

KENNY C. GUINN
Governor

STATE OF NEVADA

REPLY TO:

MEMBERS

KIM W. GREGORY
Chairman
DOUG CARSON
DENNIS K. JOHNSON
JOHN LINDELL
DENNIS F. NELSON
DEBORAH WINNINGHAM SHELTRA
MICHAEL ZECH



STATE CONTRACTORS' BOARD

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MINUTES OF THE MEETING
AUGUST 24, 1999

The meeting of the State Contractors' Board was called to order by Vice-Chairman Dennis Johnson at 9:03 a.m., Tuesday, August 24, 1999, 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 (Arrived at 9:20 a.m.)
Mr. Dennis Johnson
Mr. Doug Carson
Mr. John Lindell
Mr. Dennis Nelson (Arrived at 11:07 a.m.)
Ms. Deborah Sheltra
Mr. Michael Zech

BOARD MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)
Ms. Nancy Mathias, Licensing Administrator
Ms. Pat Potter, Licensing Supervisor
Mr. Rick Bertuzzi, Director of Investigations
Mr. George Lyford, Director of SIU
Mr. Linc Dante, Investigator
Mr. Bob Macke, Senior Investigator
Mr. Greg Mincheff, Investigator
Mr. Ron Ramsey, Investigator
Ms. Betty Willis, Recording Secretary

OTHERS PRESENT:

Barbara Kulish, Court Reporter, CSR Associates of Nevada; Edward Robert Schmitt, President, Affordable Plumbing; Kelly Sagona, Owner, Blue Lagoon Pools Contractors; Angel Ramirez, Owner, Angel Construction Del Rio Construction; Alejandro Alvarez, QE, Angel Construction Del Rio Construction; Fred Smith, Goolsby Smith Isenmann Builders; Dane Isenmann, Goolsby Smith Isenmann Builders; John Goolsby, Goolsby Smith Isenmann Builders; Earl Hardin, President, Hardin Concrete Company Inc; Eric Dobberstein, Legal Counsel, Hardin Concrete Company Inc; Michael Loya, President, A D A Compliance Corporation; Steven Mayo, Mayo Construction Company; Mike Van, Legal Counsel, Hibler Controls Inc; Gary Barton, Owner, Designer Rugs Plus; Rick Fradella, Qualified Employee, Fradella Iron Works; Pete Aguilar, President, Fradella Iron Works; Keith Gregory, Legal Counsel, Fradella Iron Works; L. R. Ousley, President, R A Electric; Ralph Denton, Legal Counsel, R A Electric; LouAnn Bertrand, Pacific Supply; Debra L. Ebey, SNE Equipment; William Blaurock, Complainant; Cleva Philipkosky, Complainant; Chris Wilson, Complainant; and Bob and Margaret Hamiter, Complainants.

Ms. Grein stated that Lloyd Mead, Investigator, had posted the agenda in compliance with the open meeting law on August 18, 1999, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. Additionally, it 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 22 items on the amended agenda, each item of an emergency nature. There was no objection to hearing the amended agenda.

Mr. Johnson called for a motion to approve the minutes of August 10, 1999.

MR. CARSON MOVED TO APPROVE THE MINUTES OF AUGUST 10, 1999.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

The following motion closed the meeting to the public.

MR. ZECH 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).

APPLICATIONS

AFFORDABLE PLUMBING (C1 - Plumbing & Heating) - NEW APPLICATION, RECONSIDERATION, BOARD DECISION

Edward Robert Schmitt, President, was present. The license had been denied on January 19, 1999 for financial responsibility. At that time, Edward and Mary Schmitt had been the indemnifiers. The applicants had since removed their indemnification and had submitted a new corporate financial statement. Mr. Schmitt then explained what had occurred regarding the Tibesar project, stating that it was Tibesar who had objected to his bankruptcy plan and had converted his bankruptcy to a Chapter 7. He provided copies of all letters he believed substantiated his statements, as well as a letter indicating he had performed quality work on the Tibesar project.

MR. LINDELL MOVED TO DENY THE LICENSE APPLICATION AND TO SET THE MATTER FOR A BOARD HEARING.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

Staff was instructed to subpoena Tibesar, Universal Plumbing, and John Ray to testify at the hearing. Additionally, Mr. Schmitt was to supply a list naming everyone he wanted subpoenaed.

Mr. Gregory arrived at 9:20 a.m.

BLUE LAGOON POOLS CONTRACTORS #46481 (A10E - Maintenance/Repair of Pools & Spas) F/S ON RENEWAL, RECONSIDERATION, BOARD DECISION

Kelly Sagona, Owner, was present. Ms. Kelly was asked about Gene Bono's bankruptcy documents. The board had not yet received them. Ms. Sagona said Mr. Bono had filed a Chapter 7 bankruptcy due to credit card debt and to medical bills, which were due to a massive heart bypass surgery. Mr. Bono's attorney had been unwilling to break the information down at the board's request. She

was informed it was public information and she could acquire the information readily.

MR. LINDELL MOVED TO TABLE THE LICENSE APPLICATION UNTIL ALL INFORMATION STAFF HAD REQUESTED HAD BEEN PROVIDED.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

ANGEL CONSTRUCTION DEL RIO CONSTRUCTION (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION, BOARD DECISION

Angel Ramirez, Owner, and Alejandro Alvarez, Qualified Employee (QE), were present. The license application had been denied on July 13, 1999 and on August 10, 1999 for financial responsibility. Mr. Alvarez explained he was a small contractor with several licenses. He detailed how one job had set him back financially but he said he was now recovering from his past due bills. He had only one outstanding bill that he still owed and payments of \$350 were being made monthly toward that debt. It was then learned Mr. Alvarez had a 25% interest in the company.

MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$250,000 AND A \$20,000 BOND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

GOOLSBY SMITH ISENMANN BUILDERS (B2 – Residential & Small Commercial) NEW APPLICATION, BOARD DECISION, RECONSIDERATION

Fred Smith, Dane Isenmann and John Goolsby, were present for the following action.

MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A \$1 MILLION LIMIT AND A \$20,000 BOND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

HARDIN CONCRETE COMPANY INC (C5 – Concrete Contracting) NEW APPLICATION, BOARD DECISION

Mr. Zech abstained. Earl Hardin, President, and Eric Dobberstein, Legal Counsel, were present. Mr. Carson asked Mr. Hardin to explain his history because it appeared to be cloudy. Mr. Hardin did so. He said some of the general contractors ran into problems and did not pay him, which resulted in financial problems for him. He then explained the reason for his bankruptcy. He said when he had not been able to get his draws he had been unable to keep going. Mr. Hardin intended to perform cement finishing, the largest job in the area of \$300,000. He believed Harris Associates, who he was working for as a foreman, would indemnify the license.

MR. CARSON MOVED TO TABLE THE MATTER TO THE NEXT LAS VEGAS MEETING FOR POSSIBLE PERSONAL INDEMNIFICATION.

MR. LINDELL SECONDED THE MOTION.

Mr. Hardin was asked to provide the board with information pertaining to a \$10,000 bond he was repaying. Discussion then occurred regarding the issuance of a smaller license and the possibility that back taxes were owed to IRS. Mr. Hardin was asked to provide information clarifying that issue as well.

THE MOTION CARRIED. (MR. JOHNSON WAS OPPOSED AND MR. ZECH ABSTAINED)

DAN O'DONNELL CONSTRUCTION #38045 (A7 – Excavating & Grading) BROADENING OF CLASSIFICATION, ADDITIONAL QUALIFIER, RECONSIDERATION, BOARD DECISION

Dan O'Donnell, Owner, was present and notified the broadening of the license classification and the additional qualifier had been approved.

UNITED PLUMBING LLC (C1 – Plumbing & Heating) NEW APPLICATION, BOARD DECISION

John McGinn, Qualified Employee (QE), was present and notified that the license application had been approved as unlimited, with a \$50,000 bond.

A D A COMPLIANCE CORPORATION (C23 – Drilling Wells & Installing Pumps) NEW APPLICATION

Michael Loya, President, was present. He informed the board that he had recently moved his C19 and C20 license to A D A Compliance Corporation and had been given \$500,000 as his limit. He was asking for the same amount for his C23 license. After some discussion, Mr. Loya was notified the license application had been approved with a limit of \$500,000 and a \$15,000 bond.

MAYO CONSTRUCTION COMPANY (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION, BOARD DECISION

Steven Mayo, was present. The application had been denied on April 27, 1999 for financial responsibility. Mr. Mayo said he performed mostly remodeling and major maintenance on condominiums. His new financial statement did not include his personal financial data.

MR. LINDELL MOVED TO TABLE THE LICENSE APPLICATION FOR NEW FINANCIAL INFORMATION.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

HUDSON CONTROLS INC #40470 (C1 – Plumbing & Heating) INTERVIEW

Jeffrey H. Hibler, President, was not present for the interview. Mike Van, Legal Counsel, asked the Board if the interview could be continued because Mr. Hibler had missed his plane and was still in Salt Lake City.

Mr. Gregory explained the matter was a house keeping matter. It was the Board's aim to remove the 'high voltage' verbiage from the license because Mr. Hibler had never tested for a full C2 license, which was needed to perform high voltage work. Mr. Van said it was his understanding Mr. Hibler subcontracted the high voltage work out. He did not know if there would be a problem or not. Mr. Van said he would speak to Mr. Hibler.

SIGNATURE SIGN INC. (C6 – Erecting Signs) NEW APPLICATION

Bob Crosbie, President, was present and notified the license application had been approved with a limit of \$50,000 and a \$5,000 bond.

KEYSTONE CONSTRUCTION LLC #48520 (B2 – Residential & Small Commercial) RAISE IN LIMIT

KEYSTONE CONSTRUCTION LLC #48521 (C1D – Plumbing) RAISE IN LIMIT

Russell Graybeal, Manager, was present and informed that the two license applications had been approved with limits of \$1 million and \$30,000 bonds.

HERNANDEZ CONSTRUCTION INC #42030 (C3 - Carpentry) ONE TIME RAISE IN LIMIT

Pete Hernandez, Qualified Employee, was present and informed the one time raise in limit of \$800,000 had been approved, payment & performance bonds required.

OLSON PRECAST COMPANY #31007A (C5 - Concrete Contracting) ONE TIME RAISE IN LIMITOLSON PRECAST COMPANY #46400 (A - General Engineering) ONE TIME RAISE IN LIMIT

David Papadopoulos, Qualified Employee, was present and informed that both one time raises in limit of \$4 million had been approved, payment and performance bonds if required for NDOT project #2989.

Mr. Nelson arrived at 11:07 a.m. during the application review.

The remainder of the applications on the agenda were reviewed throughout the morning and discussion occurred on the following: Nos. # 8-9, 12, 15, 18-19, 25-27, 32, 34, 37-38, 41, 49, 62, 68-70, 72-84, 86-87, 90-91, 95, 102-107, 109-111, 115, 119, 121-123, 125-126, 129-130, and 132-134. The amended agenda: Nos. #1-3, 9-10, 17, and 20-21.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

DISCIPLINARY HEARINGGOLDEN WEST MECHANICAL INC #17192 and 19703A - DISCIPLINARY HEARING

The notice of hearing had been sent certified mail on July 22, 1999 to the address of record. Return notice had not been received. Carmen Caruso, Investigator, had effected service on August 20, 1999, to a post office box. The notice of hearing had not been returned.

The hearing was for possible violation of NRS 624.3013 (3), failure to establish financial responsibility at the time of renewal or at any other time required by the board. The hearing notice was entered into the record as EXHIBIT 1.

Mr. Gregory abstained from voting because the licensee was one of his competitors but he chaired the hearing.

Michael Ford Kelly, President, was not present and no one was present to represent the licensee.

The current status of the license was suspended. A conditional renewal had been granted provided a financial statement was received. None had been provided.

MR. JOHNSON MOVED TO ACCEPT THE HEARING FILE OF GOLDEN WEST MECHANICAL INC AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED. (MR. GREGORY ABSTAINED)

MR. JOHNSON MOVED TO REVOKE LICENSE #17192 AND #19703A, GOLDEN WEST MECHANICAL.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

ENFORCEMENT ADVISORY COMMITTEE - SETTLEMENT AGREEMENTS

RAINBOW AIR CONDITIONING & REFRIGERATION #24244

The Board was asked to accept the proposed stipulation and settlement agreement as resolution to file number L-9903-001-IR. Mr. Carson was recused from participation due to his review of the case while serving as a member of the enforcement advisory committee. The committee had met on June 10, 1999 to evaluate the complaint concerning alleged violations of NRS 624.3015 (2). The committee had recommended that the respondent agree to the following penalty in lieu of a disciplinary hearing before the Board: an administrative penalty of \$3,000; a warning letter to be placed in the licensee's file; and reimbursement of the investigative cost of \$1,208.85.

MR. LINDELL MOVED TO ACCEPT THE SETTLEMENT AGREEMENT.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED. (MR. CARSON DID NOT VOTE)

THE ROOFING COMPANY #35946

Mr. Carson was recused from participation due to his review of the case while serving as a member of the enforcement advisory committee. An informal enforcement advisory committee had met to consider file number L-9806-163-IR. The committee had recommended and the respondent had agreed to an administrative penalty of \$6,000 to be paid to the board, along with an investigative cost of \$1,388.78.

MR. LINDELL MOVED TO ACCEPT THE SETTLEMENT AGREEMENT.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED. (MR. CARSON DID NOT VOTE)

DAVID DELANGIS DBA C B I (Corporate Builders Inc) An unlicensed contractor

Mr. Carson was recused from participation due to his review of the case while serving as a member of the enforcement advisory committee. The meeting had been held on June 10, 1999. The charges were NRS 624.230, acting as an unlicensed contractor. The recommended penalty, agreed to by the respondent, was C B I would pay an administrative penalty in the amount of \$3,000 and an investigative cost of \$1,804.55, as final resolution of the matter.

MR. JOHNSON MOVED TO ACCEPT THE SETTLEMENT AGREEMENT BUT THE CURRENT LICENSE APPLICATION WAS NOT TO BE ACTED UPON UNTIL PAYMENT OF THE SETTLEMENT AGREEMENT WAS MADE IN FULL.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED. (MR. CARSON DID NOT VOTE)

DISCIPLINARY HEARINGS

DESIGNER RUGS PLUS #43526 - DISCIPLINARY HEARING (Continued From 6/22/99)

Greg Mincheff, Investigator, said he had just spoken with the homeowners, the

Ortegas. It was their desire to continue the matter for another 30 days to allow the licensee to complete the required items.

Gary Barton, Owner, added there had been a couple of small delays. The Ortegas had gone on vacation. He was scheduled to go back on Monday, August 30, 1999.

MR. ZECH MOVED TO CONTINUE THE MATTER FOR 30 DAYS TO THE NEXT LAS VEGAS MEETING.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

FRADELLA IRON WORKS #15772 - DISCIPLINARY HEARING

The hearing was for possible violation of NRS 624.3018 (1) and (2), certain persons prohibited from serving as officer, director, associate or partner of licensee. The hearing notice was entered into the record as EXHIBIT 1.

Rick Fradella, OE, and Pete Aguilar, President, were sworn in. Mr. Zech abstained and Mr. Carson disclosed he had had past business dealings with Fradella Iron Works. There was no objection to Mr. Carson hearing the testimony. The stipulation was then signed.

Mr. Griffy explained that what had brought the matter before the Board was that Mr. Fradella had been on the license of XLA Group, who had been represented by Attorney Keith Gregory in a previous hearing. That particular license had been revoked on April 27, 1999.

Mr. Fradella was now before the Board because of the statute, which required anyone to come before the Board when another license had been revoked or disciplined. Mr. Griffy said there were no issues before the Board at this time with Fradella Iron Works. The whole issue was whether Rick Fradella would remain on the Fradella Iron Works license or what/if any action would be taken against the license because of his role with the XLA Group.

Attorney Keith Gregory pointed out there was an application pending for a change of Qualifier. Mr. Aguilar was to test on Tuesday as the OE. When asked if Mr. Fradella would resign as the OE, Mr. Gregory said that he would if that was what the Board wanted.

MR. LINDELL MOVED TO TABLE THE HEARING TO THE NEXT LAS VEGAS MEETING TO REVIEW THE OUTCOME OF THE TEST.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

EXECUTIVE SESSION

REVIEW AND CONSIDERATION OF COMPENSATION AND BENEFIT PACKAGE

The matter was tabled.

LEGAL SERVICES

It was noted David Reese's contract had expired on June 30, 1999. Board direction was to retain Mr. Reese only on an hourly rate basis and Ms. Grein was instructed to renegotiate that contract.

DISCIPLINARY HEARINGS

R A ELECTRIC #23297 - DISCIPLINARY HEARING

The hearing was for possible violation of NRS 624.3014 (2a), (2b) and (2d), misuse of license; NRS 624.3014 (3), evasion of law, any attempt by a licensee

to assign, transfer or otherwise dispose of a license or permit the unauthorized use thereof; and NRS 624.3015 (3), contract with unlicensed contractor, knowingly entering into a contract with a contractor while that contractor was not licensed.

L. R. Ousley, President, and Bob Macke, Senior Investigator, were sworn in and Ralph Denton, Legal Counsel, was identified. The stipulation was then signed.

Under questioning by Mr. Griffy, Mr. Macke stated he had occasion to investigate R A Electric to determine whether or not they were properly licensed or doing business with an unlicensed contractor on the project known as Toyota West. The licensee had been contacted and informed by Mr. Macke that he had entered into a contract agreement with Jeffrey's Electric, an unlicensed contractor. Mr. Macke then defined what was contained in the agreement. There was documentation to support that R A Electric billed Jeffrey's Electric for work performed. R A Electric had also obtained a City of Las Vegas building permit. Thereafter, R A Electric entered into a contract with G J's Construction to perform the electrical work on the Toyota project but G J's did not obtain their contractor's license until 8 days after the first inspection of the building. Additionally, R A Electric had issued invoices to Jeffrey Electric on 5/18/98 for monies received for all the labor and supplies and materials on the Toyota West project. The agreement Mr. Macke referenced was identified as page 8 of the hearing notice. Mr. Macke's investigation also showed that Jeffrey's Electric, as an unlicensed contractor, actually performed the electrical work on the project. The employees questioned had indicated they were working for Jeffrey's Electric. The job was then shut down with a cease and desist order. Subsequently, another general contractor, Ronald Dolechek, received a permit and R A Electric continued on as a contractor. Further inquiries of employees yielded the answer that they were employees of R A Electric.

Mr. Denton then questioned Mr. Macke, focusing on the point that Mr. Ousley was under the impression there was a general contractor on the job. Mr. Macke was unable to substantiate that belief.

Mr. Ousley commented that he did not know Jeffrey's Electric was unlicensed. He said Greg Jeffrey's was the general contractor. He also had an electrical division, but the electrical division was not licensed in Nevada. Mr. Ousley had agreed to supervise and manage the project, reporting to Jeffrey's on a daily basis. When asked if his employees were working directly for Jeffrey's, Mr. Ousley replied: "Yes, yes they were." More discussion followed regarding a \$30,000 contract involving power; how the job had been acquired; the fact that Mr. Ousley did not check to see if the general contractor, Jeffrey's, was licensed because the building department had allowed him to pull permits, which were later rescinded; how he subsequently signed a contract with Dolechek; his admission that he may have been unwise in wording his agreement; and payroll records.

In Mr. Denton's closing statements, he pointed out that Mr. Ousley started the job believing that there was a general contractor on the job and that he was going to superintend the job for them. Mr. Denton did not believe that Mr. Ousley knew he was violating any law by doing that. He said no one in his right mind would willingly jeopardize a license for a little job like the one being discussed. He submitted that if there was a breach of the law, it had been done totally unknowingly. Mr. Denton then made personal comments to Mr. Ousley's character based upon years of association.

The evidentiary was closed.

MR. NELSON MOVED TO MOVED TO FIND LIC #23297, R A ELECTRIC, IN VIOLATION OF ALL 3 CHARGES AS STIPULATED.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO ASSESS A \$1,500 FINE PER CHARGE, TO RECOVER THE INVESTIGATIVE COSTS OF \$2,045.36, AND TO SUSPEND THE LICENSE FOR ONE YEAR.

MR. NELSON SECONDED THE MOTION.

Discussion occurred regarding the severity of the penalty. Mr. Lindell asked Mr. Carson to reduce the suspension to 6 months. Mr. Carson and Mr. Nelson were unwilling to reduce the time of suspension.

THE MOTION DID NOT CARRY.

MR. ZECH MOVED TO PLACE A ONE YEAR LETTER OF REPRIMAND INTO THE LICENSE FILE OF R A ELECTRIC, #23297, AND TO RECOVER THE INVESTIGATIVE COSTS OF \$2,045.36, TO BE PAID WITHIN 30 DAYS OR THE LICENSE WOULD AUTOMATICALLY SUSPEND.

MS. SHELTRA SECONDED THE MOTION.

Mr. Lindell believed the motion was too lenient. Discussion followed regarding the tenure of the license, the complaint history, and the licensee's intent.

THE MOTION CARRIED. (Mr. Carson, Mr. Lindell, and Mr. Nelson were opposed)

D'ANGELOS WALLPAPER & PAINTING INC #22782A - DISCIPLINARY HEARING

Steven Edward D'Angelo, President, was not present and no one was present to represent him. The license status was inactive, not renewed. It had been such since December 1, 1998.

The notice of hearing, dated June 16, 1999, had been sent certified mail, the return receipt had not been received. The notice had been returned stamped, "Moved, Left No Address, Unable to Forward."

The hearing was for possible violation of NRS 624.3012 (2), failure to pay; NRS 624.3013 (3), failure to establish financial responsibility; and NRS 624.3013 (5), failure to comply with the provisions of the board; failure to respond to the request for the financial statement. The hearing notice was entered into the record as EXHIBIT 1.

LouAnn Bertrand, Pacific Supply; Debra L. Ebey, SNE Equipment; and Greg Mincheff, Investigator, were sworn in.

DEBRA EBey, under questioning by Mr. Griffy, told the board SNE Equipment had entered into a contract with the licensee in the amount of \$5,210.91, for rental equipment. The licensee had paid SNE a total of \$1,000 toward the contract. Ms. Ebey said she had seen the licensee briefly and had spoken to him on the phone a number of times. Mr. D'Angelo had made a partial payment which she believed evidenced he was not disputing the debt, adding he had made numerous promises to pay the debt. The last contact had been approximately 1 1/2 years ago by phone and correspondence. The total amount currently owed was \$4,265.91

LOUANN BERTRAND, was questioned by Mr. Griffy and informed the Board she was familiar with the licensee who owed Pacific Supply \$453.63. She said she had not had direct contact with Mr. D'Angelo as her messages had not been returned. Letters had been sent but had not been responded to. The last payment had been made in March, 1998. His account had been closed due to another past due invoice. He came in to pick up material and was informed there was a past due invoice. At that time, he provided a check for the past due invoice and the account was reopened and charged against. It was that last charge for \$453.63 that was now in arrears.

Mr. Bertuzzi said the bankruptcy had been dismissed.

The evidentiary was closed.

MR. JOHNSON MOVED TO ACCEPT THE LICENSEE'S FILE AND THE TESTIMONY AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW AND TO FIND LICENSE #22782A, D'ANGELOS WALLPAPER & PAINTING INC, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. JOHNSON MOVED TO REVOKE LICENSE #22782A, D'ANGELOS WALLPAPER & PAINTING INC.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MIKE'S CUSTOM CABINETS #41980 - DISCIPLINARY HEARING

Paul Michael Bifulco, Owner, was not present and no one was present to represent him.

The notice of hearing, dated July 23, 1999 had been sent certified mail to the address of record, return receipt not received. The notice was returned stamped, "Moved Left No Address, Unable to Forward."

The hearing was for possible violation of NRS 624.301 (1), abandonment; NRS 624.3015 (2), bidding in excess of the license limit; NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general; NRS 624.3013 (5) as evidenced by NAC 624.700 and NAC 24.640 (5), failure to comply with the provisions of this chapter or the regulations of the board, failure to comply with the notice to correct, and each licensee shall include his license limit and the number of his license on all his bids. The hearing notice was entered into the record as EXHIBIT 1.

William Blaurock, Complainant, Linc Dante, Investigator, and Bob Macke, Senior Investigator, were sworn in.

Mr. Blaurock indicated he had entered into a contract on or about September 15, 1998 for the installation of cabinets. The contract price had been \$28,000. Mr. Blaurock did not know the amount exceeded the licensee's limit. Mr. Blaurock had paid the licensee \$10,000 in advance. When the licensee commenced work, he installed miscellaneous, unacceptable, cabinet frame boxes. None of the drawers, finish work, or cabinet doors had been completed. Of the work that was completed, the work was completely unacceptable. Dialogue then followed regarding what should have been installed and the defects in what was installed. When the matter was brought to the licensee's attention, he abandoned the project sometime in December, 1998. Mr. Blaurock had had discussions with the licensee since that time but the licensee's position was that he did not have \$10,000 to return to Mr. Blaurock, therefore if Mr. Blaurock had to sue him, then that was what he would have to do.

Mr. Macke detailed that a previous investigator who had issued the notice of hearing had performed the original inspection. He, himself, had never seen the original cabinets, which had since been replaced. Mr. Dante added his only involvement in the case pertained to the industrial regulation portion of the complaint, which was the \$10,000 license limit versus the \$28,000 contract.

Mr. Blaurock confirmed the photographs in the hearing notice as the ones originally taken by the previous investigator. Mr. Bifulco had attempted to collect on Mr. Blaurock's construction loan but Mr. Blaurock stopped that

attempt. Mr. Bifulco had then placed a mechanics lien on Mr. Blaurock's home but that lien had since been released. Mr. Blaurock said Mr. Bifulco was still in town. He had looked him up in the phone book and had contacted him.

The evidentiary was closed.

MR. ZECH MOVED TO ACCEPT THE TESTIMONY AND LICENSE FILE AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW, AND TO FIND LICENSE #41980, MIKE'S CUSTOM CABINETS, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. ZECH MOVED TO REVOKE LICENSE #41980, MIKE'S CUSTOM CABINETS.

MR. LINDELL SECONDED THE MOTION.

For the record Mr. Gregory added that the investigative costs to date amounted to \$1,525.88.

THE MOTION CARRIED UNANIMOUSLY.

In further dialogue, it was recommended that the matter be turned over to the Attorney General's office for possible fraud. Mr. Blaurock was informed there was a \$2,000 bond in place, which he could file against.

SANFORD & SON #40284 - DISCIPLINARY HEARING

Michael Ernest Sanford, Owner, was not present and no one was present to represent the licensee.

Cleva Philipkosky, Complainant, and Ron Ramsey, Investigator, were sworn in.

The notice of hearing, dated July 16, 1999, had been sent certified mail to the address of record. The return receipt was dated July 24, 1999. On August 16, 1999, Mr. Sanford's son had delivered the notice of hearing to the Las Vegas office with a note stating that Sanford & Son were no longer in business and that Michael Sanford was no longer at the address of record. He had moved out of state, and would not be attending the hearing.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), and NAC 624.700 (3) (b), failure to comply with the provisions of this chapter, and failure to comply with the notice to correct. The hearing notice was entered into the record as EXHIBIT 1.

The status of the license was inactive, not renewed.

Mr. Griffy questioned Ms. Philipkosky who said she had entered into a contract with the licensee on or about May 3, 1997 to install a patio cover and a balcony cover for a total of \$2,900. Later, the painting of the exterior walls of the patio added another \$900, bringing the total project to \$3,800. The whole amount had been paid to the licensee. The project had been started and completed. Subsequently, at the first rain fall, approximately three weeks after completion of the project, it became apparent the licensee had not waterproofed the roof. Witness photographs were then entered into the record as EXHIBIT A. Ms. Philipkosky next described the problems encountered with the upper patio that had been built, and the damage to the privacy wall due to rain. As a result of the work, water not only leaked on the outside of the house but on the inside of the house as well. To date, none of the work performed by the licensee had been corrected. The last contact with Mr. Sanford had occurred, approximately, in November or December of 1997.

Mr. Ramsey validated Ms. Philipkosky's testimony, describing what he had found when he visited the site. He said he had never been in contact with the licensee. The case had originally been assigned to a former investigator.

Ms. Philipkosky was informed there was a \$5,000 bond in place that she could file against.

The evidentiary was closed.

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO FIND LICENSE #40284, SANFORD & SON, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO REVOKE LICENSE #40284, SANFORD & SON.

MR. JOHNSON SECONDED THE MOTION.

For the record, the investigative costs totaled \$1,216.99.

THE MOTION CARRIED UNANIMOUSLY.

D & C BUILDERS SUPPLY #27350, 27351, 29411, 31455, 32568 – DISCIPLINARY HEARING

Thomas R. Moore, President, was not present and no one was present to represent the licensee.

The notice of hearing, dated July 21, 1999, had been sent certified mail to the address of record, no return receipt had been received. The returned notices were stamped, "Forwarding Order Expired," "Refused," and "Refused," respectively. Lloyd Barrow had attempted personal service of the notice, at Thomas Ronald Moore's "assumed" place of business (F & L Home Improvement), which appeared to be a residence. Service had been unsuccessful.

The hearing was for possible violation of NRS 624.301 (1), abandonment; NRS 624.3015 (1), willful or deliberate disregard of the building laws of the state; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; NRS 624.3016 (1), any fraudulent or deceitful act of a contractor whereby substantial injury was sustained by another; NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general; NRS 624.3013 (4), failure to keep in force the bond or cash deposit for the full period required by the board; NRS 624.3013 (5) pursuant to NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board, and failure to comply with the order to take appropriate corrective action. The hearing notice was entered into the record as EXHIBIT 1.

Bob Macke, Senior Investigator, Greg Mincheff, Investigator, Chris Wilson, Complainant, Bob and Margaret Hamiter, Complainants, were sworn in.

THE HAMITERS were questioned by Mr. Griffy. Mr. Hamiter indicated a contract had been entered into with the licensee on or about November 20, 1997 in the amount of \$20,000 for siding, an air conditioner, and new windows. The work had been performed and the contract paid in full. The siding was falling off, it was wavy, and it had not been installed properly. When this was brought to the

licensee's attention, he said it was the manufacturer's fault. Alcoa, the manufacturer, said it had been installed improperly. When it was learned the licensee had gone out of business, Alcoa replaced all of the siding.

Mr. Macke confirmed Mr. Hamiter's testimony. He said the vinyl siding had been improperly attached and was coming loose and the seams were splitting. The areas not coming apart were wavy. Mr. Hamiter added he had recouped some of his losses from the contractor's bond. It paid for the labor to install the new siding.

CHRIS WILSON, when questioned by Mr. Griffy, stated he had entered into a contract with the licensee on or about April 16, 1998 to construct a patio and some re-roofing. The original contract amount was \$15,450. The final cost had been more. Mr. Moore had been paid \$16,450 but he did not complete the project to the satisfaction of Mr. Wilson. He said the roofing had been put onto the house and the patio cover completed but it did not pass final inspection. The materials were now coming off the house and the lower roof, which had not previously had a problem, leaked. He next described the licensee's attempts to correct the problems but said it had been to no avail. Due to the roof leaking, Mr. Wilson now had interior drywall damage in the living room. Mr. Wilson was unable to provide estimates as to how much it would cost to correct the work because two of the problems appeared to require complete replacement.

Mr. Macke concurred with Mr. Wilson regarding the quality of the work.

Mr. Wilson said his last contact with the licensee was in early 1999. The licensee had been called to fix the leak in the roof. Mr. Wilson had not heard from Mr. Moore since that time.

Mr. Macke was asked if he had any information regarding a bankruptcy which had been filed by the licensee. He said a Chapter 7 voluntary bankruptcy had been filed on January 14, 1999. To the best of Mr. Macke's knowledge, the bankruptcy was still active.

The evidentiary was closed.

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

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Mr. Lindell wanted to know when the c15 bond cancelled. It was learned that the \$5,000 bond cancelled on 12/15/98.

MR. CARSON MOVED TO FIND LICENSE #27350, #27351, #29411, #31455, AND #32568, D & C BUILDERS SUPPLY, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO REVOKE LICENSE #27350, #27351, #29411, #31455, AND #32568, D & C BUILDERS SUPPLY.
MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Mr. Nelson pointed to the licensee's advertisement. It indicated two additional licenses. Staff was asked to verify that there were no other existing licenses held by the licensee.

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 3:52 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman