KENNY C. GUINN Governor

#### **MEMBERS**

KIM W. GREGORY Chairman DOUG CARSON MARGARET CAVIN DENNIS K. JOHNSON RANDY SCHAEFER DEBORAH WINNINGHAM SHELTRA MICHAEL ZECH **STATE OF NEVADA** 



**REPLY TO:** 

RENO 9670 Gateway Drive, Suite 100 Reno, Nevada 89511 (775) 688-1141 Fax (775) 688-1271 Investigations (775) 688-1150

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STATE CONTRACTORS' BOARD

# MINUTES OF THE MEETING JULY 25, 2000

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:03 a.m., Tuesday, July 25, 2000, State Contractors' Board, Las Vegas, Nevada. <u>Exhibit A</u> is the Meeting Agenda and <u>Exhibit B</u> is the Sign-In Log.

### **BOARD MEMBERS PRESENT:**

Mr. Kim Gregory - Chairman Mr. Doug Carson Mr. Dennis Johnson Mr. Randy Schaefer Ms. Deborah Sheltra Mr. Mike Zech

# **BOARD MEMBERS ABSENT**:

Ms. Margaret Cavin

#### **STAFF MEMBERS PRESENT:**

Ms. Margi Grein, Executive Officer Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins) 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 Unit Mr. Rick Bertuzzi, Director of Investigations Ms. Doris Talley, Licensing Management Assistant Ms. Mary Ann Enbody, License Analyst Mr. Linc Dante', Investigator Mr. Bob Macke, Investigator Mr. Greg Mincheff, Investigator Mr. Ron Ramsey, Investigator Mr. Roy Schoonmaker, Investigator Mr. Tom Tucker, Investigator Mr. Greg Welch, Investigator Ms. Betty Wills, Recording Secretary

# **OTHERS PRESENT:**

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Gregory Michael Majeroff, President, Cascade Pools Inc; Keith Gregory, Legal Counsel, Cascade Pools Inc. and Morley Investments & Construction; Witnesses: Calvin Whitfield, and Dan Topps; Complainants: Nicholas Lynch, Laura Martinez; and Matthew Lubaway; James Dean, Secretary/Treasurer, Triangle Construction Inc.; Janet Trost, Legal Counsel, Triangle Construction Inc.; Danny Haws, Owner Danny Roger Haws; Kory Rasmussen, President,

## NEVADA STATE CONTRACTORS' BOARD MINUTES OF JULY 25, 2000

Ricochet Inc.; Shawn Marino, General Manger, Aqua Blue Pools; Bruce E. Barber, President, Brents Interiors Floors To Go; Mariano Villa, Owner, Mariano Villa Landscape; Joe Crosby, Owner, Jaycee A/C; Jahannes Lamprecht, Owner, Lamprecht Construction; Scott Fisher, President, Built on Integrity, and John Musser, Representative, Cole Construction; Albert Geoffrey Robins, President, Sun Gold Development; Michelle Stalk, Complainant; John Corrado Richard, Owner, Cobblestone Paving and Exclusive Rockscapes; Joseph Jacarusco, Owner, A Straight Flush Sewer & Drain; Hermann Gerbracht, President, Sun Paradise Pools; Complainants Juan Salvador and Paul Schultz; Joann Noble, Complainant; Larry Jose Cruz, Owner and President, Advanced Plumbing, Advanced Plumbing (A Corporation), Advanced Underground Utilities, and B & L Underground Utilities Inc; Patricia Storey, Frontier Trucking; Ron Schumacher, President, Expert General Contractors; Robert Heim, Complainant; Joseph Kistler, Attorney, Nigro & Associates; Mike Mushkin, Legal Counsel for Dennis Linder, Complainant; Richard Dow, Qualified Officer, Black Mountain Power Services Inc; Frederic Chad Beesley, Partner, Mojave Pools and Mojave Homes; and Elaine Silva, Complainant.

#### \* \* \* \* \* \* \* \* \* \* \* \* \* \* \*

Ms. Grein stated that Linc Dante', Tom Lundberg, and Mike Perko, had posted the agenda in compliance with the open meeting law on July 19, 2000, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. Additionally, the agenda had been posted in each office of the Board, Las Vegas and Reno, and on the Board's Internet web site.

It was learned there were 21 items on the amended agenda, each item of an emergency nature. Additionally, on the regular agenda, the Executive Session was continued until later in the day.

# MR. JOHNSON MOVED TO HEAR THE AMENDED AGENDAS.

# MS. SHELTRA SECONDED THE MOTION.

# THE MOTION CARRIED.

Mr. Gregory called for a motion to approve the minutes of July 11, 2000.

# MR. CARSON MOVED TO APPROVE THE MINUTES OF JULY 11, 2000.

#### MR. ZECH SECONDED THE MOTION.

#### THE MOTION CARRIED.

#### DISCIPLINARY HEARING

**CASCADE POOLS, INC** #32065 - DISCIPLINARY HEARING (Continued from Summary Suspension hearing 6/21/00)

Gregory Michael Majeroff, President, Cascade Pools Inc., was present, along with his attorney, Keith Gregory.

Gregory Majeroff; George Lyford, Director, Special Investigations; NSCB Investigators: Greg Welch and Loyd Mead; Witnesses: Lourdes Sylvestre, Calvin and Mildred Whitfield, Vince Perry, Sally and David Westen, Douglas & Tammy Groom, Dan and Joanna Topps, and Kristin Rhoad; and Complainant Nicholas Lynch, were sworn in.

Mr. Taylor recapped the two previous hearings, which had resulted in a summary suspension of the license.

Attorney Gregory stated he had made a request the previous day to continue the matter,

offering his reasons why. He believed two or three hours were needed to address the issues, and he did not feel there was sufficient time on today's agenda to adequately address them. His request for continuance had been denied.

After some discussion, the Board decided to move forward with the case because of the number of testifiers who were present.

The notice of hearing and complaint, dated June 23, 2000 and consisting of pages 1-88, had been sent certified mail. The return receipt was dated June 26, 2000.

The hearing was for possible violation of NRS 624.3013 (5), as set forth in NRS 624.165 (3) (f); NRS 624.263 (2) (m); NAC 624.6958 (2) (o); NAC 624.6958 (2) (1); NAC 624.6958 (2) (i) (I) (2); NRS 624.600; and NAC 624.640(5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board; NRS 624.3016 (1), any fraudulent or deceitful act committed in the capacity of a contractor; NRS 624.3016 (5), as set forth in NRS 597.716 (3); NRS 597.719 (2); and NRS 597.719 (3), failure to comply with NRS 597.713, 597.716 or 597.719 or any regulations of the board governing contracts for the construction of residential pools and spas; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; NRS 624.301 (4), willful failure or refusal without legal excuse on the part of a licensee as a contractor to prosecute a construction project or operation with reasonable diligence, thereby causing material injury to another; NRS 624.3011 (1) (b) (1), willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; NRS 624.301 (5), 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; and NRS 624.302 (6), failure or refusal to comply with a written request by the board or its designee for information or records, or obstructing or delaying the providing of such information or records.

The hearing notice and complaint was entered into the record as <u>EXHIBIT 1</u>, and the stipulation was signed.

Attorney Gregory waived the formal reading of the charges, and then stipulated to the following, noting the legal arguments:

**First Cause of Action**: Paragraph 5, 7, portions of 9, 10, 12, 13, 14, portions of 15, 16, 17, and 20.

Second Cause of Action: Portions of paragraph 22, and 23.

**Sixth Cause of Action**: Paragraph 6, 7, and 8, which were old contracts. All pools had been completed. Attorney Gregory stipulated to all, with the exception of the allegations that indicated a failure to include in close proximity to the signatures of the owner and contractor, a notice that the owner had a right to request a bond. He believed the contract to be reasonably close to compliance.

Eighth Cause of Action: Paragraph 32.

**Thirteenth Cause of Action**: Attorney Gregory believed his client had complied with all requests for documents, with the exception of those that could not be found. He acknowledged that a request for the documents had been made.

**Fourteenth Causes of Action**: Attorney Gregory acknowledged that United Financial Federal was a corporation in the State of Nevada that used fictitious corporate officers. He did not acknowledge the allegation in Paragraph 49 regarding fraudulent registration, but stated that United Financial Federal was used for financing the customers of Cascade Pools.

**<u>Calvin Whitfield</u>** testified how he became involved with Cascade Pools.

Attorney Gregory objected to Mr. Whitfield's testimony because there was no cause of action for Mr. Whitfield.

Mr. Taylor pointed out that he was establishing how the financing was accomplished. Attorney Gregory agreed to address the financing only.

Subsequently, Mr. Whitfield provided a copy of a check for \$38,000 that had been given to United Financial Federal to clear the foreclosure on his home. Mr. Whitfield then furnished the information leading to the foreclosure attempt.

Attorney Gregory questioned Mr. Whitfield regarding his knowledge of the 25% interest rate of the loan, and established that Mr. Whitfield had voluntarily signed the agreement to finance the pool.

**Daniel Topps** testified regarding his financial arrangements with Cascade Pools. Mr. Majeroff had prepared the loan contract for United Financial Federal, but he did not disclose to Mr. Topps his ownership in the company. Subsequently, when Mr. Topps was threatened with possible foreclosure on his home, he paid Mr. Majeroff \$24,014.15 for building his pool. But he didn't pay the lending company because he had not been provided a paper trail, and he believed Mr. Majeroff was the owner of United Federal Financial and should not be profiting twice from the same transaction.

Attorney Gregory then questioned Mr. Topps.

**Laura Martinez**, Complainant, was sworn in. She testified that on or about April 15, 1999, she had entered into a contract with Cascade Pools to construct a pool at her residence for approximately \$40,903.00. Subsequently, the cost of the pool had been financed with United Federal Financial. She did not know Mr. Majeroff was involved with United until she had involved her attorney. Ms. Martinez said, in the beginning, she did not know what the interest rate was. She did not know it was 31.752%.

Attorney Gregory questioned Ms. Martinez regarding whether she knew the interest rate when she signed the contract. She reiterated she had not known.

When questioned about problems with her pool, Ms. Martinez said she had electrical problems. Questioning then followed regarding page 30 of the hearing notice, acquired from the consumer, which indicated the total amount of the loan and the interest rate.

<u>Matthew Lubaway</u>, Complainant, was sworn in. Mr. Lubaway testified that he had entered into a contract with Cascade Pools for the construction of a swimming pool for a total contract price of \$40,000. Over \$42,000 had been paid. Mr. Lubaway then explained why, as well as why the pool took so long to build. Mr. Lubaway next detailed his involvement with United Federal Financial. He said he had not been aware of Mr. Majeroff's involvement with the company, but ultimately he became suspicious.

Attorney Gregory questioned Mr. Lubaway as to a \$4,000 credit as a concession for the pool delay. Mr. Lubaway did not know if the loan amount had been reduced because he had not received anything indicating such. However, he said he did not agree to the loan reduction. Questioning then followed by Attorney Gregory.

NSCB Investigator Welch testified that the pool permit on the Lubaway pool had been issued on September 21, 1999. Attorney Gregory stipulated to that fact.

<u>Nicholas Lynch</u>, Complainant, testified that on September 9, 1999, he had entered into a contract with Seth Gill, an employee of Cascade Pools, for the construction of a swimming pool by Cascade Pools. The total contract price was \$20,000. The contract

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price was based upon the exchange of personal property from the homeowner to the contractor. The contractor accepted two personal watercraft (jet skis), as partial payment and removed them from the homeowner's property. <u>EXHIBIT 2</u>, an Addendum from Cascade Pools, Inc., dated 9/9/99, was entered into the record, and Mr. Lynch detailed his understanding of the transaction.

Attorney Gregory provided the same Addendum document to the Board, pointing out that the two documents did not match. Mr. Majeroff's copy of <u>EXHIBIT 2</u> was entered into the record as <u>EXHIBIT A</u>.

<u>George Lyford</u>, Director, Special Investigations, was asked to summarize the investigation, which he did, commencing with the 13<sup>th</sup> cause of action regarding the request for documentation.

Chairman Gregory pointed out that he believed that charge had been stipulated to, and that the subpoena had eventually been complied with.

Mr. Lyford continued, testifying regarding the corporate filing of United Federal Financial with the Secretary of State, and the lack of a state mortgage company license, as well as a city business license. Again it was pointed out, this had been stipulated to. When questioned about a federal license, Mr. Lyford said that when he asked Mr. Majeroff if he had any kind of a license whatsoever, Mr. Majeroff had replied no. If there was a federal license requirement, Mr. Majeroff did not know of it.

**<u>Gregory Majeroff</u>** testified that he had made some mistakes. He had set up United Federal Financing approximately 5 years ago to create a niche in the marketplace with the intention to help people get financing, offering loans as low as 0% interest and second chance financing to people who could afford it, but could not get the financing. In all his years in business, he had foreclosed on one home. There was never any deceit or fraud or intention to harm anyone.

The evidentiary was closed.

Chairman Gregory commented about public perception, stating that Mr. Majeroff should have indicated that he and United Federal Financing were one and the same.

The status of complaints currently with the Board was discussed. The general consensus was to leave the license in a suspended state.

MR. CARSON MOVED TO RETAIN THE LICENSE IN A SUSPENDED STATE, AND TO CONTINUE THE MATTER FOR A MAXIMUM OF 60 DAYS FOR FINAL ACTION TO ALLOW THE RESPONDENT TIME TO CLEAN UP THE COMPLAINTS. THE BOARD WOULD REVIEW THE MATTER SOONER IF ALL ISSUES WERE RESOLVED.

# MS. SHELTRA SECONDED THE MOTION.

# THE MOTION CARRIED.

# APPLICATIONS

The following motion closed the meeting to the public.

MR. ZECH MOVED TO CLOSE THE MEETING TO THE PUBLIC.

MR. CARSON 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).

TRIANGLE CONSTRUCTION INC #32494 (B – General Building) CHANGE IN QUALIFIER

James Dean, Secretary/Treasurer, Triangle Construction Inc., was present, along with his attorney, Janet Trost.

Mr. Dean explained what had occurred with his California licenses.

Ms. Mathias provided the Board with a summary of what had occurred in the last meeting in Reno. Mr. Van Vleck had been denied as the qualifier and the remainder of the change in qualifier application had been tabled for another qualifier, as well as financial statements for the corporation and Mr. Dean, and resolution of out-standing tax liens and judgments. Mr. Dean did not disclose the pending judgments, liens or the revocation of his California license in the 1997 license application when Mr. Dean had been added to the license. The California revocations occurred in 1989 for loaning the license, substandard workmanship, and homeowners incurred costs to complete their projects or repair work. Restitution had been ordered, as well as a disciplinary bond.

Mr. Dean asserted he did not remember any 1989 California license revocations. It was noted that, according to the order, Mr. Dean had attended the hearing.

Ms. Trost said Ralph Prior, Mr. Dean's CPA, had attempted to contact the California Tax Board. The tax liens were a result of Mr. Dean's failure to file returns. The IRS eventually turned them into liens. She and Mr. Prior were currently working to resolve the tax liens. The financial statement had been provided. Certified letters had been sent to the Housmans regarding their judgment, which was reflected on Mr. Dean's credit report. Ms. Trost said she had not yet heard from them.

Mr. Dean then spoke to the Housman judgment.

The Board said they would waive the trade exam, but the Construction Management Survey (CMS) exam would be required.

Mr. Dean described how he became involved with Triangle Construction. He bought into the company.

MR. JOHNSON MOVED TO PLACE THE LICENSE ON PROBATION FOR 90 DAYS, WITH MR. DEAN AS THE QUALIFIER. THE TRADE EXAM WAS TO BE WAIVED, BUT MR. DEAN WAS TO TAKE THE CMS EXAM WITHIN 60 DAYS. THE MATTER WAS TO BE BROUGHT BACK TO THE BOARD IF THE ISSUES REGARDING THE TAX LIENS, JUDGMENTS, AND MATTERS RELATED TO THE CALIFORNIA LICENSES WERE NOT RESOLVED.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

## **INTERVIEW**

**DANNY ROGER HAWS** (B2 – Residential & Small Commercial) NEW APPLICATION INTERVIEW

Danny Haws, Owner, Danny Roger Haws, was present.

When asked what type of work he planned to perform, Mr. Haws said small remodel work.

#### MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$50,000, A \$5,000 BOND, A BID LETTER, AND A FINANCIAL REVIEW UPON RENEWAL.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

#### FINANCIAL INTERVIEW

**<u>RICOCHET, INC</u>** #46268 (C10 – Landscape Contracting) FINANCIAL REVIEW ON RENEWAL

The renewal application had been approved on May 23, 2000, conditioned upon an interview to discuss the license limit.

Kory Rasmussen, President, Ricochet Inc, was present. He did not provide a new financial statement.

MR. JOHNSON MOVED TO APPROVE THE LICENSE RENEWAL APPLICATION WITH NO CHANGE IN THE LICENSE LIMIT.

# MR. ZECH SECONDED THE MOTION.

### THE MOTION CARRIED.

The application review was continued, and the remainder of the applications on the agenda was reviewed as time permitted.

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

# MR. JOHNSON SECONDED THE MOTION.

#### THE MOTION CARRIED.

#### **DISCIPLINARY HEARING**

AQUA BLUE POOLS #32761 -DISCIPLINARY HEARING (Continued from 5/9/00)

Walter Welty, Aqua Blue Pools, was present along with Shawn Marino, General Manager, Aqua Blue Pools; Daphne Burras, Complainant; and NSCB Investigators Bob Macke and Greg Welch. In addition Don Beury, Legal Counsel representing complainant Peter Burras, and Kalani Hoo, Legal Counsel for Aqua Blue Pools, were present.

Mr. Taylor stated that the only outstanding issue remaining on the case was whether or not the Burras complaint had been resolved.

Mr. Macke testified that Mrs. Burras had told him that all items had been completed to her satisfaction.

Mr. Taylor said the Board had dismissed the first cause of action. The second cause of action had been paid. The third cause of action related to the Burras complaint. The Licensee had stipulated to the Industry Regulations, and the contract was now in compliance.

Mr. Marino said Mr. Welty had settled with Mr. Kozlowski. Mr. Welch said he had no record

of a call from Mr. Kozlowski. Mr. Macke also said he was not aware of a settlement.

The stipulation was then signed.

The evidentiary was closed.

The current status of the license was active.

# MR. CARSON MOVED TO DISMISS ALL CHARGES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION DID NOT CARRY.

MR. ZECH MOVED TO FIND LICENSE #32761, AQUA BLUE POOLS, IN VIOLATION OF NRS 624.3017 (1) AND NRS 624.3013 (5), AND TO DISMISS ALL OTHER CHARGES.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. ZECH MOVED TO PLACE A ONE-YEAR LETTER OF REPRIMAND INTO THE LICENSE FILE OF AQUA BLUE POOLS, LICENSE #32761; TO IMPOSE THE INVESTIGATIVE COSTS OF \$4,836.81 WITHIN 60 DAYS OR THE LICENSE WAS TO AUTOMATICALLY BE SUSPENDED; AND TO REQUIRE CONFIRMATION THAT THE KOZLOWSKI ISSUE WAS COMPLETE.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

# **APPLICATION HEARINGS**

**BRENTS INTERIORS FLOORS TO GO** - APPLICATION HEARING

Bruce E. Barber, President, Brents Interiors Floors To Go, was present.

The following motion closed the meeting to the public.

# MR. CARSON MOVED TO CLOSE THE MEETING TO THE PUBLIC.

MR. ZECH 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).

The notice of hearing was entered into the record as <u>EXHIBIT 1</u>, and the stipulation was signed.

A financial discussion ensued.

MR. JOHNSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$100, 000 AND A \$10,000 BOND.

MR. SCHAEFER SECONDED THE MOTION.

# THE MOTION CARRIED.

# **SANO DEVELOPMENT** – APPLICATION HEARING

Bryan N. Sanchez, Owner, Sano Development, was not present. Neither legal counsel nor anyone else was present to represent the applicant.

