

MEMBERS

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



STATE CONTRACTORS' BOARD

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

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

**MINUTES OF THE MEETING
FEBRUARY 5, 2002**

1. CALL TO ORDER:

The meeting of the State Contractors' Board was called to order by Chairman Michael Zech at 8:44a.m., Tuesday, February 5, 2002, State Contractors' Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Mike Zech – Chairman
Mr. Douglas W. Carson
Ms. Margaret Cavin
Mr. David W. Clark not in attendance – 9:30 a.m. – 10:55 a.m. – 1:40 p.m. – 2:45 p.m.
Mr. Jerry Higgins
Mr. Dennis Johnson
Mr. Randy Schaefer

BOARD MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. George Lyford, Director of Special Investigations
Mr. Frank Torres, Deputy Director of Investigations
Ms. Nancy Mathias, Licensing Administrator

LEGAL COUNSEL PRESENT:

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

Ms. Grein stated that Ron Carney had posted the agenda in compliance with the open meeting law on January 30, 2002 at the Washoe County Court House, Washoe County Library, and Reno City Hall. The agenda was also posted in both offices of the Board, Henderson and Reno, and on the Board's Internet web page.

It was learned there were 12 items on the amended agenda, each item of an emergency nature. In addition there was a request from Moody-Weiske Contractors concerning broadening its B-2 license.

MR. JOHNSON MOVED TO HEAR THE AMENDED AGENDA.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

A. BOARD GOVERNANCE AND ADMINISTRATION:

1. REVIEW OF FISCAL YEAR 2001-2002 STRATEGIC PLAN:

This matter was continued.

2. FUTURE MEETING AGENDAS:

No action.

3. ADOPTION OF PROPOSED REGULATION: – LCB FILE R117-01 – ADVERTISING OF RESIDENTIAL POOLS OR SPAS

MR. CLARK MOVED TO ADOPT THE PROPOSED REGULATION FOR THE ADVERTISING OF RESIDENTIAL POOLS AND SPAS.

MS. CAVIN SECONDED

THE MOTION CARRIED.

4. RULES AND REGULATIONS: – REPORT

Continued to February 20, 2002.

5. SUBCOMMITTEE REPORT AND DISCUSSION: – REGARDING CONTINUATION OF STAFF ATTORNEY SEARCH

Mr. Higgins informed the Board that preliminary interviews will be held on February 19, 2002.

Ms. Grein stated the applications are available for Board members to review prior to scheduling interviews.

6. LEGAL REPRESENTATION AND PENDING CASES:

Continued to February 20, 2002.

B. FINANCIAL REVIEW:

1. FINANCIAL STATEMENTS: – DECEMBER 31, 2001

Continued to February 20, 2002.

2. CASH DISBURSEMENT AND TRANSFER JOURNALS: – DECEMBER 31, 2001

Continued to February 20, 2002.

2. EXPENDITURE APPROVAL:

Ms. Grein informed the Board that the recording equipment for the Reno office needs to be replaced.

Mr. Peter Chachere from Mojave Electric, Inc. presented to the Board proposals for telecommunications and video conferencing equipment for Reno and Henderson offices.

MR. CARSON MOVED TO REVIEW THE PROPOSALS AND CONTINUE THE MATTER TO THE NEXT BOARD MEETING.

MR. SCHAFER SECONDED THE MOTION.

THE MOTION CARRIED.

C. EXECUTIVE OFFICER'S REPORT:

Ms. Margi Grein, Executive Officer, presented the Executive Officer's report 12-31-01 to the Board.

MR. CARSON MOVED TO APPROVE THE EXECUTIVE OFFICERS QUARTERLY REPORT.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

1. REVIEW AND APPROVAL OF PERFORMANCE REVIEWS COMPENSATION FOR;
(CONTINUED FROM JANUARY 24, 2002.)

MR. HIGGINS MOVED TO CLOSE THE MEETING TO THE PUBLIC IN ACCORDANCE WITH NRS 241.033.

MR. SCHAFER SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. HIGGINS SECONDED THE MOTION.

MR. CARSON MOVED TO ADOPT THE SUBCOMMITTEE RECOMMENDATIONS OF PERFORMANCE REVIEWS AND COMPENSATION FOR THE EXECUTIVE OFFICER, DIRECTOR OF INVESTIGATIONS AND LICENSING ADMINISTRATOR.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

D. DEPARTMENT REPORTS:

1. INVESTIGATIONS DEPARTMENT:

Mr. Frank Torres, Deputy Director of Investigations presented the aging report for the Reno Compliance and Criminal Investigations Departments.

2. LICENSING DEPARTMENT:

Ms. Kathy Stewart, Licensing Supervisor, presented the aging report for the Reno Licensing Department.

3. HUMAN RESOURCES DEPARTMENT:

This matter was continued to the Henderson Board meeting on 2-20-02.

MOODY & WEISKE CONTRACTORS, #13490 – REQUEST FOR BROADENING B-2 LICENSE TO A FULL B LICENSE

Mr. Mitchell L. Moody, President, Moody & Weiske Contractors; Kevin H. Weiske, Vice President, Moody & Weiske Contractors, were present.

Mr. Weiske requested the Board to broaden license #13490 from a B-2 license to a full B license.

Mr. Zech stated that based on the letter submitted to the Board by Moody & Weiske Contractors, it appears they have enough experience to qualify for a B license.

MR. JOHNSON MOVED TO GRANT THE REQUEST CONTINGENT UPON SUBMITTING THE REQUIRED APPLICATION FEE; AND TO WAIVE ADDITIONAL TESTING.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

STAFF UPDATE:

3. DESERT ROOFING, INC., #47976 – STAFF UPDATE (CONTINUED FROM DECEMBER 18, 2001 AND JANUARY 24, 2002)

Mr. Lyford informed the Board that Investigator Greg Welch validated one workmanship complaint and issued a Notice to Correct. Mr. Lyford stated that Mr. Welch is in the process of reviewing the contract between the Respondent and the Homeowners Association.

MR. CARSON MOVED TO CONTINUE THIS MATTER TO THE FEBRUARY 20, 2002 BOARD MEETING.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

INFORMAL SETTLEMENT AGREEMENT:

1. SIGNATURE LANDSCAPES, LLC., #52590

MR. JOHNSON MOVED TO ACCEPT THE STIPULATED SETTLEMENT AGREEMENT; THAT THE RESPONDENT REIMBURSE THE BOARD FOR INVESTIGATIVE COSTS OF \$617.00 WITHIN 30 DAYS FROM THE DATE OF THE BOARD'S APPROVAL OF THE AGREEMENT; AND A WARNING LETTER BE PLACED IN THE RESPONDENT'S FILE FOR ONE YEAR.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

MS. CAVIN ABSTAINED.

DEFAULT ORDERS:

5. CREATIVE BUSINESS SYSTEMS, d.b.a. BROWN RICE DEVELOPMENT #44689 – DISCIPLINARY HEARING – DEFAULT ORDER

No one from Creative Business Systems, d.b.a. Brown Rice Development was present.

The hearing was for possible violations of NRS 624.3017 (1); NRS 624.3013 (5); as set forth in NAC 624.700 (3) (a); NRS 624.3013 (2); NRS 624.3013 (5) as required by NRS 624.263 (3); NRS 624.302 (5); NRS 624.3013 (4); NRS 624.3013 (3).

Mr. Reese informed the Board that the Respondent has filed for Bankruptcy, therefore, the second and fourth causes of action should be dismissed.

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

MS. CAVIN MOVED TO DISMISS THE SECOND AND FOURTH CAUSES OF ACTION; ACCEPT THE FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND CREATIVE BUSINESS SYSTEMS d.b.a. BROWN RICE DEVELOPMENT LICENSE #44689 IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #44689 CREATIVE BUSINESS SYSTEMS, d.b.a. BROWN RICE DEVELOPMENT; TO REQUIRE FULL RESITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$2,986.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.

MR. HIGGINS SECONDED.

THE MOTION CARRIED.

6. MARK BERRY PLUMBING, #36836 – DISCIPLINARY HEARING – DEFAULT ORDER

No one from Mark Berry Plumbing was present.

The hearing was for possible violations of NRS 624.3012 (2); NRS 624.3013 (3), pursuant to NRS 624.220 and 624.260 to 624.265; NRS 624.302 (5); NRS 624.3013 (4).

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

MR. HIGGINS MOVED TO ACCEPT THE FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND MARK BERRY PLUMBING, LICENSE #36836 IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #36836 MARK BERRY PLUMBING; TO REQUIRE FULL RESITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$2,448.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

7. T BAR CONSTRUCTION, #50304 – DISCIPLINARY HEARING – DEFAULT ORDER

No one from T Bar Construction was present.

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

The hearing was for possible violations of NRS 624.3017 (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 (5); NRS 624.3011 (1) (a); NRS 624.3013 (5), as set forth in NAC 624.640 (3); NRS 624.3013 (3) pursuant to NRS 624.220 and 624.260 to 624.265.

MS. CAVIN MOVED TO ACCEPT THE FILE AS FINDINGS OF FACT, CONCLUSIONS OF LAW; TO FIND T BAR CONSTRUCTION, LICENSE #50304

IN VIOLATION OF ALL CHARGES; TO REVOKE LICENSE #50304 T BAR CONSTRUCTION; TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES; AND TO RECOVER THE INVESTIGATIVE COSTS OF \$1,493.00 PRIOR TO CONSIDERATION OF FUTURE LICENSURE.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

DISCIPLINARY HEARINGS:

8. SOLANO DEVELOPMENT COMPANY, LTD., #50086 – DISCIPLINARY HEARING

Mr. Walter E. Stockman, Member, Solano Development Company, LTD.; Ms. Susanna Money-Doster, Homeowner; and NSCB Investigator Gary Hoid were sworn in. Mr. Jim Spoo, attorney for Solano Development Company, LTD., was present.

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

The Stipulation was signed and entered into the record as Exhibit #2.

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

Mr. Reese, informed the Board that the Respondent has paid a subcontractor to correct the workmanship issues at Ms. Money-Doster's home.

Mr. Spoo stated that his client the Respondent regrets the amount of time it has taken to correct the paver stone problems.

Ms. Money-Doster testified that she filed her first complaint in May, 2001 and a Notice to Correct was issued. The Respondent scheduled to repair and /or replace the workmanship issues on the Notice to Correct and Ms. Money-Doster had agreed to have the complaint closed. She requested the complaint be re-opened when the Respondent did not comply with the Notice to Correct. Ms. Money-Doster pointed out that she has not denied Respondent access to her property.

Mr. Hoid testified that he validated the original workmanship complaint and issued a Notice to Correct. Mr. Hoid stated the homeowner and Respondent entered into a verbal agreement to close the complaint as long as Respondent completed the repairs. Mr. Hoid further testified that the complaint was re-opened and a second Notice to Correct was issued.

Mr. Stockman testified a check has been issued to the subcontractor to complete the repairs.

The evidentiary portion of the hearing was closed.

**MR. SCHAEFER MOVED TO FIND SOLANO DEVELOPMENT COMPANY, LTD., LICENSE # 50086 IN VIOLATION OF ALL CAUSES OF ACTION.
MS. CAVIN SECONDED THE MOTION.**

THE MOTION CARRIED.

MR. CLARK ABSTAINED.

MR. SCHAEFER MOVED TO FINE SOLANO DEVELOPMENT COMPANY, LTD., LICENSE # 50086 \$1,000.00 PER VIOLATION; TO RECOVER INVESTIGATIVE COSTS OF \$2,373.00 WITHIN 90 DAYS OR LICENSE WILL AUTOMATICALLY BE SUSPENDED; AND A LETTER OF REPRIMAND TO BE PLACED IN THE FILE FOR ONE YEAR.

MS. CAVIN SECONDED THE MOTION.

MR. CLARK ABSTAINED.

9. APPLICATIONS:

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

MR. CLARK SECONDED THE MOTION.

THE MOTION CARRIED.

PAUL DAVIS RESTORATION OF RENO & LAKE TAHOE, (B-2 RESIDENTIAL & SMALL COMMERCIAL) NEW APPLICATION

Mr. Matthew T. Bushnell, President, Paul Davis Restoration of Reno & Lake Tahoe, was present. The Board informed Mr. Bushnell that the license application (B-2 Residential & Small Commercial) was approved with a monetary limit of \$1,000,000 and a bond of \$20,000.

SPEEDY CREEK CONSTRUCTION, (B-2 RESIDENTIAL & SMALL COMMERCIAL) NEW APPLICATION

Mr. William D. Dalley, Owner, Speedy Creek Construction, was present. The Board informed Mr. Dalley that the license application (B-2 Residential & Small Commercial) was approved with a monetary limit of \$50,000 and a bond of \$5,000.

DENNIS CLARK CONSTRUCTION, (B-2 RESIDENTIAL & SMALL COMMERCIAL) NEW APPLICATION

Mr. Dennis P. Clark, Owner, Dennis Clark Construction, was present. The financial statement was discussed. The Board informed Mr. Clark his application would be tabled for 90 days to provide an opportunity to establish financial responsibility.

L L CHRISTIAN CONSTRUCTION, INC., (B GENERAL BUILDING) NEW APPLICATION

Mr. Kenneth C. Roebelen, President, L L Christian Construction, INC., was present. The Board informed Mr. Roebelen that the license application (B General Building) was approved with a monetary limit of \$5,000,000 and a bond of \$30,000.

HYATT REGENCY LAKE LAS VEGAS, (B GENERAL BUILDING) OFFICER CHANGE WITH RENEWAL

Mr. Mark Bruce, attorney for Hyatt Regency Lake Las Vegas, was present. The Board informed Mr. Bruce that the change of officer with renewal was approved as recommended by staff.

HYATT TAHOE CASINO MANAGEMENT, INC., (E-2 OWNER EXCEEDING 3 STORIES) OFFICER CHANGE WITH RENEWAL

Mr. Mark Bruce, attorney for Hyatt Tahoe Casino Management, Inc., was present. The

Board informed Mr. Bruce that the change of officer with renewal was approved.

HYATT REGENCY LAKE LAS VEGAS, (B-GENERAL BUILDING) CHANGE IN QUALIFIER, BOARD DECISION ON TRADE EXAM

Mr. Mark Bruce, attorney for Hyatt Regency Lake Las Vegas, was present. The Board informed Mr. Bruce that the change in qualifier was approved as recommended by staff and the exam waived.

A D S CONSULTING, INC., (A-22, 23 LEAD MOLD ASBESTOS REMOVAL) NEW APPLICATION

Mr. Nelson V. Quezada, President, A D S Consulting, Inc., was present. The Board informed Mr. Quezada that his license application (A-22,23 Lead Mold Asbestos Removal) was approved with a monetary limit of \$1,000,000.00 and a bond of \$50,000.

The following applications on the agenda were reviewed and discussed: Nos. 1, 2, 4, 5, 6, 8, 9, 11, 12, 14, 18, 22, 23, 27, 30, 35, 39, 45, 50, 51, 56, 57, 59, 61, 63, 68,70, 71, 80, 84, 85, 88, 103, 105, 106, 107, and 119.

The applications on the amended agenda were reviewed and discussed: Nos. 2 and 7.

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

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

LIVING WATERS & D P D INC, # 23635 (A-10,22 COMMERCIAL & RESIDENTIAL POOLS; WATERFALLS & WATER FEATURES) VOLUNTARY SURRENDER, RECONSIDERATION

The Board had under consideration a reconsideration of the voluntary surrender of license number 23635.

Ms. Stewart stated that there had been a misunderstanding of the initial correspondence concerning the surrender of the license. She further indicated that although the voluntary surrender of the license may have been in error, certain other factors have come to the attention of Board staff regarding the licensee's ability to maintain the license.

MR. CARSON MOVED TO SUMMARILY SUSPEND LIVING WATERS & D P D INC. LICENSE # 23635.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON 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.**

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

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO APPROVE ALL APPLICATIONS NOT SPECIFICALLY DISCUSSED IN CLOSED SESSION AS RECOMMENDED BY STAFF.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

10. MICHAEL'S SERVICE - APPLICATION HEARING

Mr. Mike Kapetan, Owner, Michael's Service, NSCB Licensing Supervisor, Ms. Kathy Stewart, and Licensing Analyst Ms. Diana Wallace, were sworn in.

The hearing was for failure to meet the financial responsibility requirement of an applicant for a contractor's license as set forth in NRS 624.263.

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

The Stipulation was signed and entered into the record as Exhibit #2.

Ms. Wallace stated that the financial statement submitted with the Respondent's application was dated March, 2001 and failed to demonstrate financial responsibility. The Notice of Hearing sent by the Board requested a current financial statement. Ms. Wallace stated she has reviewed the financial statement dated December 4, 2001. A new financial statement was provided pursuant to the Notice of Hearing. The Respondent had also requested his monetary limit be reduced to \$5,000.00.

Mr. Kapetan stated that he mainly does maintenance work on air conditioners and refrigerators.

The Respondent's New Bank Verification Form was entered into the record as Exhibit A.

MR. JOHNSON MOVED TO APPROVE MICHAEL'S SERVICE FOR A C-21 LICENSE WITH A MONETARY LIMIT OF \$5,000.00 AND A BOND OF \$1,000.00.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

DISCIPLINARY HEARING:

11. DESERT MOUNTAIN DEVELOPMENT, # 32543 – DISCIPLINARY HEARING

Mr. Donald Ray Holloway, Owner, Desert Mountain Development; Dr. Mark Gunderson, Homeowner, Lisa Gunderson, Homeowner; Mr. James Beasley, Attorney; NSCB Investigator Gary Hoid; and NSCB Licensing Analyst, Diana Wallace, were sworn in. Mr. Kevin Bertonneur, Attorney for Desert Mountain Development was also present.

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

The Respondent's financial statement was entered into the record as Exhibit A.

The hearing was for possible violations of NRS 624.301 (1); NRS 624.3013 (3), pursuant to NRS 624.220 and 624.260 to 624.265; NRS 624.3015 (1); NRS 624.3015 (5) as set forth in NAC 624.600; NRS 3015 (5), as set forth in NAC 624.640 (5); NRS 624.3015 (2); NRS

624.3015 (3).

Dr. Gunderson testified he entered into a verbal agreement with Respondent in January, 2000 for the construction of a home. The written contract was not signed until March, 2000 and did not show Respondent's monetary limit. Respondent was last on the project in June, 2000 when the project was approximately 60% complete. Dr. Gunderson stated some liens have not been released contrary to Respondent's agreement.

Under questioning by Respondent's attorney, Dr. Gunderson indicated he paid more than the original construction loan and, in addition, paid for substantial repair work including reinstallation of sewer and plumbing lines and repainting. Portions of roofing material are missing. Dr. Gunderson stated the contract was not based on personal friendship.

Attorney for Complainant, James Beasley who had been subpoenaed to appear, testified he had informed Respondent via electronic mail on June 27, 2001 of his termination due to breach of contract.

Packet of electronic communications was entered into the record as Exhibit A.

Mr. Hoid testified that he validated the workmanship complaint. A scheduled job site meeting did not occur because Dr. Gunderson terminated Respondent before the meeting. Mr. Hoid was not provided a subcontractor's list from the Respondent.

Ms. Wallace testified the latest financial statement was dated June 30, 2001 and does not support the license limit.

Mr. Holloway testified that before he was terminated from the project he was informed by the bank that funds would not be released to him. Mr. Holloway further testified he did not know the subcontractor was not licensed. He had a verbal agreement and when he discovered he was not licensed he terminated him from the project.

The evidentiary portion of the hearing was closed.

MR. JOHNSON MOVED TO REFER TO FORMAL FINDINGS OF FACT AND CONCLUSIONS OF LAW.

MR. HIGGINS SECONDED THE MOTION.

THE MOTION CARRIED.

12. 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 Zech at 4:00 p.m.

Respectfully Submitted,

Tammy Stewart, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Michael Zech, Chairman