

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
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STATE CONTRACTORS' BOARD

**MINUTES OF THE MEETING
DECEMBER 7, 1999**

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:35 a.m., Tuesday, December 7, 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. John Lindell
Mr. Dennis Nelson
Ms. Deborah Sheltra
Mr. Michael Zech

BOARD MEMBERS ABSENT:

Mr. Doug Carson
Mr. Dennis Johnson

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins)
Mr. Hal Taylor, Legal Counsel
Ms. Nancy Mathias, Licensing Administrator
Mr. George Lyford, Director of Special Investigations
Ms. Kathy Stewart, Licensing Supervisor
Mr. Ron Carney, Investigator
Mr. Jack Edstrom, Investigator
Mr. Gary Leonard, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Kate Ramage, Court Reporter, Sierra Nevada Reporters; Jim Spoo, Legal Counsel, Solano Development Company and Dan Mills Construction; Dan Mills, Owner, Dan Mills Construction; Walter Stockman, Owner/Member, Solano Development Company; Jon Walters, Regional Manager, Solano Development Company; Joe Serpa, Vice President, Q & D Construction; Michael Van, Legal Counsel, Tejas Underground LLC, Kevin Jones, Qualified Employee, Tejas Underground LLC; Chris Pierce, Owner, C P Homes; Charles Davis, Witness; Scott Slater, Senior Building Inspector, Washoe County; Milton Sharp, P. E, Consulting Engineer, Inc.; John Byrne, Homeowner; Jon Ludwig, Legal Counsel, Professional Home Developers; Ginger Driscoll, Witness; Matthew Conway, Witness; Michael Fritz, Owner, Professional Home Developers; Dennis A. Long, Homeowner; Jerry Blades, Owner, Blades Construction; Dan White, Witness; Michael Springer, Legal Counsel, Blades Construction; Norman Pederson, Owner, KB6KQ Antennas; Alex Flangas, Legal Counsel, Pacific Mechanical; Steven Delledera, Secretary/Treasurer, Pacific Mechanical Corporation; and Greg Dean, Treasurer and Qualified Officer, Dean Construction.

Ms. Grein stated Jack Edstrom, NSCB Investigator, had posted the agenda in compliance with the open meeting law, on December 1, 1999, at the Washoe County Court House, Washoe County Library, and Reno City Hall. Additionally, it had been posted in both offices of the Board, Las Vegas and Reno and on the Board's Internet web page.

Mr. Gregory called for a motion to approve the minutes of November 23, 1999.

MS. SHELTRA MOVED TO APPROVE THE MINUTES OF NOVEMBER 23, 1999.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

It was learned there were 11 items on the amended agenda, each item of an emergency nature, as well as an advisory opinion request from the City of Fallon regarding a wastewater treatment plant. Additionally, the regular agenda was amended to remove item 4, closed session to discuss alleged infractions of personnel policies and misconduct.

MR. NELSON MOVED TO HEAR THE AMENDED AGENDA.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

The following motion closed the meeting to the public.

MS. SHELTRA MOVED TO CLOSE THE MEETING TO THE PUBLIC.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

The meeting was then closed to the public pursuant to NRS 241.030 to discuss financial and other data, which is confidential under NRS 624.110 (2).

APPLICATIONS

DAN MILLS CONSTRUCTION #30758 (B2 – Residential & Small Commercial) RAISE IN LIMIT

Jim Spoo, Legal Counsel representing Solano Development Company and Dan Mills Construction; Dan Mills, Owner, Dan Mills Construction; Walter Stockman, Owner/Member, Solano Development Company; Jon Walters, Regional Manager, Solano Development Company; and Joe Serpa, Vice President, Q & D Construction, were present.

Ms. Sheltra disclosed Mr. Spoo had once represented her in the past. There was no objection to Ms. Sheltra hearing the matter.

Ms. Mathias noted there were two attachments to the raise in limit application regarding pending investigations. One was against Dan Mills Construction for possibly bidding over their limit to Solano Development. The second was against Solano Development for contracting without a license. In an effort to resolve some of the issues, Dan Mills Construction had applied for a raise in limit in order to act as the general contractor on the project. Separately, Solano Development had submitted an application for licensure. That application was not currently before the Board. A more current in-house financial statement had been received from Solano Development, who was indemnifying Dan Mills Construction.

Mr. Spoo suggested that a CPA prepared financial statement, dated July, 1999, was available but it was not as up-to-date as the in-house statement. Mr. Spoo noted that his

two clients were present for two reasons: the raise in limit consideration, and the indemnification application in support of the limit increase filed by Solano Development.

Mr. Lindell established Mr. Serpa was present as a character witness. Mr. Serpa stated he had been working with Solano Development on the current project since May of this year, and he had been working with Mr. Stockman and Mr. Walters in the Cimarron subdivision for 6 years performing dirt work only.

Mr. Stockman represented himself as a 50% owner in Solano Development Company. He highlighted the fact that all accounts payable were current and had been since the project began.

Mr. Lindell pointed out that Solano Development Company was willing to indemnify Dan Mills for this project only. He asked if Solano was willing to extend the indemnification to encompass all of Mr. Mills' work. Mr. Spoo confirmed that Solano Development Company was prepared to do that.

MR. LINDELL MOVED TO APPROVE THE RAISE IN LIMIT TO \$750,000 AND A \$30,000 BOND, WITH INDEMNIFICATION BY SOLANO DEVELOPMENT COMPANY.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED.

TEJAS UNDERGROUND LLC #38972 (C2 – Electrical Contracting) ADDITIONAL QUALIFIER, RECONSIDERATION OF WAIVER OF EXAMS

TEJAS UNDERGROUND LLC #38972 (A15, 19 – Sewers, Drains & Pipes) ADDITIONAL QUALIFIER, RECONSIDERATION OF WAIVER OF EXAMS

Both applications had been approved on October 26, 1999, contingent upon passing the C2 examination.

Michael Van, Legal Counsel for Tejas Underground LLC, and Kevin Jones, Qualified Employee, Tejas Underground LLC, were present.

Mr. Gregory explained that it was necessary to pass the C2 examination because of the master certification. The Board was willing to waive the A15 and A19 exam.

The license applications were once again approved, contingent upon passing the C2 and the Construction Management Survey exam, with a waiver of the A15 and A19 examination.

C P HOMES (B2 – Residential & Small Commercial) NEW APPLICATION, RECONSIDERATION

Chris Pierce, Owner, was present. The license application had been denied on October 26, 1999 for lack of financial responsibility. No additional financial information had been provided.

Mr. Gregory explained why the application had been denied. Mr. Pierce offered information regarding a home that was currently in escrow. He said that he was expecting \$30,000 from the sale of the home in January, 2000.

The indemnification process was explained.

When Mr. Pierce inquired if he could reinstate his previous C3 license, he was informed he would have to reapply for a new C3 license because the time allowed by statute to renew had expired.

MR. NELSON MOVED TO TABLE THE LICENSE APPLICATION FOR 90 DAYS FOR A NEW FINANCIAL STATEMENT FOLLOWING THE CLOSE OF ESCROW.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

The remainder of the applications on the agenda were reviewed and discussion occurred on the following: Nos. 2-3, 4-7, 9, 13, 17-18, 25-26, 28-30, 32, 34, 36-46, 49, 52-52, 58, 60, 67, 81, and 85; and on the amended agenda: Nos. 2-3, 5-8, and 11.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

EXECUTIVE SESSION

UNFINISHED BUSINESS

Gary Hoid, NSCB Investigator, and Frank Torres, Deputy Director of Investigations, were introduced to the Board.

The continued Board hearing for McKim Homes was set for January 4, at 1:30 p.m., in Reno.

DISCIPLINARY HEARING

PROFESSIONAL HOME DEVELOPERS #32754 - DISCIPLINARY HEARING

When the hearing started, neither Mike Robert Fritz, Owner, nor his attorney, Jon Ludwig, was present.

Charles Davis, Witness; Scott Slater, Senior Building Inspector, Washoe County; Milton Sharp, P. E, Consulting Engineer, Inc.; John Byrne, Homeowner; and Jack Edstrom, NSCB Investigator, were sworn in.

The notice of hearing, consisting of pages 1-61, was sent certified mail on October 8, 1999. The return receipt was signed October 13, 1999. An amended notice of hearing, consisting of pages 1-73, was sent certified mail on October 28, 1999. The return receipt was signed on November 1, 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 624.3013 (5): failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with a notice to correct as set forth in NAC 624.700 (3) (a); NRS 624.3011 (1) (a) (c) (1), disregard of plans, specifications, laws or regulations: willful and prejudicial departure from or disregard of plans or specifications in any material respect without the consent of the owner or his authorized representative and the person entitled to have the particular construction

project or operation completed in accordance with the plans and specifications, and willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof.

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

The status of the license was inactive, not renewed as of October 1, 1999.

Mr. Ludwig arrived and informed the Board that his notice indicated that the hearing was scheduled for 11:00 a.m. rather than 10:30 a.m. The hearing was then suspended until the scheduled time.

When the hearing reconvened, the following additional witnesses were sworn in: Ginger Driscoll, Witness; Matthew Conway, Witness; and Michael Fritz, Owner, Professional Home Developers.

The stipulation was presented, but it was not signed.

Mr. Taylor addressed Mr. Ludwig and asked if the Respondent intended to stipulate to the allegations in paragraphs 1-3 on page 2 of the hearing notice. Mr. Ludwig responded yes. Mr. Taylor repeated the same question, but in regard to paragraph 4, items a-m, on pages 3-5 of the amended hearing notices. After a short recess, Mr. Taylor told the Board that the Respondent was willing to stipulate that the conditions existed regarding paragraph 4, items a-m, but that Mr. Ludwig was contesting whether or not certain of the conditions existed with the consent of the homeowner. Mr. Ludwig concurred that the conditions existed, but Respondent was unwilling to stipulate to the conclusions as presented in the hearing notice.

Mr. Edstrom testified he had validated paragraph 4, items a-m. The engineer of record, Milton Sharp, and the homeowner were both present at the time of validation. Paragraph 5, items a-d, of the hearing notice were also validated.

Mr. Ludwig then questioned Mr. Edstrom. Mr. Edstrom testified he had inspected the Byrne residence with Scott Slater on June 14, 1999, after which, the notice to correct had been issued on June 15, 1999. Mr. Edstrom had later inspected the property again with Mr. Sharp on July 21, 1999. Mr. Fritz had not been present at the time of the engineer's inspection although Mr. Sharp had informed Mr. Edstrom that Mr. Fritz had been notified but had elected to not be present. Mr. Edstrom said he was aware there was friction between Mr. Byrne and Mr. Fritz, and that Mr. Fritz was not allowed access to the property. Further questioning followed regarding the wall excavation, the manner in which Mr. Edstrom had confirmed the allegations in paragraph 5, and the correction notice from the Building Department.

Mr. Taylor referenced page 21 of the hearing notice, a letter dated June 25, 1999, to Mr. Fritz, and inquired if there had been attempts to make repairs on the project prior to the writing of the letter. Mr. Edstrom said yes, but added that the letter accurately reflected the condition of the property as of that date. Mr. Fritz had been allowed access to the property to make repairs up until April. He had not been allowed back on the property after April 15, 1999.

Mr. Edstrom was questioned again by Mr. Ludwig regarding the correction notices, commencing with the one dated November 25, 1998; the contractor's responses to the notices, which indicated he was having difficulty obtaining access to the property; and the corrective work performed by Mr. Fritz.

Ms. Sheltra queried as to when the original permit had been pulled. It had been pulled on November 23, 1997.

Mr. Sharp identified himself as the engineer of record for the Byrne project. Mr. Taylor referenced pages 25-35 of the hearing notice and established that it was a report dated

July 16, 1998, which Mr. Sharp had written. Within the report, page 29 was an updated report written on June 17, 1999. When asked what had prompted the June 17, 1999 report, Mr. Sharp testified the report had been prompted by a request from John Bryne to review some of the items that Mr. Sharp had been involved with in the construction of the house, and to provide Mr. Bryne with written documentation. The June 17, 1999 report differed from the July 16, 1998 report. Page 62 of the hearing notice, dated September 20, 1999 and written to P & C Claims Services, a company insuring Professional Home Developers, was then identified by Mr. Sharp to be the most accurate and complete reflection of the condition of the Byrne property. Mr. Sharp affirmed he stood behind the statements reflected in his report. Mr. Sharp then confirmed that the allegations in paragraph 5, items a-b, of the hearing notice, were also an accurate reflection of the condition Mr. Sharp had found at the site.

Mr. Ludwig next inquired of Mr. Sharp how he had confirmed the allegations in paragraph 5. Mr. Sharp stated the items had been reviewed at the request of Mr. Fritz, with Mr. Byrne's approval. Mr. Sharp confirmed that throughout the project Mr. Fritz consulted with him regarding the modifications that needed to be made and said if the modifications required engineering changes, Mr. Sharp made those changes or directed Mr. Fritz as to how to make the changes. More questioning followed regarding a correction notice that was issued by the building department requiring Mr. Sharp to become involved, and Mr. Sharp's opinion that the building was structurally sound. Mr. Ludwig then presented the Board with a copy of a letter dated May 20, 1998 that Mr. Sharp had sent to the Washoe County Building Department, which was entered into the record as EXHIBIT A.

A discussion was then had regarding Mr. Fritz's defense for not responding to the notice to correct; that (1) he was denied access to the property, and (2) there were issues regarding what it was Mr. Fritz was supposed to do and what it was Mr. Sharp did or did not approve.

Mr. Gregory clarified that the issue was that there had been a set of plans, the building had been built, and modifications had been made that had to be approved by the original structural engineer to approve the integrity of the buildings.

Mr. Ludwig concurred, adding that the actual correction work had not been specified and had been left to the Licensee's discretion. An attempt had been made to appease the owner, but when the attempt failed, the Licensee had been denied access to the property. Mr. Ludwig asserted the Licensee did not willfully disregard the plans, adding Mr. Fritz had attempted to do what the engineer recommended. But Mr. Ludwig pointed out that Mr. Sharp's letter (EXHIBIT A) was not only different, it contradicted Mr. Sharp's subsequent report.

It was next learned that there was no current litigation and the contractors license was suspended for no bond. Mr. Fritz noted the bond was still in place.

Mr. Gregory pointed out that it appeared there were a lot of modifications being made to circumvent a problem that was created during the original course of construction to make things acceptable. Mr. Sharp agreed. Continuing, Mr. Gregory said the building department was then asking for stamped plans that modified the original plans issued to the building department for the purposes of the permit. Mr. Sharp again concurred.

Mr. Ludwig countered that Mr. Fritz had not created the main problem. It had originated with the excavator. That work having been done under a separate contract by a different contractor prior to Mr. Fritz's work. The homeowner had been advised from the beginning that there were problems with the excavation, and the engineer became involved in order to correct those problems.

Scott Slater of the Washoe County Building Department said that at the time the home was being built, he had been the inspection supervisor for the northern Nevada area. Mr. Slater did not know the current status of the repair work on the garage wall thereby rendering the current status of the correction notices as not corrected and not re-

inspected. He noted that the loft had been boarded up because there were no clearances to use it. Further discussion followed regarding the loft and the lack of a permit for the loft.

John Byrne, Homeowner, testified that he had entered into a contract with Professional Home Developers on January 6, 1998 to build a single-family residence. Mr. Byrne had a separate contract with the excavator, the engineer, the architect, and the well driller. Construction started in February, 1998, and the work was substantially completed on July 6, 1998. Final approval had not been acquired because of an issue with the loft area, which had not been in the original contract with Mr. Fritz. In order to acquire the Certificate of Occupancy, the loft had been boarded up. Mr. Byrne then addressed the problems he had encountered aside from the loft, as well as the correspondence to and from Mr. Fritz regarding the corrections and accessibility to the home.

For clarification purposes, Mr. Gregory asked Mr. Slater if the house had been signed off in 1998 and then a correction notice issued in 1999. Mr. Slater stated that a separate permit had been issued in 1999, and Mr. Ludwig added that a separate permit had been acquired to correct one wall. The building department had signed off the original house.

Mr. Byrne then continued his testimony, providing the Board with further details regarding his complaint.

More dialogue ensued with Mr. Slater regarding the wall.

Due to the many issues involved, the Board continued the hearing to February 8, 2000 at 10:00 a.m.

BLADES CONSTRUCTION #23397 – DISCIPLINARY HEARING

Dennis A. Long, Homeowner; Gary Leonard, NSCB Investigator; Jerry Blades, Owner, Blades Construction; and Dan White, Witness, were sworn in, and Michael Springer, Legal Counsel, Blades Construction, was identified.

The notice of hearing, consisting of pages 1-37, was sent certified mail on November 6, 1999, and the return receipt was returned signed and dated November 15, 1999. An amended notice of hearing, consisting of pages 1-37, was sent certified mail on November 30, 1999, and it was returned signed and dated December 1, 1999.

The hearing was for possible violation of 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 (5): failure in any material respect to comply with the provisions of this chapter or the regulations of the board by violation of a notice to correct as set forth in NAC 624.700 (3) (a), and NAC 624.640 (5), duties concerning licensees; NRS 624.301 (2) (4): failure to complete project for construction or comply with terms of contract or written warranty: failure in a material respect on the part of a licensee to complete any construction project or operation for the price stated in the contract for the project or operation or any modification of the contract, and 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 624.3013 (5): failure in any material respect to comply with the provisions of this chapter or the regulations of the Board by failing to provide the required disclosures to the Homeowner as set forth in NRS 624.321 (1) (a) (b); NRS 624.3011 (1) (c) (1), disregard of plans, specifications, laws or regulations: willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; and 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.

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

Mr. Long testified that on or about January 2, 1998, he had entered into a contract with the Licensee to build a single-family dwelling for approximately \$348,368.66. On or about October 28, 1998, the home had been completed and Mr. Long had received a signed Certificate of Occupancy (C of O). A punch list had been prepared and corrections had been made. Mr. Long affirmed there was a problem with the front door and that he had signed off on the C of O so as to occupy the residence. It was his understanding that the corrections would be made even though the C of O had been signed. Mr. Long then described what was wrong with the front door. Additionally, Mr. Long said he had purchased counter lighting, which had not been installed. Two photographs were entered into the record as EXHIBIT 2a and EXHIBIT 2b, depicting Mr. Long's garage. It was Mr. Long's understanding that the garage would be built to fit his Recreational Vehicle (RV).

When asked if the garage had been built according to the written plans or per the contract, Mr. Long replied he did not know. Blades Construction had drawn the plans. There was nothing specified in the contract as to size. The RV was 14 feet, the RV garage door was 12 feet. Mr. Blades said it was indicated as 12 feet on the plans and Mr. Long had initialed each page of the plans, although a signed set of the plans was not made available during the hearing.

Mr. Taylor continued questioning Mr. Long who next detailed what was wrong with the kitchen grout, the plumbing, and the concrete.

Mr. Leonard testified that he had taken photographs of the job site. Of the three notices to correct, the allegations referenced in paragraph 4, items a-f, of the hearing notice remained uncorrected. The notice to correct contained eight items, items 1 and 5 had been completed. Mr. Leonard stated he never saw the plans. He had contacted Douglas County for the plans but was informed Douglas County destroyed plans after 6 months.

Mr. Blades said he had a copy of the stamped plans but not with him. Mr. Haney interjected that the contractor was saying the owner was given one, the owner was saying he didn't have a copy. When asked if he had ever received a set, Mr. Long indicated he had documents that looked like drawings but none had dimensions on them nor were they initialed.

Mr. Leonard estimated the doors were 12 feet. He then validated the items in Paragraph 4, items a-f, and said the condition of the property was substantially as shown in EXHIBIT 2c, a photograph, which had been provided by Mr. Long.

Mr. Taylor then entered into the record EXHIBIT 2d, EXHIBIT 2e, and EXHIBIT 2f, photographs which had been taken by Mr. Leonard. The unsigned plans were entered into the record as EXHIBIT 3.

For the record, the Licensee indicated that the top page of the drawings marked EXHIBIT 3 contained the only reference to the driveway.

More discussion followed regarding the concrete allowance, and whether or not the Licensee had provided Mr. Long with the names, license numbers, addresses or telephone numbers of subcontractors involved in the project.

There were no liens on the property.

Mr. Springer entered EXHIBIT 4 into the record, a binder containing documents pertaining to the complainant in chronological order, and questioned Mr. Blades on the documentation contained therein. When queried as to whether or not Mr. Long had signed his change orders as stipulated in Blades Construction contract, Mr. Blades said no. All had been verbally agreed to. Ultimately, Mr. Springer said that Mr. Blades records indicated that Mr. Long still owed Mr. Blades money which was why the alleged items, primarily the concrete, had not been corrected.

Mr. Blades added the door had not been fixed because he had corrected it once but

believed someone had damaged the door a second time, explaining the reason why he believed so. He said the privacy glass had not yet been installed because Mr. Long was supposed to select the glass of his choice. He had yet to pick it out. The under-the-counter lighting had not been installed because Mr. Blades was still owed money. The grout had been fixed once but Mr. Blades said he was still willing to correct any grout problems that may have been missed. Lastly, the plumbing was addressed. It was learned that a swimming pool was to have been installed, therefore the plumbing had been designed to include the pool. When the house had been completed, the Longs did not have the funding to install the pool, thereby causing the plumbing problems.

Mr. Springer asked Mr. Blades if he had used any subcontractors on the job. Mr. Blades identified Rick's Mechanical and said Mr. Long had dealt with Rick's Mechanical directly regarding scope and plumbing issues. Mr. Blades added Mr. Long had been well aware of Rick's Mechanical identity, and that Mr. Long still owed Rick's Mechanical money. Mr. Blades admitted that he, himself, had performed the electrical work on the residence.

Regarding the charge of financial responsibility, Mr. Springer said a new financial statement had been transmitted to the board via FAX the preceding day. It was learned the financial statement had been received.

Mr. Blades was then given the opportunity to respond to Mr. Long's testimony. He mentioned contingencies, which were later identified as allowances. In addition, Mr. Blades was unable to produce signed change orders adjusting the amount of the original contract.

Conversation next turned to the order to correct. Mr. Lindell pointed out that the Board investigator had validated the items in the order to correct and Mr. Blades had failed to correct them.

The homeowner was asked if he would allow the Licensee back onto the property to correct the outstanding items referenced in the notice to correct. Mr. Long replied he would not. He was advised the investigator would be present to mediate. Mr. Long refused the offer.

Dan White, Witness for Mr. Blades, testified he had been denied access to the Long property two times. Mr. White said he had attempted to make prior arrangements but was told it was not a good time. Mr. White had called again in an attempt to reschedule. When advised as to when it was a good time to perform the corrective work, Mr. White went to the job site and accomplished the work he was required to do, which was polish the granite.

Mr. Blades confirmed that he too had been denied access, detailing the work he would have corrected per the correction notice had he have been allowed to.

Mr. Leonard said he had called Mr. Long to request a two day extension for Mr. Blades to finish the corrective work, but Mr. Long had told him no, the time frame had expired.

The evidentiary was closed.

MR. ZECH MOVED TO FIND LICENSE #23397, BLADES CONSTRUCTION, IN VIOLATION OF NRS 624.3013 (5) AS SET FORTH IN NRS 624.321 (1) (A) (B), AND TO DISMISS ALL OTHER CHARGES.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

MR. ZECH MOVED TO PLACE A ONE-YEAR LETTER OF REPRIMAND INTO THE FILE OF LICENSE #23397, BLADES CONSTRUCTION.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED. (MR. NELSON AND MS. SHELTRA WERE OPPOSED)

MS. SHELTRA MOVED TO RECOVER THE INVESTIGATIVE COST OF \$1,315.15 PLUS THE COST OF THE CURRENT HEARING WITHIN 30 DAYS OR THE LICENSE WOULD AUTOMATICALLY SUSPEND UNTIL SUCH TIME THE CASE COSTS WERE PAID.

MR. NELSON SECONDED THE MOTION.

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

ADVISORY OPINIONS

1. **THERMAL SOLUTIONS, INC.** – Heat Treating for Sierra Pacific – License Requirement

No one was present to represent Thermal Solutions Inc. Thermal Solutions provided onsite heat treating of metal, which involved wrapping electrical resistance heating elements around a weldment and heating the steel to a specific temperature, dictated by the metallurgy, and or welding codes.

The Board opined a license was not required.

2. **CLARK & SULLIVAN CONSTRUCTORS** – Scope of License

No one was present to represent Clark & Sullivan, who was requesting clarification of a general builder submitting bids as a subcontractor in concrete, masonry and one other trade, and who had indicated that if three sub trades were bid it was legal to bid as a subcontractor.

The Board opined the answer was no per statute.

3. **KB6KQ ANTENNAS** – License Requirement

Norman Pederson, Owner, KB6KQ Antennas, was present. He questioned if there was a licensing requirement to install satellite antenna systems.

Mr. Pederson had been advised by staff that a C2D and E license was required to perform that type of work, but Mr. Pederson did not agree with that opinion and he was seeking an opinion from the Board.

Mr. Nelson informed Mr. Pederson why he was required to hold a license as indicated by staff. It involved life safety issues. He pointed out that Mr. Pederson was qualified to take the examination. A C2E license would cover residential work for electronics and antenna work, whereas a full C2 could allow him to perform commercial work. Mr. Pederson stressed he intended only to install residential systems.

Mr. Peterson then addressed the reasons why he did not believe he needed a license, reading from EXHIBIT C, a prepared statement. He said the work did not require a building permit, and he did not believe he was performing construction work. Rather, he was installing consumer electronics.

Mr. Gregory explained that it was the building departments who determined whether or not a permit was required.

The Board opined that a contractor's license in one of the following categories was required. 1) a C40, limited to installation of residential satellite dishes where no

wiring was required, or 2) a C2E, for installing residential antenna systems including any low voltage wiring, or 3) a C2, electrical, for commercial installation.

4. **C D M ENGINEERS & CONSTRUCTORS INC** #37510 - LICENSE RENEWAL

Shaw Engineering had requested an advisory opinion on behalf of the City of Fallon. They questioned whether or not C D M held a valid contractor's license on November 16, 1999 when they submitted a bid for the new waste water treatment plant.

Mr. Haney explained that the board had received the completed application for renewal on October 25, 1999. Staff had mistakenly returned the application for proof of Industrial Insurance. However, the insurance had been in place. There had also been some confusion because a change of officer application had been filed with the renewal.

Mr. Haney stated the completed renewal application had been received as of October 25, 1999. Therefore, the license was considered reinstated that date. The Board agreed with Mr. Haney.

Alex Flangas, Legal Counsel, Pacific Mechanical, maintained there was no legislative authority to support substantial compliance on the date a renewal application was submitted to the board.

Mr. Haney explained that bidding issues or bid protests were not the responsibility of the Board.

When Mr. Flangas asked if the Board could make a retroactive renewal of a license, Mr. Gregory replied yes, explaining what the role of the Board was.

Mr. Haney illustrated the use of the one time raise in limit process, which was often times acted upon retroactively. Citing NRS 624.283, Mr. Haney pointed out the Board's ability to reinstate licenses within 6 months, effective on the original date. In C D M's case, there had been a legal impairment to renewing the license. The legal impairment, the reinstatement of the industrial insurance, was removed on October 25, 1999, effecting the renewal date to the original date of September 30, 1999.

Steven Delledera, Secretary/Treasurer, Pacific Mechanical Corporation, asked if one could bid work in the state of Nevada without a lawful license. Mr. Gregory responded no. When Mr. Delledera asked if one could bid a job in the state of Nevada without an active license, a discussion ensued regarding when C D M's license became active. The Board reiterated the license became active when C D M fulfilled the renewal requirements. The renewal application had been timely and substantially in compliance on October 25, 1999, making them an active licensed contractor as of that date.

FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION

DEAN CONSTRUCTION #38787 & #39800 – FINDINGS OF FACT, CONCLUSIONS OF LAW AND DECISION (Continued from October 12, 1999)

Mr. Taylor recapped what had occurred at the last meeting, indicating Mr. Dean had not been present. He said Mr. Dean had at that time requested a continuance, which had been denied. Thereafter, both licenses had been sent to formal findings of fact, conclusions of law, and both licenses had been summarily suspended. It had been noted in that meeting that the Logan Lumber complaint had been settled. Since then, Mr. Dean had contacted the board requesting a reconsideration.

Mr. Taylor noted an inaccuracy in the minutes of October 12, 1999, which switched the

names of the two brothers. He clarified it was Raymond Dean who was no longer in the state, and it was Greg Dean who had remained. Additionally, Mr. Taylor noted that a financial statement had been received.

For the record, Mr. Taylor said Greg Dean had been given a notice of hearing on December 6, 1999, and Mr. Dean was waiving the 30-day notice. Mr. Dean confirmed that was so.

Greg Dean, Treasurer and Qualified Officer, Dean Construction, explained that what he was attempting to do was separate himself from the B license. He said his brother Raymond had been injured two years ago and was incapacitated and unable to perform construction work any longer. They had given up the B2 license by not renewing it at the time of renewal. At that time, there had been no infractions against the license. Mr. Dean indicated that he had always been responsible for the A license, while Raymond had been responsible for the general construction company. Prior to being suspended, the A license had been current except for the request for financial information due to the complaint against the B2 license. Mr. Dean affirmed he had paid Logan Lumber from the A license account.

When asked if he was interested in removing Raymond Dean as an officer of the corporation, Greg Dean replied yes, noting he had just acquired a change of officer application.

Mr. Dean explained the Logan Lumber complaint settlement.

MR. ZECH MOVED TO ACCEPT THE FINDINGS OF FACT, CONCLUSIONS OF LAW.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

Penalty phase.

MR. ZECH MOVED TO DISMISS THE CHARGES AGAINST LICENSE #38787 & #39800, DEAN CONSTRUCTION.

MR. LINDELL SECONDED THE MOTION.

Under discussion, Ms. Sheltra inquired why it took so long to pay Logan Lumber Construction.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

MR. ZECH MOVED TO RECOVER THE INVESTIGATIVE COSTS AND THE COST OF THE PREPARATION OF FINDINGS OF FACT, CONCLUSIONS OF LAW, TO BE PAID PRIOR TO REINSTATEMENT OF LICENSE #39800, AND CONTINGENT UPON THE REMOVAL OF RAYMOND DEAN FROM THE LICENSE.

MR. NELSON 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 2:57 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman