

MEMBERS

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STATE CONTRACTORS BOARD

**MINUTES OF THE MEETING
APRIL 8, 2003**

1. CALL TO ORDER:

The meeting of the State Contractors Board was called to order by Chairman Michael Zech 8:42 a.m., Tuesday, April 8, 2003, State Contractors Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Michael Zech - Chairman
Mr. Douglas W. Carson
Ms. Margaret Cavin
Mr. David W. Clark
Mr. Spiridon G. Filios
Mr. Jerry Higgins
Mr. Randy Schaefer

BOARD MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. George Lyford, Director of Special Investigations
Mr. Frank Torres, Deputy Director of Investigations
Ms. Nancy Mathias, Licensing Administrator

LEGAL COUNSEL PRESENT:

Ms. Carolyn Broussard, In House Counsel
Mr. Bruce Robb, Legal Counsel (Walter Bruce Robb)

Ms. Grein stated that Frank Torres had posted the agenda in compliance with the open meeting law on April 3, 2003 at the Washoe County Court House, Washoe County Library, and Reno City Hall. The agenda was also posted in both offices of the Board, Reno and Henderson, and on the Board's Internet web page.

It was learned there was 15 items on the amended agenda, each item of an emergency nature.

It was moved and seconded to hear the amended agenda. THE MOTION CARRIED.

B. UNFINISHED BUSINESS:

This matter was continued to the April 22, 2003 Henderson Board Meeting.

C. FUTURE AGENDAS:

This matter was continued to the April 22, 2003 Henderson Board Meeting.

2. APPROVAL OF MINUTES:

A. APPROVAL OF MINUTES OF MARCH 25, 26, 27 & 28, 2003:

The Chairman called for a motion to approve the minutes of March 25, 26, 27 & 28, 2003.

It was moved and seconded to approve the minutes of March 25, 26, 27 & 28, 2003. THE MOTION CARRIED.

3. LEGAL REPORTS:

A. STATUS REPORT:

This matter was continued to the April 22, 2003 Henderson Board Meeting.

4. LEGISLATIVE DISCUSSION:

A. AMERICAN STRATEGIES:

Mr. Buzz Harris of American Strategies was present and provided the Board with an update on legislative bills that may affect the Board.

B. PENDING LEGISLATION INCLUDING, SB131, SB132, SB241, SB273, SB310, SB364, SB371, SB389, SB437, AB220, AB446 AND AB449:

The following legislative bills were discussed: AB 446; AB 449; AB 24; AB 424; AB 132; AB 220; SB 241; SB 310; SB 273; SB 371; SB 374; SB 389 and AB 431.

Mr. Harris provided information concerning the status of legislative deadlines. The Board requested Mr. Harris to continue to closely monitor all construction defect legislation.

5. SUBCOMMITTEE REPORTS:

This matter was continued to the April 22, 2003 Henderson Board Meeting.

6. BOARD GOVERNANCE AND ADMINISTRATION:

A. DISCUSSION OF TRADE ASSOCIATION PROGRAMS:

This matter was continued to the April 22, 2003 Henderson Board Meeting.

B. ADOPTION OF A TEMPORARY REGULATION TO AMEND CHAPTER 624 OF NEVADA ADMINISTRATIVE CODE TO ADD PHOTOVOLTAICS AS SUB-CLASSIFICATION TO THE SOLAR LICENSE CLASSIFICATION AND TO ADD A FEE FOR REVIEW OF AN APPLICATION SUBMITTED PURSUANT TO AN ENTITY CONVERSION.

Mr. Jordan Robins, General Manager for Las Vegas Solar Electric was present and provided the Board his concerns regarding the proposal to add photovoltaics to the solar classification.

It was moved to add the sub classification for photovoltaics to the C2 (Electrical Contracting) classification. THE MOTION CARRIED.

It was moved and seconded to add a fee for review of an application submitted pursuant to an entity conversion. **THE MOTION CARRIED.**

C. DISCUSSION OF PROPOSED AMENDMENT TO NAC 624 CONCERNING EXAMINATIONS AND FINGERPRINT FEE.

It was moved to notice the proposed amendment for public workshop & hearing. **THE MOTION CARRIED.**

D. DISCUSSION OF PROPOSED AMENDMENT TO NAC 624 CONCERNING CONSTRUCTION MANAGERS.

Mr. Robb indicated that final language concerning exemption of professional engineers and architects would be provided to the Contractors Board by the Engineering Board within the next several days.

7. EXECUTIVE SESSION:

This matter was continued to the April 22, 2003 Henderson Board Meeting.

8. ADVISORY OPINIONS:

A. SCHROEDER VALVE & REPAIR INC., - Licensing requirements to repair Boiler Safety Valves at the Mojave Generating Station.

Based upon the information provided, the Board opined that a contractors license would not be required to perform repair and maintenance work for boiler safety and relief valves at the Mojave Generating Station.

B. CEI WEST ROOFING CO., INC., - Licensing requirements to remove existing roof and apply new roofing for the Reno-Sparks Convention & Visitors Authority, Contract Number WA-2003-90.

Based upon the information provided, the Board opined that a contractor holding a C-15 (a) license classification could act as the prime contractor provided a properly licensed A-23 (Removal of Asbestos) is hired. The listing requirement is governed by the awarding authority and is not jurisdictional to the Nevada State Contractors Board.

C. CENTEX HOMES - Licensing requirements for the installation of a Pest Control System using a network of plastic tubing installed in designated walls connected to service ports on the home's exterior.

Based upon the information provided, the Board opined that a C-40 classification license designated for Centralized Pest Control Systems would be required.

D. LOVELOCK MEADOWS WATER DISTRICT - Licensing requirements to construct a concrete enclosure surrounding a 12" water line.

Based upon the information provided, the Board opined that the work would fall within the scope of the license classification currently held by Dream Builders Construction LLC.

9. APPLICATIONS:

A. APPLICATIONS: (CLOSED MEETING PURSUANT TO NRS 241.030, LIST ATTACHED)

It was moved and seconded to close the meeting to the public in accordance with

NRS 241.030 to discuss financial matters. THE MOTION CARRIED.

ASPEN DEVELOPERS CORP., (A GENERAL ENGINEERING) NEW APPLICATION, REQUESTING WAIVER OF TRADE EXAM.

Mr. Eric Luster, Secretary for Aspen Developers Corp., was present. The Board informed Mr. Luster that the license application (A - General Engineering) was granted with a monetary limit of \$500,000.00 and a bond of \$15,000.00.

BIRD CONSTRUCTION (USA) INC., (B – GENERAL BUILDING) NEW APPLICATION, NAME SIMILARITY.

Mr. Grant T. Gibbs, Qualified employee for Bird USA, was present. The Board informed Mr. Gibbs that the license application (B- General Building) was granted with an unlimited monetary limit and a bond of \$50,000.00 and the trade exam be waived. The Board advised applicant of a name similarity and authorized the use of the name Bird USA.

PROGRESSIVE ROOFING, (C-15A, D- ROOFING) WATERPROOFING INC., ONE TIME RAISE IN LIMIT, RECONSIDERATION.

Mr. Delmar Johnson, President of Progressive Roofing was present. The Board informed Mr. Johnson that the one-time raise in limit for \$800,000.00 was granted for the Carson Valley Plaza project.

MIKE REZEK, (C-4A-PAINTING) NEW APPLICATION, RECONSIDERATION WAIVER OF TRADE EXAM.

Mr. Mike Rezek, Owner of Mike Rezek was present. The Board informed Mr. Rezek that the license application (C-4A-Painting) was granted with a monetary limit of \$3,000.00 and a bond of \$1,000.00 and the trade exam be waived.

S. SUTHERLAND CONSTRUCTION INC., (B2-RESIDENTIAL & SMALL COMMERCIAL) NEW APPLICATION, RECONSIDERATION.

Mr. Scott K. Sutherland, Vice President of S. Sutherland Construction Inc., was present. The Board informed Mr. Sutherland that the license application (B2-Residential & Small Commercial) was denied. The Board informed Mr. Sutherland that a (C-3 Carpentry) was granted with a monetary limit of \$10,000.00 and a bond of \$2,000.00.

B M B ELECTRIC LLC, (C-2 ELECTRICAL CONTRACTING) NEW APPLICATION.

Present for the discussion were Steve Braverman, Manager; John Laub, CPA and Keith Gregory, Attorney.

The license application (C-2 Electrical Contracting) was conditionally granted pending receipt of letters of recommendation or approved credit applications from Nedco, Safe Electronic and Ahern Rentals to be received within two weeks; or the license will automatically be suspended, payment of investigative costs associated with the disciplinary proceeding for One Source Electric; a Reviewed Financial Statement must be provided to the Board within six months of issuance of the license and upon renewal of the license. The monetary limit was set at \$6,000,000.00 with a \$300,000.00 bond.

S D DEVELOPMENT LLC, (B-2 RESIDENTIAL & SMALL COMMERCIAL) RAISE IN LIMIT.

Mr. Shawn Danoski, Member, was present. The Board informed Mr. Danoski that the raise in limit was granted for \$1,500,000.00 with a \$20,000.00 bond.

TAYLOR ELECTRIC INC., (C-2 ELECTRICAL CONTRACTING) NEW APPLICATION.

Mr. Keith Gregory, Attorney, was present. The Board informed Mr. Gregory that the license application (C-2 Electrical) was granted with a monetary limit of \$7,000,000.00 and a bond of \$50,000.00.

TIMBERLINE POOLS & SPAS INC., (A-10 COMMERCIAL & RESIDENTIAL POOLS) NEW APPLICATION.

Mr. Tony Field, President of Timberline Pools & Spas Inc., Mr. David Priess, Secretary were present. The Board informed Mr. Field & Mr. Priess that license application was denied.

A+ INTEGRITY GARAGE DOOR INC., (C-3I OVERHEAD DOORS) NEW APPLICATION.

Mr. John Tilton, President for A+ Integrity Garage Door Inc., was present. The Board informed Mr. Tilton that the license application (C-3I Overhead Doors) was granted with a monetary limit of \$50,000.00 and a bond of \$5,000.00.

J2 SPECIALTIES INC., (C-3 CARPENTRY) NEW APPLICATION.

Mr. Jeffrey Pees, Vice President for J2 Specialties Inc., was present. The Board informed Mr. Pees that the license application (C-3 Carpentry) was granted with a monetary limit of \$250,000.00 and a bond of \$15,000.00.

J2 SPECIALTIES INC., (C-17 LATHING & PLASTERING) NEW APPLICATION.

Mr. Jeffrey Pees, Vice President for J2 Specialties Inc., was present. The Board informed Mr. Pees that the license application (C-17 Lathing & Plastering) was granted with a monetary limit of \$250,000.00 and a bond of \$15,000.00.

J2 SPECIALTIES INC., (C-40 DESIGNED FOR SEISMIC EXPANSION JOINT SYSTEMS) NEW APPLICATION.

Mr. Jeffrey Pees, Vice President for J2 Specialties Inc., was present. The Board informed Mr. Pees that the license application (C-40 Designed for Seismic Expansion Joint Systems) was granted with a monetary limit of \$250,000.00 and a bond of \$15,000.00.

J2 SPECIALTIES INC., (C-4 PAINTING & DECORATING) NEW APPLICATION.

Mr. Jeffrey Pees, Vice President for J2 Specialties Inc., was present. The Board informed Mr. Pees that the license application (C-4 Painting & Decorating) was granted with a monetary limit of \$250,000.00 and a bond of \$15,000.00.

J2 SPECIALTIES INC., (C-8D IS DESIGNATED TO INCLUDE BATHROOM ACCESSORIES) NEW APPLICATION.

Mr. Jeffrey Pees, Vice President for J2 Specialties Inc., was present. The Board informed Mr. Pees that the license application (C-8D Designated to include bathroom accessories) was granted with a monetary limit of \$250,000.00 and a bond of \$15,000.00.

The remainder of the applications on the agenda were reviewed and discussed: Nos. 1, 3, 4, 6, 7, 8, 10, 11, 12, 13, 14, 15, 16, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 34, 35, 36, 66, 67, 68, 69, 70, 71, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 95, 96, 97, 100, 101; and on the amended agenda: Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15.

It was moved and seconded to reopen the meeting to the public. THE MOTION CARRIED.

B. RATIFICATION OF LICENSE APPLICATIONS, CHANGES OF LICENSURE, REINSTATEMENTS OF LICENSURE:

It was moved and seconded to ratify all applications not specifically discussed in closed session as recommended by staff. THE MOTION CARRIED.

10. CONTINUED HEARING:

SIERRASAGE, LLC., LICENSE #52571 (CONTINUED FROM NOVEMBER 6, 2002, DECEMBER 4, 2002, JANUARY 7, 2003, JANUARY 28, 2003, FEBRUARY 11, 2003 AND MARCH 11, 2003.)

No one from Sierrasage, LLC. was present.

Deputy Director of Investigations Frank Torres stated that Sierrasage LLC., has not made any further progress on the outstanding money owing complaints. Mr. Torres further stated that the disciplinary hearing will be continued at the May 8, 2003 Board meeting.

11. SUMMARY SUSPENSION:

ENCOMPASS ELECTRICAL TECHNOLOGIES OF NEVADA, INC., LICENSE NO. 51697
DICK PENDLETON, PRESIDENT:

Mr. Lyford requested that the Board summarily suspend Encompass Electrical Technologies of Nevada, Inc., license # 51697 based on the financial condition of the entity, in compliance with NRS 624.291 (4), for the public health, safety and welfare.

It was moved and seconded to summarily suspend Encompass Electrical Technologies of Nevada, Inc., license no. 51697. THE MOTION CARRIED.

12. PUBLIC COMMENT (DISCUSSION ONLY)

No one from the general public was present to speak for or against any items on the agenda.

13. ADJOURNMENT:

There being no further business to come before the Board, the meeting was adjourned by Chairman Michael Zech at 11:59 a.m.

Respectfully Submitted,

Diana V. Alvarado, Recording Secretary

APPROVED:

Margi A. Grein, Executive Officer

Michael Zech, Chairman

DISCIPLINARY HEARINGS:

ADJUDICATING BOARD MEMBER: MARGARET CAVIN

14. DISCIPLINARY HEARING:

SILVER LAKE CORP., d.b.a., BEST CONTRACTING, LICENSE NO. 39364

Mr. Charles D. Ralston, President; Ms. Toni Ralston, Mr. Stephen D. Fitz, Vice President of K 7 Construction; Investigator Ron Carney were sworn in.

The hearing was for possible violations of NRS 624.301(1); NRS 624.301(5); NRS 624.3013(5), as set forth in NAC 624.640(5).

The Board Hearing File including, but not limited to the Notice of Hearing and Complaint, was entered into the record as Exhibit 1.

Silver Lake Corp. dba Best Contracting entered into a contract with K-7 Construction to perform painting at the Sierra Nevada Cardiology Associates WMC Cath Lab for a contract price of \$3,750.00. The project was scheduled to begin May 29, 2001.

Mr. Carney testified that this complaint was originally open on June 4, 2001, and assigned to Compliance Investigator Larry Thompson. This case was transferred to him on August 5, 2002.

Mr. Fitz testified that he had advised Mr. Ralston on two occasions that the contract price submitted by Best Contracting was "very low," however, Mr. Ralston did not withdraw his bid. Mr. Fitz further testified Mr. Ralston visited the work site shortly before the project was to begin and at that time, refused to confirm that he would perform the work. Mr. Ralston did not commence work on the project and therefore, K-7 filed a complaint alleging breach of contract.

Mr. Ralston testified that the bid he submitted was based on the number of square feet listed on the cover of the bid document. He further testified that it is his opinion that the plans were incorrect, therefore, there was a breach of contract by K-7 and he was not required to perform the work.

Hearing Officer Cavin found Respondent Charles D. Ralston, dba, Best Contracting, license #39364, guilty on the 1st, 2nd and 3rd causes of action. Mr. Ralston was assessed a fine of \$500.00 on the 1st cause of action, a fine of \$500.00 on the 2nd cause of action for a total fine of \$1,000.00, A permanent letter of reprimand is to be placed in Respondent's file for the 3rd cause of action. Investigative costs were assessed in the amount of \$1,617.00. The Investigative costs and fines must be paid within 120 days or Mr. Ralston's license will be suspended.

15. DISCIPLINARY HEARING:

BRYSON CONSTRUCTION, LICENSE NO. 33530.

Ms. Margi Grein indicated to the Board that due to an emergency, Bryson Construction would not be able to be present and wished to request a continuance on this matter.

Ms. Cavin granted the continuance for Bryson Construction to the June 3, 2003 Board Hearing, license is to remain suspended.

ADJOURNMENT:

The hearing concluded at 12:54 p.m.

Diana V. Alvarado, Recording Secretary

APPROVED:

Margi A. Grein, Executive Officer

Margaret Cavin, Adjudicating Board Member

DISCIPLINARY HEARING

ADJUDICATING BOARD MEMBER: DAVID W. CLARK

16. DISCIPLINARY HEARING:

ADVANCED CONSTRUCTION, LICENSE NO. 46361

Mr. Youness H. Ghanavati, Owner of Advanced Construction; Jim Leslie, Attorney representing Advanced Construction, Mr. & Mrs. Toto, Homeowner; Mr. Hossain, Homeowner, Investigator Gary Leonard were sworn in.

The hearing was for possible violations of NRS 624.3017 (1); NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a); NRS 624.3013 (5), as set forth in NAC 624.640 (5); NRS 624.3013 (5), as required in NRS 624.520 (1); NRS 624.3011 (1) (a).

The Board Hearing File including, but not limited to the Notice of Hearing and Complaint, was entered into the record as Exhibit 1.

An "Out of Pocket Expense Report" provided by the homeowner was presented to the Board as Exhibit 2.

Plans & Specifications were admitted as Exhibit 3.

Advanced Construction entered into a contract with Yahya Hossain to supervise a home construction located at 12990 Welcome Way, Reno, Nevada. Respondent has been paid \$10,000.00 for his supervision services. The project is 100% complete.

Mr. George Toto testified that he had purchased a home located at 12990 Welcome Way, Reno, Nevada from Yahya Hossain. The sale was finalized on March 30, 2000. Numerous workmanship issues were discovered.

Mr. Gary Leonard testified that he validated the workmanship items and issued Notices to Correct for 36 items to which Respondent has not complied. Mr. Leonard stated his review of the contract disclosed that no monetary limit was listed on the contract and the residential recovery fund disclosures were not listed. He further stated there were several items where Respondent departed from the plans and specifications.

Mr. Toto testified that Mr. Hossain represented himself as the owner/builder of the home and did not advise him that Advanced Construction was the General Contractor.

Mr. Toto stated he has contacted Advanced Construction on numerous occasions to repair the items, however, Advanced Construction has been non-responsive and failed to repair the problems over a three-year period. Mr. Toto further stated he recently advised Advanced Construction not to return to the residence to repair any items.

Mr. Ghanavati testified he was not contacted by the homeowner. He stated Mr. Hossain had contacted him after the walk through of the property by the Totos. Mr. Ghanavati stated that the list of items that the homeowner wants repaired keeps getting longer but he is willing to repair the workmanship items.

Mr. Hossain testified that he was the owner/builder of the home. He worked with an architect and hired subcontractors to perform various work at the residence.

Mr. Leslie stated that Advanced has tried to comply with the workmanship issues however, the homeowner has filed civil litigation and will not allow the contractor to repair the items. He further stated that the requirement for residential recovery fund disclosures was not in

effect at the time the contract was negotiated.

Hearing Officer David W. Clark found Advanced Construction, license # 46361, guilty on the 1st, 2nd, 3rd, and 5th causes of action. Mr. Ghanavati was assessed a fine of \$750.00 per violation for a total of \$3,000.00. Investigative costs were assessed in the amount of \$2,068.00 to be paid within 60 days or license will be suspended.

17. ADJOURNMENT:

The hearing concluded at 3:10 p.m.

Respectfully Submitted,

Diana V. Alvarado, Recording Secretary

APPROVED:

Margi A. Grein, Executive Officer

David W. Clark, Adjudicating Board Member