Mr. Taylor stated that the license application had been denied on September 7, 1999 for lack of financial responsibility. Ms. Talley, License Management Assistant, testified that was indeed so.

# MR. JOHNSON MOVED TO DENY THE LICENSE APPLICATION FOR FINANCIAL RESPONSIBILITY.

# MR. ZECH SECONDED THE MOTION.

# THE MOTION CARRIED.

# APPLICATIONS (Continued)

MARIANO VILLA LANDSCAPE (C10 – Landscape Contracting) NEW APPLICATION, RECONSIDERATION

Mariano Villa, Owner, Mariano Villa Landscape, was present.

The license application had been denied on March 21, 2000 for lack of financial responsibility. No new financial information had been provided.

# MR. ZECH MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$10,000, A \$5,000 BOND, AND A FINANCIAL REVIEW UPON RENEWAL.

# MR. JOHNSON SECONDED THE MOTION.

# THE MOTION CARRIED.

JAYCEE A/C (C21 – Refrigeration & Air Conditioning) NEW APPLICATION

Joe Crosby, Owner, Jaycee A/C, was present. The Board informed Mr. Crosby that the license application had been approved with a limit of \$5,000, a \$1,000 bond, and a bid letter.

# **NEVADA PIPELINE** (C1D – Plumbing) NEW APPLICATION, RECONSIDERATION

The license application had been denied on February 23, 2000 for lack of financial responsibility. New financial information had been provided.

Wayne Perez, Owner, was present. He was notified the license application had been approved with a limit of \$25,000, a \$5,000 bond, and a financial review upon renewal.

WESTERN CONCRETE CUTTING (C5 – Concrete Cutting) NEW APPLICATION, RECONSIDERATION

The license application had been tabled for 60 days on May 9, 2000 for new financial information, which had been provided.

Phil Ammar, President, was present. He was notified the license application had been

approved with a limit of \$100,000 and a \$10,000 bond.

CEDCO INC #39144 (C14C – Ornamental Metal) EXTENSION TO REPLACE QUALIFIER

Jonas Stoltzfus, CPA, was present. He was notified the extension to replace the qualifier had been granted for 90 days.

**LAMPRECHT CONSTRUCTION** #22004 (B2 – Residential & Small Commercial) RENEWAL OF EXPIRED LICENSE

Jahannes Lamprecht, Owner, Lamprecht Construction, was present. He represented that he had provided NSCB Investigator Gary Hoid with a financial statement.

The renewal application was approved, conditioned on receipt of the financial statement.

# **BOARDWALK CONSTRUCTION INC** (C3 – Carpentry) NEW APPLICATION

Diane Counihan, Secretary/Treasurer, was present. She was informed the license application had been approved with a limit of \$50,000 and a \$10,000 bond.

**KIRKLAND DEVELOPMENT LLC** #50833 (A – General Engineering) ONE TIME RAISE IN LIMIT

Kirk Brynjulson, Member, was present. He was informed the one time raise in limit for Lynbrook project had been approved for \$1 million, payment and performance bonds, if required.

The application review was continued, and the remainder of the applications on the agenda was reviewed as time permitted.

# MR. JOHNSON MOVED TO REOPEN THE MEETING TO THE PUBLIC.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

#### **EXECUTIVE SESSION**

#### PENDING LITIGATION - HAYDEN BUILDING CORP. VS. NSCB

MR. JOHNSON MOVED TO AUTHORIZE THE SERVICES OF BRUCE ROBB, LEGAL COUNSEL, TO REPLY TO THE HAYDEN SUIT.

#### MS. SHELTRA SECONDED THE MOTION.

In discussion of the motion, Ms. Grein added that she had submitted the complaint to the Attorney General's office.

#### THE MOTION CARRIED.

For the record, Mr. Gregory commented that the Board should not be held responsible for the cost of preparing the reply.

<u>MIKE ROBERT FRITZ DBA PROFESSIONAL HOME DEVELOPERS</u> # 32754 – Petition For Judicial Review (Board Consideration)

Ralph Fellows, Legal Counsel representing Professional Home Developers, was present.

Ms. Grein proposed an offer and compromise modifying the order penalty, pending proof of compliance with terms agreed upon. The Board would enter an Order finding that Respondent has violated the Provisions of Chapter 624, Nevada Revised Statutes, as alleged in the Administrative Complaint.

A Final Order would be entered to include the following modification:

- Respondent will withdraw all petitions, including but not limited to, 'Application for Leave to Present Additional Evidence' and 'Petition for Judicial Review' filed in the First Judicial District Court on July 13, 2000.
- Respondent will reimburse the Board the amount of \$6,049.78 for investigative and legal cost.
- Following proof of compliance with the above, the \$9,000 fine imposed will be waived.

MR. JOHNSON MOVED TO ACCEPT THE OFFER AND COMPROMISE.

MR. ZECH SECONDED THE MOTION.

### THE MOTION CARRIED.

The Executive Session was continued.

### **ADVISORY OPINION:**

**BUILT ON INTEGRITY** #43448 - License Class requirement for Piazza project, No. 66001

Scott Fisher, President, Built on Integrity, and John Musser, Representative, Cole Construction, were present for the advisory opinion.

The scope of work entailed the transportation and erection of QB Technology panels, utilizing epoxy injection capsules for foundation connections. Built on Integrity was questioning whether or not they could perform the work with their A license.

The Board opined that the A classification license held by the Licensee was appropriate to perform the type of work required on the project. But due to the building departments' rights to impose a more stringent requirement, the Licensee may want to consider acquiring the C14 license classification.

#### DISCIPLINARY HEARING

<u>SUN GOLD DEVELOPMENT</u> #34201 - INTERIM STAFF REPORT (Continued from 10/26/99, 1/25/00, 4/18/00, and 5/23/00)

Albert Geoffrey Robins, President, Sun Gold Development, was present.

Tom Tucker, NSCB Investigator, Mike Clark, President, M Y S Drywall, and Kay Graham, Office Manager, R E W Material, was present.

Mr. Taylor recapped the previous hearings and referencing a chart prepared by NSCB Investigator Tucker, Mr. Taylor stated that the total outstanding amount owed to creditors amounted to approximately \$134,732.25. The chart was entered into the record as <u>EXHIBIT 3</u>.

Mr. Robins explained reported on what had since occurred, which was basically nothing due to a new complication.

Mr. Gregory suggested that rather than formal hearings, the Licensee provide staff with monthly updates.

Ms. Mathias reminded the Board that the matter was also a renewal denial hearing.

The general consensus was to bring the matter back to the Board in 6 months, with monthly reviews to be provided to staff.

