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

LAS VEGAS 4220 So. Maryland Parkway Building D, Suite 800 Las Vegas, Nevada 89119 (702) 486-1100 Fax (702) 486-1190 Investigations (702) 486-1110

STATE CONTRACTORS' BOARD

MINUTES OF THE MEETING SEPTEMBER 26, 2000

The meeting of the State Contractors' Board was called to order by Vice-Chairman Mike Zech at 8:35 a.m., Tuesday, September 26, 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. Mike Zech, Vice Chairman Mr. Doug Carson Ms. Margaret Cavin Mr. Dennis Johnson Mr. Randy Schaefer Ms. Deborah Sheltra

BOARD MEMBERS ABSENT:

Mr. Kim Gregory

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
Mr. Frank Torres, Deputy Director of Investigations
Mr. Roy Schoonmaker, Supervisor, Criminal Investigations
Mr. Bob Macke, Investigator
Mr. Greg Mincheff, Investigator
Mr. Ron Ramsey, Investigator
Mr. Greg Welch, Investigator
Ms. Marikay Mack, Recording Secretary

OTHERS PRESENT:

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Laryn Hill, Divisional Manager, The Home Service Store; Robert Knott, Attorney, Southwest Colored Rock; Danforth W. Davis, Representative, Grisham Consulting Services Inc.; Cary Harned, Facilities Manager, Opportunity Village; Sherman Stringer, President, E D S Plumbing; Kenneth Stewart, President, Stewart & Sundell Concrete Inc.; Kris Sundell, Vice President, Stewart & Sundell Concrete Inc.; Kris Sundell, Vice President, Stewart & Sundell Concrete Inc.; Keith Gregory, Legal Counsel, Cascade Pools Inc, C R I Electric Inc, and Jetstream Construction Inc; Pauline Dabbs, Project

Manager, O'Rourke Plumbing; Michael Little, Representative, Ahern Rentals; Jeff Carson, Representative, City of Las Vegas, Department of Building & Safety; Charles Field, President, Edison Electric; Edison Thomas Jr., Lighting Specialties; CiCi Cunningham, Attorney, Edison Electric Inc; Steve Seivert, Vice President, Haydon Building Corp; Les Keeble, Representative, Haydon Building Corp; Ralf and Nancy Sealy, Colorado Bridge & Iron; George Ogilvie, Attorney, Haydon Building Corp; Chris Albright, Attorney, Colorado Bridge and Iron; Bill Bogard, Owner, W M Bogard; Oussama Beyom, President, O B Construction; Paul Marshall, President, P W Construction; John Field, Former President, Jetstream Construction Inc; John Steven Dombrowski, President of Jetstream Construction Inc; Edward Sulities, Owner, D & E Maintenance; Ronald Nelson Brady, President, Premiere Management Service; Kenneth James Peardon, Owner, Peardon Construction; Jordan Primack, Qualified Employee, Chateau Custom Homes; Daniel T. Willey, Qualified Employee, Mac Mar Inc; Robert McMakin, President, Mac Mar Inc; Robert Erickson, Representative, Hillside Development; Karl H. Linsenbardt, Owner, Signature Door and Trim; and Frank Savala, Partner, Aqua Pools & Spas.

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Ms. Grein stated that Tom Lundberg and Mike Perko had posted the agenda in compliance with the open meeting law on September 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 27 items on the amended agenda, each item of an emergency nature.

MR. JOHNSON MOVED TO HEAR THE AMENDED AGENDA.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Zech called for a motion to approve the minutes of September 12, 2000.

MR. CARSON MOVED TO APPROVE THE MINUTES OF SEPTEMBER 12, 2000.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

ENFORCEMENT ADVISORY COMMITTEE

MS. SHELTRA MOVED TO APPROVE THE SETTLEMENT OF RAWHIDE CONSTRUCTION, LICENSE #42672, AND IDEAL CONCRETE, LICENSE #48620.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

EXECUTIVE SESSION

DEPARTMENT REPORTS

Rick Bertuzzi, George Lyford and Frank Torres submitted Investigation Department Reports, and Nancy Mathias submitted the Licensing Report.

PENDING LITIGATION STATUS REPORT

Ms. Grein presented the pending litigation status report.

ADVISORY OPINIONS

1. **<u>THE HOME SERVICE STORE</u>** – LICENSING REQUIREMENTS

Lauren Hill, Divisional Manager, The Home Service Store, was present for the advisory opinion.

The Home Service Store provides referrals to their clients of contractors around the valley. They do background, insurance, and licensing requirement checks on contractors and add them to a database for their clients.

Ms. Sheltra questioned what kind of responsibility did the Home Service Store take if they referred a contractor that performed faulty or unacceptable work.

Ms. Hill stated that the homeowner was protected, and if they were not satisfied, the Home Service Store would find another contractor without charging an additional fee.

The Board opined that a license was not required to only act as a referral service.

2. **HARDY CONSTRUCTION**– License Requirements for Parkdale Pool Renovation.

No one was present for the advisory opinion.

Hardy Construction inquired as to whether a B2 license would be sufficient for the scope of work represented in the advisory opinion request form as it related to the Parkdale Pool Renovation.

The Board opined that a B2, Residential and Small Commercial, contractor could act as the prime contractor on this project.

DISCIPLINARY HEARINGS

SOUTHWEST COLORED ROCK #43020 - DISCIPLINARY HEARING (Continued from June 20, 2000)

Robert Earl Ford, President, Southwest Colored Rock, was not present. Attorney Robert Knott was present to represent him.

Danforth W. Davis, Representative, Grisham Consulting Services Inc., Cary Harned, Facilities Manager, Opportunity Village, and NSCB Investigators Greg Mincheff and Greg Welch were sworn in.

Mr. Taylor presented his case and reminded the Board that the case had already been heard on June 20, 2000. The Board had continued the matter for 90 days to allow the parties time to discuss resolution and for the Licensee to provide a new financial statement. He then asked if any attempt had been made by Mr. Ford to settle the dispute.

Ms. Harned stated that Mr. Ford had not contacted her regarding the money owing issue.

Ms. Sheltra asked why Mr. Ford was not available for the hearing.

Mr. Knott noted that his client was out of town.

A motion was then made, seconded, and carried to close the meeting to the public to review the financial information that had been provided.

The Board reviewed the financial statement of Southwest Colored Rock

MS. SHELTRA MOVED TO REOPEN THE MEETING TO THE PUBLIC.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

Ms. Sheltra questioned if liens remained on Opportunity Village.

Ms. Harned stated that Opportunity Village had taken care of all liens.

Mr. Carson questioned if Opportunity Village was in a negative position from dealing with the contractor.

Ms. Harned responded that Opportunity Village was out-of-pocket for the liens and other issues concerning the project.

Mr. Knott noted that the problem was the subcontractors that had not finished the jobs they were required to perform in a timely manner, thereby causing his client not to complete his portion of the project. Mr. Knott then offered to produce more evidence at a later date when Mr. Ford could attend the meeting.

Mr. Carson stated that the Board was disappointed that Mr. Ford was not available at this hearing.

Mr. Knott stated that his client did not know he was supposed to attend the hearing, he was only aware that he needed to submit a financial statement.

Ms. Cavin asked if there had been negotiations between the two parties.

Mr. Knott stated that Mr. Ford had made no attempt to negotiate a resolution.

At this point, Mr. Carson abstained because of a previous business relationship with the contractor.

MS. SHELTRA MOVED TO FIND LICENSE #43020, SOUTHWEST COLORED ROCK INC., IN VIOLATION OF NRS 624.301 (1) AND (4).

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED. (MR. CARSON ABSTAINED)

MR. SCHAEFER MOVED TO IMPOSE AN ADMINISTRATIVE FINE OF \$5,000 AND TO RECOVER THE INVESTIGATIVE COSTS OF \$3,015.02, BOTH TO BE PAID WITHIN 30 DAYS OR THE LICENSE WOULD BE AUTOMATICALLY SUSPENDED.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED. (MR. CARSON ABSTAINED)

MR. JOHNSON MOVED TO DISMISS THE CHARGE OF NRS 624.3013 (3), FAILURE TO ESTABLISH FINANCIAL RESPONSIBILITY.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.(MR. CARSON ABSTAINED)

EDSPLUMBING #37691A - DISCIPLINARY HEARING

Sherman Stringer, President, E D S Plumbing, and NSCB investigator Ron Ramsey were sworn in. Attorney Laurence Davidson, representing Sherman Stringer, was identified.

The notice of hearing and complaint, dated July 31, 2000 and consisting of pages 1-11, had been sent certified mail. The return receipt was dated August 11, 2000.

The hearing was for possible violation of 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; NRS 624.3015 (2), bidding to contract or contracting for a sum for one construction contract or project in excess of he limit placed on the license by the Board; and NRS 624.3013 (5), as set forth in NAC 624.640 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the Board.

Mr. Davidson notified the Board that he had just been hired a couple of days before the hearing. Therefore, he requested a continuance in order to become fully prepared and to provide the documents the Board had requested. He stated that he anticipated admitting to the violations, but he didn't want to do so until he was fully prepared.

Mr. Taylor asked why Mr. Davidson was hired just previous to the hearing.

Ms. Sheltra stated that Mr. Stringer had more than enough time to hire representation.

Mr. Zech asked if Mr. Davidson would stipulate to the violations.

Mr. Davidson refused on the grounds that he was unprepared.

MS. SHELTRA MOVED TO PROCEED WITH THE HEARING.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

When Mr. Taylor asked to waive the formal reading of the charges, Mr. Davidson requested that the charges be read. Additionally, the stipulation was not signed.

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

Mr. Taylor questioned if the bids for Cozi Hills Circle Middle School and the Pavilion Center Drive Middle School were both bid outside the EDS bid limit.

Mr. Ramsey testified that the Middle School bids were above the license limit of EDS Plumbing.

Mr. Taylor questioned if a request for contracts and other documents relating to the bids had been made.

Mr. Ramsey stated that the request had been made on August 6, 2000 and that no response had been received.

Mr. Taylor then questioned if license number and bid limits had been included on the bid. Mr. Ramsey responded no. Mr. Stringer stated that he had not prepared the bid. He had hired a bidding firm to bid for him. He said he had submitted 7 bids and had called each client to notify them of his license limit of \$700,000.00. There had been no intent on his part to defraud anyone. In the past, he had bid jobs that had been above his limit and afterward submitted a one-time raise (OTR) in limit application to the Board. He said he didn't know that he was supposed to submit his OTR request prior to the bidding process.

Ms. Sheltra pointed out that bidding practices were included in the management portion of the test to become a contractor.

Mr. Stringer stated that he was unaware, and that ignorance was not an excuse but a fact.

Mr. Zech stated that the facts were that Mr. Stringer had bid over his limit.

Mr. Taylor asked why the information requested by the Board had not been received in a timely manner.

Mr. Stringer stated that he had drafted a response to Mr. Ramsey and felt that was all that was necessary since he had not been the successful bidder.

At this point, Mr. Davidson agreed to sign the stipulation.

The evidentiary portion of the hearing was closed.

MR. JOHNSON MOVED TO FIND LICENSE #37691A, E D S PLUMBING, IN VIOLATION OF NRS 624.3015 (2) AND NRS 624.3013 (5); AND TO DISMISS THE CHARGE OF NRS 624.302 (6).

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO PLACE A ONE-YEAR LETTER OF REPRIMAND INTO THE LICENSE FILE OF #37691A, E D S PLUMBING, AND TO IMPOSE THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,074.03, TO BE PAID WITHIN 60 DAYS OR THE LICENSE WOULD BE AUTOMATICALLY SUSPENDED.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

STEWART & SUNDELL CONCRETE INC. #26259 - DISCIPLINARY HEARING

Kenneth Stewart, President, Stewart & Sundell Concrete Inc., Kris Sundell, Vice President, Stewart & Sundell Concrete Inc., Sam Zeer, Representative, Mountain Paradise Village Inc, and NSCB investigators Tom Tucker and Bob Macke were sworn in.

The notice of hearing and complaint, dated July 31,2000 and consisting of pages 1-19, had been sent certified mail. The return receipt was dated August 7, 2000.

The hearing was for possible violations of NRS 624.3013 (5), failure in any material respect to comply with the provisions of this chapter or regulations of the Board; and NRS 624.3017 (1), if no applicable building or construction code has been adopted locally, then workmanship must meet the standards prescribed in the Uniform Plumbing Code or National Electrical Code in the Form of the code most recently approved by the Board.

Mr. Taylor asked to waive the formal reading of the charges. Mr. Sundell agreed.

Mr. Taylor verified that the Notices to Correct had been sent February 3, 2000 and had not been responded to.

Mr. Tucker verified the workmanship issues, specifically the spalling.

The stipulation was signed

Mr. Stewart questioned Mr. Tucker concerning the contract referred to in the complaint. Mr. Stewart stated that there was no signed contract, only a proposal that had been submitted.

Mr. Taylor agreed that only a proposal had been submitted and that Stewart & Sundell and Mountain Paradise Village Inc, and Express Building had signed no other contract. However, the contractor had been hired and had performed the work according to the proposal.

Mr. Tucker provided photographs of the curb that showed some damage.

Mr. Taylor asked Mr. Zeer to further outline the problems with the curbing.

Mr. Zeer stated that there was excessive damage as identified as cracking throughout the curb. Clark County stated that it was up to the owner to correct the curbing problem. Clark County gave them an extension to November 3, 2000.

