

KENNY C. GUINN  
Governor

STATE OF NEVADA

REPLY TO:

MEMBERS

MICHAEL ZECH  
*Chairman*  
DOUGLAS W. CARSON  
MARGARET CAVIN  
DAVID W. CLARK  
JERRY HIGGINS  
DENNIS K. JOHNSON  
RANDY SCHAEFER



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STATE CONTRACTORS' BOARD

MINUTES OF THE MEETING  
OCTOBER 22, 2002

**1. A. CALL TO ORDER**

Chairman Michael Zech called the meeting of the State Contractors' Board to order at 8:34a.m., Tuesday, October 22, 2002, State Contractors' Board, Henderson, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

**BOARD MEMBERS PRESENT:**

Mr. Michael Zech - Chairman  
Mr. Douglas W. Carson  
Ms. Margaret Cavin arrived at 8:40 am  
Mr. David Clark left at 1:45 pm  
Mr. Jerry Higgins  
Mr. Dennis Johnson  
Mr. Randy Schaefer

**BOARD MEMBERS ABSENT:**

None

**STAFF MEMBERS PRESENT:**

Ms. Margi Grein, Executive Officer  
Ms. Nancy Mathias, Licensing Administrator  
Mr. George Lyford, Director of Investigations  
Mr. Chris Denning, Deputy Director of Investigations

**LEGAL COUNSEL PRESENT:**

Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins)  
Mr. David Reese, Legal Counsel (Cooke, Roberts & Reese)

Ms. Grein stated that Jerry McGill had posted the agenda in compliance with the open meeting law on October 16, 2002, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. The agenda was also posted in both offices of the Board, Henderson and Reno, and on the Board's Internet web site.

It was learned there were 16 items on the amended agenda, each item of an emergency nature.

**MR. SCHAEFER MOVED TO HEAR THE AMENDED AGENDA.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Zech called for a motion to approve the minutes of September 17, 2002, and October

1, 2002.

**MR. CLARK MOVED TO APPROVE THE MINUTES OF SEPTEMBER 17, 2002 AND OCTOBER 1, 2002.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**B. EXECUTIVE OFFICER'S REPORT, INCLUDING:**

**2. PROPOSED PROCEDURES FOR HEARING OFFICERS:**

Ms. Grein presented a draft of proposed Procedures for Hearing Officers. The Board approved the outline of the Hearing Procedures and directed they be implemented starting with the next Board Hearing.

**3. STATUS REPORT OF LITIGATION MATTERS:**

Mr. Haney informed the Board that the Four Seasons matter may have been resolved and the Remington Homes matter had been settled.

**4. DISCUSSION OF PROPOSED AMENDMENT TO NAC 624.540 TO ADD A SUB-CLASSIFICATION FOR PHOTOVOLTAICS:**

**MR. CARSON MOVED TO APPROVE THE PROPOSED AMENDEDMENT TO NAC 624.540, AND INITIATE THE ADMINISTRATIVE PROCESS TO CONDUCT A HEARING ON THE PROPOSAL.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**6. REVIEW AND DISCUSSION OF A.G. OP 2002-37:**

The Attorney Generals' opinions were reviewed and discussion was to be continued at future Board hearings.

**7. STATUS REPORT ON RENO INVESTIGATIONS:**

Mr. George Lyford, Director of Investigations, and Mr. Frank Torres, Deputy Director of Reno Investigations, provided an update concerning unlicensed contractors in the Reno area.

**The remaining items in the Executive Session were continued to the November 6, 2002 meeting in Reno.**

**C. DEPARTMENT REPORTS, INCLUDING:**

**1. INVESTIGATIONS DIVISION:**

• **SPECIAL INVESTIGATIONS UNIT:**

Mr. George Lyford, Director of Investigations, provided a report concerning SIU activities.

• **COMPLIANCE INVESTIGATIONS UNIT:**

Mr. Chris Denning, Deputy Director of Investigations, presented the aging report for Las Vegas Compliance Division.

## **2. HUMAN RESOURCES:**

Mr. Bart Thurgood, Human Resources Manager, presented a report concerning Human Resources activities including benefits.

## **3. PUBLIC EDUCATION:**

Ms. Sonya Ruffin, Public Relations, presented to the Board four new television ads that were developed for the NSCB.

## **D. RECOVERY FUND CLAIMS – FINAL ORDERS:**

A Recovery Fund Meeting was held at 10:00 am on Monday, October 21, 2002. Ms Grein requested the Board approve the recommendation of the Recovery Fund Committee as follows:

### **TWINS CONSTRUCTION**, LICENSE #44854

Stella Detrick - \$381.50

### **AQUA POOLS & SPAS**, LICENSE #32428

Chris Tormoen - \$12,800

Cheryl Panasiuk – \$3,550

Armando and Christine Flores - \$9,026

### **AQUA BLUE POOLS**, LICENSE #32761

Lori Davila - \$1,622

### **CHRISTIENSEN POOLS**, LICENSE #10682

Vickie and Rodney McColl - \$6,141

### **DEZMAN CONTRACTORS INCORPORATED**, LICENSE #26413

Howard Ross - \$5,095

### **BETTER BUILT HOME IMPROVEMENT**, LICENSE #43699

Michael Logan – \$19,200

Ms. Grein requested the Board's approval of the recommendations of the Recovery Fund Committee.

**MR. CLARK MOVED TO APPROVE THE RECOMMENDATION OF THE RECOVERY FUND COMMITTEE.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Mr. Schaefer advised the Board on how the Subcommittee came to their findings.

**2. INFORMAL SETTLEMENTS:**

**1. BAIRS CARPET VALLEY INC., LICENSE #12238**

**MS. CAVIN MOVED TO ACCEPT THE STIPULATED SETTLEMENT AGREEMENT; THAT RESPONDENT PAY AN ADMINISTRATIVE FINE OF \$500 AND REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$467 WITHIN 60 DAYS; AND A WARNING LETTER TO BE PLACED IN RESPONDENT'S FILE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. SCHAEFER ABSTAINED.**

**2. PAR 3 LANDSCAPE & MAINTENANCE, LICENSE #49381**

**MS. CAVIN MOVED TO ACCEPT THE STIPULATED SETTLEMENT AGREEMENT; THAT RESPONDENT PAY AN ADMINISTRATIVE FINE OF \$2,000 AND REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$547 WITHIN 30 DAYS; AND A WARNING LETTER TO BE PLACED IN RESPONDENT'S FILE FOR ONE YEAR.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON ABSTAINED.**

**3. M S LANDSCAPING, LICENSE #44383**

**MR. MOVED TO ACCEPT THE STIPULATED SETTLEMENT AGREEMENT; THAT RESPONDENT PAY AN ADMINISTRATIVE FINE OF \$750 AND REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$421 WITHIN 60 DAYS; AND A WARNING LETTER BE PLACED IN RESPONDENT'S FILE.**

**MR. SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. SCHAEFER ABSTAINED.**

**4. BARTH BUILDERS, LICENSE #43314**

**MR. MOVED TO ACCEPT THE STIPULATED SETTLEMENT AGREEMENT; THAT RESPONDENT PAY AN ADMINISTRATIVE FINE OF \$200 AND REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$475 WITHIN 60 DAYS; AND A WARNING LETTER TO BE PLACED IN RESPONDENT' FILE.**

**MR. SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. SCHAEFER ABSTAINED.**

**3. DISCIPLINARY HEARING – DEFAULT ORDERS:**

**EQUUS LTD** d/b/a **PHELPS & ASSOCIATES**, LICENSE #28206

Mr. George Lyford, Director of Investigations, informed the Board that Mr. Jeffrey Phelps has requested a continuance to the December 17, 2002 Board Hearing.

**MR. SCHAEFER MOVED TO CONTINUE THIS MATTER TO THE DECEMBER 17, 2002 BOARD HEARING.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**GRIZZLY CONSTRUCTION**, LICENSE #42743 AND  
**U.S.A. ENGINEERING & CONSTRUCTION CO.**, LICENSE #42742

No one from Grizzly Construction and U.S.A. Engineering & Construction Co. was present.

The hearing was for possible violation of NRS 624.3014(2)(b)(c)(d); NRS 624.305(1) and (2); NRS 624.3015(2); NRS 624.3011(1)(b)(1); NRS 624.3013(5), as set forth in NAC 624.700(3)(a); NRS 624.3013(5), as set forth in NAC 624.640(3); and NRS 624.3018(2).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

**MS. CAVIN MOVED THAT THE BOARD FIND THE RESPONDENT IN DEFAULT AND ADOPT THE FINDINGS OF FACT CONCLUSIONS OF LAW AS SET FORTH IN THE ADMINISTRATIVE COMPLAINT; REVOKE LICENSE NOS. 42743 AND 42742, GRIZZLY CONSTRUCTION AND U.S.A. ENGINEERING & CONSTRUCTION CO.; TO REQUIRE FULL RESITUTION TO THE DAMAGED PARTIES; AND RECOVER THE INVESTIGATIVE COSTS OF \$2,619 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**KEYWAY SYSTEMS**, LICENSE #49842

No one from Keyway Systems was present.

The hearing was for possible violation of NRS 624.3012(2); NRS 624.3013(5), as set forth in NAC 624.640(5); and NRS 624.3013(3).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

**MS. CAVIN MOVED THAT THE BOARD FIND THE RESPONDENT IN DEFAULT AND ADOPT THE FINDINGS OF FACT CONCLUSIONS OF LAW AS SET FORTH IN THE ADMINISTRATIVE COMPLAINT; REVOKE LICENSE #49842, KEYWAY SYSTEMS; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND RECOVER THE INVESTIGATIVE COSTS OF \$1,510 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**RAINBOW PAINTING & DECORATING**, LICENSE #14101

No one from Rainbow Painting & Decorating was present.

The hearing was for possible violation of NRS 624.3012(2); NRS 624.302(5); and NRS 624.3013(3).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

**MS. CAVIN MOVED THAT THE BOARD FIND THE RESPONDENT IN DEFAULT AND ADOPT THE FINDINGS OF FACT CONCLUSIONS OF LAW AS SET FORTH IN THE ADMINISTRATIVE COMPLAINT; REVOKE LICENSE #14101, RAINBOW PAINTING & DECORATING; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND RECOVER THE INVESTIGATIVE COSTS OF \$1,591 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

#### **4. ADVISORY OPINIONS:**

**LANGE GAS EQUIPMENT** - Lange Gas Equipment requested an Advisory Opinion concerning the license requirements to install a self-contained propane motor refueler station on a pre-existing concrete pad for Williams Energy Project located at Schwans Sales, Reno, Nevada.

Based upon representations of Lange Gas Equipment that Lange is simply placing the self-contained propane motor refueler station on an existing concrete pad and not performing any other work, the Board opined that a license would not be required, however, if Lange is required to perform any electrical work or hire an electrical subcontractor for the owner, it would be necessary for Lange to obtain a license.

**NEVCON ENTERPRISES CORP.** – Can Nevcon Enterprises Corp. act as the general contractor on the site infrastructure construction project for the Beltway Corporate Center Project with its presently held B license classification?

Based upon representations of Nevcon Enterprises Corp. that Nevcon will construct some of the buildings on the site at a later date, and that properly licensed sub-contractors would be hired to perform the site work, the Board opined that Nevcon could act as the general contractor on the project.

**MORNINGSIDE HOMES INC.** – Morningside Homes Inc. requested an Advisory Opinion with respect to construction expert testimony in construction defect litigation cases as to their ability to estimate the cost of repair, which by far exceeds their license limit.

The Board requested Mr. Reese respond to this Advisory Opinion request.

#### **5. DISCIPLINARY HEARING:**

**DENCO ELECTRIC INC.**, LICENSE #45527A

No one from Denco Electric Inc. was present.

Mr. David McEntire, Homeowner and Investigator Jeff Sudweeks were sworn in.

The hearing was for possible violation of NRS 624.3017(1); NRS 624.3013(5), as set forth in NAC 624.700(3)(a); NRS 624.3013(4); NRS 624.3013(5), as set forth in NAC 624.640(5); and NRS 624.3013(3).

The Notice of Hearing and Complaint was entered into the record as [Exhibit #1](#).

Investigator Sudweeks testified that he had validated the workmanship issues and issued a Notice to Correct and an addendum to the Notice to Correct, to which Respondent has not complied. Investigator Sudweeks further testified that claims against Respondent's bond have been paid and a requested financial statement has not been received.

Mr. McEntire testified that he had contracted with Respondent and had paid him in full, but Respondent's work was not done within industry standards.

The evidentiary portion of the hearing was closed.

**MS. CAVIN MOVED TO ACCEPT THE TESTIMONY PRESENTED AND THE FILE AS FORMAL FINDINGS OF FACT AND CONCLUSIONS OF LAW; TO FIND DENCO ELECTRIC INC., LICENSE #45527A IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #45527A; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$1,640.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

#### **6. DISCIPLINARY HEARING:**

##### **R. A. ELECTRIC, LICENSE #23297**

No one from R. A. Electric was present.

Mr. Robert Chandler, Credit Manager for QED Inc.; Investigator Bob Macke; and Licensing Administrator Nancy Mathias were sworn in.

The hearing was for possible violation of NRS 624.3012(2) and NRS 624.3013(3).

The Notice of Hearing and Complaint was entered into the record as [Exhibit #1](#).

Mr. Chandler testified that Respondent had an account with QED Inc. and currently owes \$3,629.20. Respondent admits owing a portion of the amount, however, no payment arrangements have been made.

Investigator Macke testified that he had validated the complaint and found that Respondent owed QED Inc. for materials supplied on credit. A financial statement was requested and had been received but had not been reviewed by the Board's Licensing Department.

R. A. Electric's financial statement was entered into the record as [Exhibit #2](#).

**MR. SCHAEFER MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 241.033 TO DISCUSS FINANCIAL MATTERS.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Ms. Mathias provided comments concerning the financial statement.

**MR. SCHAEFER MOVED TO REOPEN THE MEETING TO THE PUBLIC.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

The evidentiary portion of the hearing was closed.

**MR. CLARK MOVED TO ACCEPT THE TESTIMONY PRESENTED AND THE FILE AS FORMAL FINDINGS OF FACT AND CONCLUSIONS OF LAW; TO FIND R. A. ELECTRIC., LICENSE #23297 IN VIOLATION OF ALL CHARGES; TO SATISFY MONEY OWED TO QED INC. WITHIN IN 60 DAYS OR LICENSE WILL BE SUSPENDED; AND APPEAR BEFORE THE BOARD FOR INTERVIEW AND REVIEW OF THE LICENSE LIMIT AND FINANCIAL RESPONSIBILITY .**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

#### **7. DISCIPLINARY HEARING:**

**FLOORING SOLUTIONS OF NEVADA INC.** d/b/a **F. S. I.**, LICENSE #52766

Mr. Richard Elfman, President of F.S.I.; Mr. Brian Price, Vice President of F.S.I.; Mr. Harry Dietz, Secretary of STG Enterprises, Inc.; and Investigator Greg Welch were present.

Mr. R. Douglas Kurdziel, Esq., attorney for F.S.I., was also present.

The hearing was for possible violation of NRS 624.3013(5), as set forth in NAC 624.285(1); NRS 624.3013(2); and NRS 624.302(1)(a).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Mr. Haney informed the Board that a settlement had been reached regarding this matter and detailed the terms of the settlement.

The settlement was entered into the record as Exhibit #2.

**MR. JOHNSON MOVED TO ACCEPT THE SETTLEMENT WITH F.S.I., LICENSE #52766.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

#### **8. DISCIPLINARY HEARING:**

**HARVEYS TILE**, LICENSE #38559

Mr. Harvey Pryor, Sr., Owner of Harveys Tile; Mr. Gene Husman, Homeowner; and

Investigator Tom Lawrence were sworn in.

The hearing was for possible violation of NRS 624.3017(1); NRS 624.3013(5), as set forth in NAC 624.700(3)(a); NRS 624.3015(1); NRS 624.302(1)(a); NRS 624.3013(4); NRS 624.3013(3); and NRS 624.3013(5), as set forth in NAC 624.640(5).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Investigator Lawrence testified that he had validated the workmanship issues and issued a Notice to Correct, to which Respondent has not complied. Respondent has not furnished a current financial statement. Investigator Lawrence stated that Respondent worked outside the scope of his C-20 license by installing a marble vanity top. Investigator Lawrence further testified that the date on the contract was April 5, 2001, but Respondent's license had been suspended for no bond on July 1, 2000.

Mr. Husman testified that he had contracted with Respondent for a marble vanity top at his residence. Respondent did not return to finish the project and another contractor had been hired to finish the project.

Mr. Pryor testified that he had performed the work as a favor and had notified the owner the company was dissolved. Mr. Pryor stated that since his company was dissolved there was no financial statement to furnish.

The evidentiary portion of the hearing was closed.

**MR. CARSON MOVED TO DISMISS THE 2<sup>ND</sup>, 5<sup>TH</sup>, AND 7<sup>TH</sup> CAUSES OF ACTION.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO FIND HARVEYS TILE, LICENSE #38559 IN VIOLATION OF THE 1<sup>ST</sup>, 3<sup>RD</sup>, 4<sup>TH</sup>, AND 6<sup>TH</sup> CAUSES OF ACTION.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MR. CARSON MOVED TO FINE HARVEYS TILE, LICENSE #38559 \$50.00 PER VIOLATION FOR A TOTAL OF \$200.00; REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$1,140.00; FINES AND COSTS TO BE PAID AND A BACK DATED BOND FURNISHED PRIOR TO REACTIVATION OF LICENSE.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

## **9. DISCIPLINARY HEARING:**

**A B C ELECTRIC, LICENSE #34542**

No one from ABC Electric was present.

Ms. Gayle Kirk, Controller for Steel Engineers, Inc. and Investigator Troy Beaver were sworn.

The hearing was for possible violation of NRS 624.3013(3); NRS 624.3013(4); NRS 624.302(5); and NRS 624.3013(5), as set forth in NAC 624.640(3).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Investigator Beaver testified that Respondent had not complied with requests from the Board to furnish a financial statement; attend an administrative meeting; nor had Respondent notified the Board of a change in his address. Investigator Beaver further testified that Respondent's license had been suspended due to failure to maintain bond.

Ms. Kirk testified that Steel Engineers was owed money from ABC Electric and had not been paid.

The evidentiary portion of the hearing was closed.

**MR. HIGGINS MOVED TO ACCEPT THE TESTIMONY PRESENTED AND THE FILE AS FORMAL FINDINGS OF FACT AND CONCLUSIONS OF LAW; TO FIND ABC ELECTRIC, LICENSE #34542 IN VIOLATION OF ALL CHARGES EXCLUDING LINE SEVEN IN THE 1<sup>ST</sup> CAUSE OF ACTION; TO REVOKE LICENSE #34542; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$1,399.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**CHAIRMAN ZECH ABSTAINED.**

#### **10. DISCIPLINARY HEARING:**

**R. A. JENKINS CONSTRUCTION LLC, LICENSE #49351**

No one from R.A. Jenkins Construction LLC was present.

Ms. Gayle Kirk, Controller for Steel Engineers, Inc. and Investigator Greg Welch were sworn in.

The hearing was for possible violation of NRS 624.3013(3); NRS 624.302(5); and NRS 624.3013(4).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Investigator Welch testified that he validated that Respondent entered into a contract with Casas Electric for electrical work for a contract price of \$6,160.00, of which Respondent owes \$2,960.00. Investigator Welch stated that Respondent failed to furnish a financial

statement or attend an administrative meeting.

Ms. Kirk testified that Respondent has not paid for materials purchased.

**MR. HIGGINS MOVED TO ACCEPT THE TESTIMONY PRESENTED AND THE FILE AS FORMAL FINDINGS OF FACT AND CONCLUSIONS OF LAW; TO FIND R.A. JENKINS CONSTRUCTION LLC, LICENSE #49351 IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #49351; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$1,078.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**CHAIRMAN ZECH ABSTAINED.**

### **11. APPLICATION HEARING:**

#### **JOSE BECERRA**

Mr. Jose Becerra, Owner and Licensing Analyst Mary Ann Enbody were sworn in.

The hearing was for denial of an application based on NRS 624.263(2)(h)(i)(m); NRS 624.3013(2); and NRS 624.265.

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

The applicants' background disclosure statement was entered into the record as Exhibit #2

Ms. Enbody testified that applicant had not disclosed a bankruptcy on his background disclosure statement.

Mr. Becerra testified that he had been told not to disclose this information by a former teacher at the Contractor's Licensing school, as it would just cause problems.

**MS. CAVIN MOVED TO DENY JOSE BECERRA'S APPLICATION.**

**MR. CARSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Chairman Zech informed Mr. Becerra that he would need to complete a new application with all disclosures before being considered for a license.

### **12. DISCIPLINARY HEARING:**

#### **QUALITY IRON, LICENSE #44810**

No one from Quality Iron was present.

Ms. Deborah Dalton, Gillock Markley & Killebrew P.C. and Investigator Jeff Sudweeks were sworn in.

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

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Ms. Dalton testified that Gillock Markley & Killebrew entered into a contract with Respondent for the construction of an interior stair railing, exterior balcony, a security door at the front entry and a grill at the reception desk for a total contract price of \$10,025.00, of which \$5012.50 has been paid.

Investigator Sudweeks testified that he had validated the workmanship issues and issued a Notice to Correct, to which Respondent has not complied.

Ms. Dalton stated that Gillock Markley & Killebrew had received a judgment against Respondent of \$3,075.00, which Respondent has paid.

The evidentiary portion of the hearing was closed.

**MR. SCHAEFER MOVED TO ACCEPT THE TESTIMONY PRESENTED AND THE FILE AS FORMAL FINDINGS OF FACT CONCLUSIONS OF LAW; TO FIND QUALITY IRON, LICENSE #44810 IN VIOLATION OF ALL CHARGES; TO PLACE A ONE YEAR LETTER OF REPRIMAND IN RESPONDENT'S FILE; TO FINE RESPONDENT \$300 PER VIOLATION FOR A TOTAL OF \$900.00; AND REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$1,429.00; FINE AND INVESTIGATIVE COSTS TO BE PAID WITHIN 60 DAYS OR LICENSE WILL BE SUSPENDED.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

### **13. DISCIPLINARY HEARING:**

#### **INTEC TELECOMMUNICATIONS INC., LICENSE #50706**

Mr. Abbas Kouhkan, President of Intec Telecommunications Inc.; Mr. George Nickels, Sr. Vice President of Intec Telecommunications Inc.; Mr. Gary Schmidt, Sr. Vice President of Golden State Utility Co.; and Investigator Jeff Sudweeks were sworn in.

Mr. Sean Waters and Eric Swanis, attorneys for Golden State Utility Co. and Christian Smith, attorney for XO Communications, were present.

The hearing was for possible violation of NRS 624.3012(2); NRS 624.3013(3); and NRS 624.302(5).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

Mr. Waters requested a continuance on this matter. Both parties were in the process of working out a settlement agreement.

Mr. Haney reminded Mr. Waters that one of the charges was that Intec Communications had not provided a current financial statement.

A financial statement, dated September 30, 2001, was provided and entered into the record as Exhibit #2. The Board requested that the Respondent provide an updated financial statement within one week.

**MR. CARSON MOVED TO CONTINUE THIS MATTER FOR AN UPDATE AT THE NOVEMBER 20, 2002 BOARD HEARING IF CURRENT FINANCIAL STATEMENT SUPPORTS THE LICENSE LIMIT AND AN AGREEMENT IS REACHED BETWEEN THE COMPLAINANT AND RESPONDENT.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

#### **14. STAFF UPDATE** (CONTINUED FROM OCTOBER 1, 2002)

**DENNETT BROTHERS CONSTRUCTION**, LICENSE #11862

**DENNETT BROTHERS INC.**, LICENSE #17237

**EMERALD DEVELOPMENT INCORPORATED**, LICENSE NOS. 24195 AND 24286

Investigator Greg Welch informed the Board that Mr. David Winterton, attorney for Dennett Brothers Inc., stated that the bankruptcy papers would be filed by the end of November.

The Board requested an update at the December Board Hearing.

#### **15. DISCIPLINARY HEARING:**

**SIERRASAGE LLC**, LICENSE #52571

Mr. Rudolph Rheinschild, Manager of SierraSage LLC; Mr. Craig Hamilton, SierraSage LLC; Mr. and Mrs. Leonard Pugh, Homeowner; Mr. Mark Anderson, Homeowner; Ms. Claudia Berryman, High Desert Door & Trim; Mr. Barton, Sierra Truss Co., Inc.; Ms. Carol Dorn, R Supply Company; Mr. Douglas McKinnon, Premier Landscaping Inc.; Investigator Gary Hoid; Deputy Director of Reno Investigations Frank Torres; and Licensing Administrator Nancy Mathias were sworn in.

Mr. Mark Hughes, attorney for SierraSage LLC, was also present at the Contractor's Board in Reno.

The hearing was for possible violation of NRS 624.3012(2); NRS 624.302(5); NRS 624.700(1)(a)(b); NRS 624.3013(3); and NRS 624.3016(1).

The Notice of Hearing and Complaint was entered into the record as Exhibit #1.

SierraSage LLC's consolidated financial statement, dated June 30, 2002, was entered into the record as Exhibit #2.

Mr. Hamilton stated that there are four entities comprising the consolidated financial statement. Meritage @ Wingfield Springs, LLC would only indemnify their own activity but

Bella Vista at Wingfield Springs, LLC and the Reserve Collection at Wingfield Springs LLC would indemnify SierraSage LLC.

Mr. Pugh testified that he had contracted with Respondent for the construction of a single-family residence on January 2, 2001. Mr. Pugh stated that a letter was received from Respondent October 15, 2001, indicating that when construction began Respondent was working under a dba and asked if they would sign a new contract with Respondent. Mr. Pugh signed the contract October 31, 2001.

Mr. Anderson testified that he had contracted with Respondent for the construction of a single-family residence on September 27, 2000, with an addendum on February 22, 2001 and an additional addendum on July 20, 2001.

Mr. Hughes stated that an agreement had been reached with Shelley Sedano regarding her complaint.

Copies of letters, agreeing to a settlement with SierraSage LLC, from the following complainants were entered into the record as Exhibit #3:

1. R Supply
2. Premier Landscaping
3. High Desert Door & Trim
4. B & C Builders Supply
5. Markus Supply – Ace Hardware
6. Sierra Truss
7. Cedar Roofing
8. Shelly Sedano

Mr. Hamilton stated that the Pughs' complaint should be taken care of within 60 days. On the Anderson complaint, the attorneys were working on a settlement agreement.

Mr. Hughes informed the Board that there is pending litigation regarding the Anderson complaint.

Mr. McKinnon testified that his contract was with Meritage and The Reserve projects. He was issued a check for \$82,000.00, but after depositing the check, it was returned for insufficient funds. Mr. McKinnon stated that he received an anonymous tip that there were sufficient funds, he went to the bank and the check cleared. He has since entered into an agreement with SierraSage for the outstanding balance.

Mr. Pugh questioned the Board on whether the outstanding liens against his property would be addressed today.

Mr. Hughes informed the Board that he was talking with the Pugh's attorney regarding his outstanding liens.

**MS. CAVIN MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 241.033 TO DISCUSS FINANCIAL MATTERS.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Ms. Mathias provided comments regarding the financial statement.

Mr. Hamilton stated that there were currently 12 homes under construction, that Meritage gives SierraSage a 3% management fee and that they were applying for a loan for Phase

2 at Meritage from a bank in California. Mr. Hamilton further stated the company has undergone substantial reorganization.

**MS. CAVIN MOVED TO REOPEN THE MEETING TO THE PUBLIC.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

Information regarding the settlement agreements with the complainants and SierraSage LLC action plan was entered into the record as Exhibit #4.

Chairman Zech advised Respondent to apply for a raise in the license limit and that their Qualified Employee had been approved.

**MS. CAVIN MOVED TO CONTINUE THIS MATTER; FOR STAFF TO MONITOR AND PROVIDE AN UPDATE AT EVERY BOARD MEETING; HOWEVER, IF THE SITUATION WARRANTS, THE MATTER SHOULD BE BROUGHT IMMEDIATELY TO THE BOARD.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**16. APPLICATIONS:** (CLOSED MEETING PURSUANT TO NRS 241.030)

**MS. CAVIN MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 624.030 TO DISCUSS FINANCIAL MATTERS.**

**MR. SCHAEFER SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**BUCKEYE ELECTRIC INC** – (C-2 ELECTRICAL CONTRACTING) NEW APPLICATION, REQUEST WAIVER OF EXAM

Mr. David Slark, President and Mr. David Beeman, Qualified Employee, were interviewed by the Board regarding their work experience. Mr. Slark and Mr. Beeman requested of the Board that the trade exam be waived based upon their experience. This request was denied.

**MR. CARSON MOVED TO APPROVE BUCKEYE ELECTRIC INC. (C2 – ELECTRICAL CONTRACTING) WITH A \$500,000 MONETARY LIMIT AND A BOND OF \$15,000 WITH SIX MONTHS TO PASS THE TRADE EXAM; IF EXAM NOT PASSED LICENSE WILL AUTOMATICALLY BE SUSPENDED.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**K M N PAINTING INC.**, - (C-4A PAINTING) NEW APPLICATION

Mr. James Gilgallon, President and Mr. Robert Hale were present.

**MS. CAVIN MOVED TO APPROVE K M N PAINTING INC. (C-4A PAINTING) WITH A \$25,000 MONETARY LIMIT AND A BOND OF \$5,000 CONTINGENT UPON JAMES GILGALLON PASSING THE CMS EXAM WITHIN SIX MONTHS.**

**MR. HIGGINS SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**VEGA SPECIALTIES LLC, - (C-3 CARPENTRY) NEW APPLICATION**

Mr. Jeffrey Hasting, Manager, was present. Mr. Hasting responded to questions regarding information on his application.

**MR. CARSON MOVED TO APPROVE VEGA SPECIALTIES LLC (C-3 CARPENTRY) WITH A \$350,000 MONETARY LIMIT AND A BOND OF \$20,000; WAIVE THE TRADE EXAM; REQUIRE JEFFREY HASTINGS TO TAKE CMS EXAM WITHIN SIX MONTHS; AND MAKE CORRECTIONS IN LICENSE APPLICATION.**

**MS. CAVIN SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MORNINGSIDE HOMES INC., - (B-2 RESIDENTIAL & SMALL COMMERCIAL) BOND CONSIDERATION, BOARD DECISION**

Mr. Keith Gregory, attorney for Morningside Homes Inc., was present. The Board informed Mr. Gregory that the reduction in the bond from \$30,000 to \$5,000 had been approved retroactive to May 16, 2002.

**IDEAL CONSTRUCTION INC., - (C-3 CARPENTRY) REQUEST TO LOWER BOND**

Mr. Dennis Fields was present. Mr. Fields requested the Board lower his bond requirement as he is having difficulty obtaining a bond.

Ms. Mathias stated that the board had originally required the \$75,000 bond based on Mr. Fields' record as a licensee in Nevada and California.

**MR. CARSON MOVED TO APPROVE IDEAL CONSTRUCTION INC. (C-3 CARPENTRY) WITH A \$75,000 MONETARY LIMIT AND A BOND OF \$30,000.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MS. CAVIN OPPOSED THE MOTION.**

The remainder of the applications on the agenda were reviewed and discussion occurred on the following: Nos. 1-4, 6-9, 16-20, 22, 23, 25, 27, 30, 34, 36, 45, 46, 48, 60, 61, 64, 67, 68, 73, 75, 81, 83, 84, 86, 88, 96-98, 101, 103, 104, 110-115, 117, 119, 122, 123, 128, 132, 135, 144, 146, 151, 154, 158, 159, 161, 166, 169, 174, 177, 181, 184, 188, 192; and on the amended agenda: Nos. 1-3, 6-15

**MS. CAVIN MOVED TO REOPEN THE MEETING TO THE PUBLIC.**

**MR. CLARK SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**MS. CAVIN MOVED TO RATIFY ALL APPLICATIONS NOT SPECIFICALLY DISCUSSED IN CLOSED SESSION AS RECOMMENDED BY STAFF.**

**MR. JOHNSON SECONDED THE MOTION.**

**THE MOTION CARRIED.**

**17. PUBLIC COMMENT**

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

**ADJOURNMENT**

There being no further business to come before the Board, the meeting was adjourned by Chairman Zech at 4:34 p.m.

Respectfully Submitted,

Melinda Mertz, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Chairman