BRIAN SANDOVAL Governor

MEMBERS

Kevin E. Burke, Chairman Thomas "Jim" Alexander Margaret Cavin Donald L. Drake Nathaniel W. Hodgson, III Stephen P. Quinn Guy M. Wells

STATE OF NEVADA



STATE CONTRACTORS BOARD

MINUTES OF THE MEETING November 16, 2011

REPLY TO:

Southern Nevada 2310 Corporate Circle Suite 200 Henderson, Nevada 89074 (702) 486-1100 Fax (702) 486-1190 Investigations (702) 486-1110

www.nscb.state.nv.us

Northern Nevada 9670 Gateway Drive, Suite 100 Reno, Nevada 89521 (775) 688-1141 Fax (775) 688-1271 Investigations (775) 688-1150

CALL TO ORDER:

Hearing Officer Hodgson called the meeting of the State Contractors Board to order at 8:30 a.m., Wednesday, November 16, 2011, State Contractors Board, Henderson and Reno, Nevada. <u>Exhibit A</u> is the Meeting Agenda and <u>Exhibit B</u> is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Nathaniel Hodgson, Hearing Officer Ms. Margaret Cavin, Board Member Mr. Donald Drake, Board Member

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. George Lyford, Director of Investigations

Mr. Daniel Hammack, Chief of Enforcement

LEGAL COUNSEL PRESENT:

Mr. Jonathan Andrews, Esq., Legal Counsel Mr. David Brown, Esq., Legal Counsel

Ms. Grein stated the agenda was posted in compliance with the open meeting law on November 10, 2011, at Las Vegas City Hall, Sawyer State Building and Clark County Library. The agenda was also posted in both offices of the Board, Henderson and Reno and on the Board Internet Website.

ADJUDICATING BOARD MEMBER: NATHANIEL HODGSON

1. DISCIPLINARY HEARING:

ATLAS BUILDING AND DEVELOPMENT, LLC, License No. 70308

DAVID PAUL KOERBER, OWNER, dba DAVID KOERBER, License No. 56597

Licensee was present with counsel, Keith Gregory, Esq.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

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Exhibit 2 – Operating Agreement of Atlas Building and Development, LLC.

The following Respondent's exhibits were entered.

Exhibit A – David Paul Koerber's Answer to the Board's Amended Complaint dated September 27, 2011.

Hearing Officer Hodgson found Respondent guilty of one (1) violation of NRS 624.3016(1) any fraudulent act committed in the capacity of a contractor, misrepresentation or omission of a fact; one (1) violation of NRS 624.3011(1)(b)(2) willful disregard of the safety or labor laws of the State; one (1) violation of NRS 624.3013(5), as set forth in NAC 624.640(3) failure to notify Board of change of address or personnel; one (1) violation of NRS 624.3013(4) failure to keep bond in force; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was assessed a fine of \$1,000.00 for the First Cause of Action; a fine of \$500.00 for each of the Second, Fourth and Fifth Causes of Action; a fine of \$250.00 for the Third Cause of Action for total fines of \$2,750.00 and investigative costs of \$1,727.00. The Sixth Cause of Action was dismissed along with the Board's Complaint against David Paul Koerber, license number 56597. License number 70308, Atlas Building and Development, LLC was revoked. Audra Marie Tubin is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund plus fines and investigative costs prior to consideration of future licensure.

2. DISCIPLINARY HEARING:

<u>DANIEL SCOTT LARSON, OWNER, dba SOUTHWESTERN CONSTRUCTION.</u> License Nos. 69555 and 74852

Licensee was not present.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

The following Respondent's Exhibits were entered:

Exhibit A – Respondent's Answer to the Board's Complaint dated October 14, 2011.

Exhibit B – Respondent's correspondence dated November 15, 2011.

Hearing Officer Hodgson found Respondent guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) violation of NRS 624.302(5) failure to respond to a written request from the Board; one violation of NRS 624.3018(2) certain persons are prohibited from serving as officer, director, associate or partner of licensee. Respondent was assessed a fine of \$500.00 for the First Cause of Action; a fine of \$250.00 for the Second Cause of Action for total fines of \$750.00 and investigative costs of \$1,318.00 . Respondent must also pay investigative costs of \$1,956.00 from the August 17, 2011 hearing. All costs and fines are to be paid within sixty (60) days of today's hearing or licenses shall be revoked.

ADJUDICATING BOARD MEMBER: MARGARET CAVIN

3. DISCIPLINARY HEARING:

HARDY CONSTRUCTION, INC., License No. 19407B

H. C. I. UNDERGROUND, LLC, License No. 51357A

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Licensee was present with counsel, Keith Gregory, Esq.

Mr. Hodgson recused himself based on a past business relationship.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

The following Respondent's Exhibits were entered:

Exhibit A - Respondent's Answer to the Board's Complaint dated September 9, 2011.

Exhibit B – Keith Gregory, Esq.'s correspondence to the Board dated November 7, 2011.

Hearing Officer Cavin found Respondent guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was assessed a fine of \$500.00 for the First Cause of Action and investigative costs of \$1,586.00. The Second and Third Causes of Action were dismissed. Hearing Officer Cavin accepted the lower limit of \$3.8 million and ordered that a year end financial statement for 2011 be provided to the Board by March 15, 2012. Fines and costs are due within thirty (30) days of today's hearing or license number 19407B shall be suspended.

4. DISCIPLINARY HEARING: (Continued from September 21, 2011)

AQUA BLUE PLUMBING, LLC, dba ORACLE PLUMBING, License Nos. 74101 and 74152

COBALT CONSTRUCTION MANAGEMENT, LLC, License No. 74100

MECHANICAL BUILDING SERVICES, LLC, License No. 68381

Licensee was not present.

Two witnesses testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

Exhibit 2 – A September 27, 2011 e-mail from Ideal Supply Company.

The following Respondent's Exhibits were entered:

Exhibit A -A letter from Mechanical Building Services, LLC to the Board dated August 25, 2011.

Hearing Officer Hodgson found Respondent guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) violation of NRS 624.3013(4) failure to keep bond in force; one (1) violation of NRS 624.302(5) failure to respond to a written request from the Board; two (2) violations of NRS 624.3018(2) certain persons are prohibited from serving as officer, director, associate or partner of licensee. Respondent was assessed a fine of \$500.00 for each of the First and Second Causes of Action; a fine of \$250.00 for the Third Cause of Action for total fines of \$1,250.00 and investigative costs of \$2,419.00. Mechanical Building Services, LLC, license number 68381 shall have thirty (30) days from today's hearing to replace Kevin Donaldson Hartshorn as the Qualified Individual on the license. If they fail to replace Mr. Hartshorn within thirty (30) days, license number 68381 shall be suspended until Mr. Hartshorn is replaced. If Mechanical Building Services, LLC complies with the Decision and Order the Fifth Cause of Action shall be dismissed. If Mr. Hartshorn

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complies with the payment agreement with Ideal Supply, he may be considered to return on Mechanical Building Services, LLC's license. License numbers 74101 and 74152, Aqua Blue Plumbing, LLC, dba Oracle Plumbing, and license number 74100, Cobalt Construction Management, LLC, Barton Kay, Manager and Qualified Individual were revoked.

5. DISCIPLINARY HEARING: (Continued from June 22, 2011 and July 20, 2011)

SOUTHWEST STONE AND TILE, INC., License Nos. 46544 and 46545

Licensee was present with counsel, Charles Bennion, Esq.

Larry Halverson, CPA of Southwest Stone and Tile, Inc. was present.

Three witnesses testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

The following Respondent's Exhibits were entered:

Exhibit A – A reorganization plan.

Exhibit B - Monthly operating statements.

This matter was continued for an additional one-hundred and twenty (120) days.

<u>6. DISCIPLINARY HEARING:</u> (Continued from October 20, 2011)

SACHAN CORPORATION, License No. 73733

Licensee was present.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

The following Respondent's Exhibits were entered:

Exhibit A – Respondent's Answer to the Board's Complaint dated July 27, 2011.

Hearing Officer Hodgson found Respondent guilty of one (1) violation of NRS 624.3015(2) bidding in excess of the limit placed on the license by the Board. Respondent was assessed a fine of \$500.00 for the First Cause of Action and investigative costs of \$1,000.00. The Second Cause of Action, NRS 624.3016(1) was dismissed. Fines and costs are due within sixty (60) days of today's hearing or license number 73733, Sachan Corporation, Shambhu Dayal Sachan, President and Qualified Individual will be suspended.

7. DISCIPLINARY HEARING – DEFAULT ORDERS:

a. ALLIED WEST CONSTRUCTION, INC., License Nos. 49422, 52233 and 69785

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Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Exhibit 2 - Correspondence to the Board from Mr. Darden dated November 15, 2011 stipulating to the revocation of the licenses.

Hearing Officer Hodgson found Respondent Allied West Construction, Inc., license numbers 49422, 52233 and 69785 in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. The Respondent was found guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) violation of NRS 624.3013(4) failure to keep bond in force; NRS 624.3018(2) certain persons are prohibited from serving as officer, director, associate or partner of licensee. Respondent was assessed a fine of \$500.00 for each of the First and Second Causes of Action for total fines of \$1,000.00 and investigative costs of \$1,464.00. License numbers 49422, 52233 and 69785, Allied West Construction, Inc., were revoked. Respondent is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund plus fines and investigative costs prior to consideration of future licensure.

b. ADAMS ENTERPRISES UNLIMITED, INC., dba SIGNATURE SIGNS SERVICES, License No. 70254

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Hodgson found Respondent Adams Enterprises Unlimited, Inc., dba Signature Signs Services, license number 70254 in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. The Respondent was found guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) violation of NRS 624.3013(5), as set forth in NRS 624.263(3) a contractor shall notify the Board in writing upon filing of an application that initiates any proceedings or adjudication in bankruptcy court. Respondent was assessed a fine of \$500.00 for First Cause of Action; a fine of \$250.00 for the Second Cause of Action for total fines of \$750.00 and investigative costs of \$1,338.00. License number 70254, Adams Enterprises Unlimited, Inc., dba Signature Signs Services was revoked. Respondent is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of the Residential Recovery Fund plus fines and investigative costs prior to consideration of future licensure.

ADJOURNMENT

There being no further	business to come	before the Board	, the meeting	was adjourned l	by Hearing (Officer
Hodgson at 9:35 a.m.						

lougson at 9.55 a.m.	Respectfully Submitted,
ADDDOVED.	Janet Brinkley, Recording Secretary

APPROVED:

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Margi A. Grein, Executive Officer	
Nathaniel Hodgson, Hearing Officer	
Margaret Cavin, Hearing Officer	