JIM GIBBONS Governor

#### MEMBERS

Kevin E. Burke, Chairman Donald L. Drake Michael Efstratis Nathaniel W. Hodgson, III William "Bruce" King Stephen P. Quinn Guy M. Wells

# STATE OF NEVADA



# STATE CONTRACTORS BOARD

# MINUTES OF THE MEETING October 20, 2010

#### REPLY TO:

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

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

#### CALL TO ORDER:

Hearing Officer Quinn called the meeting of the State Contractors Board to order at 8:30 a.m., Wednesday, October 20, 2010, 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. Stephen Quinn, Hearing Officer Mr. Nathaniel Hodgson, 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 October 13, 2010, 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:**

# MARSHALL LAMAR LEOMAN, OWNER, dba GLOBAL ENGINEERING AND CONSTRUCTION, License No. 70888

Licensee was present.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

Exhibit 2 – A proposal/contract from Byrd Underground related to the sewer work at the Sergeyevsky residence dated July 23, 2010 in the amount of \$3,031.00.

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Exhibit 3 – A proposal/contract from Byrd Underground related to the sewer work at the Sergeyevsky residence dated July 27, 2010 in the amount of \$7,396.00.

The following Respondent's Exhibits were entered:

Exhibit A – Respondent's Answer to the Board's Complaint dated September 8, 2010.

Exhibit B – Respondent's Addendum to Answer received October 20, 2010.

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; one (1) violation of NRS 624.3016(5), per NRS 624.965(1) any violation of NRS 624.900 to 624.965, with respect to contracts for the repair, restoration, improvement or construction of a residential pool or spa; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was assessed a fine of \$1,000.00 for the Third Cause of Action; a fine of \$3,000.00 for the Fifth Cause of Action; a fine of \$500.00 for the Sixth Cause of Action for total fines of \$4,500.00 and investigative costs of \$1,470.00. The First, Second and Fourth Causes of Action were dismissed. Fines and costs are to be paid within thirty (30) days of the October 20, 2010 Board Hearing. License number 70888, Marshall Lamar Leoman, Owner, dba Global engineering and Construction Company was revoked.

# ADJUDICATING BOARD MEMBER: STEPHEN QUINN

#### 2. DISCIPLINARY HEARING:

**NEVADA GARAGE CABINETS, LLC, dba 1<sup>st</sup> CHOICE STORAGE SOLUTIONS,** License Nos. 59785, 54686

Licensee was present.

Two 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 – Respondent's Answer to the Board's Complaint dated September 2, 2010.

Exhibit B – Respondent's Profit and Loss from January 1, 2010 through September 30, 2010 and October 1, 2010 through October 16, 2010; Respondent's last five (5) months of bank statements; and a copy of Respondent's property and casualty insurance.

Hearing Officer Quinn found Respondent guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was assessed a fine of \$250.00 for the First Cause of Action and investigative costs of \$1,275.00. Fines and costs are due within thirty (30) days of the October 20, 2010 Board Hearing. License numbers 59785 and 54686, Nevada Garage Cabinets, LLC, dba 1<sup>st</sup> Choice Storage Solutions are suspended until a current financial statement is provided that supports the license limits.

#### 3. DISCIPLINARY HEARING:

BELL ELECTRICAL SYSTEMS, LLC, License No. 58771A

Licensee was present with counsel, Wolfe Thompson, Esq.

Four 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 – Respondent's Answer to the Board's Complaint dated September 29, 2010.

Exhibit B – Respondent's Motion to Stay or Continue Hearing dated October 8, 2010.

Hearing Officer Quinn 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. Respondent was assessed a fine of \$2,500.00 for the Second Cause of Action and investigative costs of \$1,884.00. The First Cause of Action was dismissed. Fines and costs are due within sixty (60) days of the October 20, 2010 Board Hearing or license will be suspended. License number 58771A, Bell Electrical Systems, LLC is placed on Probation for one (1) year.

4. DISCIPLINARY HEARING: (Continued from June 16, 2010)

# CY CHAIM YEHROS, OWNER, dba C Y DEVELOPMENT AND CONSTRUCTION, License No. 16728

Licensee was not present.

Mario Fernandez, owner of Freedom Underground was present.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

Exhibit 2 – Respondent's request for a continuance dated October 12, 2010, Respondent's doctor's letter dated October 12, 2010 and a copy of the civil litigation between Freedom Underground, LLC and the Respondent.

Exhibit 3 – An e-mail from the Respondent to the Board dated October 18, 2010, stipulating to the First Cause of Action of the Board's Complaint.

The following Respondent's Exhibits were entered:

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

Hearing Officer Quinn found Respondent guilty of one (1) violation of NRS 624.3012(2) willful failure to pay any money when due for materials or service. Respondent was assessed a fine of \$1,000.00 and investigative costs of \$2,280.00. Fines and costs are to be paid within ninety (90) days of the October 20, 2010 Board Hearing or license number 16728, CY Chaim Yehros, Owner, dba C Y Development and Construction shall be suspended.

5. DISCIPLINARY HEARING: (Continued from September 22, 2010)

A. A. C. A., LLC, dba MR. ROOTER PLUMBING, License No. 73696

Licensee was present with counsel, Wayne Frizell, Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

# This matter was continued for thirty (30) days.

6. DISCIPLINARY HEARING: (Continued from September 22, 2010)

# THE GOOD WATER COMPANY, dba DIAMOND WATER PURIFICATION, License No. 53772

Licensee was present with counsel, John Hunt, Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

This matter was continued for thirty (30) days.

7. DISCIPLINARY HEARING: (Stipulated Revocation)

# AC/DC ELECTRICAL CONTRACTORS NEVADA, LLC, License No. 73302

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing file.

The following Respondent's Exhibits were entered:

Exhibit A – A letter from Respondent to the Board dated September 17, 2010, stipulating to the revocation of the license.

Hearing Officer Quinn found Respondent guilty of two (2) violations of NRS 624.302(5) failure to comply with a written request by the Board; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) violation of NRS 624.301(5) failure to comply with the terms of the construction contract, thereby causing material injury to another; one (1) violation of NRS 624.301(1) abandonment of construction project; one (1) violation of BRS 624.3011(1)(a) willful disregard of plans or specifications without the consent of the owner; two (2) violations of NRS 624.3012(2) willful failure to pay any money when due for materials or service. Respondent was assessed a fine of \$250.00 for each of the First and Fifth Causes of Action; a fine of \$500.00 for each of the Second, Third, Seventh and Eighth Causes of Action; a fine of \$1,000.00 for each of the Fourth and Sixth Causes of Action and investigative costs of \$2,107.00. License number 73302, AC/DC Electrical Contractors Nevada, LLC was revoked. Respondent was ordered 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.

# 8. DISCIPLINARY HEARING – DEFAULT ORDERS

# a. FIRST CHOICE ELECTRIC, dba LAS VEGAS SIGHT AND SOUND, License No. 53676

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Quinn found Respondent First Choice Electric, dba Las Vegas Sight and Sound, license number 53676 in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Guerrero was found guilty of one (1) violation of NRS 624.301(5) failure to comply with the terms of the construction contract, thereby causing material injury to another; 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(5), as set forth in NRS 624.520(1) failure to provide Residential Recovery Fund notice to owner; one (1) violation 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 the license and any monetary limit placed upon his license; 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 and Fifth Causes of Action; a fine of \$100.00 for the Third Cause of Action; a fine of \$250.00 for the Fourth Cause of Action and investigative costs in the amount of \$1,377.00. License number 53676 is revoked. Respondent is ordered to pay full restitution to the 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. ACCESS TECHNOLOGIES CORPORATION, License Nos. 46441 and 46442

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Quinn found Respondent Access Technologies Corporation, license numbers 46441 and 46442 in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Rohr was found guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) 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 and investigative costs in the amount of \$1,288.00. License numbers 46441 and 46442 are revoked. Respondent is ordered to pay full restitution to the 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.

c. R. S. V. P. SYSTEMS, License No. 52374

SOUND SECURTIY, INC., License No. 67804

#### SOUND SECURITY SYSTEMS, LLC, dba SMITH AND WESSON SECURITY SERVICES OF NEVADA, License No. 74355

Licensee was not present.

Sound Security, Inc.'s President was present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Quinn dismissed Sound Security, Inc. and Sound Security Systems, LLC from the Board's Complaint. Respondent R. S. V. P. Systems, license number 52374, was found guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; however, a fine was not assessed. The Second Cause of Action was dismissed. Investigative costs are in the amount of \$1,346.00. License number 52374 was revoked. Respondent is ordered to pay full restitution to the

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.

d. ANAYA CONSTRUCTION, INC., License No. 50965

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Quinn found Respondent Anaya Construction, Inc., license number 50965, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Anaya was found guilty of one (1) violation of NRS 624.302(5) failure to comply with a written request by the Board; 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; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was not assessed fines or costs as licensee has filed for Chapter 7 Bankruptcy.

#### e. 1 DEVELOPMENT CONSTRUCTION CORPORATION, License Nos. 69136 and 70312

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Quinn found Respondent 1 Development Construction Corporation, license numbers 69136 and 70312, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Ms. Talavera was found guilty of one (1) violation of NRS 624.302(5) failure to comply with a written request by the Board; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) 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 each of the First and Second Causes of Action and investigative costs in the amount of \$1,275.00. License numbers 69136 and 70312 were revoked. Respondent is ordered to pay full restitution to the 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 by Hearing Officer Quinn at 11:42 a.m.

Respectfully Submitted,

Janet Brinkley, Recording Secretary

APPROVED:

Margi A. Grein, Executive Officer

Stephen P. Quinn, Hearing Officer

Nathaniel W. Hodgson