

BRIAN SANDOVAL
Governor

STATE OF NEVADA



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MEMBERS

Jan B. Leggett, Chairman
Kevin E. Burke
Margaret Cavin
Mason Gorda
Joe Hernandez
Kent Lay
Guy M. Wells

**STATE CONTRACTORS BOARD
MINUTES OF THE MEETING
July 20, 2017**

1. CALL TO ORDER:

- a. Chairman Jan Leggett called the meeting of the State Contractors Board to order and led the Pledge of Allegiance at 8:30 a.m., Thursday, July 20, 2017, 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. Jan Leggett, Chairman
Mr. Kevin Burke
Ms. Margaret Cavin
Mr. Mason Gorda
Mr. Joe Hernandez
Mr. Kent Lay
Mr. Guy Wells

BOARD MEMBERS ABSENT:

None.

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Brian Hayashi, IT Manager
Ms. Jennifer Lewis, Public Information Officer
Ms. Nancy Mathias, Licensing Administrator
Mr. Paul Rozario, Director of Investigations

LEGAL COUNSEL PRESENT:

Mr. Noah Allison, Esq.

Ms. Grein stated the agenda was posted in compliance with the Open Meeting Law at Paseo Verde Library, Sawyer State Building, Clark County Library, Reno City Hall, Washoe County Courthouse and Washoe County Library. The agenda was also posted in both offices of the Board, Henderson and Reno, on the Board's Internet Website and the Nevada Public Notice Website.

• **APPROVAL OF AGENDA:**

It was moved and seconded to accept the agenda. MOTION CARRIED.

• **UNFINISHED BUSINESS:**

There was no unfinished business.

• **FUTURE AGENDAS:**

Ms. Grein noted that an Executive Subcommittee meeting was scheduled for July 26, 2017 at the Reno office

and that the September 21, 2017 Board meeting would be held in the Reno office.

2. PUBLIC COMMENT:

Ms. Grein welcomed Henderson Compliance Investigator Ronald Simon.

3. APPROVAL OF MINUTES:

It was moved and seconded to approve the minutes of June 16, 2017. MOTION CARRIED.

It was moved and seconded to approve the minutes of June 22, 2017. MOTION CARRIED.

4. ELECTION OF OFFICERS

It was moved and seconded to table the Election of Officers until the October 18, 2017 Board meeting. MOTION CARRIED.

5. EXECUTIVE SESSION

- Executive Officer's Report

Ms. Grein reported that the Board held its annual joint meeting with the California Contractors State License Board on June 16, 2017. Discussion focused on ideas to better partner together to address enforcement and licensing matters related to exam waiver opportunities.

Ms. Grein informed the Board that the Board of Examiners had approved the agency's contracts for legal services with Louis Ling, Esq. and Jack Juan of Marquis, Aurbach, Coffing; the contract for accounting and administrative services with J.A. Solari and Partners; the contract for licensure exams with P.S.I. Services; as well as the contract with NevDex for the Reno office space.

Lastly, Ms. Grein noted that J.A. Solari and Partners began performing the Board's annual audit, which is still ongoing. The audited financial report will be presented at the August 24, 2017 Board meeting.

- Review of Monthly Department Statistics

Ms. Grein provided the following statistics for the month of June:

Licensing Division:

- Received 166 new license applications and 330 change applications;
- Issued 120 new licenses;
- Approved 50 Financial Reviews; and
- Processed 589 inactive and active license renewal applications.

Compliance Division:

- Opened 149 complaints and closed 160;
- Issued 24 Administrative Citations;
- Held 13 Disciplinary Hearings; and
- Opened 4 Recovery Fund claims and held 1 Recovery Fund meeting where one claim was denied, no funds were awarded.

Criminal Division:

- Opened 146 complaints and closed 104 complaints;
- Issued 35 court filings; and
- Recorded 1 felony conviction, 1 gross misdemeanor conviction, and 6 misdemeanor convictions.

Additionally, the Board's outreach activities included presentations to Kiwanis and Rotary Club groups, an interview with Fox 5 Las Vegas to highlight the dangers of travelers, taping of our third Univision segment, presentations to industry groups, and I presented at the Nevada Hispanic Business Group luncheon to inform their members about new projects, licensing requirements, obtaining limit increases, and related Board matters.

It was moved and seconded to accept the Monthly Department Statistics. MOTION CARRIED.

- Legal Report

Mr. Allison reported on pending legal matters.

It was moved and seconded to approve the legal report. MOTION CARRIED.

- Discussion Concerning Proposed Additions and Amendments to NAC 624, NAC 624.590 and NAC 624.600 to Provide for Licensure by Endorsement

Ms. Grein provided the Board with a proposed regulation intended to satisfy the regulatory requirements contained within Senate Bill 69, which became effective June 9, 2017. It was suggested that the proposed language be modified by removing "or his or her designee" from Section 1, Paragraph 1.

It was moved and seconded to approve the proposed language as modified concerning NAC 624, NAC 624.590 and NAC 624.600, and to initiate the rulemaking process.

- Discussion Concerning SB 407 and Approval of Nominees for Submission to Governor Sandoval for Possible Appointment to the Nevada Clean Energy Fund

Ms. Grein discussed the enactment of SB 407 and recommended three names to submit to Governor Sandoval for possible appointment to the Nevada Clean Energy Fund.

It was moved and seconded to provide Governor Sandoval with the names of Assemblyman Skip Daly, Assemblyman Chris Brooks, and Senator Patricia Farley for consideration as possible appointments to the Nevada Clean Energy Fund. MOTION CARRIED.

- Executive Officer's Quarterly and Year-End Report and Strategic Plan Update

It was moved and seconded to accept the Quarterly and Year-End Report and Strategic Plan Update. MOTION CARRIED

- Subcommittee Reports

There were no Subcommittee Reports.

- Discussion Concerning the Provisions of NRS 624 Regarding the Suspension of Licensure

Ms. Grein reported on a legal clarification received regarding the automatic suspension of licensure by operation of law, which does not allow a contractor to conduct any business or bid contracting work until the contractor reinstates their license.

6. APPROVAL OF CONSENT AGENDA:

- Ratification of Staff Approved License Applications, Changes of Licensure, Reinstatement of Licensure, Voluntary Surrenders (List Attached, Items 1 to 386)

Mr. Joe Hernandez made the following disclosures:

- Item #374 (Wells Cargo, Inc.) – Disclosed the applicant is a fellow Board member.

Mr. Mason Gorda made the following disclosures:

- Item #4 (4 Wall Systems and Design, Inc.) – Disclosed and abstained based on a personal relationship with the applicant.
- Item #8 (A 2 Construction, LLC) – Disclosed and abstained based on a personal relationship with the applicant.
- Item #13 (ADT, LLC) – Disclosed a past business relationship with the applicant.
- Item #39 (Austin Millwork & Cabinetry, Inc.) – Disclosed the applicant is a competitor.
- Item #50-51 (Bison Construction) – Disclosed the applicant is a competitor.
- Item #119-121 (Gale Building Products) – Disclosed a past business relationship with the applicant.

- Item #126 (Gore Acoustics & Drywall Systems, Inc.) – Disclosed a past business relationship with the applicant.
- Item #274-276 (Quality Mechanical) – Disclosed a past business relationship with the applicant.
- Item #279 (Rain for Rent) – Disclosed a past business relationship with the applicant.
- Item #302-303 (Skanska USA Building, Inc.) – Disclosed the applicant is a competitor.
- Item #326-327 (Sundt Construction, Inc.) – Disclosed and abstained based on the applicant being a former partner.
- Item #361-362 (Victory Woodworks, Inc.) – Disclosed a past business relationship with the applicant.
- Item #374 (Wells Cargo, Inc.) – Disclosed the applicant is a fellow Board member.

Mr. Kent Lay made the following disclosures:

- Item #119-121 (Gale Building Products) – Disclosed and abstained based on an ongoing business relationship with the applicant.
- Item #131 (Green Serenity, LLC) – Disclosed a past business relationship with the applicant.
- Item #328-331 (Sunrise Carpentry, Inc.) – Disclosed a personal relationship with the applicant.
- Item #374 (Wells Cargo, Inc.) – Disclosed the applicant is a fellow Board member.

Mr. Jan Leggett made the following disclosures:

- Item #374 (Wells Cargo, Inc.) – Disclosed the applicant serves on the Nevada State Contractors Board with Mr. Leggett.

Mr. Guy Wells made the following disclosures:

- Item #26-31 (American Building Systems, LLC) – Disclosed and abstained based on a personal and business relationship with the applicant.
- Item #39 (Austin Millwork & Cabinetry, Inc.) – Disclosed a past business relationship with the applicant.
- Item #56 (CG&B Enterprises, Inc.) – Disclosed a past business relationship with the applicant.
- Item #131 (Green Serenity, LLC) – Disclosed the applicant is a former Board member.
- Item #226-228 (Mountain West Builders, LLC) – Disclosed the applicant is a former Board member.
- Item #241 (Nevada Contractors, LLC) – Disclosed the applicant is a former Board member.
- Item #368 (WKM Construction) – Disclosed a personal and business relationship with the applicant.
- Item #374 (Wells Cargo, Inc.) – Disclosed and abstained based on the applicant being himself and a current Board member.

Ms. Margaret Cavin made the following disclosures:

- Item #82 (Diamond G Construction, Inc.) – Disclosed a personal relationship with the applicant.
- Item #98 (Energy Mechanical Insulation, Inc.) – Disclosed a past business relationship with the applicant.
- Item #226-228 (Mountain West Builders, LLC) – Disclosed based on the applicant being a former Board member and having a personal relationship.
- Item #274-276 (Quality Mechanical) – Disclosed based on a personal relationship with the applicant.
- Item #299 (Silegacy Floor Finishing, Inc.) – Disclosed based on a personal relationship with the principal.
- Item #374 – (Wells Cargo, Inc.) – Disclosed the applicant serves on the Nevada State Contractors Board with Ms. Cavin and based on a personal relationship.

Mr. Kevin Burke made the following disclosures:

- Item #274-276 - (Quality Mechanical) – Disclosed a past business relationship with the applicant.
- Item #361-362 – (Victory Woodworks, Inc.) – Disclosed a past business relationship with the applicant.
- Item #374 – (Wells Cargo, Inc.) – Disclosed the applicant serves on the Nevada State Contractors Board with Mr. Burke and based on a personal relationship.

It was moved and seconded to approve the Consent Agenda. MOTION CARRIED.

7. NEW APPLICATION DENIAL HEARING:

MODERN CONCEPTS DEVELOPMENT LLC

Arsen Khachoyan, Manager

Vincent Joseph Luca, Manager

Johnny Ostrovsky, Manager/Proposed Qualified Individual

Arsen Khachoyan, Vincent Luca, and Johnny Ostrovsky were present for the hearing.

Exhibit 1 is the Board Notice of Hearing.

It was moved and seconded to approve licensure classification B-2 (Residential and Small Commercial) with a \$245,000.00 monetary limit, a \$15,000.00 bond, with a personal indemnification by Arsen Khachoyan, Vincent Luca, and Johnny Ostrovsky, an annual business review for two (2) years, and conditional upon payment of the outstanding balance owed to American Contractors Indemnity Company within 30 days and that either Arsen Khachoyan or Vincent Luca receive a passing score on the Construction Management Exam within 60 days. The licensee is prohibited from applying for licensure classification B (General Building) until an individual other than Johnny Ostrovsky can pass the B exam and/or qualify as the Qualified Employee. MOTION CARRIED.

Ms. Cavin opposed the motion.

- 7. NEW APPLICATION DENIAL HEARING:
 BRIGADOON COMMUNICATIONS, INC.
 Mark Edward Welden, President/Proposed Qualified Individual

Mark Welden was present for the hearing.

Exhibit 1 is the Board Notice of Hearing.

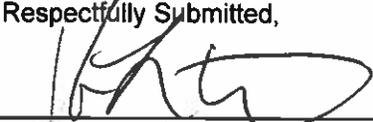
It was moved and seconded to deny the application. MOTION CARRIED.

- 13. PUBLIC COMMENT:
 There was no one present to offer public comment.

ADJOURNMENT

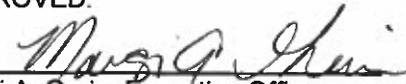
There being no further business to come before the Board, the meeting was adjourned by Chairman Jan Leggett at 10:00 a.m.

Respectfully Submitted,



 Jennifer Lewis, Recording Secretary

APPROVED:



 Margi A. Grein, Executive Officer



 Jan Leggett, Chairman