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STATE CONTRACTORS BOARD

**MINUTES OF THE MEETING
May 24, 2006**

MEMBERS
RANDALL SCHAEFER
Chairman
MARGARET CAVIN
Vice Chair
DAVID W. CLARK
SPIRIDON FILIOS
JERRY HIGGINS
WILLIAM "BRUCE" KING
J. BRIAN SCROGGINS

CALL TO ORDER:

Hearing Officer Wells called the meeting of the State Contractors Board to order at 8:30 a.m., Wednesday, May 24, 2006, State Contractors Board, Henderson and Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Guy Wells

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. George Lyford, Director of Investigations
Mr. Daniel Hammack, Chief of Enforcement

LEGAL COUNSEL PRESENT:

Mr. Bruce Robb, Esq., Legal Counsel
Ms. Laura Browning, Esq., Legal Counsel

Ms. Grein stated the agenda was posted in compliance with the open meeting law on May 18, 2006, at Las Vegas City Hall, Sawyer State Building and Clark County Library. The agenda was also posted in both offices of the Board, Henderson and Reno and on the Board Internet Website.

ADJUDICATING BOARD MEMBER: GUY WELLS

1. DISCIPLINARY HEARING:

RAGS TO RICHES, INC LICENSE NO. 48557

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Exhibit 2 – A letter from Respondent's bonding company. Capitol Insurance Companies to Economy Steel dated March 29, 2006 with copy of check and release.

Hearing Officer Wells found Respondent, Rags to Riches, Inc., Maria Angeles Hill, President, license number 48557, guilty of violation of NRS 624.3012(2) failure to pay; NRS 624.3012(1) diversion of money; NRS 624.302(5) failure to respond to written request from Board; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6) failure to comply with written request from the Board; NRS 624.302(1)(b) contracting while license is inactive. Respondent was assessed a fine of \$1,000.00 for each of the First, Second and Sixth Causes of Action. Respondent was assessed a fine

of \$500.00 for each of the Third, Fourth and Fifth Causes of Action. Total fines assessed were \$4,500.00. The investigative costs were assessed in the amount of \$1,560.00. Fines and costs are to be paid within thirty (30) days of the May 24, 2006 Hearing or license number 48557, Rags to Riches, Inc. will be revoked.

DISCIPLINARY HEARING:

CASAS ELECTRIC, INC. LICENSE NO. 49903A

Licensee was present with counsel, Leon Mead, Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File

Exhibit 2 – A facsimile from Philip Dabney, Esq., counsel for Dynalectric dated April 28, 2006 with attached letter showing a payment schedule between the Respondent and Dynalectric.

Exhibit 3 – A facsimile from Philip Dabney, Esq., counsel for Dynalectric dated May 18, 2006 with attached letter stating that the Respondent and Dynalectric had reached a resolution.

The following Licensee's Exhibits were entered:

Exhibit A – A cumulative exhibit to include an invoice to Dynalectric for \$5,058.00; an invoice to Dynalectric for \$69,896.90; and a Consolidated Job Cost Detail Report for the MGM – Mirage Buffet remodel.

Hearing Officer Wells found Respondent Casas Electric Inc., Daniel Jay Casas, President, license number 49903A, guilty of violation of NRS 624.3013(5), as set forth in NAC 624.640(5) 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 any monetary limit placed upon his license. The First, Second and Third Causes of Action were dismissed. The investigative costs were assessed in the amount of \$1,922.00. Costs are to be paid within thirty (30) days of the May 24, 2006 Hearing or license number 49903A, Casas Electric, Inc. will be suspended.

DISCIPLINARY HEARING:

ELEGANT KITCHEN AND BATH, INC; LICENSE NO: 59210

Licensee was present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Exhibit 2 – 8 photos of the Parise residence taken by Board Investigator LaPointe on February 22, 2006.

Exhibit 3 – 3 estimates to complete the Parise project.

Exhibit 4 - Notice of Lien from Desert Eagle Flooring on the McCormick project.

Exhibit 5 - 3 estimates to complete the McCormick project.

Exhibit 6 – Copies of cancelled checks on the Ramos project.

Exhibit 7 - Copies of cancelled checks on the Ball project.

Exhibit 8 – A letter from Respondent to “Dear Valued Customers” dated April 20, 2006.

Exhibit 9 – A letter from Respondent to Board dated April 27, 2006 requesting a continuance.

Exhibit 10 – A letter from Respondent to Board dated May 8, 2006 requesting a continuance.

Hearing Officer Wells found Respondent, Elegant Kitchen and Bath, Inc., Keith Dwayne Laudensack, President guilty of Two (2) violations of NRS 624.3017(1) substandard workmanship; Two (2) violations of NRS 624.3013(5) as set forth in NAC 624.700(3)(a) failure to comply with the Board's Notice to Correct; Six (6) violations of NRS 624.301(4) failure to prosecute a construction project with reasonable diligence.; Two (2) violations of NRS 624.301(2) Abandonment of construction project when percentage completed is less than percentage of total contract paid; Seven (7) violations of NRS 624.3013(5), as set forth in NRS 624.520(1) failure to provide Residential Recovery Fund Notice to

owner; Two (2) violations of NRS 624.3013(5), as set forth in NAC 624.640(5) 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 any monetary limit placed upon his license; Two (2) violations of NRS 624.301(5), failure to comply with the terms of the construction contract, thereby causing material injury to another; Three (3) violations of NRS 624.3013(5), as set forth in NRS 624.750(3)(a), unlawful to receive money for purpose of obtaining or paying for services, labor, materials or equipment if person willfully fails to use money to complete the improvements or failing to pay for any services, labor, materials or equipment provided for construction; NRS 624.3012(1) diversion of money; Seven (7) violations of NRS 624.302(5) failure to respond to written request from the Board; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6), failure to comply with a written request by Board; Three (3) violations of NRS 624.3013(5), as set forth in NRS 624.750(3)(a)(b) unlawful to receive money for purpose of obtaining or paying for services, labor, materials or equipment if person willfully fails to use money to complete the improvements or failing to pay for any services, labor, materials or equipment provided for construction and wrongfully diverts money to a use other than that for which it was received. Respondent was assessed a fine of \$1,000.00 for each of the first, Second, Third, Fourth, Seventh, Eighth, Ninth, Tenth, Thirteenth, Fifteenth, Sixteenth, Twentieth, Twenty Third, Twenty Fifth, Thirtieth and Thirty Fifth Causes of Action. Respondent was assessed a fine of \$500.00 for each of the Sixth, Twelfth, Fourteenth, Seventeenth, Nineteenth, Twenty First, Twenty Fourth, Twenty Sixth, Twenty Seventh, Twenty Ninth, Thirty First, Thirty Second, Thirty Fourth, Thirty Sixth, Thirty Seventh and Thirty Ninth Causes of Action. Respondent was assessed a fine of \$200.00 for each of the Fifth, Eleventh, Eighteenth, Twenty Second, Twenty Eighth, Thirty Third, and Thirty Eighth Causes of Action. Total fines assessed were \$25,400.00. The Respondent's license remains suspended. The Respondent cannot contract for any new business or use his license to sell materials while suspended. The investigative costs were assessed in the amount of \$5,884.00. Fines and costs are to be paid within 90 days of the May 24, 2006 Hearing or license number 59210, Elegant Kitchen and Bath, Inc. will be revoked. Mr. Laudensack was ordered to make restitution to Strasser in the amount of \$61,741.09; to Parise in the amount of \$20,386.50; to McCormick in the amount of \$12,338.22; to Oswald in the amount of \$12,486.00; to Leavitt in the amount of \$12,343.77; to Ramos in the amount of \$65,904.93; to Giesecking in the amount of \$47,133.17 and to Ball in the amount of \$26,711.86 within ninety (90) days of the May 24, 2006 hearing or license number 59210, Elegant Kitchen and Bath, Inc. will be revoked.

DISCIPLINARY HEARING – DEFAULT ORDERS:

PRO ENTERPRISES: LICENSE NO. 57503

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Wells found Respondent in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Krumme was found guilty of NRS 624.302(5), failure to respond to a written request from Board; NRS 624.3012(2), failure to pay any money when due; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6), failure to comply with a written request by Board. License number 57503, Kenneth Ray Krumme, dba Pro Enterprises was Revoked. Mr. Krumme is required to pay full restitution to the damaged parties and reimburse the Board for Investigative costs of \$2,619.00 and any expenses that may be paid out of the Residential Recovery Fund.

DISCIPLINARY HEARING – DEFAULT ORDERS:

PROGRESSIVE LANDSCAPING: LICENSE NO. 56879

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

This matter was continued.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned by Hearing Officer Wells at 12:06 p.m.

Respectfully Submitted,

Janet Brinkley, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Guy Wells, Hearing Officer