

JIM GIBBONS
Governor

STATE OF NEVADA

REPLY TO:

MEMBERS

MARGARET CAVIN
Chair
SPIRIDON FILIOS
Vice Chair
MICHAEL EFSTRATIS
JERRY HIGGINS
WILLIAM "BRUCE" KING
RANDY SCHAEFER
GUY M. WELLS



STATE CONTRACTORS BOARD

**MINUTES OF THE MEETING
February 27, 2008**

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These are DRAFT minutes not yet ratified by the Board.

CALL TO ORDER:

Hearing Officer Wells called the meeting of the State Contractors Board to order at 8:30 a.m., Wednesday, February 27, 2008, State Contractors Board, Henderson and Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Guy Wells

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 February 20, 2008, 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: GUY WELLS

1. DISCIPLINARY HEARING:

G. L. D. CONSTRUCTION, INC., License No. 58090

Licensee was not present nor represented by counsel.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File.

Exhibit # 2 – Order of Great American Insurance Company's Motion to Interplead Portion of Contractor's License Bond and For Discharge of Surety and Exoneration of Bond.

Exhibit # 3 - Respondent's fax received February 27, 2008, stipulating to revocation of license.

The following Respondent Exhibits were entered:

Exhibit A – Respondent's Answer dated January 18, 2008.

Hearing Officer Wells found Respondent, G. L. D. Construction, Inc., Gregory Michael Francis, President, license number 58090, guilty of Two (2) violations of NRS 624.3012(2) willful or deliberate failure to pay any money when due for any materials or services rendered; Two (2) violations of NRS 624.3012(1) diversion of money received for the completion of a specific construction project in the completion of any construction project to any other construction project; One (1) violation of NRS 624.3013(3) failure to establish financial responsibility; One (1) violation of NRS 624.3013(4) failure to keep in force the bond or cash deposit for the full period required by the Board; One (1) violation of NRS 624.302(5) failure to respond to a written request from the Board. License number 58090, G. L. D. Construction, Inc., was revoked. Respondent was assessed an administrative fine of \$5,500.00. The investigative costs were assessed in the amount of \$2,457.00. Mr. Francis is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of Residential Recovery fund plus fines and investigative costs prior to consideration of future licensure.

2. DISCIPLINARY HEARING:

RED ROCK BUILDERS, INC., License No. 39709

RED ROCK BUILDERS, INC., License No. 56395

Licensee was not present nor represented by counsel.

The hearing was vacated and an Administrative Citation issued.

PACIFIC CONTRACTORS, LLC, License No. 46626

Licensee was present and represented by counsel, John Mahler, Esq.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Exhibit # 2 – A financial statement request letter from the Board to the Respondent dated October 29, 2007.

Exhibit # 3 – A letter from Brian J. Pezzillo, Esq. dated January 10, 2008 regarding the Foreclosure Sale for the properties owned by Chateau Properties III, LLC.

Exhibit # 4 – A letter from John M. Naylor, Esq. to the Board regarding the money owing complaint dated February 26, 2008.

The following Respondent Exhibits were entered:

Exhibit A – Respondent's Answer to the Board's Complaint.

Exhibit B – Respondent's financial statement as of December 31, 2007.

This matter was continued to March 26, 2008.

4. DISCIPLINARY HEARING – STIPULATED REVOCATIONS:

a. STARMARK CONSTRUCTION, License No. 50560

Licensee was not present nor represented by counsel.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Exhibit # 2 – Respondent's letter dated January 29, 2008, to the Board stipulating to the revocation of his license.

