KENNY C. GUINN Governor

#### MEMBERS

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#### **STATE OF NEVADA**



STATE CONTRACTORS BOARD

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## MINUTES OF THE MEETING APRIL 8, 2005

The meeting was called to order by Chairman Randy Schaefer at 2:30 p.m., Friday, April 8, 2005, at the offices of the State Contractors Board, 2310 Corporate Circle, Henderson and 9670 Gateway Drive, Reno, Nevada. <u>Exhibit 1</u> is the Notice of Public Meeting. <u>Exhibit 2</u> is the Sign In Log.

## BOARD MEMBERS PRESENT:

Mr. Randy Schaefer Ms. Margaret Cavin Mr. Spiridon Filios Mr. Jerry Higgins Mr. J. Brian Scroggins

#### **BOARD MEMBERS ABSENT**

Mr. David Clark Mr. Michael Zech

# STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer

## LEGAL COUNSEL PRESENT:

Ms. Laura Browning, Esq.

Ms. Grein stated that the agenda was posted in compliance with the open meeting law at Reno City Hall, Las Vegas City Hall, Sawyer State Building, Clark County Library, Washoe County Court House and Washoe County Library, the Henderson and Reno offices of the Board and on the Board's website.

Ms. Browning indicated that the purpose of the meeting was to receive comments from all interested persons regarding the administrative regulation adopted by the Board pursuant to NRS 40.6887.

Bruce King, representing the Nevada Subcontractors Association and the Coalition for Fairness in Construction, stated his concerns with the present regulation. It is his opinion the current process is difficult for homeowners and he would like to see a simplified procedure where the Contractors Board is the initial contact for a homeowner with constructional defect issues. Mr. King added that the construction industry is willing to pay the investigative costs for construction defect complaints and suggested assessing a predetermined fee as part of the licensing application/renewal process.

Mr. Shaefer indicated the Board is interested in receiving input from all concerned parties before amendments to the regulation are drafted following the enactment of Assembly Bill 537. Mr. Schaefer asked Ms. Grein to explain the procedures used to assess investigative costs under NRS 40.6887 and NRS 624.

Ms. Grein provided an overview of the investigative process and cost recovery for workmanship complaints filed under NRS 624 as well as the current process for submitting questions and disputes and assessing costs under Chapter 40. She noted the Board's regulatory authority falls only within Chapter 624.

Board members Cavin and Higgins suggested that fee assessment proposals should be carefully considered to ensure the fees are appropriately assessed.

John Wilson, representing Raising the Standards of Living (RSL), an organization comprised of the Teamsters Union, Cement and Plasterer's Union, stated he did not support any change to the regulation that would make the process more difficult for the homeowner. He stated that since the regulation was adopted only two years ago, its effectiveness cannot yet be assessed.

Scott Canepa, on behalf of the Nevada Trial Lawyers Association stated today's meeting was suggested following the March 31, 2005 discussion with Assembly Leadership to address the issue of changing the wording in the law from "and" to "or". Mr. Canepa concurred the Board should be available as a non-binding resource for homeowners who need assistance with questions or disputes regarding construction defects under Chapter 40. Other than the word change from "and" to "or", Mr. Canepa stated his only other concern was to address the necessity of the homeowner's participation. He stated many construction defects questions or disputes submitted to the Contractors Board under NRS 40.6887 may not require access to homeowner's residence and based on his interpretation of the statute, a consent form may not be necessary in every situation.

It was determined that an additional meeting be scheduled for Monday, April 18. 2005, at 1:30 p.m. Comments and suggested revisions to the Board's regulation should be electronically transmitted to Ms. Grein by Thursday April 14, 2005.

There being no further comments, the meeting was adjourned at 3:30 p.m.

Respectfully submitted,

Traci Greenlee Recording Secretary

Approved:

Margi A. Grein, Executive Officer