MORLEY INVESTMENTS & CONSTRUCTION #39166 & #41855 – DISCIPLINARY HEARING (continued from 5/23/00 and 6/21/00)

Roy R. Morley, President, Morley Investments & Construction, was not present. Keith Gregory, Legal Counsel was present to represent the Licensee. Also present was NSCB Investigator Ron Ramsey and Michelle Stalk, Complainant.

Attorney Gregory requested another 30 days continuance to allow the parties more time to attempt resolution. Ms. Stalk agreed with Mr. Gregory.

MR. SCHAEFER MOVED TO CONTINUE THE HEARING FOR 30 DAYS.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

# **RE-HEARING**

COBBLESTONE PAVING #44134 & #44135 – RE-HEARING

EXCLUSIVE ROCKSCAPES #44133 - RE-HEARING

John Corrado Richard, Owner, Cobblestone Paving and Exclusive Rockscapes, was present. As the hearing was a few minutes early, Mr. Corrado waived the time set for the hearing.

John Richard; NSCB Investigators Linc Dante', Greg Welch, and Roy Schoonmaker; and Betty Ruark, Investigator, State Board of Architecture; were sworn in.

Mr. Taylor read an affidavit of Joyce Morris, NSCB Administrative Assistant, into the record, which indicated that Mr. Corrado did not receive the original notice of hearing. Rather, the daughter of an employee had signed for the notice. Mr. Corrado was unable to provide an explanation as to why.

For the record, Ms. Grein stated she did not receive a request from Cobblestone for rehearing, other than a fax copy, and that she did not grant a re-consideration for a rehearing. She did not know why the item was on the agenda.

Mr. Taylor agreed with Mr. Gregory that the matter had been dealt with on a failure to appear basis, but added the complaint had since been amended to include new charges. Testimony had been taken in regards to non-payment concrete accessories; the return of checks stamped non-sufficient funds; and the removal of an architect's seal from a set of plans listed with the building department before resubmitting them to allow the project to move forward.

The notice of hearing and the amended complaint was entered into the record as <u>EXHIBIT</u>, and the affidavit of Joyce Morris was entered into the record as <u>EXHIBIT 2</u>.

A financial statement dated April 22, 2000 had been provided.

Mr. Corrado stated he had provided the board with a letter requesting a re-hearing two weeks after the initial hearing upon learning his license had been revoked. Mr. Corrado then stipulated to the money owing complaints and to the returned checks marked non-sufficient funds.

Mr. Gregory pointed out that if the money owing complaints were still outstanding, a rehearing was pointless. He pointed out that those matters needed to be resolved.

Mr. Corrado stated he was working with the investigators to resolve some of the workmanship complaints, but he needed more time to resolve the money owing complaints.

# MR. CARSON MOVED TO DENY THE REQUEST FOR REHEARING.

# **MS. SHELTRA SECONDED THE MOTION.**

# THE MOTION CARRIED.

# APPLICATIONS (Continued)

A motion to close the meeting to the public was made, seconded, and 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).

The remainder of the applications on the agenda were reviewed and discussion occurred on the following: Nos. 3-11, 13-14, 21-22, 25, 28, 36, 38-39, 43, 49-50, 56, 58, 64, 66, 71, 83, 94, 99-102, 105-106, 108-110, 115, 121, 124, 129, 132, 138-141, 144-148, and 151; and on the amended agenda: Nos. 6-7, 10, 14, and 17.

A motion to open the meeting to the public was made, seconded, and carried.

**EXECUTIVE SESSION** (Continued)

# **CONSIDERATION OF PROPOSED REGULATIONS REQUIRED UNDER NRS 624**

The possible usage of Administrative Citations was addressed, and Ms. Grein stated she and Mr. Taylor would begin drafting several of the regulations for review at a public hearing.

## CONSIDERATION OF PROPOSED BILL DRAFT REQUEST FOR 2001 LEGISLATIVE SESSION

The B license classification was addressed, and further discussion of it was postponed to the Board's workshop.

Ms. Grein addressed legislation, which had been given to her by Richard Peel regarding the revision of lien laws, prompt pay, and no pay. She requested the Board review the language. Mr. Gregory, in turn, suggested changing the language to disbar an attorney who filed an illegal lien or to allow the wronged party to file against that attorney for damages.

#### BOARD GOVERNANCE INVESTIGATIONS AND ENFORCEMENT

A dialogue ensued regarding Board members working in unison and following protocol regarding complaints and enforcement.

# LAS VEGAS OFFICE SPACE

Ms. Grein noted that the Las Vegas office had outgrown the current office space. The Board approved a search for new office facilities.

# DISCIPLINARY HEARINGS

# <u>A STRAIGHT FLUSH SEWER & DRAIN</u>, An Unlicensed Contractor - DISCIPLINARY HEARING

Joseph Jacarusco, Owner, A Straight Flush Sewer & Drain, was present.

George Lyford, Director, Special Investigations, was sworn in.

The notice of hearing and complaint, dated May 24, 2000 and consisting of pages 1-20, had been sent certified mail. The return receipt was received dated June 1, 2000.

The hearing was for possible violation of NRS 624.3013 (5), as set forth in NRS 624.720 (1) and (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board: it is unlawful for any person, including a person exempt under the provisions of NRS 624.031, to advertise as a contractor unless he has a license in the appropriate classification established by the provisions of NRS 624.215 and 624.220, and if, after giving notice and holding a hearing pursuant to NRS 624.291, the board determines that a person has engaged in advertising in a manner that violates the provisions of this section, the board may, in addition to any penalty, punishment or disciplinary action authorized by the provisions of this chapter, issue an order to the person to cease and desist the unlawful advertising and to cause any telephone number included in the advertising, other than a telephone number to a provider of paging services, to be disconnected.

The notice of hearing was entered into the record as <u>EXHIBIT 1</u>. A copy of the July 2000 Yellow Pages was entered as <u>EXHIBIT 2</u>.

Mr. Lyford testified that a licensed contractor had referred the matter to the Board because of current advertising in the Yellow Pages under plumbing contractors for "A Straight Flush Sewer and Drain." Mr. Jacarusco had been provided with copies of the law, and he had been advised that the board intended to move forward with the disconnect order unless the advertisement was changed to another section unrelated to contracting. The matter began with the January 2000 issue of the Yellow Pages and has now continued through the July 2000 issue of the yellow pages. A cease and desist order had also been issued in August 1998 for advertising as an unlicensed contractor.

Mr. Jararusco testified that he came in and talked to someone at the Las Vegas board office that had told him all he had to do was start advertising as "service and maintenance" under the same classification. He said his ad did not say he was a plumber. The only reason he wanted his ad where it was was because it was the first page in the yellow pages. Mr. Jararusco said he only cleaned sewers and drains.

Mr. Lyford confirmed that Mr. Jararusco did speak to one of the other investigators who was not familiar with this aspect of the investigation.

When asked what type of work he performed, Mr. Jararusco said sometimes he had to disassemble and reassemble a plumbing trap to remove hair.

Mr. Jararusco was informed he needed to remove his ad under plumbing or he needed to get licensed.

The evidentiary was closed.

#### MR. ZECH MOVED TO DISCONNECT THE PHONE OF A STRAIGHT FLUSH SEWER & DRAIN AS OF THE NEXT PRINTING OF THE PHONE BOOK IF THE AD REMAINED UNDER PLUMBING CONTRACTING WITHOUT THE COMPANY ACQUIRING A PLUMBING LICENSE.

# MR. JOHNSON SECONDED THE MOTION.

# THE MOTION CARRIED.

# **SUN PARADISE POOLS** #3580 - DISCIPLINARY HEARING (Continued from 6/20/00)

Hermann Gerbracht, President, Sun Paradise Pools; NSCB Investigators Bob Macke and Greg Welch; and Complainants Juan Salvador, and Paul Schultz, were sworn in.

Mr. Gerbracht waived the formal reading of the charges.

The notice of hearing and complaint, dated May 9, 2000 and consisting of pages 1-33, had been sent certified mail. The return receipt was dated May 25, 2000.

The hearing was for possible violation of NRS 624.3011 (1) (b) (1), willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; NRS 624.3016 (5), as set forth in NRS 597.716 (3), 597.719 (2) and 597.719 (3), failure to comply with NRS 597.713, 597.716 or 597.719 or any regulations of the board governing contracts for the construction of residential pools and spas; NRS 624.3013 (5), as set forth in NAC 624.6958 (2) (i) (1) and (2); NAC 624.6958 (2) (1); NAC 624.6958 (2) (o); NAC 624.6964; NAC 624.640 (5); and NRS 624.321 (1) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board; 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; and NRS 624.3013 (3), failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board.

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

Mr. Salvadore testified that he had entered into a contract with Respondent for the construction of a swimming pool at his residence for a total contract amount of \$19,830. Mr. Salvador had paid the full amount of the contract. Mr. Salvadore then detailed the workmanship issues he had encountered, and stated he had to pay another company to install the auto fill valve, which had originally not been installed. There were liens on the property in the approximate amount of \$4,100. The subcontractors had not been paid, and, to date, the liens had not been removed. When Mr. Salvadore attempted to contact the Licensee, he learned he was gone.

Mr. Macke testified that he had validated the workmanship issues. A notice to correct had been sent on March 31, 2000, and a final notice to correct had been sent on April 21, 2000. Additionally, there had been a request for financial documents, but none had been provided.

Mr. Welch testified that he had validated the violations of the Industrial Regulations.

The current status of license was active.

Mr. Schultz testified that on February 15, 2000, he had entered into a contract with the Respondent for the construction of a swimming pool at his residence for a total contract amount of \$25,500. Mr. Schultz had paid \$4,400 toward the contract amount. At some point, Mr. Schultz learned that a building permit had not been pulled. Subsequently, Mr.

Schultz had to hire another contractor, Desert Springs, to finish to the pool.

Mr. Welch testified that he had validated the violations of the Industrial Regulations.

Mr. Gerbracht testified that a permit had been pulled on Mr. Schultz' pool. There had been a delay on the pool because the plans had been changed. He said he had to sign a release to Desert Springs to allow them to use Sun Paradise Pools' permit to construct the Schultz pool. He provided that document to Mr. Taylor. Mr. Gerbracht also provided a Mr. Taylor with a schedule of payment indicating how the \$4,400 had been distributed. Mr. Gerbracht then said he ceased and desisted because he was having a hard time collecting the schedule payments from Mr. Schultz. Mr. Schultz had told him to start the pool, but Mr. Gerbracht provided Mr. Taylor with a letter he had sent to Mr. Schultz as to why he had ceased and desisted. Basically, Mr. Schultz's financing had been turned down. A copy of the letter and the pay out was also provided to Mr. Taylor.

Mr. Gerbracht then spoke to the Salvador issue, saying that there was an addendum that had not been collected for \$1,250 for a soil report. Mr. Salvadore had agreed to it prior to the purchase of the pool. Mr. Gerbracht said he did not understand why Mr. Salvadore had \$4,100 in liens because he had paid Davis Concrete, who applied it to another job that Mr. Gerbracht owed them money for, but all the money collected from Mr. Salvadore was used to pay subcontractors.

Mr. Salvador said B & B filed the lien because Mr. Gerbracht had not paid them.

A financial statement had not been provided. Mr. Gerbracht said he had not performed any work or solicited any business since late February or early March. He was financially unable to go on.

Mr. Gerbracht's documentation was entered into the record as follows: the release of permit as <u>EXHIBIT A</u>; the schedule of payment as <u>EXHIBIT B</u>; and the cease and desist letter to Mr. Schultz, along with the pay out as <u>EXHIBIT C</u>.

The invoice from Davis Corporation was entered into the record as <u>EXHIBIT 2</u>, and the permit was entered into the record as <u>EXHIBIT 3</u>.

The stipulation was signed.

The evidentiary was closed.

MS. SHELTRA MOVED TO FIND LICENSE #33580, SUN PARADISE POOLS, IN VIOLATION OF ALL CHARGES.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

MS. SHELTRA MOVED TO REVOKE LICENSE #33580, SUN PARADISE POOLS.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

MS. SHELTRA MOVED FOR FULL RESTITUTION TO ALL DAMAGED PARTIES, AND RECOVERY OF THE INVESTIGATIVE COSTS OF \$3,046.53 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. ZECH SECONDED THE MOTION.

## THE MOTION CARRIED.

## **GREENVIEW LANDSCAPE SERVICES** #43965 - DISCIPLINARY HEARING

Robert Lee Shiroky and Steven Geff Williams, Partners, Greenview Landscapes Services, were not present. Neither was legal counsel or anyone else present to represent the Licensee.

Joann Noble, Complainant, and NSCB Bob Macke were sworn in.

The notice of hearing, dated May 9, 2000 and consisting of pages 1-17, had been sent certified mail to the address of record, 273 Helmsdale, Henderson, Nevada 89014, as well as a possible address, 5716 Ocean Beach Drive, Las Vegas, Nevada 89129. The return receipt had not been received. Envelopes had been returned by the post office stamped "Unclaimed" and "Forward Expired." Bob Macke attempted personal service. See Affidavit of Hand Delivery.

The hearing was for possible violations 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), as set forth in NAC 624.700 (3) (a), NAC 624.640 (5), NRS 624.270 (3), and NAC 624.640 (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the order to correct; by the failure of an applicant or licensee to file or maintain in full force the required bond or to establish the required cash deposit constitutes cause for the board to deny, revoke, suspend or refuse to renew a license; and if any change occurs in a licensee's address or personnel which affects the accuracy of the statements in the application upon which his license is based, he shall report the change in writing to the board within 30 days after the change occurs; 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 monetary limit placed upon his license.

The notice of hearing was entered into the record as <u>EXHIBIT 1</u>. The affidavit of Bob Macke was entered as <u>EXHIBIT 2</u>.

The current status of the license was suspended for no bond as of December 15, 1998. There had been no attempt to renew.

Ms. Noble testified that she had entered into a contract with the Respondent to landscape her backyard for \$2,450. She had a major water problem. She was unable to run the sprinklers for more than five minutes without major flooding. The slope of the backyard and patio had been installed toward the house. Seven photographs were entered into the record as <u>GROUP EXHIBIT 3</u>. Ms. Noble then detailed what the Respondent had attempted to do thereafter to correct the problem.

In testimony, Mr. Macke identified what was contained in each of the photographs. He said correction notices had been sent to the Respondent without any response. Mr. Macke validated all the allegations contained in the complaint.

The evidentiary was closed.

It was learned that Perry Concrete had installed the patio.

# MR. JOHNSON MOVED TO ACCEPT THE FILE AND TESTIMONY AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

MR. ZECH MOVED TO FIND LICENSE #43965, GREENVIEW LANDSCAPE SERVICES, IN VIOLATION OF ALL CHARGES.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. ZECH MOVED TO REVOKE LICENSE #43965, GREENVIEW LANDSCAPE.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. ZECH MOVED TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO IMPOSE THE INVESTIGATIVE COSTS OF \$2,059.41 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

The Board directed staff to investigate Perry Concrete.

ADVANCED PLUMBING #37664 - DISCIPLINARY HEARING

ADVANCED UNDERGROUND UTILITIES #37415 – DISCIPLINARY HEARING

ADVANCED PLUMBING #45467 - DISCIPLINARY HEARING

**<u>B & L UNDERGROUND UTILITIES INC</u>** #30720 – DISCIPLINARY HEARING

Larry Jose Cruz, Owner and President, Advanced Plumbing, Advanced Plumbing (A Corporation), Advanced Underground Utilities, and B & L Underground Utilities Inc; NSCB Linc Dante'; Rick Bertuzzi, Director of Investigations; and Patricia Storey, Frontier Trucking, were sworn in.

The notice of hearing and complaint, dated May 16, 2000 and consisting of pages 1-43, had been sent certified mail to Respondent's addresses of record, 8635 W. Sahara Ave., Ste 571, Las Vegas, Nevada 89117, and 3400 W. Sirius Ave., Suite D, Las Vegas, NV 89102. No return receipt was received. Investigator Linc Dante' attempted hand delivery with no success at either address.

The hearing was for possible violation of NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor; NRS 624.3013 (3), failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board; NRS 624.3013 (5), as set forth in NAC 624.700 (3) (b), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the order to correct, and NRS 624.3018 (2), the performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action likewise constitutes a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership, corporation, firm or associate

Mr. Cruz waived the formal reading of the charges.

The notice of hearing was entered into the record as <u>EXHIBIT 1</u>, and the stipulation was signed.

Mr. Taylor stated that there was only one active license #45467, Advanced Plumbing. The other licenses were inactive, not renewed. There were four money owing complaints and failure to appear at an administrative meeting, and failure to provide financial responsibility documents.

Patricia Storey testified that Frontier Trucking had supplied services to the Respondent for a total amount of \$3,471.04. Frontier Trucking had not been paid, and this fact had been brought to the attention of the Respondent. The Respondent had admitted he owed the money, but he, himself, had not been paid. Later, Ms. Storey learned he had been paid. The Respondent had then said he would try to make monthly payments, but had failed to do so.

SNB, Complainant, was not present, but both Mr. Dante and Mr. Bertuzzi validated the money owing complaints.

Mr. Bertuzzi testified that a request for financial documents had been sent on 10/13/99. There had been no response.

Mr. Cruz testified that the money owed to Frontier Trucking was for a job for which he was never paid. He said he did try to arrange some type of payment with Frontier, however, the three jobs he had been performing at the time were schools. He was still litigating on those three jobs with Skidmore Contracting, who was no longer in town. He also did another job for West Coast Builders. The owner had told Ms. Storey he would pay the debt for the material for the property on Eastern and Harmon. He only learned later that Frontier had not been paid. Mr. Cruz said Advanced Plumbing went out of business in 1998. The school jobs buried him. B & L Underground had not in existence since 1991. Mr. Cruz said he was in the hole for \$322,000 because of Skidmore Contracting, Tim Logan Construction, and West Coast Builders. When he filed complaints against the contractors, he said the investigators had told him there was nothing the board could do for him, he had to take legal action. His legal fees currently amounted to \$15,000. Mr. Cruz said he was filing for a Chapter 7 on Friday July 28, 2000. Mr. Cruz said he was now employed as a Superintendent for Keystone Construction.

Ms. Storey said West Coast Builder's did pay her. Mr. Cruz's outstanding amount was for a different job, The Great Balloon. Mr. Cruz countered that The Great Balloon owed him a ton of money, for which he had filed a complaint.

The evidentiary was closed.

Mr. Cruz was advised to file a complaint against each contractor who owed him money.

### MR. CARSON MOVED TO FIND LICENSE #37415, #37664, #45467, AND #30720 IN VIOLATION OF ALL CHARGES.

# MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO REVOKE LICENSE #37415, #37664, #45467, AND #30720; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$3.629.59 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF NEVADA.

# **MS. SHELTRA SECONDED THE MOTION.**

# THE MOTION CARRIED.

# ACI #15756 – DISCIPLINARY HEARING

# WMS #37924 – DISCIPLINARY HEARING

Dean Michael Peterson, President, A C I and W M S, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

Ron Schumacher, President, Expert General Contractors, NSCB Investigator Tom Tucker, Robert Heim, Complainant, and Rick Bertuzzi, Director of Investigations, were sworn in.

The notice of hearing and complaint, dated May 30, 2000 and consisting of pages 1-56, had been sent certified mail. The return receipt was dated June 1, 2000.

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), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to committed in the capacity of a contractor; NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor; NRS 624.3013 (3), failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board, and NRS 624.3018 (2), the performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action likewise constitutes a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership, corporation, firm or association, and who participated in such prohibited act or omission.

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

Mr. Taylor stated that the matter regarded one workmanship issue and the issue of the Respondent taking money to which he was not entitled.

Ron Schumacher testified that based on a working agreement between Respondent and Expert General Contractors, Respondent submitted a bid to Robert Heim to convert a mobile home into real property. Mr. Schumacher then explained the business relationship he had with ACE and Paradise Construction. In Mr. Hem's case, Expert General started and completed the job. When the project had been completed, Mr. Schumacher attempted to collect on the construction loan of \$26,336. He learned that Dean Peterson had somehow coerced the Title Company into believing he had been the contractor on the job, and they cut the check to him, which Mr. Peterson has refused to pay to Expert General Contractors. Subsequently, Expert General placed a lien on Mr. Heim's property for the purpose of forcing Mr. Peterson to release the money. Tuff Shed had also been involved in the project, and they too filed a lien on the property. Mr. Schumacher said had he been paid, he would have paid Tuff Shed.

Mr. Bertuzzi testified that the Respondent had appeared for the administrative meeting. It was his contention that he had the right to collect the money because it had been their contract originally.

Mr. Schumacher said he had paid all of the material suppliers in full. Nothing was owed on Mr. Heim's job with the exception of Tuff Shed, who did not have a contract with Expert

General.

Mr. Bertuzzi validated that the Respondent had been asked to supply documents to establish financial responsibility, but none had been supplied. Mr. Bertuzzi added that Mr. Dean was also the President of Westernair Manufacturers Services Inc (WMS).

Sharon LeFand, Complainant was in California. Investigator Tucker said the California phone number he had was disconnected. Mr. Tucker testified he had validated all workmanship issues, and that notices to correct had been sent, but had not been responded to.

The evidentiary was closed.

MR. JOHNSON MOVED TO ENTER THE FILE AND TESTIMONY AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW.

**MS. SHELTRA SECONDED THE MOTION.** 

THE MOTION CARRIED.

MR. CARSON MOVED TO FIND LICENSE #15756 AND #37924 IN VIOLATION OF ALL CHARGES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO REVOKE LICENSE #15756 AND #37924; AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,942.10 PRIOR TO ANY CONSIDERATION FOR FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. Sheltra SECONDED THE MOTION.

THE MOTION CARRIED.

NIGRO & ASSOCIATES #23302 - DISCIPLINARY HEARING (Continued from 5/25/99, 6/23/99, 7/27/99, 10/26/99 and 3/21/00)

Edward Michael Nigro, Owner, Nigro & Associates, was not present, but his attorney, Joseph Kistler, was present to represent him. Mike Mushkin, Legal Counsel, was also present with his client Dennis Linder, Complainant.

Mr. Griffy stated that Mr. Mushkin was going to address the Board regarding the complaint against Nigro. They were going to take their differences to arbitration.

Mr. Mushkin stated they had been through the process and had agreed that in return for his client's withdrawal, the fact of the withdrawal could not be used in the arbitration although any of the documentation that was created as a result of this process could be used. On the assurance of Nigro and Associates, the arbitration would occur within 90 days or the first available date thereafter. Both parties had agreed on an arbitrator and the dispute would be taken there.

Mr. Kistler agreed with Mr. Mushkin. All issues would be in arbitration, and all complaints would be withdrawn.

MR. CARSON MOVED TO ACCEPT THE WITHDRAWAL OF THE COMPLAINT AGAINST NIGRO & ASSOCIATES.

# MR. JOHNSON SECONDED THE MOTION.

# THE MOTION CARRIED.

# **APPLICATIONS** (Continued)

The following motion closed the meeting to the public.

# MR. ZECH MOVED TO CLOSE THE MEETING TO THE PUBLIC.

# MR. JOHNSON 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).

**BLACK MOUNTAIN POWER SERVICES INC** (C2F – Lines to Transmit Electricity) NEW APPLICATION

**BLACK MOUNTAIN POWER SERVICES INC** (A17 – Lines to Transmit Electricity) NEW APPLICATION

Richard Dow, Qualified Officer, had been present in the morning, but had to leave before the Board reviewed his license applications, which had been denied for lack of financial responsibility. Mr. Dow had now returned.

Mr. Dow described what type of work the company intended to perform. It was learned that the company would be working for the utility company.

MR. CARSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LIMIT OF \$50,000 AND A \$5,000 BOND.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED.

**MOJAVE POOLS** #46460 – DISCIPLINARY HEARING (Continued from 5/9/00)

**MOJAVE HOMES** #46461 - DISCIPLINARY HEARING (Continued from 5/9/00)

Frederic Chad Beesley Partner, Mojave Pools and Mojave Homes, was present with F. Adam Beesley. Also present was NSCB Investigator Greg Mincheff, and Elaine Silva,

Complainant, were present.

Mr. Taylor recapped the previous meeting.

Mr. Mincheff provided photographs to the Board, which were entered into the record as <u>GROUP EXHIBIT 2</u>. The photos represented the current status of the project, which was incomplete as such. Mr. Mincheff then explained what each photo represented. He also detailed his attempts to correspond with the Licensee.

Mr. Beesley provided the Board with the current status of the pool, and the reason it was taking as long as it was to finish the pool. He anticipated that the pool would be finished within a week.

The evidentiary was reopened.

Bob Portnoff was sworn in and testified as an expert witness. He stated that he had 40 years in the pool business building various types of pools. Mr. Portnoff then provided the Board with his opinion of the condition of the pool and the methodology being used to correct the problems with the pool. He said that when he saw the pool, it was in terrible condition.

Mr. Beesley countered by detailing how the walls had been put back in place.

Ms. Silva expressed her concerns.

The evidentiary was closed.

# MR. CARSON MOVED TO SUSPEND LICENSE #46460 AND #46461 UNTIL THE BOARD'S INVESTIGATOR CONFIRMED THE COMPLETION OF THE POOL, AND TO CONTINUE THE HEARING FOR 30 DAYS.

# **MS. SHELTRA SECONDED THE MOTION.**

# THE MOTION CARRIED.

<u>CALIFORNIA POOLS AND SPAS</u> #19277 – DISCIPLINARY HEARING (Continued from June 20, 2000)

David Grant Morrill, President, California Pools and Spas, was not present, but Clark Coberly, Vice President, California Pools and Spas, was present to represent the Licensee.

NSCB Investigator Greg Mincheff testified the project was complete.

The evidentiary was closed.

# MR. ZECH MOVED TO FIND LICENSE #19277, CALIFORNIA POOLS AND SPAS, IN VIOLATION OF ALL CHARGES.

# MS. SHELTRA SECONDED THE MOTION.

# THE MOTION CARRIED.

MR. ZECH MOVED TO PLACE A ONE-YEAR LETTER OF REPRIMAND INTO THE FILE OF LICENSE #19277, CALIFORNIA POOLS AND SPAS, AND TO IMPOSE THE INVESTIGATIVE COSTS OF \$4,416.59, TO BE PAID WITHIN 60 DAYS OR THE LICENSE WAS TO BE AUTOMATICALLY SUSPENDED.

MS. SHELTRA 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 3:45 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

**APPROVED:** 

Margi Grein, Executive Officer

Kim Gregory, Chairman