Hearing Officer Wells found Respondent, Garth Merrill, dba Starmark Construction, license number 50560, guilty of Two (2) violations of NRS 624.3012(2) willful failure to pay any money when due for any materials or services rendered in connection with his operations as a contractor; One (1) violation of NRS 624.3012(3) failure to obtain the discharge or release of any lien recorded against the property to be improved by a construction project for the price of any materials or services rendered to the project by order of the contractor within 75 days after the recording of the lien; One (1) violation of NRS 624.301(1) abandonment of any construction project undertaken by the licensee as a contractor; Two (2) violations of NRS 624.301(4) willful failure on the part of a licensee as a contractor to prosecute a construction project with reasonable diligence; Three (3) violations of NRS 624.3013(5), as set forth in NAC 624.640(5) each licensee shall include in all bids he submits or contracts he enters into for construction work within this State, the number of his license and any monetary limit placed upon his license; One (1) violation of NRS 624.3015(2) bidding to contract for a sum for one construction contract in excess of the limit placed on the license by the Board; One (1) violation of NRS 624.301(3) failure on the part of a licensee to complete any construction project for the price stated in the contract for the project; One (1) violation of NRS 624.3013(3) failure to establish financial responsibility. License number 50560, Garth Merrill, dba Starmark Construction, was revoked. Respondent was assessed an administrative fine of \$2,000.00 for each of the First, Second, Sixth, Seventh, Tenth, and Twelfth Causes of Action and a fine of \$1,000.00 for each of the Third, Fourth, Fifth, Eighth, Ninth, and Eleventh Causes of Action for a total administrative fine of \$18,000.00. The investigative costs were assessed in the amount of \$2,548.00. Mr. Merrill is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of Residential Recovery fund plus fines and investigative costs prior to consideration of future licensure.

b. WATER CREATIONS, LTD., License No. 49447

CUSTOM POOL PLASTERING, License No. 51162

Licensees were not present nor represented by counsel.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Exhibit # 2 – Respondent Water Creations, LTD's letter dated January 23, 2008, to the Board stipulating to the revocation of its license.

Exhibit # 3 – Respondent Custom Pool Plastering's letter dated February 19, 2008 stipulating to the revocation of its license.

Hearing Officer Wells found Respondent, Water Creations, LTD., Denise Caouette, Manager, and Kenneth Caouette, Qualified Employee, license number 49447 and Custom Pool Plastering, Dorothy May Warne, Manager, and Kenneth Caouette, Qualified Employee, license number 51162, guilty of One (1) violation of NRS 624.3011(1)(a) willful disregard of plans without the consent of the owner in accordance with the plans and specifications; Four (4) violations of NRS 624.3012(3) failure to discharge any lien recorded against the property to be improved by a construction project for the price of any materials or services rendered to the project by order of the contractor; Four (4)

violations of NRS 624.3012(1) diversion of money received for the completion of a specific construction project or for a specified purpose in the completion of any construction project or operation to any other construction project; One (1) violation of NRS 624.301(1) abandonment of any construction project engaged in or undertaken by the licensee as a contractor; One (1) violation of NRS 624.301(4) willful failure on the part of a licensee as a contractor to prosecute a construction project with reasonable diligence; One (1) violation of NRS 624.3013(3) failure to establish financial responsibility; One (1) violation of NRS 624.3018(2) certain persons prohibited from serving as officer, director, associate or partner of licensee. License number 49447, Water Creations, Ltd., and license number 51162, Custom Pool Plastering, were revoked. The investigative costs were assessed in the amount of \$3,272.00. Ms. Caouette, Mr. Caouette, and Ms. Warne are required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of Residential Recovery fund plus fines and investigative costs prior to consideration of future licensure.

c. PATIO DESIGNS BY CHARLES, INC., License Nos. 51339A and 60510

Licensee was not present nor represented by counsel.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Exhibit # 2 – Respondent's letter dated January 29, 2008, to the Board stipulating to the revocation of its licenses.

Hearing Officer Wells found Respondent, Patio Designs By Charles, Inc., Charles Delfino Higuera, President, license numbers 51339A and 60510, guilty of Six (6) violations of NRS 624.301(5) willful failure on the part of a licensee to comply with the terms of a construction contract; One (1) violation of NRS 624.3013(3) failure to establish financial responsibility; Three (3) violations of NRS 624.301(1) abandonment of any construction project undertaken by the licensee as a contractor; Three (3) violations of NRS 624.3011(1)(b)(1) willful disregard and violation of the building laws of the; Two (2) violations of NRS 624.3012(1) diversion of money received for the completion of a specific construction project or for a specified purpose in the completion of any construction project or to any other construction project; One (1) violation of NRS 624.301(2) abandonment of a construction project when the percentage of the project completed is less than the percentage of the total price of the contract paid to the contractor at the time of abandonment; One (1) violation of NRS 624.3015(1) acting in the capacity of a contractor beyond the scope of the license; One (1) violation of NRS 624.3018(2) certain persons prohibited from serving as officer, director, associate or partner of licensee. License numbers 51339A and 60510, Patio Designs By Charles, Inc., was revoked. The investigative costs were assessed in the amount of \$3,560.00. Mr. Higuera is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of Residential Recovery fund plus fines and investigative costs prior to consideration of future licensure.

5. DISCIPLINARY HEARING – DEFAULT ORDERS:

a. G. K. F. FLOORING, License No. 47191

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Hearing Officer Wells found Respondent, G. K. F. Flooring, Kristine K. Fischer, Partner, license number 47191, in default and adopted the Findings of Fact and Conclusions of Law as set forth in the

Administrative complaint. Ms. Fischer was found guilty of One (1) violation of NRS 624.3017(1) substandard workmanship; One (1) violation of NRS 624.3013(5), set forth in NAC 624.700(3)(a) failure to comply with Board's Notice to Correct; 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 NAC 624.640(3) each licensee shall include in all bids he submits or contracts he enters into for construction work within this State, the number of his license and any monetary limit placed upon his license. License number 47191, G. K. F. Flooring was revoked. Respondent was assessed an administrative fine of \$3,000.00. The investigative costs were assessed in the amount of \$1,369.00. Ms. Fischer is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of Residential Recovery fund plus fines and investigative costs prior to consideration of future licensure.

b. EXTREME AIR, INC., License No. 58073

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Hearing Officer Wells found Respondent, Extreme Air, Inc., Bruce Michael Copertino, President, license number 58073, in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Copertino was found guilty of One (1) violation of NRS 624.3017(1) substandard workmanship; One (1) violation of NRS 624.3013(5), as set forth in NAC 624.700(3)(a) failure to comply with Board's Notice to Correct; Two (2) violations of NRS 624.302(5) failure to respond to a written request from the Board; One (1) violation of NRS 624.3013(3) failure to establish financial responsibility. License number 58073, Extreme Air, Inc., was revoked. Respondent was assessed an administrative fine of \$2,750.00. The investigative costs were assessed in the amount of \$2,325.00. Mr. Copertino is required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of Residential Recovery fund plus fines and investigative costs prior to consideration of future licensure.

c. MOJAVE HOMES, License No. 46461

AOS SERVICES, INC., License Nos. 67673 and 69183

Licensees were not present.

The following Agency Exhibits were entered:

Exhibit # 1 – Board Hearing File

Hearing Officer Wells found Respondent, Mojave Homes, Peter M. Gazsy, Partner and Fredric C. Beesley, Partner, license number 46461, and AOS Services, Inc., Richard Martin Lowe, President and Fredric C. Beesley, Director, license numbers 67673 and 69183 in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Gazsy, Mr. Beesley and Mr. Lowe were found guilty of Two (2) violations of NRS 624.3017(1) substandard workmanship; Two (2) violations of NRS 624.3013(5), as set forth in NAC 624.700(3)(a) failure to comply with the Board's Notice to Correct; One (1) violation of NRS 624.3013(3) failure to establish financial responsibility; One (1) violation of NRS 624.3018(2) certain persons prohibited from serving as officer, director, associate or partner of licensee; One (1) violation of NRS 624.302(5) failure to respond to a written request from the Board. License number 46461, Mojave Homes, and license numbers 67673 and 69183, AOS Services Inc., were revoked. Respondents were assessed an administrative fine of \$4,000.00. The investigative costs were assessed in the amount of \$2,275.00. Mr. Gazsy, Mr. Beesley and Mr. Lowe

are required to make full restitution to all damaged parties and reimburse the Board for any monies paid out of 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 by Hearing Officer Wells at 10:38 a.m.

Respectfully Submitted,

Tricia Buyson, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Guy Wells, Hearing Officer