Mr. Sundell stated that he had sent a proposal to Mr. Zeer of Express Builders to do the curbing. They had replaced the curb under the Clark County Public Works Department. He said they had followed a standard mix. The method of placement was an approved method of placement. Stewart & Sundell felt that they had performed everything correctly and according to the building requirements of Clark County. It was their opinion that the problem was beyond their control. They were not aware there was a problem at the time of placement. The problem was in the mixture not in the installation. They contended that they were only responsible for the cosmetic aspect of the job through curing, and any other problems were not their responsibility. That was the reason they had refused to perform the repairs. Mr. Sundell also stated that the problems that Mr. Zeer was having were common in the industry.

Mr. Zeer stated that the cosmetic defects were not common in the area.

Mr. Taylor questioned if Stewart & Sundell had made the mixture.

Mr. Stewart stated that they get the mixture from their suppliers, and that Clark County had approved it.

Ms. Sheltra asked if a core sample had been taken.

Mr. Sundell stated that a core sample had not been taken but that the problem might be an alkali problem with the cement mixture. He then introduced a letter that was submitted by the Regional Transportation Commission revising the concrete mixture requirements. He stated the problem was in the actual materials.

Mr. Stewart added that they had not been notified of the problem until 1 year after the curb had been completed.

Mr. Zech stated that Stewart and Sundell could not vary from the County approved mix, therefore, they had no control over the mixture used.

Mr. Stewart said that the curb was only damaged near the landscaping.

Mr. Zeer wanted to clarify that the mixture might not be the only problem, and that there were at least ten other factors due to contractor error that could have caused the spalling such as speed of the laying and finishing, etc. The remainder of the project wasn't finished until 1 year later, and that is why they did not find out for a year that the curbing would not be approved.

Mr. Macke testified that he had never seen alkali damage on one side only. He stated that he did not feel that it was an alkali problem, yet he could not speculate what the problem was.

Mr. Carson stated that the bottom line was there was a builder who could not sell to the County because of this defect.

Mr. Sundell stated that they had offered to go back to the property, but they had not been allowed to. Had they had been notified earlier, they could have fixed the problem.

Mr. Carson stated that it was the contractor's responsibility for the finished project. The contractor and the client needed to hammer the issue out between them.

The evidentiary portion of the hearing was closed.

MR. CARSON MOVED TO CONTINUE THE HEARING OF STEWART AND SUNDELL FOR 60 DAYS.

Mr. Zeer stated that they only had until November 3, 2000 to make the repairs.

MR. CARSON AMENDED HIS MOTION TO CONTINUE THE HEARING OF STEWART AND SUNDELL FOR 30 DAYS FOR RESOLUTION.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

CASCADE POOLS INC. #32065 - DISCIPLINARY HEARING (Continued from 6/21/00 and 7/25/00)

Greg Majeroff, President, Cascade Pools Inc., and NSCB Investigators Greg Welch and George Lyford were sworn in. Keith Gregory, Legal Counsel for Cascade Pools, was identified.

Mr. Taylor stated that the case had been continued to give the Respondent time to correct some of the issues discussed in the last Board meeting.

Mr. Lyford stated that he had been working with Mr. Majeroff and Attorney Gregory. Some of the cases had been resolved and some had been ignored. Additionally, a request had been made on July 5, 2000 for an updated financial statement, but one had not been received.

Mr. Zech inquired as to how many pools had been completed since the last Board hearing.

Investigator Welch stated he did not have that information but that there were some small issues that could have been corrected but were not.

Attorney Gregory countered that Mr. Majeroff had tried to correct some of the workmanship issues on the pools but his license had been suspended and he was financially unable to complete the work.

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Mr. Majeroff testified that the current list of complaints was not accurate. He had tried to resolve and address all of the issues but said that when there was media hysteria, as in this case, more complaints resulted. He had been prioritizing and focusing on what was really important. He stated that he had paid every money-owing complaint, and that loans had been released on every pool that had not been completed. He said he would pay other contractors to fix minor repairs; that he planned on honoring every warranty on every pool that he had completed; and he requested that the Board allow him to voluntarily surrender his license.

The Board denied the request to surrender the license due to the pending outstanding complaints and current administrative action by the Board.

Mr. Lyford presented the Board with an update on the status of pending investigations against Cascade Pools, and he provided the Board with a list of all current and pending cases, which included approximately 22 pending workmanship issues and approximately 12 industry regulation issues.

In further testimony, Mr. Lyford testified that for the last 60 days, Mr. Majeroff had been addressing some of the minor workmanship problems in some of the outstanding cases, however, there were other major cases that were been ignored, and there had been no resolution of the issues. He said that Mr. Majeroff and Mr. Gregory had been advised on a daily basis of the new complaints and they had been requested to address all new issues as they developed.

Mr. Majeroff testified he was out of money due to the suspended status of his license and was unable to get any new work.

Attorney Gregory advised the Board that Cascade Pools was unable to meet future and/or additional financial obligations.

Ms. Sheltra questioned if Mr. Majeroff was going to reimburse clients for the money they had paid for pools that had not yet been completed.

Mr. Majeroff stated that all monies paid had been used to perform warranty work on each pool.

Mr. Carson stated that he wanted to listen to additional homeowner complaints

Attorney Gregory objected to listening to additional homeowners, stating that the evidentiary had already been closed.

Mr. Carson requested that the evidentiary be opened.

Mr. Taylor asked if it was Attorney Gregory's position that if the Board did not open the evidentiary, that Cascade Pools was willing to accept the Board's findings this day. Mr. Gregory concurred.

MR. JOHNSON MOVED TO FIND LICENSE #32065, CASCADE POOLS INC., IN VIOLATION OF ALL CHARGES AS SET FORTH IN THE HEARING NOTICE.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO REVOKE LICENSE #32065, CASCADE POOLS INC.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MS. SHELTRA MOVED TO HOLD LICENSE #32065, CASCADE POOLS INC., RESPONSIBLE TO PAY OTHER CONTRACTORS TO FINISH THE POOLS ALREADY UNDER CONSTRUCTION.

THE MOTION DIED DUE TO A LACK OF A SECOND.

MR. CARSON MOVED TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AND TO RECOVER THE INVESTIGATIVE COSTS OF \$13,007.08 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

TIM LOGAN CONSTRUCTION CO. #31930 - DISCIPLINARY HEARING

Joanne C. Logan, President, Tim Logan Construction Co., was not present. Neither was legal counsel or anyone else present to represent the Licensee.

Pauline Dabbs, Project Manager, O'Rourke Plumbing, and NSCB Investigator Greg Mincheff were sworn in.

The notice of hearing and complaint, dated August 11, 2000 and consisting of pages 1-32, had been sent certified mail. The return receipt had not been received.

The hearing was for possible violation of NRS 624.3012 (2), failure to pay any money when due for any materials or services rendered in connection with operations as a contractor, when he has the capacity to pay or when he has received sufficient money therefor; and NRS 624.3013 (5) as set forth in NAC 624.700 (3) (b) and NAC 624.640 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board.

Mr. Taylor asked Ms. Dabbs if any attempt had been made by the contractor to pay monies owed to O'Rourke Plumbing.

Ms. Dabbs stated that no attempts had been made.

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

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO FIND LICENSE #31930, TIM LOGAN CONSTRUCTION CO., IN VIOLATION OF ALL CHARGES.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO REVOKE LICENSE #31930, TIM LOGAN CONSTRUCTION CO.; TO REQUIRE FULL RESTITUTION TO THE HARMED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$1,791.00

PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

BREXXEL CONSTRUCTION COMPANY License #46628-DISCIPLINARY HEARING

Julius M. Tan, Owner, Brexxel Construction Company, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

Michael Little, Representative, Ahern Rentals; Jeff Carson, Representative, City of Las Vegas, Department of Building & Safety; and NSCB investigator Ron Ramsey were sworn in.

The Notice of Hearing and Complaint, dated August 2, 2000, consisting of pages 1-19, had been sent certified mail to Respondent's address of record, 9100 Dolente Ave., Las Vegas, NV 89129. Return receipt was not received. The envelope was returned by the Post Office stamped "Moved, left no address, Unable to forward."

The hearing was for possible violation of NRS 624.3012 (2) failure to pay any money when due for any materials or services rendered in connection with operations as a contractor, when he has the capacity to pay or when he has received sufficient money therefor; NRS 624.302 (5), failure or refusal to respond to a written request from the Board or its designee to cooperate in the investigation of a complaint; and 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.

Mr. Taylor presented the case and questioned Mr. Ramsey if there had been an administrative meeting scheduled and if the respondent had attended.

Mr. Ramsey replied an administrative meeting had been scheduled but the respondent did not attend.

Mr. Taylor asked Mr. Jeff Carson from the City of Las Vegas, Department of Building & Safety if the construction had already been completed when the respondent attempted to pull electrical permits for the construction of the covered patio on the DeFreitas project.

Mr. Jeff Carson stated that the construction was already completed and that the City of Las Vegas was unable to grant a permit.

The evidentiary portion of the hearing was closed.

MS. CAVIN MOVED TO ACCEPT THE TESTIMONY AND FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MS. CAVIN MOVED TO FIND LICENSE #46628, BREXXEL CONSTRUCTION COMPANY, IN VIOLATION OF ALL CHARGES.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

MS. CAVIN MOVED TO REVOKE LICENSE #46628, BREXXEL CONSTRUCTION COMPANY; TO REQUIRE FULL RESTITUTION TO THE HARMED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$2,892.00 PRIOR TO ANY CONSIDERATION OF FUTURE LICENSURE IN THE STATE OF NEVADA.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

EDISON ELECTRIC INC. #21662 - DISCIPLINARY HEARING (Continued from 8/22/00)

Charles Field, President, Edison Electric; Edison Thomas Jr., Lighting Specialties; and NSCB Investigator Linc Dante', were sworn in. CiCi Cunningham, Attorney for Edison Electric Inc, was identified.

Ms. Cunningham stated that she was hired to assist with financial reorganization of Edison Electric. They had been contacting creditors, and the creditors seemed to be amenable. Ms. Cunningham was confident that the issue with the Lighting Specialties could be resolved and the debt paid.

Mr. Taylor asked Mr. Thomas of Lighting Specialties if he was willing to settle.

Mr. Thomas stated that the money was owed to him, and he requested full payment.

Ms. Cunningham agreed that the money was owed and that all attempts to make full restitution would be made.

Mr. Field stated the financial statement was current and accurate.

The evidentiary portion of the hearing was closed.

Mr. Carson asked for a full list of creditors and requested that Mr. Field <u>be advised that he</u> <u>could</u> personally indemnify the license.

MR. CARSON MOVED TO CONTINUE THE HEARING FOR 60 DAYS FOR RESOLUTION OF LIGHTING SPECIALTIES MONEY-OWING COMPLAINT AND FOR A FINANCIAL REVIEW IN 30 DAYS.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

HAYDON BUILDING CORP. #45141 and #47974 – DISCIPLINARY HEARING

<u>S D B INC. BUILDING DIVISION</u> #42721 - DISCIPLINARY HEARING

Steve Seivert, Vice President, Haydon Building Corp; Les Keeble, Representative, Haydon Building Corp; Ralf and Nancy Sealy, Colorado Bridge & Iron; and Ron Ramsey, NSCB investigator, were sworn in. George Ogilvie, Attorney, Haydon Building Corp, and Chris Albright, Attorney, Colorado Bridge and Iron were identified.

The Notice of Hearing and Complaint, dated July 31, 2000 and consisting of pages 1-57, had been sent certified mail to 222 W. Southern Avenue, Tempe, AZ 85282 and 2250 Corporate Circle, Suite 350, Henderson, Nevada 89014. Return receipts had not been received.

The hearing was for possible violation of NRS 624.3012(2), failure to pay any money when due for any materials or services rendered in connection with his operations as a

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contractor, when they have the capacity to pay or when he has received sufficient money therefor; and NRS 624.3018 (2) any act of omission constituting a cause for disciplinary action against one license constituted a cause for disciplinary action against all licenses.

The stipulation was signed, and the formal reading of the charges was waived.

Mr. Taylor stated that the original contract had been for \$268,070. Haydon Building Corp. paid Colorado Bridge & Iron, the Complainant, a total of \$204,449.34, leaving an unpaid balance of \$60,981. He added that this particular case was in litigation and he inquired if there had been any contact between the complainant and the respondent.

Mr. Sealy stated that there had been some round table discussions, but nothing had emerged from them.

Mr. Taylor then outlined the money-owing complaints, stating there was an undisputed amount of \$21,631. This information had only been disclosed prior to the meeting. He next queried if the financial statement the Board had requested had been submitted.

Mr. Ramsey testified that a financial statement had been received, but it had not yet been reviewed.

Mr. Carson commented that faulty workmanship, ultimately, was the general contractor's responsibility.

The evidentiary portion of the hearing was closed.

MR. CARSON MOVED TO FIND ONLY LICENSE #45141, HAYDON BUILDING CORP. INC., IN VIOLATION OF ALL CHARGES.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO PLACE A ONE-YEAR LETTER OF REPRIMAND INTO THE LICENSE FILE OF HAYDON BUILDING CORP. INC., LICENSE #45141; TO REQUIRE THAT \$21,631.00 BE PAID TO COLORADO BRIDGE & IRON WITHIN 2 WEEKS; AND TO IMPOSE THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,202.00, TO BE PAID WITHIN 30 DAYS OR THE LICENSE WOULD BE AUTOMATICALLY SUSPENDED.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO DISMISS ALL CHARGES AGAINST LICENSE #47974 AND #42721.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

SUMMARY SUSPENSION HEARINGS

SKIDMORE CONTRACTING CORPORATION #29348 – SUMMARY SUSPENSION HEARING

George Lyford, Director, Special Investigations Unit, testified that a letter had been sent to Skidmore Contracting Corporation requesting a financial statement. The financial

statement had been provided for the parent company, Skidmore Management Company, but not the licensee. A request for a financial statement from the licensee had not been responded to.

Nancy Mathias stated that Skidmore Contracting Corporation had submitted a request to voluntarily surrender their license on September 21, 2000, but the matter was not currently before the board.

Mr. Carson recommended that the hearing be continued until the voluntary surrender was presented to the Board.

Mr. Zech noted that Skidmore had previously been banned from all public works projects and had outstanding debts owed to employees and subcontractors in the community.

MS. SHELTRA MOVED TO SUMMARILY SUSPEND LICENSE #29348, SKIDMORE CONTRACTING CORPORATION, IN THE INTEREST OF THE PUBLIC'S HEALTH, SAFETY, AND WELFARE.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

W M BOGARD #42676-SUMMARY SUSPENSION HEARING

Bill Bogard, Owner, W M Bogard, and Frank Torres, Deputy Director of Investigations, were sworn in.

Mr. Taylor explained that the Reno Investigations department had met with over 16 subcontractors and learned that the Licensee owed over \$500,000 to various subcontractors in the community.

Ms. Grein stated that the status of the license was suspended for no bond as of September 12, 2000.

Mr. Bogard testified that a financial institution had backed out of various projects that had sent his company into a financial tailspin, causing it to fall delinquent on most debts. He said he had 17 houses under construction and intended to finish them in order to pay all of the subcontractors what was owed. He requested that his license be reinstated in order to finish the homes under construction.

Mr. Zech pointed out that W M Bogard could complete the homes already under construction, but could not enter into any new contracts or pull any new permits.

MR. CARSON MOVED TO SUMMARILY SUSPEND LICENSE #42676, W M BOGARD, IN THE INTEREST OF THE PUBLIC'S HEALTH, SAFETY, AND WELFARE.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

APPLICATION INTERVIEWS

O B CONSTRUCTION INC. #21583 (B2 – Residential & Small Commercial) RAISE IN LIMIT INTERVIEW

Oussama Beyom, President, O B Construction Inc., was present.

NEVADA STATE CONTRACTORS' BOARD MINUTES OF September 26, 2000

The license application had been tabled on May 23, 2000 for an interview to discuss financial responsibility. An indemnity agreement had since been completed.

The permanent raise in limit application was approved for \$8 million. No bond was required.

P W CONSTRUCTION INC. (C21 – Refrigeration & Air Conditioning) NEW APPLICATION INTERVIEW

PWCONSTRUCTION INC. (C1 – Plumbing & Heating) NEW APPLICATION INTERVIEW

Paul Marshall, President, P W Construction, was present.

Mr. Carson abstained.

On September 12, 20000, the applications had been tabled for an interview to discuss prior license history.

A discussion occurred concerning Mr. Marshall's previous involvement with Ford Mechanical as Qualified Employee (QE). Mr. Marshall stated that he resigned as QE on March 19, 1999,

A motion was made, seconded, and carried to close the meeting to the public to discuss financial information. 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).

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

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

The general consensus was to approve the two license applications with a limit of \$1.5 million, a \$20,000 bond, and a financial review upon renewal.

EXECUTIVE SESSION (Continued)

FINANCIAL STATEMENT AND AUDIT REPORT (June 30, 2000)

MR. CARSON MOVED TO ACCEPT THE FINANCIAL STATEMENT AND AUDIT REPORT.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

APPLICATIONS

The following motion closed the meeting to the public.

MR. JOHNSON 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).

<u>C R I ELECTRIC INC</u> #48715 (C2 – Electrical Contracting) FINANCIAL REVIEW UPON RENEWAL

Kenneth Haskew, President, C R I Electric Inc, was not present, but he was represented by his attorney, Keith Gregory.

Ms. Mathias stated that the Board had approved a change of officer and qualifier on February 23, 2000, conditioned upon the licensee submitting bi-monthly reports. This condition had not been complied with.

Attorney Gregory requested a 2-week extension to provide the required reports.

Mr. Carson stated that if the required information was not received by the next board meeting the license would be subject to suspension.

The renewal application was tabled until the next meeting in Las Vegas.

JETSTREAM CONSTRUCTION INC #40080A (B2 - Residential & Small Commercial) OFFICER CHANGE

JETSTREAM CONSTRUCTION INC #43791 (C3-Carpentry) OFFICER CHANGE

John Field, President, Jetstream Construction Inc., and John Steven Dombrowski, the new President of Jetstream Construction Inc., were present, along with Attorney Keith Gregory.

The change of officer applications were tabled for 30 days for the purpose of providing ownership documents and other financial information.

D & E MAINTENANCE (C2 - Electrical Contracting) NEW APPLICATION

Edward Sulitis, Owner, D & E Maintenance, was present. He was notified that the license application had been approved with a license limit of \$100,000 and a \$10,000 bond.

PREMIERE MANAGEMENT SERVICE (C3 – Carpentry) NEW APPLICATION

Ronald Nelson Brady, President, Premiere Management Service, was present.

A discussion occurred concerning the financial responsibility of the applicant.

The general consensus was to table the license application for 60 days for resolution of outstanding financial issues.

SANDSTONE ELECTRIC (C2 – Electrical) NEW APPLICATION

Jrayr Eskandari, Owner, was present. He was notified that the license application had been approved with a limit of \$75,000 and a \$10,000 bond.

SAULCON INC (C2 – Electrical) NEW APPLICATION

Attorney Brian Harris was present to represent the Licensee. He was notified that the license application had been approved with unlimited license limit and a \$50,000 bond.

HOME DEPOT USA INC. #38686 (B2 – Residential & Small Commercial) CHANGE IN QUALIFIER

Phyllis Macknight, Legal Assistant, Home Depot USA Inc., was present. She was notified that the change if qualifier application had been approved with Gale Neuburger as the Qualified Employee.

<u>**R P WEDDELL & SONS CO.**</u> #33589 (A7,12,15,19 - Excavating & Grading; Excavate Grade Trench Surface; Sewers, Drains & Pipes; Pipeline & Conduits) RAISE IN LIMIT

Christopher Glenn Weddell, Secretary, was present. He was notified that the raise in limit application had been approved with an unlimited license limit and a \$30,000 bond.

D & R JACKSON ENTERPRISES INC (B2 – Residential & Small Commercial) NEW APPLICATION, WAIVER OF TRADE EXAM

Darrell Jackson, Owner, Jackson Enterprises, was present. He was notified that the license application had been approved with a license limit of \$500,000, a \$10,000 bond, and waiver of the exam requirement.

PEARDON CONSTRUCTION (C5 – Concrete Contracting) NEW APPLICATION

Kenneth James Peardon, Owner, Peardon Construction, was present.

Ms. Mathias provided a summary of the financial information.

The general consensus was to table the license application for 2 weeks to allow Peardon Construction an opportunity to obtain an indemnitor.

<u>CHATEAU CUSTOM HOMES LLC</u> (B2 – Residential & Small Commercial) NEW APPLICATION, NAME SIMILARITY

Jordan Primack, Qualified Employee, Chateau Custom Homes, was present.

A discussion occurred concerning Mr. Primack's license history.

The general consensus was to approve the license application with a limit of \$250,000 and a \$30,000 bond, no name change required.

MAC MAR INC #18044 (B2 – Residential & Small Commercial) CHANGE IN QUALIFIER, CHANGE OF CLASSIFICATION

Daniel T. Willey, Qualified Employee, Mac Mar Inc., Robert McMakin, President, Mac Mar Inc., and Robert Erickson, Representative, Hillside Development, were present.

Robert Erickson, an ex-partner of Daniel T. Willey, stated that there were issues still pending concerning their partnership that were in litigation.

The general consensus was to approve the change in qualifier application with Daniel T. Willey as the Qualified Employee. Additionally, the scope of the license was reduced from a classification B, General Building, to a B2, Residential & Small Commercial.

<u>SIGNATURE DOOR AND TRIM</u> (C3A - Carpentry, Remodeling & Repairs) NEW APPLICATION

Karl H. Linsenbardt, Owner, Signature Door and Trim, was present. He was notified that the license application had been approved with a limit of \$25,000, a \$5,000 bond, and a financial review upon renewal.

The remainder of the applications on the agenda were reviewed and discussion occurred on the following Nos. 38, 83, 91, 108, 124, 135, and 148; and on the amended Agenda Nos. 2-4, 16, and 27.

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

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

A motion was made, seconded, and carried to approve all applications not specifically discussed in closed session per staff recommendation.

PUBLIC COMMENT

Mr. Frank Savala of Aqua Pools & Spas, voiced his disapproval concerning the new pool regulations and how they affected legitimate pool contractors in the State of Nevada.

There being no further business to come before the Board, the meeting was adjourned by acting Chairman Zech at 4:15 p.m.

Respectfully Submitted,

Marikay Mack, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Vice-Chairman