

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



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## STATE CONTRACTORS' BOARD

### MINUTES OF THE MEETING AUGUST 25, 1999

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:17 a.m., Wednesday, August 25, 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  
Mr. Doug Carson  
Mr. Dennis Johnson  
Mr. John Lindell  
Mr. Dennis Nelson (Exited the meeting at 11:40 a.m.)  
Mr. Michael Zech

#### BOARD MEMBERS ABSENT:

Ms. Deborah Sheltra

#### STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer  
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)  
Ms. Nancy Mathias, Licensing Administrator  
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:

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Julian Eusebio, President, Creative Pool Design; Raymond Eusebio, Creative Pool Design; Matt Pierce, Legal Counsel, Creative Pool Design; James Michael Rhodes, President, Rhodes Homes; Rob Deville, Chief Financial Officer, Rhodes Homes; Don Purdue, Customer Service Representative, Rhodes Homes; Owen Nitz, Attorney for Rhodes Homes; Larry Slife, Complainant; Steven DiAngelo, representing himself as president of the Robert V. Jones Company; Ed Pennywell, La Paz Ceramic Tile; Dan Bradley, Dan Bradley Glass; Joe Licari, Complainant; Keith Gregory, Legal Counsel for Kenneth D Goodrich and George Stanford; Mark DiMartino, Synergy Restaurant Group; Kenneth D. Goodrich, Licensee; William Marjie, Owner, V J Spray; Mr. & Mrs. Wayne Melton, Complainants; Edgar Carranza, Legal Counsel representing Concrete & Masonry Specialist; Frank Santo, Owner, O F N System; Roger Flory; Brent Morgan, American Builders Corporation; Patrick Carroll, Pahump Building Inspector; and George Stanford, Vice President, American Builders Corporation.

#### WORKSHOP ATTENDEES

Gloria McDonald, Director of Finance; Pat Potter, Licensing Supervisor; Peter Krueger, Executive Director, Roofing Contractors Association of Nevada; Cheryl Blomstrom, State Government Affairs, The Associated General Contractors of America, Inc.; Jeanette Belz, Director of Government Relations, Wadhams & Akridge; Fred Couzens, Managing Editor, Real Estate Journal; Frederick Smith, Contracts and Construction Manager, Clark County School District; Joffe Johnson, General Counsel/Contract Administrator, Frehner Construction Company, Inc.; Janell Cassell, Partner, McGladrey & Pullen, LLP; Jan Christopherson, Administrative Services Officer II, State of Nevada, Department of Transportation; Casey Jones, General Manager, Nielsen Dillingham Builders; Ted Olivas, Purchasing & Contracts Manager, General Services Department, Clark County; Sharon Hauht, General Services Department, Clark County; Fred Ohene; Wayne Fisher, Clark County Sanitation District; Penny Marchell, Las Vegas Convention & Visitors' Authority; Jack Holland, Community College of Southern Nevada; Steve Schmidt, NASCLA; Assemblyman Tom Collins; Lucille Carruthers, City of Las Vegas; Garth Frehner, CEO, Frehner Construction Company, Inc.; and John Madole, Executive Director, The Associated General Contractors of America, Inc.

Ms. Grein stated that Lloyd Mead 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.

There was no amended agenda or unfinished business to address.

#### CREATIVE POOL DESIGN #32964A - DISCIPLINARY HEARING

Julian Eusebio, President; Raymond Eusebio; Matt Pierce, Legal Counsel; and Greg Mincheff were sworn in.

The hearing was for possible violation of NRS 624.3016 (5), failure to comply with NRS 597.713, 597.716 or 597.719, concerning pool contractors and pool contracts; NRS 624.3013 (5) pursuant to NAC 624.6958 (2), failure to comply with the provisions of this chapter or the regulations of the board, requirements for pool contractors and pool contracts. The hearing notice was entered into the record as EXHIBIT 1 and the stipulation was signed.

Mr. Griffy asked Greg Mincheff, Investigator, if he had had the opportunity to look at Creative Pool Design contract agreements. He validated that the contracts did not comply with the statutes designed for pool contractors. The contracts failed to list the monetary limit of the license. In general, notice to owners regarding lien laws had not been provided, as well as preliminary notices, the lists of subcontractor's and of material suppliers over and above \$500. All agreements were similar to the Schoenbecks', whose contract had failed to list the completion date as well as the statements just mentioned. Additionally, Schoenbecks' contract failed to include a scaled drawing and a progress payment schedule. Mr. Mincheff said a total of 76 contracts had been reviewed. He had spoken with Mr. Eusebio many times but nothing specific had been mentioned regarding the contracts.

When asked if Mr. Eusebio was aware of the law, Mr. Pierce replied yes. He admitted his client had been wrong and apologized to the Board for not complying with the procedural and statutory requirements. He presented a new contract to the Board for review, indicating that the new contract should resolve the previous statutory deficiencies. He pointed out that there was no substantive problems or allegations of wrongdoing.

Mr. Gregory clarified what had occurred in the 1997 legislature because of the problems, which manifested themselves in the pool industry.

Raymond Eusebio stated that their previous attorney had revised their old contract. They had assumed the contract was correct. It was only when they hired McCullough and Associates that they realized their contract was not proper.

The evidentiary was closed.

MR. NELSON MOVED TO FIND LICENSE #32964A, CREATIVE POOL DESIGN, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. NELSON MOVED TO PLACE A 6-MONTH LETTER OF REPRIMAND IN THE FILE OF LICENSE #32964A, CREATIVE POOL DESIGN, AND TO RECOVER \$2,119.96 IN INVESTIGATIVE COSTS.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. NELSON MOVED THAT THE INVESTIGATIVE COSTS WERE TO BE PAID WITHIN 60 DAYS OR THE LICENSE WOULD AUTOMATICALLY SUSPEND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

#### RHODES HOMES #28530 - STATUS REPORT

James Michael Rhodes, President, Rob Deville, Chief Financial Officer, Rhodes Homes; Don Purdue, Customer Service Representative, Rhodes Homes; Owen Nitz, Attorney for Rhodes Homes, were present for the report.

Mr. Bertuzzi stated that as of the last meeting, most of outstanding complaints had been resolved. Since then, 18 additional complaints had been received. Most of them had been received in the month of August. Rhodes Homes had possible completion dates on most of the items, with a couple of them yet to be determined. One had since been resolved.

Mr. Purdue addressed why the complaints were coming to the Board rather than allowing them to be resolved in the normal manner. He stated that his department handled 1200 items a month, but the word in the community was that the contractors' board was the answer. It was a hot button. He then detailed where the majority of the complaints were emanating from.

The following motion closed the meeting to the public.

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

MR. NELSON 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).

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Rhodes asked if he could provide a status report to the Board every 60 days rather than every 30 days. Mr. Gregory pointed out he needed to keep staff informed of all his activities, and to provide staff with a status report in 30 days.

#### SOUTHERN HAWK #29377 & #29292 - DISCIPLINARY HEARING

Gregory Dale Park, Owner, was not present and no one was present to represent him.

Larry Slife, Complainant, and Greg Mincheff, Investigator, were sworn in.

The notice of hearing, dated July 21, 1999, consisting of pages 1-18, had been sent certified mail. The return receipt was dated July 26, 1999.

The hearing was for possible violation of NRS 624.3013 (2), misrepresentation; NRS 624.3013 (5) pursuant to NAC 624.260(3), NAC 624.640(3) and (4), failure to comply with the provisions of this chapter or the regulations of the board.

Mr. Gregory pointed out that only the charge of misrepresentation would be

addressed in this hearing.

Mr. Griffy questioned Mr. Mincheff as to whether or not Mark Hall was or was not a QE for Southern Hawk. Mr. Mincheff stated he had reviewed the last 4 years of license renewal applications and it appeared that 4 different signatures had been used in the last four years as compared to the notarized signature of Mark Hall as it appeared approximately 9 or 10 years ago. Mr. Mincheff noted he had interviewed Mr. Park regarding Mark Hall and had learned that Mark Hall had not been present for the last several years, either in the state nor at any of Mr. Park's projects. Approximately, since 1989, Mr. Hall had little, if any, contact with Mr. Park regarding the business. When Mr. Park had been confronted with the renewal applications, Mr. Park countered he was not familiar with Mr. Hall's signature and he did not know who had signed the renewal applications. He indicated that Mark Hall had not signed them but that someone from his office did. No name had been provided.

The classification B2 license had recently been reinstated after the Board had approved a different qualifier. The classification C3 license was suspended for no qualifier. When asked if Mr. Park was aware of what was going on with his business, Mr. Mincheff replied Mr. Park handled all of the construction but it appeared he was not very knowledgeable. The new QE was George Shearer.

When asked if anyone had ever seen Mark Hall, Mr. Slife said he had not. When he had hired Greg Park, Mr. Park had represented himself as being the owner of Southern Hawk and the only one responsible for the work.

The evidentiary was closed.

Mr. Carson abstained due to past business dealings with Southern Hawk.

MR. ZECH MOVED TO SUMMARILY SUSPEND LICENSE #29377 and #29292, SOUTHERN HAWK, AND TO CONTINUE THE HEARING TO THE NEXT LAS VEGAS HEARING OR AS SOON AS POSSIBLE THEREAFTER.

MR. JOHNSON SECONDED THE MOTION

THE MOTION CARRIED.

ROBERT V. JONES CORP #23498 & #44321 - DISCIPLINARY HEARING

SUN VALLEY PLUMBING AND MECHANICAL #42529 - DISCIPLINARY HEARING

R V J C ELECTRICAL #43827 - DISCIPLINARY HEARING

Robert V. Jones, President, was not present for the hearing, but Steven DiAngelo, representing himself as president of the Robert V. Jones Company was present.

Mr. DiAngelo; Ed Pennywell, La Paz Ceramic Tile; Dan Bradley, Dan Bradley Glass; Bob Macke, Senior Investigator, Joe Licari, Complainant; Greg Mincheff, Investigator; Tom Tucker, Investigator; and Linc Dante, Investigator, were sworn in.

Mr. DiAngelo was asked if he was on the license. He replied no. He also stated he was not an attorney, he was not the qualifier, he was president of the Robert Jones Company, license #44321. The board license record reflected that Robert V. Jones was the president and Gerry C. Eggers was the vice president. Those were the only two names on the license. License #23498 contained only the name of Robert V. Jones. Mr. DiAngelo stated he had been made an officer approximately 1 ½ years ago. He did not know if the Secretary of State record had been updated. When asked where Mr. Jones was, Mr. DiAngelo said he was out of town, as well as the company's legal counsel.

MR. JOHNSON MOVED TO CONTINUE THE HEARING TO THE NEXT LAS VEGAS MEETING IN 30 DAYS, AND TO SUBPOENA ALL OFFICERS AND QUALIFIED EMPLOYEES LISTED ON THE CURRENT LICENSES TO BE PRESENT AT THAT HEARING. FAILURE TO APPEAR WOULD RESULT IN AUTOMATIC SUSPENSION OF THE LICENSES.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

#### MSC LLC #45884 & #45919 - DISCIPLINARY HEARING

The notice of hearing, dated July 21, 1999, consisting of pages 1-14, had been sent certified mail. The return receipt was dated 7/30/99 and stated "Employee of Mail boxes Etc., may not receive."

The hearing was for possible violation of NRS 624.3013 (1), failure to keep records showing all contracts, documents, receipts and disbursements. The hearing notice was entered into the record as EXHIBIT 1.

Lee Andrew Jolley, Partner, was not present and there was no one present to represent the licensee.

Greg Mincheff, Investigator, was sworn in and told the board the complaint had originated with an unknown source, and the initial investigation regarded the hiring of unlicensed contractors on the M K Nursing Home project. Numerous attempts had been made to contact the licensee. He had spoken to 2 representatives, Ricky Brown and Lee Jolly. Both acknowledged they had received the subpoenas and that they would comply and supply the requested information. Mr. Mincheff had requested information pertaining to the job: payment records, proposals, accounts, contracts, and a financial statement. The financial statement had not been received. The subpoenas were dated July 8, 1999. The owner of the property had indicated to Mr. Mincheff that the licensee had the records but when he departed, he took all plans and records with him.

Both licenses were inactive, not renewed. There was one additional money owing complaint against license #45884. Two \$50,000 bonds were still in place. Mr. Mincheff understood the company was operating out of San Juan Capistrano.

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

MR. ZECH SECONDED THE MOTION

THE MOTION CARRIED.

MR. JOHNSON MOVED TO FIND LICENSE #45884 & #45919, MSC LLC, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO REVOKE LICENSE #45884 & #45919, MSC LLC.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

In further discussion, staff was asked to inform those with money owing complaints to file against the bonds.

