

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
NOVEMBER 9, 1999**

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:34 a.m., Tuesday, November 9 1999, 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
Mr. Dennis Johnson
Mr. Doug Carson
Ms. Deborah Sheltra
Mr. Michael Zech

BOARD MEMBERS ABSENT:

Mr. John Lindell

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
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
Ms. Kathy Stewart, Licensing Supervisor
Ms. Lisa Fisher, License Analyst
Mr. Jack Edstrom, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Denise Phipps, Court Reporter, Sierra Nevada Reporters; Jeffrey Clark Johnson, Partner, A Street Roofing; Joyce Nance, Partner, A Street Roofing; David Conover, President, Conover Construction Company; Clayton Fleher, President, Hometown Builders; Blake Christian Franzman, Secretary/Treasurer, Hometown Builders; James McKeehan, Owner, James McKeehan Construction; Dee Edward Coursey, Jr., President and Trade Qualifier, Coursey Custom Builders Inc.; Jane Ellen Coursey, Secretary and CMS Qualifier, Coursey Custom Builders Inc.; Richard G. Hill, Legal Counsel, Beacon Company; William Pauley, Jr., Owner, Grafics Unlimited; Cindy Johnson, Wife, Lance Johnson Inc.; Pat Setter, President, Setter Construction Corporation; Keith Gregory, Legal Counsel, Direct Boardcast LTD; Glenn Earl Ellsworth, President, Direct Broadcast LTD; John Fred Sieben, Jr., President, American General Development; David Priess, Qualified Employee, American General Development; Mike Hoy, Legal Counsel, American General Development; Alex Legaspi, Owner, Alex Legaspi; Charles Dennis Helton, Owner, Palomino Valley Construction; Eric Stovall, Legal Counsel, Palomino Valley Construction; David Brinsko, Complainant; John Harvey Wardrobe, Owner, L J Construction; Duke Renslow, Unlicensed contractor; Sue Griffin, Homeowner; Byron L. Bilyeu, Legal Counsel, L J Construction; and Vernon Carraway, Unlicensed Contractor.

Ms. Grein stated John Sapp, Investigator, had posted the agenda in compliance with the open meeting law, on November 3, 1999, 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 19 items on the amended agenda, each item of an emergency nature. Additionally, on the regular agenda, item number 7, Harrison Development Corp. was continued to the next Las Vegas meeting; and item number 10, Professional Home Builders, was continued to December.

MR. CARSON MOVED TO HEAR THE AMENDED AGENDA.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Gregory called for a motion to approve the minutes of October 12, 1999.

MR. CARSON MOVED TO APPROVE THE MINUTES OF OCTOBER 12, 1999.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

ADVISORY OPINION

APPLIED RESEARCH ASSOCIATES INC. (ARA) – Project: Kerr-McGee, LICENSE REQUIREMENT

The scope of work included the design and construction of an 825 gallon per minute water treatment plant to cleanup perchlorate contaminated groundwater. The plant design was based on ARA's patented biological treatment process.

ARA had inquired as to whether or not it was necessary for them and their design-construct subcontractor, Biothane, to obtain Nevada contractor's licenses. ARA intended to subcontract all construction work to properly licensed Nevada contractors.

The Board opined that for this project ARA would be acting as a prime contractor and, thus, would require an A, General Engineering, license. The design-construct subcontractor would also require a license.

APPLICATIONS

The following motion closed the meeting to the public.

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

MR. JOHNSON 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).

A STREET ROOFING (C15A,D – Roofing; Waterproofing) NEW APPLICATION

Jeffrey Clark Johnson, Partner, and Joyce Nance, Partner, were present.

Mr. Johnson provided additional information regarding his previous California licenses and verification of payment pertaining to a two collection accounts. It was learned Mr. Johnson had recently been re-licensed in California. He said he intended to perform mostly repair work and eventually simple re-roofs.

Ms. Nance was asked if she had tested for the CMS. She replied yes. When asked if she was aware of Mr. Johnson's background, she stated she had only understood it to some extent. She said she fully understood her financial responsibility well as her responsibility under the law.

MR. NELSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$25,000 AND A \$10,000 BOND.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

CONOVER CONSTRUCTION COMPANY #42855 (B – General Building) RENEWAL OF EXPIRED LICENSE – NRS 624.283 (4)

David Conover, President, was present. He was informed the renewal of his license application had been approved.

HOMETOWN BUILDERS (B2 – Residential & Small Commercial) NEW APPLICATION

Clayton Fleher, President, and Blake Christian Franzman, Secretary/Treasurer, were present. The indemnitor was not present.

Mr. Fleher was questioned regarding his letter of June 13, 1999, which regarded financial responsibility. Mr. Fleher said the company had not obtained a surety bond as of yet but Western Insurance was willing to bond \$100,000.

Mr. Zech noted the indemnification appeared to be well protected through trusts. Ms. Mathias reported that the assets on the financial statement were either community property, and the husband had refused to sign the indemnity form, or they were held in a trust.

Mr. Blakeman said only one of the three accounts was a trust account. He was informed that his step-father did not wish to sign the indemnity agreement. Mr. Blakeman said the accounts listed were from his mother's estate only. It was she who had provided the indemnity.

Mr. Gregory asked that the documents be reviewed by legal counsel.

MR. JOHNSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$100,000, A \$10,000 BOND, AND A FINANCIAL REVIEW UPON RENEWAL, AND CONTINGENT UPON LEGAL COUNSEL DETERMINING THAT THE INDEMNIFICATION WAS VALID AND THE ASSETS WERE NOT PROTECTED.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

JAMES MCKEEHAN CONSTRUCTION (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION

The license application had been considered in the October 26, 1999 board meeting but there had been no majority vote of approval.

James McKeehan, Owner, was present. He was informed the license application had been approved with a limit of \$250,000 and a \$10,000 bond.

COURSEY CUSTOM BUILDERS INC. (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION

Dee Edward Coursey, Jr., President and Trade Qualifier, and Jane Ellen Coursey, Secretary and CMS Qualifier, were present.

The application had been considered on October 26, 1999 and had been denied for lack of financial responsibility. A current financial statement, dated November 5, 1999, had been provided.

Mr. Coursey stated it was his desire to build custom homes. He was anticipating a bonus from the project he was currently working on, which would provide him with additional funds.

The item was tabled for 60 days for new financial information.

BEACON COMPANY (B2 – Residential & Small Commercial) NEW APPLICATION

Richard G. Hill, Legal Counsel, was present to represent the applicant, Elizabeth Diane Bernhard, Owner. Mr. Hill was notified the license application had been approved with a limit of \$500,000 and a \$25,000 bond.

GRAFICS UNLIMITED (C6A,D – Outdoor Advertising; Painted Signs) NEW APPLICATION

William Pauley, Jr., Owner, was present. Mr. Pauley's credit card debt was discussed. Mr. Pauley noted he had been in business for 20 years. He had recently been approved for a loan in the amount of \$80,000 and believed he had good credit. He told the Board 80% of his work was vehicle signage but he intended to perform vinyl signage for buildings as well because he had been asked several times by his customers to do that work for them.

MR. NELSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$10,000 AND A \$2,000 BOND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

LANCE JOHNSON INC. (A7,12,13,15,18,19A,21 – Excavating & Grading; Excavate Grade Trench Surface; Wrecking Buildings; Sewers, Drains & Pipes; Farm Irrigation; Pipeline & Conduits for Water; Fencing & Guardrails) NEW APPLICATION, RECONSIDERATION

The license application had been denied on October 26, 1999 for lack of financial responsibility.

Ms. Stewart, Licensing Supervisor, stated that a private letter of credit from the applicant's in-laws had been provided, that very morning, for up to \$50,000.

Cindy Johnson, Wife, was present to represent Lance Johnson, President. She was notified the license application had been approved with a limit of \$50,000 and a \$5,000 bond, approval of the A19A portion of the license was contingent upon passing the trade examination.

SETTER CONSTRUCTION CORPORATION (B2 – Residential & Small Commercial) **NEW APPLICATION, RECONSIDERATION**

The license application had been approved on May 11, 1999. The applicant was now requesting a higher limit based upon new financial information, which had been provided.

Pat Setter, President, was present. He was informed the license application had been approved with a license limit of \$400,000 and a \$15,000 bond, contingent upon providing a Nevada corporate registration.

DIRECT BROADCAST LTD (C42 – Construction, Altering, or Improving Community Antenna Television Systems) **NEW APPLICATION, RECONSIDERATION**

Keith Gregory, Legal Counsel, was present to represent Glenn Earl Ellsworth, President, who was also present. Attorney Gregory noted that the application had been approved on May, 1999, subject to Mr. Ellsworth passing the trade examination. Mr. Ellsworth had taken the C2E and the C42 tests and had failed both. Attorney Gregory said the type of work Mr. Ellsworth performed was installation of cable on miniature antennas.

Discussion then focused on the type of work Mr. Ellsworth actually performed when installing DBS dish systems and how he performed the installation. Mr. Ellsworth stated that he used a wireless 900 megahertz phone system, which he plugged directly into the electrical outlet. He did not touch phone lines. He did not pre-wire or pull permits. He strictly used wireless phone technology to install dish systems.

The license application was approved as a C40 designated license, installation of residential satellite dish systems were no permits were required or wiring to be installed. The limit was set at \$5,000 and a \$1,000 bond.

Mr. Nelson was opposed, stating he felt the C2E license was required.

The remainder of the applications on the agenda were reviewed throughout the morning as the agenda allowed and discussion occurred on the following: Nos. 3-4, 6, 8-10, 18-22, 30, 34-36, 38-39, 41-47, 50-56, 58-62, 65, 68-71, 73, 76, 82, 84, 86, 89, 90, 104, and 107. On the amended agenda: Nos. 5, 7-9, 11, and 14 were reviewed and discussed.

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

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

RATIFICATION OF LICENSES ISSUED IN CLOSED SESSION

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

AMERICAN GENERAL DEVELOPMENT – INTERVIEW

John Fred Sieben, Jr., President, David Priess, Qualified Employee, and Legal Counsel, Mike Hoy were identified.

Ms. Stewart stated the application had been considered on October 12, 1999. At that time it had been tabled for an interview with Mr. Sieben to discuss the prior history of Mr. Priess. Ms. Stewart then recapped Mr. Priess' license history as outlined in the minutes of October 12, 1999, which included the revocation of two licenses in Arizona.

Mr. Carson explained the Board had requested Mr. Sieben's presence to learn if Mr. Sieben was aware of Mr. Priess' previous license history.

Mr. Sieben stated he had known Mr. Priess since 1986. Mr. Priess had performed two very complicated commercial pools for him, as well as several residential custom pools. Mr. Priess had 30 years in the pool business, he understood swimming pools and he knew how to build them.

Mr. Sieben commented it was his goal to stay in the commercial pool business. Mr. Priess stated the problem in Arizona had been caused by one residential pool.

Mr. Johnson requested that Mr. Sieben be required to qualify the CMS portion of the license.

MR. CARSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$5 MILLION AND A \$50,000 BOND, WITH MR. SIEBEN QUALIFYING THE LAW PORTION OF THE LICENSE.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

EXECUTIVE SESSION

CASH DISBURSEMENT & TRANSFER JOURNALS – 7/1/99 THROUGH 9/30/99

MS. SHELTRA MOVED TO APPROVE BANK OF AMERICA COMMERCIAL CHECKING ACCOUNT CHECK #17866 THROUGH #18411.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

MS. SHELTRA MOVED TO APPROVE THE BANK OF AMERICA MONEY MARKET ACCOUNT CHECK #1258 THROUGH #1264 AND TRANSFER #98-38 THROUGH #98-41.

MR. ZECH SECONDED THE MOTION.

MS. SHELTRA MOVED TO APPROVE THE WELLS FARGO BANK PAYROLL ACCOUNT CHECK #16799 THROUGH #17163.

MR. ZECH SECONDED THE MOTION.

THE MOTIONS CARRIED.

FINANCIAL STATEMENT – 9/30/99

MR. JOHNSON MOVED TO APPROVE THE QUARTERLY FINANCIAL STATEMENT, PERIOD ENDING 9/30/99.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

The Executive Session was continued to the Las Vegas meeting.

APPLICATION HEARING

ALEX LEGASPI (B2 Residential & Small Commercial) - APPLICATION HEARING

Alex Legaspi, Owner, and Lisa Fisher, License Analyst, were sworn in.

The notice of hearing consisting of pages 1-38 had been sent certified mail on October 9, 1999. The return receipt was dated October 20, 1999.

The hearing was for possible violation of NRS 624.263, failure to meet the criteria for establishing financial responsibility; and NRS 624.3013 (2), misrepresentation. The notice of hearing was entered into the record as EXHIBIT 1, and the stipulation was signed.

Mr. Taylor referenced the hearing notice and said paragraph B, under allegations, indicated Mr. Legaspi had filed a Chapter 7 bankruptcy in Hawaii. Mr. Legaspi had provided an affidavit (Recording Secretary's EXHIBIT C), received November 8, 1999, stipulating to the charges in paragraph B and C, with explanation. It also contained an explanation to paragraph D regarding the license and application fee that had been returned to the Board for insufficient funds. Mr. Taylor said Mr. Legaspi had provided a new financial statement.

Mr. Gregory noted there were not enough finances to warrant the monetary limit Mr. Legaspi had requested.

When asked what type of work he intended to do, Mr. Legaspi replied he desired to start small and to build his business by performing home additions. Mr. Legaspi had inadvertently taken the C3, Carpentry, test rather than the B2 test. When the type of work that could be performed with a C3 license was explained to Mr. Legaspi, he said he would eventually like to test for the B2 license, but he would accept the C3 license for the purpose of getting himself established. Mr. Legaspi was asked to amend his application for a C3 license.

MR. NELSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$50,000 AND A \$10,000 BOND FOR CLASS C3, A BID LETTER AND A C3 SCOPE LETTER, AND A FINANCIAL REVIEW UPON RENEWAL.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

DISCIPLINARY HEARINGS

PALOMINO VALLEY CONSTRUCTION #37975 – DISCIPLINARY HEARING (Continued from July 13, 1999, August 10, 1999, September 7, 1999, & October 12, 1999)

Charles Dennis Helton, Owner, Palomino Valley Construction; Eric Stovall, Legal Counsel,

Palomino Valley Construction; Jack Edstrom, Board Investigator, and David Brinsko, Complainant, were present.

Mr. Edstrom provided the Board with a status report. He explained that while overseeing the repairs at the job site, a subsequent agreement had been entered into between the homeowner and the contractor, which exceeded Board recommendation. The work had then moved forward and much of the work was completed. Mr. Edstrom stated he had inspected the job site at the close of the previous day. He provided the Board with an investigative fact sheet (Recording Secretary's EXHIBIT D), which summarized the condition of the items listed on the Notice to Correct.

Mr. Edstrom noted that some of the issues had been resolved but paint and stucco repairs had been caused by the work that had been ordered. They had not been on the original notice to correct. When asked if they were major repairs, Mr. Edstrom replied yes.

Discussion ensued regarding continuing the hearing for another 30 days to allow completion. Mr. Helton had requested a continuance but Mr. Brinsko desired to move forward rather than to continue on with Mr. Helton.

Mr. Helton explained he was waiting for the correct number of days to put the color coat on. It was his intention to complete the work.

Mr. Brinsko stated he believed Palomino Construction had had enough time to settle the matter. He pointed out he had taken several days off from work, without pay, to accommodate Mr. Helton, and that his health had suffered from the stress. He commented he would prefer to hire another contractor to finish the job and to file against Mr. Helton's bond.

MR. CARSON MOVED TO FIND LICENSE #37975, PALOMINO VALLEY CONSTRUCTION, IN VIOLATION OF ALL CHARGES AS STATED.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO SUSPEND LICENSE #37975 UNTIL THE WORK WAS COMPLETED.

After some discussion regarding Mr. Brinsko's desire to not allow Mr. Helton to complete the project, Mr. Carson withdrew his motion.

MR. CARSON MOVED TO SUSPEND LICENSE #37975, PALOMINO VALLEY CONSTRUCTION, FOR A PERIOD OF 3 MONTHS, TO PLACE A PERMANENT LETTER OF REPRIMAND IN THE LICENSE FILE AND TO RECOVER THE INVESTIGATIVE COST OF \$7,785.16 PRIOR TO REINSTATING THE LICENSE.

MR. NELSON SECONDED THE MOTION.

Ms. Sheltra commented that 3 months was not adequate for the amount of time the complainant had to put up with the matter. She recommended making the suspension period 6 months. Mr. Carson did not change his motion.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

For the record, Mr. Stovall stated Mr. Helton never had the opportunity to present his case. Mr. Zech countered that Mr. Edstrom had validated the items to be repaired and had issued the corrective action, which should have been followed. Mr. Nelson referenced the

minutes of August 10, 1999 and noted the Board's action had been based on the fact that both parties had agreed to have the matter resolved in 30 days.

PROFESSIONAL HOMES BUILDERS #32754 – DISCIPLINARY HEARING

Jon Ludwig, Legal Counsel, for Mike Robert Fritz, Owner, Professional Homes Builders, had requested a continuance on November 3, 1999. The matter was continued to December 7, 1999.

L J CONSTRUCTION #41539 & #4341 – DISCIPLINARY HEARING

John Harvey Wardrobe, Owner, L J Construction; Jack Edstrom, Board Investigator; Duke Renslow, Unlicensed contractor; Sue Griffin, Homeowner, were sworn in, and Byron L. Bilyeu, Legal Counsel, L J Construction, was identified.

The notice of hearing, consisting of pages 1-31, was mailed certified on October 8, 1999. The return service was signed and dated October 14, 1999.

The hearing was for possible violation of NRS 624.3015 (4) (a) (b), constructing or repairing a mobile home, manufactured home or commercial coach, unless the contractor is licensed as set for in NRS 489.311, owns, leases or rents the mobile home, manufactured home or commercial coach; NRS 624.3016 (1), fraudulent or deceitful acts, any fraudulent or deceitful act of a contractor whereby substantial injury is sustained by another; NRS 624.3014 (2) (a) (b), misuse of license; evasion of law, with the intent to evade the provisions of this chapter, aiding or abetting an unlicensed person to evade the provisions of this chapter, combining or conspiring with an unlicensed person to perform an unauthorized act; NRS 624.3013 (1), failure to keep records or maintain bond; and NRS 624.3015 (3), as set forth in NAC 624.640 (6), contracting with unlicensed contractor, knowingly entering into a contract with a contractor while that contractor is not licensed, or bidding to contract or entering into a contract with a contractor for work in excess of his limit or beyond the scope of his license, bid or contract void if Licensee exceeds scope of license, and duties concerning licenses. The hearing notice was entered into the record as EXHIBIT 1, and the stipulation was signed.

Hal Taylor, Legal Counsel, presented the case and David Reese, Legal Counsel, represented the Board.

Mr. Taylor commented that the homeowner's counsel was John Collier. Mr. Taylor disclosed that prior to accepting the position with the Board, he had been involved in on-going litigation as co-counsel with Mr. Collier's firm. The case was not connected. There was no objection to Mr. Taylor's presenting the case.

Sue Griffin stated she had entered into a contract with the Licensee for the reconstruction of the fire-damaged interior of her manufactured home. The contract price was \$32,675. The Licensee was paid \$30,775. Discussion had occurred with the Licensee regarding the fact that the home was a manufactured home. Ms. Griffin, herself, had learned that the Washoe County building department did not issue permits for this type of home. Authority was through Manufactured Housing. It was her belief that Mr. Wardrobe, as a license contractor, could perform this type of work. Ms. Griffin had not been made aware that unlicensed contractors had been used in the repair of her home until the work had been completed. Page 27 of the hearing notice was referenced. Ms. Griffin said the letter, received from Byron L. Bilyeu, was in response to her request for an itemized list of receipts for the work performed at her house. Page 20 and Page 22 had been provided by the same source, under the same circumstances. Page 19 was one of the first items Mr. Wardrobe had submitted to her as part of the authorization for the air conditioning and other items Ms. Griffin was upgrading apart from the insurance settlement. The other documents, directed to her attention in the notice of hearing, had been given to her by the

Licensee, with the exception of the canceled checks. Ms. Griffin said the Licensee had not completed the project.

Mr. Bilyeu then questioned Ms. Griffin who indicated that it was her understanding that although the county would not be performing an inspection on her project because it was a manufactured home, she was going to have the work privately inspected. She did not recall if she had advised the Licensee of the inspection at the time the contract was entered into but at some point in time she did advise Mr. Wardrobe. Ms. Griffin then disputed several of the change orders, indicating some items had been performed whereas others had not been. Ms. Griffin noted that she had demanded all of her money back after she learned Mr. Wardrobe did not have a manufactured housing license to perform the work. She did not realize that a separate license was needed to perform the work on her home. She thought a contractor's license was adequate.

Mr. Edstrom testified he had checked on the license status of Dan Shorey, Vern Carraway, and Duke Renslow, and found no licenses for those named. Mr. Edstrom found that Mr. Wardrobe was a licensed B2 license holder, but he was not licensed with the State Division of Manufactured Housing. Mr. Edstrom had asked Mr. Wardrobe for all documents pertaining to payment to the unlicensed contractors. Mr. Wardrobe had provided documentation to Mr. Edstrom, which were included as exhibits in the hearing file, but he did not supply complete documentation regarding what had been paid to those mentioned as unlicensed contractors.

Under questioning by Mr. Bilyeu, Mr. Edstrom said Mr. Wardrobe had cooperated with him in his investigation.

Mr. Renslow, unlicensed contractor, described the arrangement he had with Mr. Wardrobe. He said he was to be paid \$1,000 upon completion of the heating work he was to perform. When the air conditioning had been added to the contract, Mr. Renslow agreed to be paid approximately \$700 to \$1,000 for the air conditioning work, which he ultimately did not perform. The total moneys Mr. Renslow received on the project was \$1,000. Mr. Renslow identified page 22 of the hearing notice as his document. He said he had been asked by Mr. Wardrobe to prepare it. Mr. Renslow stated the document was inaccurate because he did not receive \$5,500. He said that when Ms. Griffin and Mr. Wardrobe had disagreed over the project, Mr. Renslow had asked for and received his \$1,000. After his interview with Mr. Edstrom, Mr. Wardrobe had asked Mr. Renslow to change his testimony to indicate that he had been paid more than \$1,000. Mr. Renslow provided Mr. Taylor with documentation, which was entered into evidence as EXHIBIT 2.

Under questioning, Mr. Bilyeu verified that Mr. Renslow had been paid \$1,000 but Mr. Wardrobe had paid for the materials. The checks had been made payable to the suppliers but the amounts were reflected as payable to Mr. Renslow. Mr. Wardrobe could not purchase the air conditioning unit because he was not EPA certified. Mr. Renslow had allowed Mr. Wardrobe to put the charge of \$632 with Western Nevada Supply on his account but Mr. Wardrobe had written the check payable to Western Nevada Supply. Mr. Wardrobe had installed a fence for Mr. Renslow in exchange for a heater and an air conditioner. Mr. Renslow had been paid for his labor with an L J Construction check, not a payroll check. The \$5,500 was for the furnace Mr. Wardrobe had paid for.

Vernon Carraway, Unlicensed Contractor, was sworn in, and testified that page 21 of the hearing notice was a receipt that reflected \$2,500, the amount he had been paid for the job. Mr. Carraway had received one check, which he used to purchase materials with and a second cash payment of \$1,250. He did not know if Mr. Wardrobe had paid Industrial Insurance or other payroll deductions.

Mr. Gregory questioned the Board's jurisdiction in the matter. Ms. Griffin said the home was a mobile home on a foundation, converted to real property.

Mr. Gregory believed it was necessary to resolve the jurisdictional issue in order to determine if the statutes had been violated.

Ms. Sheltra asked for a formal opinion from the Attorney General's office and the Washoe County District Attorney's office.

Both parties stated they were currently in litigation with one another.

Mr. Wardrobe testified he had the original proposal, noting that what the board had was not the original. Mr. Wardrobe said that when he entered into the agreement with Ms. Griffin, he notified her that he was not a manufactured mobile home contractor, rather he was a general contractor. Upon learning he could not secure or obtain a permit from Washoe County Building Department, Mr. Wardrobe said he immediately wrote a letter to Ms. Griffin stating that there would be no permits pulled for the job, noting that he had contacted Manufactured Mobile Homes and for \$100 they would travel to Ms. Griffin's home to perform an inspection at \$25 per half hour when the work had been completed. Manufactured Mobile Homes had reiterated to Mr. Wardrobe that he could perform the work if certain stickers were not on the trailer. He said upon examining Ms. Griffin's mobile, it appeared there had been two stickers but they had been removed. Mr. Wardrobe then added he had notified Ms. Griffin that there would be no licensed contractors but himself working on the job; he did not walk off the job; and he had made numerous attempts correct the job and to have the Manufactured Mobile Homes division representative take care of the problems. Ms. Griffin did not allow that, but rather, demanded her money back. Mr. Wardrobe apologized for the invoice regarding concrete, noting it had been included in error. He stated that he did not use licensed contractors because he could not get a permit and there was a lot of controversy regarding the manufactured housing laws.

Mr. Gregory asked if there were people who performed work within the manufactured housing arena. Mr. Edstrom replied there were two or three statewide. Mr. Bilyeu replied, that at the time of the project, there was only one in northern Nevada.

Mr. Edstrom detailed what manufacturing housing required in the area of licensing.

MR. JOHNSON MOVED TO CONTINUE THE MATTER FOR FURTHER CLARIFICATION, ALLOWING BOARD COUNSEL TO PROBE THE DISTRICT ATTORNEY OR THE ATTORNEY GENERAL'S OFFICE AS TO THE EXTENT OF THE BOARD'S RESPONSIBILITY IN THE MATTER, AND TO HOLD THE EVIDENTIARY OPEN WITHOUT PREJUDICE.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

TAHOE SHEET METAL #34882 – FAILURE TO COMPLY WITH ORDER OF BOARD

Doyle Dewayne Ford, Owner, Tahoe Sheet Metal, was not present.

The notice of hearing was for failure to comply with the order of the Board. It consisted of pages 1 – 25 and had been sent certified mail. The notice had been returned stamped, "not received," dated October 19, 1999 and stamped again on October 27, 1999, "Forward Time Expired, Return to Sender." Ms. Grein added there had been attempts to locate Mr. Ford to no avail.

Mr. Reese noted that in the June 23, 1999 board meeting, the Board had ordered payment of \$2,000 per each of three charges and the recovery of investigative costs within 60 days

or the matter was to be referred to the Board for further action.

Mr. Edstrom concurred with Ms. Grein's comment regarding attempts to locate Mr. Ford. He said neither he nor the El Dorado County Sheriff's Department had been able to locate Mr. Ford.

MR. JOHNSON MOVED TO REVOKE LICENSE #34882, TAHOE SHEET METAL.

MS. SHELTRA 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 meeting was adjourned by Chairman Gregory at 12:20 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman