

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
AUGUST 8, 2000**

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:39 a.m., Tuesday, August 8, 2000, State Contractors' Board, Reno, 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
Mr. Frank Torres, Deputy Director of Investigations
Ms. Kathy Stewart, Licensing Supervisor
Mr. Gary Hoid, Investigator
Mr. Gary Leonard, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Lesley Clarkson, Court Reporter, Sierra Nevada Reporters; Mark Robert Nielsen, President, M Nielsen Corporation; Gregory Skinner, Legal Counsel, M Nielsen Corporation; Magda Kispal, Complainant; Attorney John McCune representing Magda Kispal; Witnesses: Kirk Keller, Ken Wood, Al Chambers, Jim Richards, James Summers, and Gene Oman; Jerry Lee Blades, Owner, Blades Construction; Complainant Dennis Long; Michael Culhane, Partner, Martin Enterprises Inc.; Keith B. DeForest, Owner, K B D Concrete; Witnesses: Julio Sandevol and Steve Simmons; Attorney Keith Loomis for K B D Concrete; Ranen N. Ghatak, President, United Solar Energy; Michael Brodie Lewis, President, M B Lewis Construction Inc.; Wally Stephens, Legal Counsel, M B Lewis Construction Inc.; Complainant Joy Joyner; Kelly Wilcox; Ernest W. Balogh, Owner, Architectural Concrete Company; Robert Frye, Legal Counsel, Architectural Concrete Company; Rod and Stacy Halecky, Complainants; Mike Efstratis, Construction Manager and Qualifier, Double Diamond Ranch LLC; Jesse Harmon, Customer Service Manager, Double Diamond Ranch LLC; Thelma Donovan, Complainant; Paul Schultz, President Complete Construction and Remodeling; Jerry Bartels, Treasurer, Industrial Ventilation Inc; and Adam Schwartz, Secretary/Treasurer, Floor Specialist Inc.

Ms. Grein stated that Ron Carney had posted the agenda in compliance with the open meeting law on August 2, 2000 at the Washoe County Court House, Washoe County Library, and Reno City Hall. In addition, it had been posted in both offices of the Board, Las Vegas and Reno, and on the Board's Internet web page.

It was learned there were 23 items on the amended agenda, each item of an emergency nature. On the regular agenda, the license number was amended on item #3, M Nielsen Corporation, from #26244 to #36244, and on item #8, United Solar Energy, from #30600 to #30600A. A second license #43928 was also added to item #8.

MR. CARSON MOVED TO HEAR THE AMENDED AGENDAS.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

NSCB Investigator Larry Thompson was introduced to the Board.

Mr. Gregory called for a motion to approve the minutes of July 25, 2000.

MR. ZECH MOVED TO APPROVE THE MINUTES OF JULY 25, 2000.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

EXECUTIVE SESSION

2001 - LEGISLATIVE REPRESENTATION

The Board considered the contract proposal of Hillerby & Associates for Legislative Representation in the 2001 Legislature.

MS. SHELTRA MOVED TO APPROVE THE CONTRACT PROPOSAL.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

BR INFORMATION SYSTEMS

Ms. Grein presented the Board with a copy of a fleet management proposal.

The remainder of the items under Executive Session was continued to the Las Vegas meeting.

DISCIPLINE HEARINGS

M NIELSEN CORPORATION #36244 - DISCIPLINARY HEARING (Continued from 5/9/00, 6/6/00, and 7/11/00)

Mark Robert Nielsen, President, M Nielsen Corporation, was present with Gregory Skinner, Legal Counsel. Also present were Magda Kispal, Complainant, with Attorney John McCune; and NSCB Investigator Gary Leonard.

Kirk Keller, Ken Wood, Al Chambers, Jim Richards, James Summers, and Gene Oman were sworn in.

Mr. Taylor summarized the previous hearings, and the Board reviewed the remaining charges regarding paragraph 6 of the First Cause of Action, deviation of plans.

Mr. Woods testified utilizing a binder of actual photographs of the Kispal building site. He said the photographs showed the difference between the actual building and the drawings, adding that the second page measurements had been performed by Kirk Keller. Mr. Wood said the fault of the building construction started with the foundation, which had been built incorrectly. It was his understanding that the foundation had been poured by Mr. Nielsen or his employees.

Mr. Keller testified that he was a registered residential designer licensed in the state of Nevada. He was also a registered architect in the state of California. He had been involved in residential design for the last ten years. He was also a journeyman carpenter and a general building contractor in the State of Nevada. It was he who prepared the diagram of the spa area and the Porte cochere. He said the setback line was currently at the front edge, which was nine inches off from what was drawn and proposed. Mr. Keller said he was employed by Jon Gronhigen Design.

Mr. Skinner asked Mr. Keller if he or the company that employed him was the designer of record. Mr. Keller replied no, but he admitted that Ms. Kispal was making changes that were other than something that resulted from deviation of the plans.

Mr. Chambers testified he was a General Contractor, who had been licensed in Nevada for ten years. He had been hired to complete the framing on both projects. Mr. Chambers said he had reviewed the engineering report prepared by Gabbart and Woods. It was his opinion that the report was accurate regarding the framing. He said he was disassembling several items, and bringing them up to code.

The photographs mentioned earlier, and the Gabbart and Woods report were entered into the record as GROUP EXHIBIT 8.

Because Mr. Skinner asked for specificity, Mr. Chambers reviewed the report, and detailed several items he had repaired.

Gene Oman, Manager, Washoe County Branch Office, Building Department, Incline Village, was present as a character witness for Mr. Nielsen.

Mr. Taylor stipulated to item #42, saying it could have been part of pick-up work.

Mr. Skinner stipulated to two mistakes, the Porte cochere and the front edge.

Mr. Nielsen testified regarding item #6B, the main entry where the floor was 15 inches below main floor plan.

Mr. Gregory stated that with the exception of the two items stipulated to, the remaining items were alleged differences on behalf of both parties.

Mr. Taylor read the following comment from the Gabbart and Woods report into the record: page 63, line 24.

Mr. Skinner countered by reading page 71 of the same report.

NSCB Investigator Gary Leonard was questioned regarding what threw the pitch of the roof off.

Mr. Skinner asked Mr. Nielsen to explain, which he did.

The evidentiary was closed.

MR. CARSON MOVED TO FIND LICENSE #36244, M NIELSEN CORPORATION, IN VIOLATION OF NRS 624.3011 (1) (A).

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED. (MR. ZECH WAS OPPOSED)

Penalty phase.

MR. CARSON MOVED TO ASSESS AN ADMINISTRATIVE FINE OF \$1,500, AND TO IMPOSE THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$9,351.62, PAYABLE WITHIN 60 DAYS OR THE LICENSE WAS TO BE AUTOMATICALLY SUSPENDED.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

BLADES CONSTRUCTION #23397 - DISCIPLINARY HEARING (Continued from June 6, 2000)

Jerry Lee Blades, Owner, Blades Construction, was present. Also present were the complainant Dennis Long, and NSCB Investigator Gary Hoid.

Mr. Taylor stated he had received a fax the previous day from Mr. Blades attorney, Michael Springer, indicating his office had just received the amended time notice of hearing. The office was asking for a continuance as Mr. Springer was out-of-state. The NSCB file indicated that the notice had been received on time, therefore Mr. Springer's office had been alerted that the matter would be going forward.

The request for rehearing had been approved on February 7, 2000. Mr. Taylor then read Mr. Long's request into the record.

A discussion ensued regarding the matter, wherein it was suggested that the rehearing be continued. Mr. Zech disagreed, and offered the following motion.

MR. ZECH MOVED TO DISMISS REHEARING BLADES CONSTRUCTION.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

MARTIN ENTERPRISES INC #19509 - DISCIPLINARY HEARING

James Alfred Martin, President, was not present. Neither legal counsel nor anyone else was present to represent the Licensee.

The notice of hearing & complaint, consisting of pages 1-29, had been mailed certified on July 7, 2000. The certified mail receipt was returned to NSCB on July 12, 2000.

An amended notice of hearing was prepared and mailed certified on July 21, 2000. The certified mail receipt had not been returned to NSCB as of August 8, 2000.

Michael Culhane, Complainant, and NSCB Investigator Gary Hoid were sworn in.

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

Mr. Haney stated that the matter involved two workmanship items, one in Reno, Nevada and one in Fallon, Nevada. The charges were violations of NRS 624.3017 (1), workmanship, which is below the standards of the industry; and NRS 624.3013 (5) and NAC 624.700 (3) (a), failure to comply with the notice to correct.

The current status of the license was suspended, not renewed.

Mr. Culhane testified that on or about April 1, 1997, he and his partner had entered into a verbal agreement for the remodeling of an existing building for the total price of \$90,000. The work had not been performed correctly. The counter top had burns and the Formica was not glued down properly. The stairs to the loft had not been built to code because the railings had never been built by the Respondent, creating a safety hazard.

Investigator Hoid testified he had reviewed the project. He verified that items 1 and 2 of the notice to correct were still outstanding. Mr. Hoid stated he had taken photographs, which were then entered into the record as Group EXHIBIT 2.

Mr. Haney recommended not moving forward with the second charge because there was no witness present, and the witness had not appeared for the witness interview.

The evidentiary was closed.

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

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO FIND LICENSE #19509, MARTIN ENTERPRISES INC, IN VIOLATION OF THE FIRST TWO CAUSES OF ACTION.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MR. CARSON MOVED TO REVOKE LICENSE #19509, MARTIN ENTERPRISES INC, AND TO IMPOSE THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$3,758.36.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

SKIDMORE CONTRACTING CORPORATION #29348 and #38670 - SUMMARY SUSPENSION HEARING

Randall Dee Skidmore, President, was not present for the hearing. Neither was legal counsel or anyone else present to represent the Licensee.

Mr. Lyford testified that the Licensee had been contacted, and financial information had been requested. There had been no response as of yet. There were no outstanding liens against the company, and all complaints had been resolved.

MS. SHELTRA MOVED TO SUMMARILY SUSPEND LICENSE #29348 AND #38670, SKIDMORE CONTRACTING CORPORATION.

The motion died for lack of a second.

MS. SHELTRA MOVED TO REPEAT THE REQUEST FOR FINANCIAL DOCUMENTS VIA CERTIFIED MAIL. FAILURE TO PROVIDE THE FINANCIAL INFORMATION WITHIN 30 DAYS WOULD RESULT IN AN AUTOMATIC SUMMARY SUSPENSION OF LICENSE #29348 AND #38670, SKIDMORE CONTRACTING CORPORATION.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

K B D CONCRETE #35406 - DISCIPLINARY HEARING

A notice of hearing and complaint, consisting of pages 1-32, had been mailed certified mail on July 7, 2000. The return receipt was signed and returned to NSCB on July 10, 2000.

An answer to the complaint, dated July 28, 2000, was sent by Respondent's counsel, Wayne Chimarusti, for Keith Loomis, and received via facsimile on July 28, 2000. The original answer was received on August 2, 2000.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; NRS 624.3013 (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 notice to correct; NRS 624.3013 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by violation of a notice to include monetary limit on bids; and NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license.

Keith B. Deforest, Owner, K B D Concrete; Complainants: Julio Sandoval, Silver State Consultants; Complainant Steve Simmons; and NSCB Investigators Gary Hoid, and Gary Leonard, were sworn in. Attorney Keith Loomis representing K B D Concrete was identified.

The stipulation was signed.

Mr. Loomis waived the formal reading of the charges.

Mr. Taylor stated that the Licensee's license was active. The allegations pertained to workmanship, failing to comply with the notices to correct, and regarding the Gill residence, being out of scope and failing to place the monetary limit on the agreement.

Mr. Sandoval testified that in this matter, Silver State had provided the bid documents for Silver Oak, Phase 8, a commercial development. He also provided the Board with his qualifications in the construction industry. On or about April 15, 1998, the Respondent had entered into a contract with Silver State Consultants for the construction of approximately 1,875 lineal feet of rolled curb and gutter for a contract price of \$15,000, to be paid for by Silver Oak Development. To date, \$14,175 had been paid. Mr. Sandoval then detailed the problems that had been encountered with the project. Carson City had released everything pertaining to Silver Oak, Phase 8, with the exception of concrete, curbing, gutter, and paving. Mr. Sandoval next described the defects in the curb, saying that the City indicated that 1,300 feet needed to be removed.

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

Mr. Loomis then questioned Mr. Sandoval regarding the machine that Mr. DeForest used, and he asked if Mr. DeForest had requested a delay because of machine problems. Mr. Sandoval did not remember that request. Mr. Sandoval said he had never supplied a punch list to Mr. DeForest, it was the City's responsibility to do that.

Mr. Taylor asked if the owner had problems with the curbs after corrective work had been performed. Mr. Sandoval replied that the owner always had problems with the way the curbs looked because it was the entryway into the golf course clubhouse. Clearly, the workmanship was not up to standard, but City approval was necessary, and the owner believed he could correct the appearance later.

Mr. Hoid testified he had validated the complaint. He provided the Board with photographs he had taken, which he explained and which were entered into the record as EXHIBIT 2. (11 Photographs)

Mr. Loomis then questioned Mr. Hoid.

Mr. Simmons testified regarding the Fourth Cause of Action, and on behalf of Lila Gill, his mother-in-law. Mr. Simmons stated that on or about July 16, 1999, the Respondent submitted a proposal to Lila Gill to construct a 16'x70' block addition at the Gill residence in Dayton, Nevada. Mr. Simmons then described what work had been performed by the Respondent.

Mr. Taylor pointed out that the only allegation being addressed was scope.

Mr. Simmons said Mr. DeForest was responsible for all of the work he had just described. He also commented that Mr. DeForest had not been paid for the work under his contract.

Mr. Loomis questioned Mr. Simmons regarding his involvement in the project, and learned he had only reviewed the project after the fact.

Mr. Loomis entered exhibits pertaining to the Silver Oak contract as EXHIBIT A, and the Lila Gill contract as EXHIBIT B.

Mr. DeForest testified he had installed curb and gutter for Silver Oak on a total of three phases. Two had been fully accepted by the owner and the City. The only one in question was phase 8 for which he had used a new machine, and for which he had encountered many problems. He had fixed the problems as well as he could. Mr. DeForest said he had never received a punch list from the Silver Oaks or from the City, although he had requested it many times. When asked why he had not corrected the curb problems, Mr. DeForest said he no longer had the equipment or the crew to correct them. The machine had been repossessed one year before he had been contacted by the Board. Regarding his contracts, Mr. DeForest said he did not know that his limit was supposed to be on them, but he had since corrected that issue.

Mr. DeForest then testified to the Lila Gill contract, describing how the project came to be. An addition had been started four years earlier, and Mr. DeForest explained to her that she would have to be the owner/builder on the project. All he could do was provide the labor.

A discussion then occurred regarding Mr. DeForest's use of a proposal that listed K B D Concrete as the contractor.

The evidentiary was closed.

MR. ZECH MOVED TO FIND LICENSE #35406, K B D CONCRETE, IN VIOLATION OF ALL CHARGES.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MR. ZECH MOVED TO PLACE A ONE YEAR LETTER OF REPRIMAND INTO THE LICENSE FILE OF LICENSE #35406, K B D CONCRETE, AND TO IMPOSE THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$3,411.85, PAYABLE WITHIN 90 DAYS OR THE LICENSE WAS TO BE AUTOMATICALLY SUSPENDED.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

UNITED SOLAR ENERGY #30600A & #43928 -- RECONSIDERATION OF PENALTY

Ranen N. Ghatak, President, United Solar Energy, was present.

MS. CAVIN MOVED TO DENY THE RECONSIDERATION OF THE PENALTY PHASE OF LICENSE #30600, UNITED SOLAR ENERGY.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED. (MR. JOHNSON ABSTAINED)

Mr. Johnson abstained because he had not been present at the original hearing.

M B LEWIS CONSTRUCTION INC #39667A - DISCIPLINARY HEARING

The notice of hearing and complaint, consisting of pages 1-16, had been mailed certified on July 7, 2000. The certified mail receipt had not been returned as of August 8, 2000.

The amended notice of hearing and complaint consisting of pages 1-17, had been mailed certified mail on July 11, 2000. The certified mail receipt had not been returned as of August 8, 2000.

An answer to the amended complaint, dated August 4, 2000, and received by NSCB on that date, was sent by Respondent's counsel, Wallace Stephens.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; NRS 624.3013 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to respond with the notice to correct; and NRS 624.3011 (1) (a), willful and prejudicial departure from or disregard of plans or specifications in any material respect without the consent of the owner or his authorized representative.

Michael Brodie Lewis, President, M B Lewis Construction Inc; Kelly Wilcox, Engineer; NSCB Investigator Gary Hoid; Joy Joyner, Complainant, were sworn in. Wally Stephens, Legal Counsel, M B Lewis Construction Inc, was identified.

Mr. Johnson disclosed Mr. Stephens was his personal attorney and he offered to recuse himself. There was no objection to Mr. Johnson hearing the case.

Mr. Stephens disclosed that Ms. Sheltra was a client of his firm. Ms. Sheltra did not believe her judgment would be impaired in any way because, she said, Mr. Stephens had never performed any work for her personally.

The stipulation was signed.

Mr. Stephens waived the formal reading of charges.

Mr. Taylor stated that the allegations regarded workmanship, failure to comply with the notice to correct, deviation from plans, and no monetary limit on bid.

A response to the allegations had been received from the Respondent.

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

NSCB Investigator Hoid testified he had been involved in the investigation pertaining to the Joyner residence. The complaint had first been validated by Investigator Jack Edstrom, and Mr. Hoid followed up with a second validation when the case had been reassigned to him. Mr. Hoid said the first set of plans had been drawn by Mrs. Joyner's daughter, and a second set of plans had been approved by Washoe County. He then described the elevation problem with the garage slab.

The Section Plan was admitted into the record as EXHIBIT 2.

Mr. Hoid's testimony next addressed the plans, after which he stated that notices to correct had been sent to the Licensee. Two photographs taken by Mr. Hoid were then entered into the record as EXHIBIT 3.

Mr. Stephens questioned Mr. Hoid regarding the approved plans.

Mr. Gregory pointed out that a correction notice had been issued by the building department, but Mr. Stephens countered that the building department did not issue the correction notice regarding the slab, which was in contention.

Mr. Stephens pointed out that his client was willing to go back and fix the sidewalks that the building department had not approved.

When asked if she was unwilling to allow the correction, Ms. Joyner stated she did not approve of the method of correction, stating her reasons why.

Mr. Stephens said that no engineering had been performed by the owners. He said the Licensee was willing to correct the sidewalks, but the owners wanted considerably more done, which was not part of the contract.

Ms. Joyner testified regarding the plans and the contract.

Mr. Wilcox testified what needed to be done to correct the problem. He said the problem was the sidewalk was correct, but it was too close to the property. He himself preferred removing the sidewalk, detailing why.

Mr. Stephens provided 12 photographs of the sidewalk that were entered into the record as EXHIBIT A. Honeycomb Engineering Report was entered into the record as EXHIBIT B. It detailed what needed to be done to correct the problem. More dialogue occurred regarding how the problem might be corrected.

Mr. Taylor asked Ms. Joyner if the Licensee had ever told her about the problems. Ms. Joyner responded, no, the issue had never been raised.

Ms. Joyner said she would allow the Licensee to take the sidewalk out and have somebody else put the sidewalk in the way she wanted.

A discussion ensued regarding the contract, what it included, and the responsibility of the Licensee to correct the problem of drainage.

Ms. Joyner was alerted that in order for the Licensee to correct the problem, she had to allow him back on the property to do so. Otherwise, the Board could not do anything further.

The general consensus was to table the matter for 30 days to allow the Licensee to comply with the notice to correct. Mr. Gregory said the Board was willing to do whatever was necessary to facilitate the two parties in getting the matter corrected.

ARCHITECTURAL CONCRETE COMPANY #8684A - DISCIPLINARY HEARING

The notice of hearing, consisting of pages 1-14, had been mailed certified on July 7, 2000. The letter had been returned to NSCB on July 14, 2000, stamped "Moved, no address".

The notice of hearing, consisting of pages 1-15, was re-mailed certified to updated address (1465 E. Peckham, Reno NV 89502) on July 19, 2000. The certified mail receipt had not been returned as of August 8, 2000.

An answer to the complaint, written by Robert J. Frye, Legal Counsel for Architectural Concrete Company, and dated July 26, 2000, had been received by NSCB on July 27, 2000.

The hearing was for possible violation of NRS 624.3017 (1), workmanship that is not commensurate with standards of the trade in general; and NRS 624.3013 (5), as evidenced by NAC 624.700 (3) (a) and NAC 624.640 (5), failure to comply with law or regulations of board.

Ernest W. Balogh, Owner, Architectural Concrete Company; Rod and Stacy Halecky; and NSCB Investigator Gary Hoid, were sworn in. Robert Frye, Attorney, was also present.

The stipulation was signed.

Mr. Frye waived the formal reading of charges.

Mr. Taylor stated the license was active. The matter regarded workmanship, failure to comply with the notice to correct, and failure to include the license number on contracts.

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

The Haleckys had entered into a contractual agreement with the Respondent for 2,600 square feet of topping system at their residence for \$25,000. The Respondent had been paid the sum of \$14,200. Mr. Halecky testified that he had hired Mr. Balogh to apply an architectural concrete floor topping to his basement floor that had been damaged in a flood. The concrete was a type of concrete that could be saw cut and stained. The entire surface under the contract had been poured. Subsequently, there had been problems, and attempts to correct those problems had been made. Later, it was discovered there were structural problems, which Mr. Halecky described. Mr. Halecky stated that the Respondent had attempted to repair some of the surface blemishes, but not satisfactorily, and he made no attempt to repair the hollow spots because he disagreed with the Complainant that there was a problem. Ultimately, Mr. Balogh had not been allowed to return to the property. Mr. Halecky explained why.

Mr. Frye questioned Mr. Halecky regarding the impasse that had been reached in January, and which continued to this day. Mr. Halecky admitted he had chosen to let attorneys deal with the problem because he believed there was no other way to communicate.

Mr. Hoid testified that he had validated the workmanship issues, and notices to correct had been sent to the Respondent. The notices to correct had been issued after the Respondent had been denied access to the house. Mr. Hoid said he had performed no further investigation into the proper application of the material used by contacting the manufacturer.

Mr. Halecky asked Mr. Halecky if he had any contact with the manufacturer regarding the produce. Mr. Halecky said yes, he had contacted Rod Sadler, the owner of Concrete Solutions. When asked about the product, Mr. Sadler had told Mr. Halecky that while it was true that the product could be applied over a tile surface, it was important to perform sub-strait preparation to ensure the product would adhere to the tile. When asked about the hollow spots, Mr. Sadler said the product had not adhered in those areas.

Discussion then focused on both parties agreeing to allow correction to the standards of the industry to be inspected by the Board's investigator. Mr. Gregory explained the Board could do not do anything further for the Haleckys if access was denied.

The general consensus was to table the matter for 30 days to allow the Haleckys to consider the offer.

DOUBLE DIAMOND RANCH LLC #42185 - DISCIPLINARY HEARING

The notice of hearing and complaint, consisting of pages 1-21, had been mailed certified on July 7, 2000. Return service was signed and dated July 10, 2000.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general; and NRS 624.3013 (5), failure to comply with the rules or regulations of the Board, as set forth in NAC 624.700 (3) (a), by failing to comply with the order to correct.

Mike Efstratis, Construction Manager and Qualifier; Jesse Harmon, Customer Service Manager; NSCB Investigator Gary Hoid; and Thelma Donovan, Complainant, were sworn in.

Mr. Taylor stated that the license was active. The matter regarded workmanship, and failure to comply with the notice to correct.

The stipulation was signed.

Mr. Efstratis waived the formal reading of charges.

Ms. Donovan testified that on or about July 10, 1998, she and John Donovan had entered into a contract to purchase from the Respondent a model house built by Double Diamond Ranch for a total contract price of \$300,000. The Donovans bought the house at the opening, and Double Diamond rented it back for one year. Prior to moving in, the Donovans noticed standing water under the house and sent a letter regarding the water to the developer in July 1999. The water had continued to be a problem as it was there continually, yet the cause was unknown. Several items listed on the notice to correct had been corrected but six remained, items a, b, e, i, j, and k. Access to the house had never been denied.

Mr. Efstratis referenced a copy of a letter he had sent to Board on June 26 addressing issues that needed to be resolved.

Mr. Hoid testified that he validated the remaining items on the list of complaints. He said the standing water appeared to be a constant condition.

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

Mr. Hoid then reviewed photographs with the Board. He said two notices to correct had been sent, and with the exception of the six items referenced by Ms. Donovan, all other items had been corrected.

Mr. Harmon testified as to why the six items remained uncorrected, detailing what could be done to correct the standing water problem.

Discussion followed regarding how to address the remaining problems.

When asked if they had any intention of correcting the remaining problems, Mr. Efstratis replied that as far as Double Diamond was concerned all issues had been addressed. Mr. Gregory then explained the corrective order to Mr. Efstratis.

The letter of June 26, 2000 from Double Diamond Ranch to Investigator Hoid was entered into the record as EXHIBIT 2.

MR. ZECH MOVED TO TABLE THE MATTER FOR 30 DAYS, TO THE NEXT RENO MEETING, FOR COMPLIANCE TO THE NOTICE TO CORRECT.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

The homeowner guaranteed complete access to the property.

ADVISORY OPINIONS

1. **COMPLETE CONSTRUCTION AND REMODELING** - Scope of B2 License

Paul Schultz, President, was present for the advisory opinion.

The question regarded whether he could build a shade shelter with his B2 license. Mr. Schultz also held a C14 license. When asked if he would be performing the work with his own employees, Mr. Schultz replied yes.

The Board opined the B2 license was the correct license to perform the project as represented.

2. **THIESSEN TEAM** - Construction and Development of Backfill Plant (Elko, Nevada)

No one was present for the advisory opinion.

Ms. Mathias said the company was asking whether or not they needed a license to perform the project as represented. It appeared they were acting in the capacity of a construction manager. They intended to hire the general contractor.

The Board opined that a license was needed.

The following motion closed the meeting to the public.

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

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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).

APPLICATIONS

INDUSTRIAL VENTILATION INC (C40 – Installation of Ventilation) NEW APPLICATION

Jerry Bartels, Treasurer, Industrial Ventilation Inc, was present. Mr. Bartels provided the Board with letters from his accountant.

Mr. Gregory questioned Mr. Bartels to ensure the issuance of the correct license category. Based upon Mr. Bartels representations, it was determined that a C21 license was the proper license to install ventilation and refrigeration systems, but installation of low voltage electrical wiring required a C2G.

It was the general consensus to approve the license application as a C21 with a limit of \$500,000 and a \$10,000 bond; and a second application was approved as a C2G with a limit of \$500,000 and a \$10,000 bond, conditioned upon the submission of the application and upon passing the required exam.

FLOOR SPECIALIST INC (C16 – Finishing Floors) NEW APPLICATION

Adam Schwartz, Secretary/Treasurer, Floor Specialist Inc., was present. He said his prior license had been suspended for no qualified employee (QE). When questioned regarding the bond having been paid out, Mr. Schwartz said he believed all the issues had been worked out with the bonding company.

Ms. Stewart said she had not received any proof from the bonding company.

Mr. Schwartz then detailed what happened regarding his QE, and the license suspension. He said he owned and operated a store, and used different people to perform his installations. In reference to the status of a judgment, Mr. Schwartz said he was making payments to Dell Tile. A pending civil suit for \$19,000 to John Woodram had been paid this very morning. Mr. Schwartz said he would fax a proof of payment to the Board. The bonding company had not fully been reimbursed.

MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$50,000 AND A \$10,000 BOND, CONTINGENT UPON PROOF OF PAYMENT TO DELL TILE.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION DID NOT CARRY.

The general consensus was to table the license application for 90 days for resolution of the bonding company issue and the money-owed issues.

The remainder of the applications on the agenda were reviewed and discussion occurred on the following: Nos. 1-5, 7, 11, 14, 20-21, 24, 31, 34, 36, 40-42, 44, 46, 52-53, 56, 61, 63, 68-70, 73-79, 80, 82, 85, 89, 99, 104-105, 109, 126, 130, 134, 138, 142, and 148; and on the amended agenda: Nos. 4, 6, 8-10, 15, 17, and 21-23.

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

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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 3:15 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman