

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 23, 1999

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:35 a.m., Tuesday, November 23, 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	(Exited at 3:22 p.m.)
Mr. Doug Carson	(Exited at approximately 4:00 p.m.)
Mr. Dennis Johnson	
Mr. John Lindell	
Mr. Dennis Nelson	(Arrived at 10:00 a.m.)
Ms. Deborah Sheltra	(Exited at approximately 1:00 p.m.)
Mr. Michael Zech	

BOARD MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)
Mr. Hal Taylor, Legal Counsel
Ms. Nancy Mathias, Licensing Administrator
Mr. George Lyford, Director of Special Investigations Unit
Mr. Rick Bertuzzi, Director of Investigations
Ms. Pat Potter, Licensing Supervisor
Ms. Doris Talley, Licensing Analyst
Mr. Linc Dante', Investigator
Mr. Bob Macke, Investigator
Mr. Greg Mincheff, Investigator
Mr. Ron Ramsey, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Mike Cummings, Owner, A M C Urethane Foam Roofing Contractor; Richard Forbes, President, Efficient Energy Inc.; Jay Knowlton, Owner, Jay Knowlton; Ronen Rahaman, Vice President, American Premiere Homes and Development; James Provencher, Proposed Qualified Employee, Petroleum Technologies Inc.; Mike Mushkin, Legal Counsel, Cambridge Commercial & Industrial Inc.; James Andrews, President, Delta Pacific Builders Inc.; John David Fine, Owner, Fine Concrete; Tom Davis, Legal Counsel, Blanchard Construction Inc.; Randy Pinkston, President, Straight-Line Corporation; Rick Hanset, Former Employee, Sudden Impact Inc.; Sal Ganci, President; Purrfect Excavation; Gemma Ganci, Secretary/Treasurer, Purrfect Excavation, Buddy Byrd, Owner, and wife Tanya, Byrd Underground; Jim Agers, Vice President, The Flooring Company; Dan Gorham, Complainant; Gerard Mankel, Chief

Boiler/Elevator Inspector; Tracey Crockett, City of Las Vegas; Vincent Salomone, Owner, Salomone & Son Construction Co.; Brad Childress, Associate, Cherokee Builders; Loney Childress, Qualified Employee, Cherokee Builders; Diana Childress, Owner; Loney Childress, Jr., Associate, Cherokee Builders; and Mark and Nancy Reed, Complainants; Dwight Duncan, Legal Counsel, Cherokee Builders; Robert V. Jones, President, Robert V Jones Corp; James Kohl representing Barney Ales, Legal Counsel for Mr. Jones; Tom Hantges, Business Associate, Robert V. Jones; Robert & Patricia Campbell, Complainants; Ed Pennewell, President, La Paz Ceramic Tile; Steven DiAngelo, Business Associate, Robert V. Jones; Rodney Balinski, Business Associate; Robert V. Jones; Madonna Collins, Complainant; Jeff Willis, Las Vegas Roofing Supply; Bob Sandeffer, Las Vegas Roofing Supply; Teresa Sonnenburg, Complainant; James McCain, Complainant; Donald Michael Long, Owner, D M L Construction; Complainants: Wendy Kelly, Scott Hennessy, Ana Montecerin, and Dorian Geba; Keith Gregory, Legal Counsel, D M L Construction; Sharyn and Earl Boyce, Complainants; James Glen Rupe, Owner, Dome Construction; Winanda and Joseph Hoffman, Complainants; Robert Sparks, Legal Counsel for Sharyn and Earl Boyce; Jim Sala, Nevada Carpenters' Union; Raphael Gomez, Associate; Guadalupe Bustamonte, Associate; and Lori Ashton, Nevada Carpenters' Union.

Ms. Grein stated that Richard Gowler, Express Messenger Service, had posted the agenda in compliance with the open meeting law on October 20, 1999, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. Additionally, the agenda had been posted in each office of the Board, Las Vegas and Reno, and on the Board's Internet web page.

It was learned there were 20 items on the amended agenda, each item of an emergency nature. The regular agenda was amended to include an advisory opinion from the City of Las Vegas regarding tenant improvements, and a closed personnel session.

MS. SHELTRA MOVED TO HEAR THE AMENDED AGENDA.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Gregory called for a motion to approve the minutes of October 26, October 27, and November 9, 1999. In discussion of the minutes, Mr. Carson pointed out that he did not second Mr. Zech's motion to find Cambridge Commercial & Industrial Inc. in violation of all charges. An examination of the tape record reflected that Mr. Nelson seconded the motion.

MR. JOHNSON MOVED TO APPROVE THE MINUTES OF OCTOBER 26, OCTOBER 27, AND NOVEMBER 9, 1999 WITH THE CORRECTION AS NOTED TO THE MINUTES OF OCTOBER 27, 1999.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

APPLICATIONS

The following motion closed the meeting to the public.

MR. LINDELL 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).

A M C URETHANE FOAM ROOFING CONTRACTOR (C36 – Install Urethane) NEW APPLICATION, RECONSIDERATION

Mike Cummings, Owner, was present. The application had been denied on September 7, 1999 for lack of financial responsibility. Mr. Cummings had since submitted a new financial statement.

A discussion ensued regarding Mr. Cummings credit card debt. Mr. Cumming explained that he was attempting to get started in business in the Las Vegas area. Rather than tow foam equipment from Arizona, where Mr. Cummings maintained a business, he had purchased a new foam machine, which he intended to keep in Las Vegas. On the personal side he said he was working on curbing his spending.

When asked if he intended to be in the Las Vegas area taking care of his business, Mr. Cummings stated that he was moving to Las Vegas because it was hard to earn a living in Topac, Arizona. It was his desire to maintain his business in Palm Springs, Blythe, Bullhead City and Las Vegas. He, along with his wife, who was also present, was going to run the business. When asked what type of work he desired to perform, Mr. Cummings answered he preferred to perform commercial roofing.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

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

EFFICIENT ENERGY INC (C21 – Refrigeration & Air Conditioning) – NEW APPLICATION, RECONSIDERATION

Richard Forbes, President, was present. The license application had been tabled on September 23, 1999 for an accurate financial statement and for continued investigation of the status of the accounts on Mr. Forbes credit report.

When asked what kind of work he intended to do, Mr. Forbes replied he wanted to work on small strip centers performing remodeling and air balance work. He wanted to focus on light commercial rather than residential.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

JAY KNOWLTON (C5A – Concrete Pouring) NEW APPLICATION, RECONSIDERATION

Jay Knowlton, Owner, was present. The application had been denied on October 12, 1999 for lack of financial responsibility. A new financial statement had not been supplied.

Mr. Knowlton explained he did not need much of a monetary limit as he only intended to install patios and driveways in addition to retaining his current job with the Metropolitan Police Department. His average job size ranged in the area of 4 to 5 yards of concrete.

MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$15,000, A \$5,000 BOND, A BID LETTER, AND A FINANCIAL REVIEW UPON RENEWAL.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

AMERICAN PREMIERE HOMES AND DEVELOPMENT #44558 (C3 – Carpentry) 90-DAY EXTENSION

Ronen Rahaman, Vice President, was present. He was informed the 90-day extension to replace the qualified employee had been approved.

PETROLEUM TECHNOLOGIES INC. #30118 (B4 – Service Stations) CHANGE IN QUALIFIER, WAIVE EXAM

PETROLEUM TECHNOLOGIES INC. #31778 (C5 – Concrete Contracting) 90-DAY EXTENSION

PETROLEUM TECHNOLOGIES INC. #33370 (A12, 13, 15, 22 – Excavate Grade Trench Surface; Wrecking Buildings; Sewers, Drains & Pipes; Unclassified: Designated as Tank Installation & Removal & Remediation) CHANGE IN QUALIFIER

James Provencher, Proposed Qualified Employee (QE), was present. He informed the Board he had owned Petroleum Technologies since its inception in 1989. He then sold the company to Petro West on July 17, 1998. He was now working for Petro West. Mr. Provencher declared that Steve Schafer, the departed QE, had been his partner. He had been involved in the company as the Construction Manager and in sales. He then detailed the types of projects he had managed.

Mr. Provencher said he was a certified Nevada Tank Handler. He had taken all of the tests and he was certified to remove tanks and to install them.

The Board approved Mr. Provencher as the qualified employee, waiving the examination.

CAMBRIDGE COMMERCIAL & INDUSTRIAL INC. #41426 (B2, B3, B5 – Residential & Small Commercial, Speculative Building, Prefab Steel Structures) RAISE IN LIMIT

Mike Mushkin, Legal Counsel, representing Cambridge Commercial & Industrial Inc. was present. Mr. Mushkin explained how the accountant had prepared the financial statement.

Mr. Mushkin was informed the raise in limit application had been approved with a license limit of \$750,000 and a \$25,000 bond. Ms. Sheltra was opposed to the action.

DELTA PACIFIC BUILDERS INC. (C4A – Painting) NEW APPLICATION, WAIVER OF 30 DAYS AND TRADE EXAM

James Andrews, President, was present. He was asked if he had a specialty license in California. Mr. Andrews replied he had several.

MR. LINDELL MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$1 MILLION AND A \$20,000 BOND, AND TO WAIVE THE TRADE EXAMS.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

FINE CONCRETE (C5 – Concrete Contracting) NEW APPLICATION,
RECONSIDERATION

John David Fine, Owner, was present. Several letters of recommendation had been received.

MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$150,000 AND A \$15,000 BOND.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

BLANCHARD CONSTRUCTION INC #6144A (B – General Building) CHANGE IN QUALIFIER

BLANCHARD CONSTRUCTION INC #6144A (B – General Building) NAME CHANGE, NAME SIMILARITY

BLANCHARD CONSTRUCTION INC #6144A (B – General Building) OFFICER CHANGE

Tom Davis, Legal Counsel, representing Blanchard Construction Inc. was present. Discussion centered on the name similarity issue. Mr. Davis was advised that Blanchard Construction Inc. could not use the same name as the parent, Target General. It would be necessary to distinguish it with the addition of “of Nevada” added to the name.

Mr. Davis indicated that was the intent. The name would be Target General Inc. of Nevada.

The Board then approved all applications as represented.

Mr. Nelson arrived at 10:00 a.m. during the application review.

The remainder of the applications on the agenda were reviewed and discussion occurred on the following: Nos. 2-4, 6-7, 9-12, 15, 21, 23, 25, 27-28, 30, 37-39, 44, 54, 58, 64, 68-69, 72-78, 80, 95, 97, 99, 100-101, 103, 104-106, and 108-110. On the amended agenda: Nos. 3-5, 7, 9, 15, 18-19, 23-24, 25-27, and 31-32.

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

APPLICATION HEARING

SUDDEN IMPACT, INC. (A12 – Excavating, Grading, Trenching, Surfacing) -
APPLICATION HEARING

Neither Harry (Bud) Maxwell Vasconcellos, President, nor legal counsel was present to represent the Licensee.

The notice of hearing had been sent certified mail on October 22, 1999 to the applicant's address of record filed with the board. Service was effected on October 25, 1999.

The hearing was for possible violation of NRS 624.263, financial responsibility; NRS 624.265, lack of good character; and NRS 624.3013 (2), misrepresentation and failure to establish financial responsibility or comply with the laws and regulations of the board.

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

Mr. Taylor indicated that Sudden Impact had submitted a request to withdraw their license application. For historical purposes, he requested that the testimony of the witnesses who were present be memorialized for the record.

Mr. Gregory clarified that the Board had denied the license application on September 23, 1999 prior to Sudden Impact's request for withdrawal.

Ms. Grein entered the following documents into the record: EXHIBIT 2, dated November 22, 1999, was Sudden Impact's request to withdraw its license application; EXHIBIT 3, dated November 7, 1999, concerned a falsified letter that the applicant supplied to contractors; and EXHIBIT 4, dated November 15, 1999, was the Nevada State Contractors' Board reply to the falsified letter.

Doris Talley, Licensing Analyst; Randy Pinkston, President, Straight-Line Corporation; Rick Hanset, Former Employee, Sudden Impact Inc.; and George Lyford, Director of Investigations, were sworn in.

Mr. Pinkston testified that Harry Vasconcellos was a convicted felon in rebuttal to Mr. Vasconcellos' statement on the Nevada contractor's license application. Mr. Pinkston stated that Mr. Vasconcellos had been arrested on May 11, 1996 in Mr. Pinkston's office for failure to pay restitution to the state of Arizona for a conviction of theft by fraudulent schemes and designs in the state of Arizona.

Mr. Hanset told the Board that Mr. Vasconcellos had represented himself, many times, as a licensed Nevada contractor. Mr. Hanset related he had been injured on one of Sudden Impact's jobs. Mr. Vasconcellos had attempted to say Mr. Hanset had not been injured on the job and, to date, Mr. Hanset had not received any assistance from the state of Nevada. The state was denying the claim based on Mr. Vasconcellos statement that Mr. Hanset had not been injured on the job.

Mr. Pinkston added that Mr. Vasconcellos was the only person listed on the workman compensation account. He believed Mr. Vasconcellos had stated he had no employees.

Sal and Gemma Ganci, President and Secretary/Treasurer, Purrfect Excavation, were sworn in. Mr. Ganci said Mr. Vasconcellos had tried to use their license. They had refused.

Buddy Byrd, Owner, Byrd Underground, and wife Tanya were sworn in. Ms. Byrd testified Sudden Impact had approached their employees and had asked them to work for Sudden Impact. Additionally, Sudden Impact had approached their clients as well. Some of those employees were now thinking that if Sudden Impact could work without a license, they too could do the same. She indicated that she and Mr. Byrd had videotapes, which they were willing to provide to the board, proving that Sudden Impact was currently working.

Mr. Gregory explained the consequences of working without a license.

Ms. Byrd expressed a grievance against the general contractors who were working with Mr. Vasconcellos.

Mr. Lyford reported on the status of the charges. There were eleven charges: ten separate

charges had been filed in Justice Court for contracting without a license; and one charge had been filed for fraud. The charges were pending against the Licensee. Six charges had been initiated against general contractors, which were yet to be brought to the Board. Mr. Lyford explained that a fraudulent document, on State Contractors' Board letterhead, had been provided to general contractors for the purpose of collecting payment for Sudden Impact billings. Mr. Lyford's records reflected Mr. Vasconcellos had been convicted in Arizona, and had received a 7-year sentence. Mr. Lyford then detailed the facts of that conviction, adding that Mr. Vasconcellos had been released from probation in December 1998. Any additional charges in Nevada were new charges and would not affect that probation. Mr. Lyford said the board was now targeting the contractors who were using Mr. Vasconcellos services. One former employee of Sudden Impact had agreed to testify against Mr. Vasconcellos. A cease and desist order had been issued to Mr. Vasconcellos but it was being ignored.

Various avenues were explored regarding receiving assistance from the District Attorney's office regarding the matter.

Mr. Pinkston offered to provide a valid contractor list naming each of the contractors who had used Mr. Vasconcellos' services during the last 12 months.

DISCIPLINARY HEARING

THE FLOORING COMPANY #43387 & 48372 – DISCIPLINARY HEARING

Jim Agers, Vice President, The Flooring Company; Greg Mincheff, NSCB Investigator; and Dan Gorham, Complainant, were sworn in.

The notice of hearing, dated October 21, 1999 and consisting of pages 1-21, had been sent certified mail on October 22, 1999. The return receipt was dated October 25, 1999. An amended notice of hearing had been sent certified mail on October 27, 1999. The return receipt was dated October 29, 1999.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general or which was below the standards in the building or construction codes adopted by the city or county in which the work was performed; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the notice to correct.

Mr. Griffy represented the Board and Mr. Taylor presented the case.

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

Mr. Gorham testified he had entered into a contract with The Flooring Company on December 9, 1998. The contract price was \$14,000. The Licensee was to install stone and marble flooring at the Gorham residence. Mr. Gorham had paid out the full amount of \$14,000 during the course of work performed. The funds had been released by a title company from an escrow account on a progress basis. From the beginning of the project, Mr. Gorham had many times pointed out there were problems with the installation. Some of the problems had been reviewed by Mr. Agers or his representatives but most of the time the complaints had been ignored. Mr. Gorham had been advised that when the job was completed, it would be to his satisfaction. Mr. Gorham next described the problems he had encountered with the floor installation. When he checked on The Flooring Company's license, he learned the company was not licensed to install stone, marble, or terrazzo. Rather, the company was licensed to install cloth or vinyl tile. Mr. Gorham pointed out that his family had been greatly inconvenienced during the time of repairs, describing how.

Mr. Mincheff testified that he had validated the complaints in the notice to correct. But some of the complaints referred to by Mr. Gorham in his testimony had been performed prior to Mr. Mincheff's first inspection in April, 1999. Mr. Mincheff had not been back to the property since that initial inspection. He, therefore, had no knowledge of completion or accomplishment by The Flooring Company, who had never responded to the notice to correct.

Mr. Taylor asked Mr. Agers if The Flooring Company was currently registered with the Secretary of State. He answered yes, adding that there may have been a time when the company had not been.

Mr. Ages admitted there had been a problem with the original work. He himself had not been happy with the workmanship. But when Mr. Mincheff had provided The Flooring Company with the corrective order, Mr. Agers said Mr. Gorham would not allow the items to be repaired. Hence, the floor had been completely removed and replaced by Ideal Tile and Marble. The installation had been accomplished by the end of June, 1999.

When Mr. Gregory asked if the floor was now to the satisfaction of the homeowner, Mr. Gorham replied no, although he acknowledged it was approximately 99% complete. Mr. Gorham did not have to pay any additional moneys for the second tile installation but Ideal Tile had not returned to perform the last 1% of the work because The Flooring Company had denied a \$500 payment toward Ideal Tile's clean-up. Additionally, there were several minor items, which still needed to be completed.

Mr. Taylor submitted into evidence EXHIBIT 2: a letter, dated June 15, 1999 and prepared by Mr. Gorham, and Ideal Tile's flooring proposal. Both had been received by fax in the Las Vegas office of the board on November 24, 1999.

Mr. Agers declared he had not been aware that The Flooring Company needed a second license for ceramic tile. He then stipulated that he did not have a ceramic tile license. Mr. Agers also claimed that he was not aware that the threshold had not been done.

Mr. Gregory summed up what had occurred and pointed out that the work was not being completed because nobody was in charge of ensuring that the work was completed. Mr. Gregory recommended that both Mr. Agers and Mr. Mincheff inspect the job site to see what needed to be done to resolve the issue.

MR. ZECH MOVED TO TABLE THE MATTER FOR 30 DAYS TO THE NEXT LAS VEGAS MEETING TO ALLOW MR. AGERS AND MR. MINCHEFF TO MEET AT MR. GORHAM'S HOME TO RESOLVE THE REMAINING ITEMS ON MR. GORHAM'S PUNCH LIST PRIOR TO RETURNING TO THE BOARD. THE EVIDENTIARY WAS TO BE HELD OPEN FOR RESOLUTION AT THE NEXT MEETING.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

ADVISORY OPINIONS

1. **DEPARTMENT OF BUSINESS AND INDUSTRY** – LICENSE CLASSIFICATIONS

Gerard Mankel, Chief Boiler/Elevator Inspector, was present for the advisory opinion. His question was could a contractor holding a C21B license install boilers.

Mr. Gregory provided a historical overview on the scope of work performed by a C1 and C21 contractor. He stated the permitting authority had the right to apply a more stringent ruling.

It was the opinion of the Board that:

a C1 could install any type of boiler or pressure vessel for the purpose of domestic water operation;

and a C21 could install a boiler or pressure vessel whose purpose was the control of air temperature. Chillers and condensers would fall within the scope of the C21 only, and could not be installed by the C1.

2. **CITY OF LAS VEGAS** – Tenant Improvement - Scope of Licenses

The question was could a C16 and C3 license lay ceramic tile on wall and floor in tenant's improvement to pre-existing buildings.

Tracey Crockett, City of Las Vegas, was present for the advisory opinion. She stated that the bid was for tenant improvements over a one year period.

The Board opined that a C3 license holder could act as the prime contractor for the tenant remodel, and it could sub out the ceramic tile work to a qualified Nevada C20 license holder.

3. **SALOMONE & SON CONSTRUCTION CO** #29717A – SCOPE OF WORK RE: KEITH AND ALISIA ALISSI, SINGLE FAMILY RESIDENCE

The question posed was could a B2 contractor add patio cover, sidewalks, slab, block wall work and wrought iron. The Board opined yes.

Vincent Salomone, Owner, was present and explained why he was asking the board for an opinion.

CLOSED PERSONNEL DISCUSSION

A motion was made, seconded, and carried to close the meeting to the public to the public for the closed personnel discussion. 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).

Ms. Sheltra left the meeting at approximately 1:00 p.m.

CHEROKEE BUILDERS #44801 - DISCIPLINARY HEARING

CONTINENTAL ELECTRIC COMPANY #30028 - DISCIPLINARY HEARING
Voluntarily surrendered in 1992

Brad Childress, Associate, Cherokee Builders; Greg Mincheff, NSCB Investigator; Loney Childress, Qualified Employee, Cherokee Builders; Diana Childress, Owner; Loney Childress, Jr., Associate, Cherokee Builders; and Mark and Nancy Reed, Complainants, were sworn in.

Dwight Duncan was identified as Legal Counsel for Cherokee Builders, Mr. Griffy represented the Board, and Hal Taylor presented the case.

The notice of hearing, dated October 19, 1999 and consisting of pages 1-44, had been sent certified mail on October 22, 1999. The return receipt was dated October 29, 1999.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general or which was below the standards in the building or construction codes adopted by the city or county in which the work was performed; NRS 624.3011 (1) (c) (1), willful or deliberate disregard and violation of the

building laws of the state or of any political subdivision thereof; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the notice to correct.

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

Mr. Zech disclosed previous business dealings with Mr. Duncan. There was no objection to Mr. Zech hearing the case.

Mr. Mincheff validated the list of violations on pages 42-44 of the hearing notice. The violations regarded a garage, which was a self-standing structure intended to be inhabited. Mr. Mincheff opined that the structure was a threat to public safety, as described on pages 42-44 of the hearing notice. He noted it might be possible to repair the structure but suggested the cost would be prohibitive. The job site had been inspected on August 16, 1999 and all elements on the referenced list had been validated by Mr. Mincheff and Loyd Mead, NSCB Investigator, on August 16, 1999. The notice to correct had been sent on August 19, 1999, but the Licensee had not responded.

Mr. Duncan questioned Mr. Mincheff regarding whether he had had any contact with Mr. Duncan's office pertaining to the notice to correct. Mr. Mincheff replied he had spoken with Mr. Duncan once or twice and that Mr. Duncan had indicated to him that Cherokee Builders had attempted to comply with the notice to correct but had been prevented from doing so by the homeowner. When asked if he had confirmed that statement with the complainant, Mr. Mincheff asserted he had. But since the issuance of the notice to correct, Mr. Reed had not declined Cherokee Builders access to the property. When questioned about page 16 of the hearing notice, Independent Builders Inspection and Control of Nevada LLC's inspection report, Mr. Mincheff said he did not rely on the findings contained in that document before making his own inspection. Mr. Mincheff's list was more extensive. Mr. Duncan asserted that if Independent Builders inspection report had been relied upon as the basis of corrective action, it would not cost much to repair the garage.

Mr. Gregory clarified that the Board relied on its investigators to validate workmanship items.

When asked if Cherokee Builders had been present during Mr. Mincheff's inspection, Mr. Mincheff replied that a letter had been sent inviting them to attend the inspection. Cherokee Builders failed to respond.

Mark Reed, Complainant, provided photographs, which were entered into the record as EXHIBIT 2. Mr. Reed testified he had entered into a contract with Cherokee Builders on or about March 28, 1999 to construct a garage. The price of the contract was approximately \$6,300. That amount included \$3,200 in cash and an automobile. Mr. Reed then described the events surrounding the pouring of the concrete slab and the problems, which became apparent while the work was being performed. Mr. Reed stressed that the photographs were an accurate reflection of the condition of the garage during construction. Mr. Reed then described the framing problems he had encountered. When asked if he had prevented Cherokee Builders from returning to make repairs after being notified by Cherokee Builders that the garage was complete, Mr. Reed replied no, adding that he had called Cherokee Builders to notify them that they did not have to repair the garage door because Mr. Reed had paid someone else to put the door together correctly.

Mr. Duncan asked Mr. Reed if he had paid \$3,200 in cash and delivered a Porsche automobile worth \$1,500 to Cherokee Builders. Mr. Reed commented he had allowed Brad Childress to take the automobile home. Mr. Reed had not forwarded the title to the Porsche as the contract indicated it was to be transferred upon completion of the garage.

Mr. Brad Childress testified that he was employed by Cherokee Builders. He stated he had

participated in the construction of the Reed garage from the beginning of construction but noted the job had not been completed. Mr. Childress stated that Cherokee Builders had not been allowed to do so. He said that when it was learned there was a problem with the garage door, he did not have the equipment with him to correct it. When he went back the next day, the garage door had been corrected. Upon receipt of the notice to correct, Cherokee Builders had returned to the property but Mr. Reed had told he and his brother, in no uncertain terms, to get off the property. Fearing for his life, he said he left and had not returned. Mr. Childress believed that Mr. Reed's complaint had been filed before the job was completed.

Mr. Duncan was informed that the items on pages 42-44 of the hearing notice, had been verified by the Board's investigator. For the record, Mr. Duncan stated that he objected to any action that might be taken. He asserted that he and his client had the right to refute and rebut the accusations that had been made.

Mr. Duncan was asked to refute the fact that Cherokee Builders had been ordered to make corrections. When asked if his rebuttal to that was that Cherokee Builders was not allowed onto the property, Mr. Duncan replied yes.

Mr. Carson asked the Reeds if they were willing to allow Cherokee Builders back. Mr. Reed answered no. There was no civil litigation pending, only a claim against the bond for damages. Mr. Reed then rebutted Mr. Childress's testimony regarding Mr. Childress being told to get off the property, adding that the only thing he was now interested in was in having the money issue settled.

For the record, Mr. Zech asserted that upon reviewing the checklist, he had a concern. He questioned whether the contractor was capable of building a building or making the repairs.

The evidentiary was closed.

MR. ZECH MOVED TO FIND LICENSE #44801, CHEROKEE BUILDERS, IN VIOLATION OF NRS 624.3017.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. ZECH MOVED FIND LICENSE #44801, CHEROKEE BUILDERS, IN VIOLATION OF NRS 624.3011.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. ZECH MOVED FIND LICENSE #44801, CHEROKEE BUILDERS, IN VIOLATION OF NRS 624.3013.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

Penalty Phase.

MR. ZECH MOVED TO REVOKE LICENSE #44801, CHEROKEE BUILDERS.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

ROBERT V. JONES CORP. #23498 & #44321 – DISCIPLINARY HEARING (Continued from 8/25/99 and 9/23/99)

R V J C ELECTRICAL #43827 – DISCIPLINARY HEARING (Continued from 8/25/99 and 9/23/99)

SUN VALLEY PLUMBING AND MECHANICAL #42529 - DISCIPLINARY HEARING (Continued from 8/25/99 and 9/23/99)

Robert V. Jones, President, Robert V Jones Corp; James Kohl representing Barney Ales, Legal Counsel for Mr. Jones; Tom Hantges, Business Associate, Robert V. Jones; Robert & Patricia Campbell, Complainants; Ed Pennewell, President, La Paz Ceramic Tile, were present, as well as Board Investigators: Linc Dante' and Ron Ramsey.

Mr. Taylor represented the Board and Mr. Griffy presented the case.

Ms. Grein introduced additional documents into the record: a letter from Robert Campbell, dated November 9, 1999, was entered into the record as EXHIBIT 2, and a letter from Barney Ales, Legal Counsel, dated November 1, 1999, was entered into the record as EXHIBIT 3.

Steven DiAngelo, Business Associate, Robert V. Jones; Rodney Balinski, Business Associate; Robert V. Jones; and Maggi Roberts were sworn in.

Mr. Griffy introduced into the record EXHIBIT 4, a letter dated November 21, 1999 from Joe Licari, Complainant, acknowledging that he had entered into a settlement with Robert V. Jones Company for a cash pay-out, thereby resolving the Licari complaint. The two remaining complaints were the Campbells and La Paz Ceramic Tile.

Mr. Griffy pointed out that the Robert V. Jones Company had brought several documents to the hearing. Mr. Kohl said the documents had been sent to the Board on November 19, 1999. Mr. Griffy countered he had not seen the documents before the hearing, and the complainants, La Paz Ceramic Tile and the Campbells concurred that they had not previously seen the documents.

Mr. Kohl objected on the basis that a letter had been submitted to the board regarding La Paz. In addition, he said a letter, dated November 1, 1999, had been sent by fax and mail to La Paz Ceramic tile offering to meet with Mr. Pennewell to discuss his account with the Robert V. Jones Company. Mr. Kohl said no response had been received from La Paz. However, Mr. Griffy expressed the fact that Board Investigator Dante' had met with Mr. Pennewell and had reviewed La Paz's documents. Mr. Pennewell had documents, which suggested he was owed money, whereas Jone's documents indicated they were owed \$40,000 by Mr. Pennewell. It appeared there was a disparity between the two sets of documents. Mr. Griffy suggested that all of the documents be provided to Mr. Dante' for review.

Ms. Grein explained that the documents had not been included with the evidence because they had been received after the hearing notice had been sent out.

MR. ZECH MOVED TO CONTINUE THE LA PAZ CERAMIC TILE MONEY OWING ISSUE TO THE NEXT LAS VEGAS MEETING FOR THE PURPOSE OF REVIEWING THE DOCUMENTS SUBMITTED BY THE ROBERT V. JONES COMPANY.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

Regarding the Campbell complaint, Mr. Griffy summarized that the Campbells and Robert

V. Jones Company were to determine how the items in the notice of hearing were to be corrected. EXHIBIT 2 was a chronological summary stating what had happened since the board hearing of September 23, 1999 through November 5, 1999. It appeared the parties had not gotten together as hoped. Mr. Griffy then introduced into evidence several letters from Robert V. Jones: EXHIBIT 5 through EXHIBIT 8, letters dated October 26, October 28, November 1, and November 18, 1999, indicating that the parties had not gotten together because there was an issue regarding the scope of work. But Mr. Griffy clarified that two letters, referenced on pages 29- 32 of the hearing notice: one dated February 2, 1999 and the second dated April 9, 1999, indicated that the Licensee was notified of the substandard workmanship by the board's notice to correct, and consisted of approximately 16 items.

Mr. Kohl noted that Robert V. Jones Company had hired Kleinfelder, Inc. to review the slab issue. The Jones Company was ready to use that report as a basis for repairs. The report had been rejected by the Campbells, and access to the property had been denied, specifically by the paralegal that was employed by the Campbell's attorney, who was coordinating the work activity.

Mr. Campbell testified EXHIBIT 2 showed that he and his wife had responded to all requests from Robert V. Jones Company for access to the property. The Campbells had been waiting for the document providing the scope of work. It had never been received. However, a demand had been made two weeks ago from the Robert V. Jones Company that they be permitted to enter the house and begin work. The Campbells had no inkling at that time what work was going to be accomplished. Subsequently, the Campbells had received another letter approximately a week ago indicating that the scope of work would be the work set forth in the board's notice to correct. Mr. Campbell then addressed the Kleinfelder report, specifically the floor. He concluded by stating he was willing to give access to the house for the corrections.

Mr. Ramsey confirmed there were 10 items on the notice to correct which were not related to the concrete floor. To his knowledge they had not been corrected, as well as other items which had not been addressed by the Licensee.

Mr. Gregory questioned if the other items could be cleaned up with the exception of the concrete. Mr. Campbell agreed he would be willing to allow the corrections if Jones was willing. He was also willing to accept the patching of the concrete floor followed by the installation of standard carpet and tile to resolve the floor issue. What he was seeking from the board was resolution to the workmanship issues. He intended to pursue other matters through the civil court system.

Mr. Kohl confirmed that Mr. Campbell had filed a complaint to enter into litigation.

A discussion followed wherein access to the house was debated. Mr. Zech suggested scheduling the work activity through Mr. Ramsey. Mr. Hantes stated that Mr. Campbell had an unfair advantage because the Board had suspended the license. He asked that the Board reinstate the license and allow the court to resolve the issues. Mr. Kohl pointed out that the only people whom had been allowed access to the property were those involved in NRS Chapter 40 litigation.

Mr. Balinski testified he had been working with Robert V. Jones Company on the Campbell matter. During his first phone call to the Campbells on September 22, 1999, Mr. Balinski learned that the matter had been turned over to Francis Lynch, the Attorney, and that he had to negotiate with him. Upon contacting Mr. Lynch's office, Mr. Balinski spoke with Elsa, a paralegal, who informed him that he would have to set up a meeting with the Campbells to obtain access to the house. EXHIBITS 9-11 were then entered into the record to support Mr. Balinski's testimony regarding conversations Mr. Balinski had with Elsa. EXHIBIT 9 was a fax of denial, dated October 27, 1999, in response to Mr. Balinski's request to confirm the first meeting to discuss how repairs would be accomplished; EXHIBIT 10 was the Kleinfelder report, dated October 25, 1999, which was sent to Elsa; and EXHIBIT 11,

dated October 28, 1999, was a fax confirming that Robert V. Jones Company had been denied access to the Campbell residence. Mr. Balinski had then addressed Elsa a second time on October 27, 1999 to notify her that the Licensee was ready to start the repairs. Once again Elsa responded that she was unable to provide access to the house.

Mr. Balinski had not received a reply from Elsa to his fax dated 10/28/99 and he had not attempted to contact the attorney's office again. He was not aware of any other individual attempting to contact the Campbells or their attorney.

Mr. Jones testified he was willing to correct the concrete floor as proposed by Mr. Campbell if Mr. Campbell was willing to drop the litigation. After some consideration, Mr. Jones agreed he was willing to make the correction.

Mr. Ramsey noted that the baseboard would also need to be addressed if the correction to the floor was resolved with standard flooring and carpets. The Board later clarified that standard flooring and carpet was what was reflected in the base sale price of the original Jones model home.

Mr. Kohl objected to the recommended method to correct the floor problem, indicating that it could compromise the NRS Chapter 40 litigation. It was pointed out to Mr. Kohl that there had been no Chapter 40 litigation 60 days ago when Robert V. Jones Company had agreed to perform the corrections.

Mr. Jones confirmed he was ready, willing and able to make the corrections as stated in the February 2, and April 9, 1999 notices to correct.

Two motions were offered but died due to a lack of a second before the following motion was acted upon.

MR. JOHNSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS TO IMPLEMENT THE AGREEMENT WHICH HAD BEEN REACHED AND TO REMOVE THE LICENSE SUSPENSION UNTIL DECEMBER 21, 1999, AT WHICH TIME FURTHER ACTION COULD BE TAKEN UPON CLOSURE OF THE EVIDENTIARY.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

CERTIFIED CONSTRUCTION CO. INC. #23341, #24361 & #24393 - DISCIPLINARY HEARING

DESERT BREEZE HOME IMPROVEMENTS #47576, #47577 & #47578 - DISCIPLINARY HEARING

Neither Leland Makemson, President, nor legal counsel were present to represent the Licensee.

The notice of hearing dated October 20, 1999 and consisting of pages 1-78, had been sent certified mail on October 22, 1999 to the address of record, to post office box 26923, Las Vegas, 89126, and to 333 North Rancho, Suite 133, Las Vegas, 89106. One hearing notice packet had been returned from the post office on October 28, 1999 marked "attempted, not known."

The hearing was for possible violation of NRS 624.301 (4), willful failure or refusal without legal excuse on the part of the licensee to comply with terms of the construction contract or written warranty; NRS 624.3012 (2), willful or deliberate failure by any Respondent or agent or officer thereof to pay any moneys when due for any materials or services rendered in connection with his operations as a contractor; NRS 624.3017 (1), workmanship which

is not commensurate with the standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed; NRS 624.3013 (3) failure to establish financial responsibility as set forth in NRS 624.220, 624.260, 624.263 and 624.265 at the time of renewal of the license or at any other time when required by the board, NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the notice to correct; NRS 624.3016 (1), any fraudulent or deceitful act of a contractor whereby substantial injury is sustained by another; NRS 624.3018 (1) (b), any person who has been a member, officer, director or associate of any partnership, corporation, firm or association whose application for a license has been denied, or whose license has been revoked or suspended or which has been denied a renewal of a license, and while acting as such member, officer, director or associate had knowledge of or participated in any of the prohibited acts for which the license or the renewal thereof was denied, suspended or revoked, may be prohibited from serving as an officer, director, associate or partner of a licensee.

The hearing file was entered into the record as EXHIBIT 1.

The three Certified Construction licenses were suspended for no qualifier. The three Desert Breeze licenses were suspended for no bond.

Mr. Taylor noted that Las Vegas Roofing Supply had supplied the board with copies of invoices, which were entered into the record as EXHIBIT 2.

Linc Dante', NSCB Investigator; Bob Macke, NSCB Investigator; Madonna Collins, Complainant; Jeff Willis, Las Vegas Roofing Supply; Bob Sandeffer, Las Vegas Roofing Supply; Teresa Sonnenburg, Complainant; and James McCain Complainant were sworn in.

Ms. Collins confirmed that the factual allegations as stated in the hearing notice were true, adding that she was currently making monthly payments to Capitol Builders & Development toward a lien which had been filed against her property because the Licensee had failed to pay them.

Mr. Willis and Mr. Sandeffer both validated that the factual allegations as represented in the hearing notice were correct, noting that, to date, they had not been paid.

Ms. Sonnenburg testified that the factual allegations as noted in the hearing notice were true. She had recently received an estimate to repair the stucco for approximately \$700. She had not yet received a bid for the painting.

Mr. McCain also validated the factual allegations contained in the hearing notice as true.

Mr. Macke validated Mr. McCain's complaint on May 4, 1999. Mr. Dante validated the remaining complaints. Mr. Dante said he had conducted a skip search, traveling to all known addresses of the Licensee. All had been vacated. None of the notices to correct had been responded to.

The evidentiary was closed.

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

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO FIND LICENSE #23341, #24361, #24393, CERTIFIED CONSTRUCTION CO, INC., AND #47576, #47577 & #47578, DESERT BREEZE

HOME IMPROVEMENTS IN VIOLATION OF ALL CHARGES.**MR. CARSON SECONDED THE MOTION.****THE MOTION CARRIED.****MR. JOHNSON MOVED TO REVOKE LICENSES #23341, #24361, #24393 #47576, #47577 & #47578****MR. CARSON SECONDED THE MOTION.**

For the record, Mr. Gregory stated the investigative cost amounted to \$2,430.61.

THE MOTION CARRIED.

Mr. Gregory left the meeting at 3:22 p.m. Mr. Zech assumed the chair. A quorum remained.

D M L CONSTRUCTION #33597 - DISCIPLINARY HEARING

The notice of hearing, dated October 22, 1999, and consisting of pages 1-95, had been sent certified mail. The return receipt was dated October 24, 1999. An amended notice of hearing, dated October 27, 1999, had been sent certified mail. The return receipt was dated October 29, 1999.

The hearing was for possible violation of NRS 624.301 (4), willful failure or refusal without legal excuse on the part of a licensee to comply with the terms of a construction contract or written warranty, thereby causing material injury to another; NRS 624.3011 (1) (c) (1), willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed; NRS 624.3013 (3), failure to establish financial responsibility as set forth in NRS 624.220, 624.260, 624.263 and 624.265 at the time of renewal of the license or at any other time when required by the board; NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), NAC 624.640 (5) and NRS 624.307 (2) (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the notice to correct, each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license, as used in this section, "advertising" includes but is not limited to the issuance of any sign, card or device or by the permitting or allowing of any sign or marking on a motor vehicle, in any building, structure, newspaper, magazine or airway transmission or in any directory under the listing of contractor with or without any limiting qualifications, all advertising by a licensed contractor must include the number of his license; NRS 624.3014 (1) (a), acting in the capacity of a contractor under any license issued hereunder except in the name of the licensee as set forth upon the license; and NRS 624.3014 (2) (a-d), 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, allowing a license to be used by an unlicensed person, and acting as agent, partner or associate of an unlicensed person.

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

Donald Michael Long, Owner, D M L Construction; Bob Macke, NSCB Investigator; Complainants: Wendy Kelly, Scott Hennessy, Ana Montecerin, and Dorian Geba, were sworn in. Attorney Keith Gregory, Legal Counsel representing D M L Construction, was identified.

The stipulation was signed.

Mr. Taylor turned the floor over to Attorney Gregory who provided the Board with facts to the case and introduced EXHIBIT A , a packet of information he referenced in presenting his case.

Attorney Gregory stated that D M L was a sole proprietorship, it was not a corporation. In February, 1996, Mr. Long had been contacted by Frank Nielson, a principal of Pinehurst Development. Mr. Long had been informed that Film and Development had been developing some homes in the Legacy Golf Course with Wat Development. WAT/LV was the licensee. That relationship had been terminated and Mr. Nielson approached Mr. Long indicating that he had 3 homes that had been sold and he needed a general contractor to build them. Mr. Long agreed that Pinehurst could use his license to build those 3 homes. That agreement had been entered into in March, 1996. Mr. Long had authorized Pinehurst to pull 3 permits. Subsequently, it was learned Pinehurst had pulled 5 permits within a month and an additional 15 permits throughout 1996. A total of 17 permits had been pulled without Mr. Long's authorization. EXHIBIT 4 OF EXHIBIT A revealed original building permits pulled by Brent Vaughn, an employee of Pinehurst Development. Pinehurst used their own business address, so D M L had no knowledge that all these permits had been pulled until Mr. Long received a letter, dated February 19, 1997, from Harry Stephey, former NSCB Investigator, maintaining that D M L had exceeded its monetary limit. Subsequently, Mr. Long, Attorney Gregory, and Brent Vaughn met with Mr. Stephey to discuss how it was that D M L was over its license limit. EXHIBIT A contained Attorney Gregory's affidavit. In this meeting Brent Vaughn acknowledged that he had pulled permits under D M L's name without Mr. Long's authorization, but made the representation that they had acquired another contractor who would be taking over the permits pulled in D M L's name. Also in that meeting, Mr. Stephey suggested to Mr. Long that he write a letter to Pinehurst ordering them to not use his name. EXHIBIT 3 OF EXHIBIT A was the letter Mr. Long wrote to Pinehurst. It was dated February 25, 1997, the day following the meeting with Mr. Stephey.

A month later Brent Vaughn had contacted Attorney Gregory to request his assistance in acquiring a license. Attorney Gregory prepared the license application package. Several discussions occurred within a period of 60 days but failed, thereafter, to move forward and a license was never acquired. There had been no further contact from Pinehurst to D M L regarding pulling additional building permits. Nevertheless, the pulling of permits continued.

In 1999, Mr. Long began receiving letters from the State Contractors' Board regarding complaints. When Attorney Gregory once again became involved, he learned that 3 permits had been pulled in 1998. Additionally, Mr. Gregory learned Pinehurst had been dealing with other general contractors, specifically, Nevada Star Development, who had pulled 7 permits and an individual named Robert E. Ripp, who had pulled a total of 21 permits. During this same time period, D M L was supposedly the general contractor. In each situation Brent Vaughn executed the contracts with subcontractors, signing assumptions as Vice President, and in D M L's name as Executive Vice President. Attorney Gregory noted that one cannot be an Executive Vice President of a sole Proprietorship. Brent Vaughn also signed Executive Vice President on behalf of Nevada Star and Robert E. Ripp.

Attorney Gregory then met with Mr. Macke to review the permits and to inspect the Hennessy home. Attorney Gregory stated there was no question regarding the workmanship issues, stipulating that the complaints were valid, but stating that D M L was not the general contractor and was not responsible. When the notices to correct were issued, Attorney Gregory advised Mr. Long that since he did not build the homes, he could not correct them.

Continuing, Attorney Gregory said he had been contacted by counsel or one of the principals of Pinehurst Development. Pinehurst was in bankruptcy and had been since late

1997 or early 1998. As of this morning, there was a monetary offer being made to the homeowners. It was not coming through Attorney Gregory's office or through D M L.

In summary, Attorney Gregory said 29 permits had been pulled in D M L'S name in 1996 and 1997. Only 3 were authorized by D M L. Mr. Long had only been paid for 3 homes. The subcontractors had been contacted and not one sub could put D M L on the job site. D M L didn't pay anyone. There were no subcontracts between subcontractors or material suppliers and D M L. All subcontractor and suppliers were paid through a voucher system. All vouchers had been approved by Brent Vaughn, the only individual at the job site on each of the homes. Attorney Gregory contested the factual allegations for each complainant in the hearing notice, indicating that the contracts had been entered into with Pinehurst Development rather than D M L. There was warranty insurance, but not with D M L. In each of the complaints the permits had been pulled after the notice had gone out or without D M L'S authorization or approval. None of the 3 homes that D M L authorized Pinehurst to use his license on were before the board. Attorney Gregory recommended that if action were to be taken against the license it be in the form of probation, administrative costs, or a civil fine. He did not believe the license warranted a revocation.

Mr. Taylor asked for the addresses of the three homes Mr. Long authorized the use of his license. The addresses were entered into the record. Mr. Taylor established that other than meeting with Mr. Macke, D M L had not responded to the notices to correct.

Mr. Macke stated he had received a complaint regarding D M L in approximately June, 1998. Prior to that Mr. Macke had received a phone call from Michael Long informing him that he was having trouble with Pinehurst. Subsequently, Mr. Macke had had a few conversations with Mr. Long regarding allegations that someone was using his license. Additionally, Mr. Macke said he had a building permit that had been pulled on March 25, 1997, listing the contractor as D M L, with D M L's correct address of record. But a permit pulled on March 10, 1999 listed the post office box of Pinehurst. Another contractor, Ed Beruzi, had been in the process of taking over the project, but backed out when he learned what was going on. Hence, Mr. Macke pointed out that D M L had been aware of the problem since June 1998 up to the current hearing. He added that he had four boxes of documents substantiating Attorney Gregory's position that Brent Vaughn had signed as Vice President. Brent Vaughn had signed the work releases on the letterhead of D M L Construction, as well as on the letterhead of WATS/LV. But there had been no official notification until April, 1999 that someone else was using D M L's license, although Mr. Long had prior knowledge of it. Mr. Macke indicated he had provided notification to Mr. Lyford concerning Pinehurst Development. Mr. Macke then validated the workmanship items on all four homes.

Attorney Gregory questioned Mr. Macke regarding the building permits.

Mr. Nelson commented he had a problem with the whole story. He suggested that a certified audit from 1996 to 1998 and other documents would provide credibility that Mr. Long had only been paid for three homes. Attorney Gregory confirmed he could provide that information.

When asked where Brent Vaughn was, Mr. Gregory said it was his understanding Mr. Vaughn had gone to Idaho.

Ms. Kelley presented her evidence as to D M L's involvement in her housing project. She said that when it had been learned that Frank Nielson had filed bankruptcy, she as a member of the Landscape committee, decided they needed to get rid of the dumpsters and the porta-potties. It was learned that the dumpsters and the porta-potties were in D M L's name. When she alerted D M L of the equipment removal, Mr. Long informed Ms. Kelley he was not involved in any of the building work in the project. But she later learned his name was on all the permits and documents in her possession, and upon calling the subs, they had identified him as the general contractor.

Mr. Hennessy said he had nothing substantial to indicate D M L's involvement on his project. It was only by word of mouth by the superintendent on the job, Brent Vaughn, that he learned D M L was the general contractor.

When asked who had paid the warranty, Attorney Gregory said an extended warranty was normally picked up by a service, which responded when there was a problem.

Mr. Nelson suggested Attorney Gregory provide the records on every house. DMI had performed the voucher control.

Mr. Macke said he had subpoenaed the four major subcontractors. All lien releases had been signed by Brent Vaughn, as Vice President. The vouchers were directly from DMI, the checks were directly from Pinehurst. All documentation had been signed Brent Vaughn, D M L, or Brent Vaughn, WATS/LV.

Attorney Gregory responded to the question regarding the dumpsters and porta-potties, indicating that Frank Nielson had ordered them in the name of D M L and had paid for them as well.

Anna Montecerin testified she had called Mr. Long two or three times to ask what he intended to do about her home. He had told her he had been instructed by his attorney that he could not do anything until the matter was settled.

Dorian Geba testified he had been referred to D M L by Jimmy, a workman. He had called D M L on the phone earlier this year and the person he spoke to said they were going to finish everything.

Mr. Taylor told the Board that Mr. Bertuzzi had a telephone conversation with Mr. Vaughn last Thursday. Attorney Gregory objected to Mr. Vaughn testifying, particularly off of a written document, without first being able to examine the information and to prepare a response.

MR. CARSON MOVED TO CONTINUE THE HEARING FOR 30 DAYS TO THE LAS VEGAS MEETING ON DECEMBER 21 OR 22, 1999.

MR. NELSON SECONDED THE MOTION.

In discussion of the motion, Mr. Carson requested that the following individuals be subpoenaed: key employees of subcontractors, the city of Henderson inspectors who inspected the homes, and Brent Vaughn. Mr. Nelson added that the Board wanted to see insurance, workmen's compensation insurance, all information from the subcontractors, copies of the pre-liens, D M L's records: copies of all checks and invoices during that period of time, checks payables to toilets, telephones, outside trailers, and anything else that was applicable.

THE MOTION CARRIED.

Mr. Carson left the meeting at approximately 4:00 p.m.

DOMES CONSTRUCTION #40103 - DISCIPLINARY HEARING (Rehearing from 10/26/99)

The notice of hearing, dated September 22, 1999 and consisting of pages 1-52, had been sent certified mail. The return receipt was not received. An amended Notice of Hearing had been sent certified mail on October 11, 1999 to the address of record. The returned envelope was stamped "unclaimed." A notice of continued hearing dated November 2, 1999 had been sent certified mail. The return receipt was not received. (Susan Kiger notified Jim Rupe 11/18/99 by telephone.)

The hearing was for possible violation of NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; NRS 624.3011 (1) (c) (1), willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the notice to correct, and duties concerning licenses, each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license.

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

Sharyn and Earl Boyce, Complainants; Bob Macke, NSCB Investigator; James Glen Rupe, Owner, Dome Construction; Ron Ramsey, NSCB Investigator; Winanda and Joseph Hoffman, Complainants, were sworn in. Robert Sparks, Legal Counsel was present on behalf of the Boyces.

Mr. Rupe signed the stipulation.

Mrs. Boyce testified Dome Construction had been engaged to install a tile roof. The contract price was \$14,450. Mrs. Boyce explained the problems with the roof. The roof tiles had not been nailed down, the tiles were inconsistent, and there were no header boards or starters. The roof had since been redone and the O'Hagen roof vents, which Mr. Rupe said had been installed, had not been found. A photograph was entered into the record as EXHIBIT 2. Mrs. Boyce explained that the photograph accurately reflected what was found when the roof was removed. The new roof installation amounted to \$9,500. There had been 5 major leaks in different areas and leakage in the fluorescent light fixture in the kitchen.

Mr. Rupe questioned Ms. Boyce about the roof replacement, stating he had never been informed the roof had been taken off.

Mr. Macke testified he had performed the inspection and he too had not been able to find O'Hagen roof vents. Mr. Macke said he had validated all of the complaints. The roof had been installed out of scope to the license classification. The Licensee had never responded to the notices to correct.

Mr. Rupe said he responded to each of the notices to correct. He had taken his camcorder with him and took a recording of everything on the job site. He said the reason he had had no contact with the Boyces was because he was restricted from the property. Mr. Rupe said he had copies of the three letters he had sent to the Boyces and to their attorney. He stated he had responded to Mr. Macke. When asked if his testimony was that he was not allowed onto the property, Mr. Rupe said yes, with explanation. He closed by saying he was getting out of the business. Mr. Rupe's letters were entered into the record as EXHIBIT A.

Mr. Sparks commented that he had prepared a demand letter which Mr. Rupe responded to, but Mr. Rupe's response detailed what he was willing to correct and what he was unwilling to correct.

Mr. Macke commented he had not seen the letters from Mr. Rupe.

Mr. Hoffman testified he had entered into a contract with Dome Construction on or about November 19, 1999 to re-roof an apartment house the Hoffmans owned. The original contract price was \$3,064. Subsequently, the roof leaked worse after the project was completed. The Hoffmans had to have a new roof put on, at the cost of \$5,000. Mr. Hoffman then detailed the problems, which were found when the roof was replaced.

Mr. Rupe said the project had gotten diverted because of other people talking to Mr. Hoffman. He then described the condition of the original roof and what went wrong in the roof repair.

Mr. Ramsey testified he had met with Mr. Hoffman on August 26, 1999. Unfortunately, at the time, Mr. Hoffman informed Mr. Ramsey that he had masticed down all the seams on his own, therefore, Mr. Ramsey had been unable to validate any leak at that point. However, a review of the Dome Construction proposal indicated the project was strictly for a re-roof, in violation of Dome's license classification.

Mr. Rupe admitted there had been violations in the past and he admitted to being borderline out of scope. He said there had never been any intent to defraud, take money or do bad work.

The evidentiary was closed.

MR. NELSON MOVED TO FIND LICENSE #40103, DOME CONSTRUCTION, IN VIOLATION OF ALL CHARGES AS STATED.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

MR. NELSON MOVED TO REVOKE LICENSE #40103, DOME CONSTRUCTION.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

EXECUTIVE SESSION

UNFINISHED BUSINESS

Two compliance investigators were introduced to the Board, Chet Yekin and Greg Welch.

EXECUTIVE OFFICER'S REPORT

MR. JOHNSON MOVED TO ACCEPT THE EXECUTIVE OFFICER'S REPORT.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

CITATION AUDIT REPORT – 7/1/99 – 9/30/99

MR. JOHNSON MOVED TO ACCEPT THE CITATION AUDIT REPORT.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

PUBLIC COMMENT

Jim Sala, Nevada Carpenters' Union introduced himself, Raphael Gomez, and Guadalupe Bustamonte. He expressed his concern regarding contractors who were not only cheating homeowners but who were cheating their workers as well by not paying them. He hoped the Board would give serious consideration to the matter. Mr. Sala offered to work with staff and investigators on any matters he was aware of. Mr. Zech pointed out that he

shared Mr. Sala's concern. Mr. Nelson suggested Mr. Sala provide the Board with any documentation he may have.

The agenda was then amended to answer a question directed to the Board by Lori Ashton, Nevada Carpenters Union. In an effort to understand the C4 license category, she asked if the C4 category covered installation of exterior structural red iron, heavy gage framing.

The Board opined the C14 and the C17 license classifications were the correct licenses to perform the type of work referenced.

There being no further business to come before the Board, the meeting was adjourned by Vice-Chairman Zech at 5:10 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman

Mike Zech, Vice-Chairman