#### ARC CONSTRUCTION SERVICES INC. #38936 - DISCIPLINARY HEARING

The notice of hearing, dated July 20, 1999, consisting of pages 1-26, had been sent certified mail. The return receipt was dated July 28, 1999.

The hearing was for possible violation of NRS 624.3012 (2), willful or deliberate failure by the licensee to pay any moneys when due; NRS 624.3013 (2), misrepresentation; NRS 624.3013 (3), failure to establish financial responsibility; and NRS 624.3014 (3) misuse of license. The hearing notice was entered into the record as EXHIBIT 1. A letter from Casper Company was entered into the record as EXHIBIT 2.

Lawrence Michael Lassell, President, was not present and no one was present to represent the licensee. The license was inactive, not renewed.

Greg Mincheff, Investigator, was sworn in and told the Board that there appeared to be an issue regarding who the company belonged to. Mr. Lassell had informed Mr. Mincheff he had sold the company to Susan Walters, a former employee of ARC Construction, who was responsible for this particular complaint. The Casper Company verified that the work was actually bid and submitted to ARC Construction. Mr. Mincheff had not been able to establish who Susan Walters was. A review of the payroll records indicated that she was an employee of the licensee. There was no information to indicate that she owned the company. Mr. Mincheff had requested Mr. Lassell to provide the board with a financial statement, but none had been received. To date, Casper Company was still owed \$486. It was then learned Susan Walters was the resident agent of the company and that she had been noticed of the hearing.

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO FIND LICENSE #38936, ARC CONSTRUCTION SERVICES INC, IN VIOLATION OF THE CHARGES AS STIPULATED.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO REVOKE LICENSE #38936, ARC CONSTRUCTION SERVICES INC.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

KENNETH D. GOODRICH #23501 - DISCIPLINARY HEARING (Continued from February 23, 1999)

M C MOJAVE CONSTRUCTION #25771 - DISCIPLINARY HEARING (Continued from February 23, 1999)

Keith Gregory, Legal Counsel; Mark DiMartino, Synergy Restaurant Group; Kenneth D. Goodrich, Licensee; and Ron Ramsey, Investigator, were present.

Attorney Keith Gregory recapped what had occurred at the last hearing, reminding everyone that his client had stipulated to the fact that they had entered into an unlicensed joint venture. There had been civil disputes that needed to be resolved and it had gone to arbitration and had been settled. His client had received \$35,000. That case was now over.

MR. ZECH MOVED TO PLACE A ONE YEAR LETTER OF REPRIMAND IN THE LICENSE FILE OF #23501, KENNETH D GOODRICH, AND #25771, M C MOJAVE CONSTRUCTION, AND TO RECOVER THE INVESTIGATIVE COST OF \$3,395.41, TO BE PAID WITHIN 60 DAYS OR BOTH LICENSES WOULD AUTOMATICALLY SUSPEND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

V J SPRAY, Lic. #23023 - DISCIPLINARY HEARING (Continued from July 27, 1999)

William Marjie, Owner, and Mr. & Mrs. Wayne Melton were present.

Bob Macke, Senior Investigator, testified he had inspected the Melton carpet on the same day of the last board meeting, and it had indeed been cleaned, but he had not heard from the contractor to schedule the rest of the clean-up and it was his understanding the Meltons had not been contacted either. The Meltons confirmed his statement.

Mr. Marjie said he was having a problem getting a painter to go out to the Meltons to finish the cleaning.

Discussion then focused on who should be able to clean the overspray. But Mr. Macke pointed out that there was also a workmanship issue beyond the interior overspray. The paint on the eaves was peeling and the paint was peeling in several areas inside the house.

Mr. Gregory said the painting issue on the outside of the house would have to be done by someone else, but Mr. Marjie could clean the overspray on the inside of the house, as long as it was done properly. When asked if the Meltons would allow him back, the Meltons stated that they had a bedroom set that been oversprayed and the paint had dulled the finish. The wood needed to be re-oiled to bring it back to its original luster. Mr. Lindell pointed out the paint had been on the finish too long and some type of cleaner would have to be used to remove the paint. That person needed to know what he was doing. At that point, the clean-up order was rescinded and the following action was taken.

MR. ZECH MOVED TO REVOKE THE LICENSE FOR NON ACTION OF THE BOARD'S DIRECTIVE TO CORRECT.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

The Meltons were advised there was a \$1,000 bond on the license.

Mr. Nelson left the meeting at 11:40 a.m.

CONCRETE & MASONRY SPECIALIST #35015 & #35016 - DISCIPLINARY HEARING (Continued from 6/22/1999 & 7/27/99)

Robert Curtis Travers, Owner, was not present. Edgar Carranza, Legal Counsel, was present to represent the licensee.

Mr. Mincheff, Investigator, said Mr. Palmer had received \$920 from the licensee at the last hearing and the complaint had been closed.

Mr. Ramsey, Investigator, stated Mr. Travers sent another contractor to make the corrections on the Gonzales' patio. That contractor reviewed the job site but stated he was unwilling to perform the work. On August 15, 1999, Mr. Travers approached Ms. Gonzales and offered her a \$2,000 settlement, which she accepted, and the complaint had been closed.

MR. ZECH MOVED TO FIND LICENSE #35015 & #35016, CONCRETE & MASONRY SPECIALIST, IN VIOLATION OF THE CHARGES AS STIPULATED.

MR. CARSON SECONDED THE MOTION

In discussion of the motion, Mr. Johnson and Mr. Lindell believed the workmanship issue had been settled.

THE MOTION CARRIED. (MR. JOHNSON AND MR. LINDELL WERE OPPOSED)

MR. ZECH MOVED TO REINSTATE LICENSE #35015 & 35016, CONCRETE & MASONRY SPECIALIST, TO PLACE A ONE YEAR LETTER OF REPRIMAND INTO THE LICENSEE'S FILES, AND TO RECOVER THE INVESTIGATIVE COST OF \$4,771.62, TO BE PAID WITHIN 60 DAYS OR THE LICENSE WOULD AUTOMATICALLY SUSPEND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

O F N SYSTEM #41882 - DISCIPLINARY HEARING (Continued from July 27, 1999)

In the previous hearing, the license had been summarily suspended due to public health and safety issues and the hearing had been continued. American Builders Corporation had been subpoenaed for the hearing.

Frank Santo, Owner, Greg Mincheff, Investigator, and Ron Schuster, Investigator, were present. Roger Flory; Brent Morgan, American Builders Corporation; Patrick Carroll, Pahrump Building Inspector; and George Stanford, Vice President, American Builders Corporation, were sworn in.

Mr. Griffy asked Mr. Mincheff if new evidence had been brought to light in the matter. Mr. Mincheff said yes. Attorney Keith Gregory, Legal Counsel for Mr. Stanford, had supplied one item. That item consisted of copies of checks payable to Frank Santo of O F N System. Mr. Mincheff noted Mr. Santo had been paid for new construction on properties American Builders was constructing. The notations on the bottom of the checks varied but one indicated: "Second payment on contract," another listed: "Contract," with an address. When asked if he knew what the relationship was between Mr. Santo and American Builders, Mr. Mincheff replied that it appeared O F N had been their general contractor of record. All building permits had been pulled indicating American Builders as the owner, the applicant as Brent Morgan or William Moore, and the contractor as O F N Systems. The actual signatures on the permits were those of the applicant.

Mr. Stanford asked if he could wait for his attorney, Keith Gregory. The time for the hearing was pointed out to him and the hearing continued. Mr. Stanford was identified as Vice President representing American Builders Corporation, and Mr. Morgan as an employee. When asked who Bill Moore was, Mr. Stanford replied he was a former employee. He then identified photocopies of checks, which were entered into the record as EXHIBIT A, as having his signature on them. All checks had been issued to Frank Santo for contracts. Mr. Stanford said Mr. Santo had worked as the general contractor on the contract in question, for American Builders Corporation, who was the owner of the project.

Chairman Gregory then clarified that American Builders had built some homes. They had entered into a contract with O F N System to be the general contractor. In the state of Nevada, O F N System was a B2 license holder with a \$50,000 limit. In reviewing the charges, Chairman Gregory asked who had operated as the general contractor on the job? Who hired all of the people, paid all of the bills, or did all the work? Mr. Santo said he did not. Mr. Stanford replied it was American Builders and their employees. Chairman Gregory further clarified that American Builders Corporation was an unlicensed contractor and O F N System

was a licensed contractor with a \$50,000 limit. O F N System had pulled all of the building permits under its license and American Builders had performed the work as an unlicensed contractor.

Mr. Stanford disagreed. He said that American Builders had signed a contract with O F N System for a minimum of \$500 to a maximum of \$2,500 per house to inspect, as worded on the contract. As the owner, American Builders paid all bills through Escrow Funding of Nevada. Mr. Stanford's next statement indicated he was confused as to what was at issue. Mr. Gregory explained that what was pertinent in the state of Nevada was who was acting in the capacity of a general contractor. Once clarified, Mr. Stanford admitted that was what had happened.

Attorney Gregory arrived and was informed of what had just occurred and agreed. O F N System had contracted with an unlicensed contractor, American Builders Corporation. He then told the Board that American Builders had hired a B2 contractor with the requisite license limit and that contracts were in place to rectify what had happened in the past.

Mr. Santo stated that when the agreement had been entered into, there was no building department in Pahrump. There were no permits to be pulled and he did not pull any. He said technically he was supposed to act as a consultant, he had nothing to do with the construction end of it. Mr. Santo said he now understood what had occurred.

The evidentiary was closed and Mr. Santo signed a stipulation.

MR. CARSON MOVED TO FIND LICENSE #41882, O F N SYSTEM, IN VIOLATION OF ALL CHARGES AS STIPULATED.

MR. JOHNSON SECONDED THE MOTION

THE MOTION CARRIED.

MR. CARSON MOVED TO PLACE A PERMANENT LETTER OF REPRIMAND IN LICENSE FILE #41882, O F N SYSTEM, TO SUSPEND THE LICENSE FOR 6 MONTHS, AND TO RECOVER INVESTIGATIVE COSTS OF \$2,645.16, TO BE PAID PRIOR TO REINSTATING THE LICENSE.

MR. LINDELL SECONDED THE MOTION.

Mr. Zech and Mr. Johnson did not agree with the suspension. The motion was amended as follows.

MR. CARSON MOVED TO PLACE LICENSE FILE #41882, O F N SYSTEM, ON PROBATION, PROHIBITING ANY CONTRACTING WITH AMERICAN BUILDERS CORPORATION FOR A PERIOD OF ONE YEAR, TO REQUIRE THAT A LIST OF ALL PROJECTS BE PROVIDED TO THE BOARD ON A QUARTERLY BASIS THROUGHOUT THE PROBATION PERIOD, AND TO RECOVER INVESTIGATIVE COSTS OF \$2,645.16, TO BE PAID PRIOR TO REINSTATING THE LICENSE.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

#### 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 regular meeting of the Board was adjourned by Chairman Gregory at 3:00 p.m. and the workshop to solicit comments on proposed regulations followed.

WORKSHOP TO SOLICIT COMMENTS ON PROPOSED REGULATIONS

Present for the workshop were Gloria McDonald, Director of Finance; Pat Potter, Licensing Supervisor; Peter Krueger, Executive Director, Roofing Contractors Association of Nevada; Cheryl Blomstrom, State Government Affairs, The Associated General Contractors of America, Inc.; Jeanette Belz, Director of Government Relations, Wadhams & Akridge; Fred Couzens, Managing Editor, Real Estate Journal; Frederick Smith, Contracts and Construction Manager, Clark County School District; Joffe Johnson, General Counsel/Contract Administrator, Frehner Construction Company, Inc.; Janell Cassell, Partner, McGladrey & Pullen, LLP; Jan Christopherson, Administrative Services Officer II, State of Nevada, Department of Transportation; Casey Jones, General Manager, Nielsen Dillingham Builders; Ted Olivas, Purchasing & Contracts Manager, General Services Department, Clark County; Sharon Hauht, General Services Department, Clark County; Fred Ohene; Wayne Fisher, Clark County Sanitation District; Penny Marchell, Las Vegas Convention & Visitors' Authority; Jack Holland, Community College of Southern Nevada; Steve Schmidt, NASCLA; Assemblyman Tom Collins; Lucille Carruthers, City of Las Vegas; Garth Frehner, CEO, Frehner Construction Company, Inc.; and John Madole, Executive Director, The Associated General Contractors of America, Inc.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman