the written notice must be accompanied by: (a) a copy of the petition or application filed with the court; and (b) a copy of any order of the court which is relevant to the financial responsibility of the contractor, including any order appointing a trustee, receiver or assignee, and if any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his license is based, he shall report the change in writing to the board within 30 days after the change occurs.

The notices of hearing were entered into the record as EXHIBIT 1, the Respondent's answer was entered as EXHIBIT A, and Ahern Rentals confirmation of payment in full, dated May 23, 2000, was entered as EXHIBIT 2.

The license status was inactive, not renewed, as of October 31, 1998.

Mr. Taylor questioned Mr. Stephens regarding the bankruptcy. Mr. Stephens said a personal Chapter 7 bankruptcy had been filed on behalf of Eugene Simpson.

Mr. Ramsey testified that no notice of the bankruptcy had been provided to the Board. Mr. Ramsey validated that two requests for financial data to establish financial responsibility had been made. A response from Stephens, Gourley, & Bywater had been received indicating that Mr. Simpson did not anticipate filing a current financial statement with the State Contractors' Board.

Mr. Stephens stated that the Licensee had no intention of renewing his license or reapplying for another license.

MR. JOHNSON MOVED TO DISMISS THE CHARGES.**MR. ZECH SECONDED THE MOTION.****THE MOTION CARRIED UNANIMOUSLY.**

Mr. Gregory was not present for the amended application review. Mr. Zech assumed the chair until his return.

APPLICATIONS (Continued)

The following motion closed the meeting to the public.

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

MR. CARSON 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).

The remainder of the applications on the amended agenda was reviewed and discussion occurred on the following: Nos. 2, 3, 5-6, 8, 13-17, 19, 21-23, 28-29, and 31.

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

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

SUN GOLD DEVELOPMENT #34201, DENIAL OF RENEWAL & DISCIPLINARY HEARING (Continued from 10/26/99 and 1/25/00)

Albert Geoffrey Robins, President, Sun Gold Development, was present, along with Tom Tucker, NSCB Investigator.

Mr. Taylor recapped that the matter regarded the release of lots by the bankruptcy Trustee.

Mr. Robins informed the Board the lots could be released on Thursday of this week, but the matter could take an additional 6 weeks before funds would be made available, that is, if the process moved forward in a timely manner.

Discussion then focused on how long it would take before the creditors were paid.

Mr. Carson informed the creditors that a cash bond was available, as well as a personal indemnification.

Mike Clark, President, M Y S Drywall, stated he was owed \$22,000, and Kay Graham, Office Manager, R E W Material, said they were owed approximately \$2,250.

Mr. Haney suggested the hearing be continued for 60 days for a staff report. Thereafter, a hearing could be conducted, if needed.

MR. CARSON MOVED TO CONTINUE THE HEARING FOR 60 DAYS FOR A STAFF REPORT.

MR. JOHNSON SECONDED THE MOTION.**THE MOTION CARRIED UNANIMOUSLY.**

Mr. Tucker was asked to remind Mr. Robins that a financial statement had been requested.

PALMER & SONS, INC. #34900 & 44942 - DISCIPLINARY HEARING

The notice of hearing, dated April 19, 2000 and consisting of pages 1-36, had been sent certified mail. The return receipt was dated April 22, 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 624.3013 (5), as set forth in NAC 624.700 (3) (a), and NAC 624.640 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board if it appears from the investigation that a licensee may have violated the provisions of chapter 624 of NRS or these regulations, the executive officer may request the licensee to take appropriate corrective action, and each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license; NRS 624.301 (3), failure in a material respect on the part of a licensee to complete any construction project or operation for the price stated in the contract for the project or operation or any modification of the contract; 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 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; and NRS 624.3015 (2), bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the board.

The notice of hearing was entered into the record as EXHIBIT 1. The Licensee's response was entered into the record as EXHIBIT A, and the stipulation was signed.

The status of both licenses was active.

Gregory Clapp, Owen C. Palmer, President, Palmer & Sons Inc, NSCB Investigator Greg Mincheff, Len and Dianne Ferne, Complainants, and Mike Tao were sworn in. Jay Hampton, Legal Counsel for the Fernes, and Jeff Posin, Legal Counsel for Mr. Palmer, were identified.

Mr. Gregory returned at 1:45 p.m. and resumed the seat of chairman.

Mr. Taylor questioned Mr. Ferne, who testified that on November 30, 1998, and December 15, 1998, he had entered into four contracts with Respondent for the construction of a 6-foot concrete masonry unit (CMU) walls in the total amount of \$33,000, and a 45-foot by 45-foot concrete slab for a total contract amount of \$5,512.00, which ended costing the Fernes \$5,992.00 for additional labor (paid voluntarily), and a CMU barn for a total contract amount of \$15,700.00, in Pahrump, and all totaling \$54,692.00. Mr. Ferne had paid Respondent approximately \$46,792.00 on the contracts. The Respondent commenced work on the project on December 2, 1998, and was last on the project in April, 1999.

Mr. Ferne then gave a short synopsis of what happened on the project. In brief, the workmanship issues were the 45-foot by 45-foot elevated concrete slab has heavy crazing throughout the entire slab, there was a 1/2 inch deep by 2-inch wide recess along the entire run of curb wall that was rough and inconsistent, and two CMU pilasters at the vehicular entry gate failed. Subsequently an engineer reviewed the slab, and he provided recommendations on how to correct. In July, 1999 the Fernes met with the Palmers, who agreed to correct all deficiencies if the Fernes produced the engineer's report. The report was provided. Three days later the Palmers reneged. After a six-week vacation, the

Ferne returned to find two letters from Owen Palmer asking to work out the problem. Another meeting was arranged in September. In that meeting, Mr. Palmer signed an agreement saying he would abide by all engineer's recommendations. However, he reneged on that agreement as well, asking for more money to make the corrections.

Mr. Taylor entered EXHIBIT 2 into the record, a cover letter dated September 20, 1999, which was an agreement of completion of work, and damages of cost to complete.

Mr. Ferne said the estimate to complete the work was approximately \$45,000.

Mr. Posin then questioned Mr. Ferne regarding the work, which had been performed by Palmer & Sons. During questioning, the soils report from BBC Engineering was provided to the Board for review.

Mr. Gregory clarified that the workmanship issue had been validated by the Board's investigator.

Mr. Taylor queried Mr. Ferne regarding the time when Palmer's crew was helping to lay down the block under the slab. Mr. Taylor asked Mr. Ferne if any complaints had been expressed to him about the degree of compaction. Mr. Ferne replied no.

Mr. Mincheff testified he validated the complaint, explaining what had happened. Notices to correct and a final notice to correct had been sent to the Respondent for the crazing of the slab. There had been numerous responses from both parties, but corrections had not been performed.

The original photographs in the hearing file were reviewed.

Mr. Posin questioned Mr. Mincheff as to why the Palmers did not want to do the repairs. Mr. Mincheff said the latest reason was that it was by request of counsel.

Mr. Posin stated that most of the issues needed to be addressed in a civil lawsuit.

Mr. Gregory pointed out that one of the issues was contracting over the limit.

Mr. Posin said Mr. Palmer did not do it to create a fraudulent situation. He did it out of ignorance of the statutes. Mr. Posin did not deny the charge, saying Mr. Palmer admitted to the violation of the aggregate sum of the contracts. The only argumentative issue was the workmanship issue.

Mr. Palmer testified he did not have an argument regarding the workmanship issue. The concrete floor came out bad. It was not acceptable in his opinion. But the correction notice read he was to make corrections by appropriate means, and Mr. Palmer said he did not know what that was. He said he needed an engineer's report or somebody to inspect it and recommend what appropriate means were. He said from the beginning he had tried to do that but Mr. Ferne made it impossible for him, or an engineer, to access the property, stressing the fact that he had written numerous letters to that effect. Mr. Palmer stated that the agreement he signed with Mr. Ferne was for the purpose of doing what the engineer's report said. The problem was that the engineer's report he received from Mr. Ferne was not signed or stamped, invalidating it as an engineer's report. Mr. Palmer stressed that the footers were not an original part of the contract, and that the footers were not there when he poured the floor because Mr. Ferne had laid the blocks that were underneath. It was true Mr. Palmer had loaned Mr. Ferne a couple of laborers to help him lay the blocks, but Mr. Palmer stated that Mr. Ferne never laid the blocks out with provision for interior wall footers nor were there interior walls on the contract, or on any plan, that Mr. Palmer had. Mr. Palmer said he knew nothing about interior walls.

Mr. Palmer then addressed the workmanship issue and said it was poor workmanship. He needed to fix it. He had wanted to fix it from the beginning. He said he would still like to

fix it, but he asked the Board to not make him cut through the floor and the sideways laid blocks underneath it to put footers in for interior walls that he never knew were there. They were never in the contract. They were never on the print.

Mr. Gregory asked Mr. Palmer if he had been precluded from returning to the project. Mr. Palmer replied yes. Mr. Ferne said he had not stopped Mr. Palmer from coming back.

Mr. Gregory stated the contractor cannot do work in excess of his limit. Mr. Palmer stated he had to hire someone to do the work.

Mr. Gregory asked if the Board, in a written agreement, could facilitate both parties to correct the matter as Mr. Palmer had volunteered to do, to the standard of the trade in general, to be verified by the Board's Investigator.

Both parties agreed.

MR. JOHNSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS. MR. TAYLOR WAS TO FACILITATE THE MATTER.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

AQUA BLUE POOLS #32761 – DISCIPLINARY HEARING (Continued from 5/9/00)

Walter Welty, Aqua Blue Pools; Shawn Marino, General Manager, Aqua Blue Pools; Peter and Daphne Burras, Complainants; Representative of Aqua Blue Pools: Karla Baker, Mitch Donner, and Josh Donner; and NSCB Investigators Bob Macke and Greg Welch, were sworn in. In addition Don Beury, Legal Counsel representing complainant Peter Burras, and Kalani Hoo, Legal Counsel for Aqua Blue Pools, were present.

Mr. Taylor stated that the matter was in litigation. The purpose of today's meeting was to only address the Burras complaint. Hereafter, Mr. Taylor questioned Mr. Burras.

Mr. Burras testified that on March 26, 1998, he had entered into a contract with the Respondent for a construction of a pool at their residence. The total contract amount was \$28,082. There currently was a balance due of \$4,212.30. Mr. Burras then summarized the problems he had encountered with the pool: the pool deck had cracks exceeding 1/8 inch penetrating through the entire deck; the crack repair was not within the minimum industry standards; and the pool had stains in the plaster throughout the pool.

Mr. Taylor pointed out that there were allegations by the Respondent that the staining was a result of Mr. Burras' inability to control the water chemistry. Mr. Burras said he had 38 years of experience with swimming pools. Caring for the chemistry of the pool was not a new thing for Mr. Burras. Besides, from the beginning of the construction of the pool, he and his family did not take care of the chemical additives to the pool for the first 60 days. That had been handled by Aqua Blue Pools. Chemical analysis indicated that the chemical balance was in good condition. Additionally, Aqua Blue Pools had performed an acid wash and, thereafter, maintained the pool for 90 days.

Mr. Hoo then questioned Mr. Burras regarding the dates of the chemical analysis, and regarding the signed contract.

Mr. Macke testified he had performed a follow-up inspection in preparation of the Board hearing. The notices to correct had already been issued, he followed up on the items listed in the notice to correct. Mr. Macke said repairs had been performed after the notices were issued but not to the standard of the industry. Mr. Macke then detailed what the remaining problems were. The first notice to correct had been issued on April 19, 1999.

Mr. Hoo next spoke to the attempts the Respondent had made to correct the issue. But further attempts to go on to the property to inspect or to correct had been denied by Mr. Burras.

Mr. Burras was then asked if he would allow the contractor back onto the property to fix the pool. Mr. Beury said the two parties were in litigation. Nonetheless, Mr. Burras agreed.

The Licensee also agreed.

Mr. Gregory said the Board would expedite the situation. Mr. Macke was to facilitate the corrections. All parties were informed that the corrections were to be made to the standard of the trade in general, to be verified by the Board's investigator.

MR. JOHNSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS TO FACILITATE CORRECTION.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MOJAVE POOLS #46460 – DISCIPLINARY HEARING (Continued from 5/9/00)

MOJAVE HOMES #46461 – DISCIPLINARY HEARING (Continued from 5/9/00)

Frederic Chad Beesley & Peter M. Gazsy, Partners, NSCB Investigator, and Elaine Silva, Complainant, were present.

Mr. Taylor recapped the previous hearing.

Mike Meads, Owner, Mike Meads Construction, testified he had been the general contractor on the Silva project to build her a home, not her pool. Ms. Silva had informed Mr. Meads on several occasions during the first year that she was having problems with the pool. Mr. Meads said he did not attempt to convey the complaints on to the individuals who built the pool because, he had nothing to do with it.

Mr. Gazsy said he learned of the problem 2 years later, detailing how and when he learned of the issue. He said the date was approximately between May 13, 1998, and July 10, 1998.

Mr. Beesley said he had dealings with Ms. Silva one year after the pool was installed, and she made no mention to Mr. Beesley of the problem she had with the pool.

Mr. Gregory recapped that Mr. Meads' testimony validated that the problem had occurred within the first year, and that the contract Ms. Silva had was with Mojave Pools.

More discussion occurred regarding additional problems with the pool since the original problem manifested itself, but Mr. Gregory pointed out that the purpose of today's hearing was to establish that the problem began within the first year, and that had been established.

The evidentiary was closed.

MR. ZECH MOVED TO TABLE THE HEARING FOR 45-DAYS OR TO JULY 25, 2000, IN LAS VEGAS. THE BOARD DIRECTED A BOARD DRIVEN CORRECTIVE ACTION NOTICE BE ISSUED TO THE LICENSEE, AND MR. MINCHEFF WAS TO EVALUATE THE POOL'S CURRENT CONDITION AND TO MONITOR THE POOL CORRECTION ACTIVITY INCLUDING POOL REPAIR OR REPLACEMENT TO THE STANDARD OF THE TRADE IN GENERAL, TO BE VERIFIED BY THE BOARD'S INVESTIGATOR.

MR. SCHAEFER SECONDED THE MOTION.**THE MOTION CARRIED UNANIMOUSLY.****LANDSCAPES BY TIM # 28557 - DISCIPLINARY HEARING**

Timothy H. Waldrup, Owner, Landscapes by Tim; Complainants Janis Webb, Kathryn Wonders, and Greg Rustad; and NSCB Investigators Greg Mincheff and Ron Ramsey, were sworn in. Keith Gregory, Legal Counsel for Landscapes by Tim, was identified.

The notice of hearing, dated April 7, 2000 and consisting of pages 1-83, had been sent certified mail. The return receipt was dated April 8, 2000.

The notice of continued hearing, dated May 10, 2000, had been sent certified mail. The return receipt was dated May 11, 2000.

The hearing was for possible violation of NRS 624.301 (1), abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor; NRS 624.301 (2) (3) and (4), abandonment of a construction project when the percentage of the project completed is less than the percentage of the total price of the contract paid to the contractor at the time of abandonment, unless the contractor is entitled to retain the amount paid pursuant to the terms of the contract or the contractor refunds the excessive amount paid within 30 days after the abandonment of the project, failure in a material respect on the part of a licensee to complete any construction project or operation for the price stated in the contract for the project or operation or any modification of the contract, and 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 624.3011 (1) (c) (1), willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; 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, when he has the capacity to pay or when he has received sufficient money therefor; 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 624.3013 (5), as set forth in NAC 624.640 (5), NRS 624.700 (3) (a), and NAC 624.700 (3) (b), failure in any material respect to comply with the provisions of this chapter or the regulations of the board, specifically, each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license, if it appears from the investigation that a licensee may have violated the provisions of chapter 624 of NRS or these regulations, the executive officer may request the licensee to take appropriate corrective action, and if it appears from the investigation that a licensee may have violated the provisions of chapter 624 of NRS or these regulations, the executive officer may request the licensee to meet informally with the board's staff and the complainant; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; and 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.

The notice of hearing as well as the notice of continued hearing was entered into the record as EXHIBIT 1, and the stipulation was signed.

Mr. Taylor said he had been informed by counsel that regarding the Rustad/Wonders matter, there were on-going discussions between the parties regarding the fourth through the ninth causes of action. The parties had agreed they would like to have the matter continued. Ms. Wonder confirmed that desire.

Attorney Gregory also requested a continuation, confirming that his client was in settlement

discussions. He said they had agreed to several of the workmanship issues, but one monetary issue remained unresolved. Additionally, another complainant, Tri-delta Materials Company, had been paid.

Mr. Ramsey testified he had received a letter from Tri-Delta confirming such.

When questioned about financial information, Attorney Gregory said he had in-house statements, and that he would have a CPA prepared financial statement within 10 days.

Attorney Gregory was asked to explain the Webb complaint, which he did, adding that Allan Masonry pulled the permit, and completed the work to code. Attorney Gregory stipulated that on this project the Licensee had failed to include his license number and monetary bid limit on the contract, and to being beyond the scope of his license.

Ms. Webb said she had taken care of all of her issues. She then testified that on or about May 18, 1999, she had entered into a contract with the Licensee for the construction of a concrete masonry wall, concrete curbing, landscaping, landscape irrigation and lighting, for a total contract amount of \$14,889.77. Ms. Webb had paid \$7,000 on the contract amount although she had written a second check for \$5,000, which she later placed a stop payment order on when the City of Las Vegas placed a stop all work notice on the concrete block wall for lack of a permit. The Licensee left the project after June 22, 1999. Ms. Webb then detailed how much of the project remained incomplete at that time. She said she paid Allan Masonry \$2,000 to complete the wall. An additional \$1,227 and \$241 had been paid to Sedco Iron, and she believed she paid \$388, twice, for the curbing. Ms. Webb added she may not have ultimately paid more than the original contract amount, but she also did not get everything she wanted. She complained that her grass was a hodgepodge of several different types.

Attorney Gregory said Ms. Webb had paid part of the amount owed to Allan Masonry, adding that the only thing that Allan Masonry did was to add rebar. The construction of the wall was fine.

Mr. Mincheff was asked if there had been a complaint regarding the grass. He replied yes. But as the project was incomplete, approximately 50% having been completed, there was no workmanship issue at the time. Mr. Mincheff stated he did not notice if there was a workmanship issue with the grass as he had been more concerned with the wall issue on his last visit.

For the record, Attorney Gregory agreed that if there were other workmanship issues, the Licensee would make those corrections.

MR. CARSON MOVED TO CONTINUE THE HEARING TO THE NEXT LAS VEGAS MEETING ON JUNE 20, 2000.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Mr. Griffy assumed Mr. Haney's seat at 3:30 p.m.

MORLEY INVESTMENTS & CONSTRUCTION INC. #39166 and #41855 - DISCIPLINARY HEARING

Roy R. Morley, President, Morley Investments & Construction Inc.; NSCB Investigator Ron Ramsey; and Michelle Stalk, Urban Construction Company LLC, were sworn in. Attorney Keith Gregory, Legal Counsel for Morley Investments & Construction Inc, and Robert Goldstein, Legal Counsel for Urban Construction Company LLC were identified.

Mr. Zech disclosed that he had continuing business dealings with Morley Investments, but

he did not believe it would affect his decision in the matter. There was no objection to Mr. Zech's disclosure.

The notice of hearing and complaint, dated March 31, 2000 and consisting of pages 1-50, had been sent certified mail. The return receipts were dated April 10 and April 21, 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; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a) and NAC 624.640 (5), 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 order to correct, and each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license.

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

License #39166 was active, and license #41855 was suspended for no qualifier, as of December 16, 1997.

Attorney Gregory stipulated to the workmanship issue, and to the failure to comply with the Board's notices to correct, with one caveat. Attorney Gregory stated that the first notice had been responded to. The second and final notice had not been responded to. In addition, Attorney Gregory stipulated to failure to put the monetary license limit on the bid.

Ms. Stalk testified that there were several issues in the original complaint to the Board. Some of the issues were financial, i.e., the subcontractors had not been paid. She said she was not certain why those complaints had not been addressed. Urban Construction Company had bonded around those matters. The purpose for her testimony was to inform the Board that the subs had not been paid for the work Morley received money for.

It was determined that a financial statement had not been requested.

Attorney Gregory commented that the Licensee was in litigation regarding the financial issues.

Mr. Carson recommended a continuation with a possible amendment to the hearing notice for financial issues, over the scope, out of limit, etc., and to eliminate those items stipulated to.

MR. CARSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS FOR A STAFF UPDATE AND/OR A REVISED COMPLAINT.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

REMINGTON HOMES, LTD #35380 - DISCIPLINARY HEARING (Continued from 4/18/00)

Michael Toigo, Counsel for Remington Homes, was identified.

Mr. Taylor stated he had talked to counsel and it was his understanding that the bathtub had been corrected. But, during the course of the correction, a problem had arisen with the carpeting and one of the tiles.

Mr. Toigo said his client was seeking to replace the tile, the carpet had been re-stretched, and the door had been replaced.

MR. CARSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS FOR A STAFF REPORT.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

VISION CRAFT HOMES INC. #45953 - DISCIPLINARY HEARING (Continued from 10/26/99, 12/21/99, 2/23/00 and 3/7/00, and 4/18/00)

Daniel Berg, President, Vision Craft Homes Inc., was not present.

Present were Attorney Mike Mushkin and Attorney Teddy Parker for Vision Craft Homes Inc; Attorney John Hanover with client Terrence Banich; and Complainant Fred Gawryk.

Mr. Griffy recapped what had occurred in the last hearing. He said the purpose of this meeting was to address the individual items that remained to be corrected at the Banich residence, and to learn what had occurred at the meetings Hal Taylor had conducted with the attorneys to resolve those issues.

Mr. Taylor stated he had met with Attorney Caleel and his estimator to discuss the issues contained in the notice to correct. Subsequently, Mr. Taylor met with Attorney Parker to discuss the same issues and any proposals Mr. Parker had to resolve the matter. Thereafter, Mr. Taylor had received a communication from Attorney Parker indicating he had a problem with language in a release addressing the glass panels on the Banich stairway.

Subsequently, a second meeting had been held wherein extensive discussion occurred with regards to the language contained in the proposed release and language which claimant's counsel desired to add to the release. At the end of meeting, all parties had not been able to reach a resolution.

Mr. Griffy added that things were not supposed to come to a stop regarding the release.

An extensive discussion was then entered into wherein Chairman Gregory asked staff to review the causes of action and to note whether the action had been corrected, was valid or invalid.

Chairman Gregory then suggested dismissing the matter, without prejudice, because all parties were going to court.

Mr. Zech suggested putting the license on probation because he wanted the license monitored.

After further discussion, Mr. Haney suggested that the Vision Craft matter be set for a hearing. He saw no reason why the issues could not be explained by the Licensee in 3 or 4 hours, maximum.

Mr. Gawryk suggested disciplining the license.

MR. JOHNSON MOVED TO SET VISION CRAFT FOR A HEARING. COUNSEL WERE TO NARROW THE ISSUES TO A LESSER NUMBER, AND TO CONTINUE THE BALANCE OF THEM UNTIL THE COMPLETION OF THE LITIGATION.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

The target date for the hearing was June 21, 2000.

PUBLIC COMMENT

Don Rowland, Owner, DBR Enterprises, commented on the scope of work of his A22 license. He requested that he be grandfathered into the C1D and C1H license classification to continue to do plumbing on pools, spas, foundations; and to provide water, sewer, and gas lines relating to work performed on swimming pools. The Board suggested to Mr. Rowland that make his request to that effect in writing.

Fred Gawryk, Complainant in the Vision Craft matter, expressed his concerns regarding surety bonds and the lack of protection they provided to the consumer. The Board then participated in a discussion regarding consumer protection.

There being no further business to come before the Board, the meeting was adjourned by Chairman Gregory at 5:08 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman