

KENNY C. GUINN
Governor

STATE OF NEVADA



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MEMBERS

KIM W. GREGORY
Chairman
DOUG CARSON
MARGARET CAVIN
DENNIS K. JOHNSON
RANDY SCHAEFER
DEBORAH WINNINGHAM SHELTRA
MICHAEL ZECH

STATE CONTRACTORS' BOARD

**MINUTES OF THE MEETING
JUNE 6, 2000**

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:32 a.m., Tuesday, June 6, 2000, State Contractors' Board, Reno, Nevada. Exhibit A is the Meeting Agenda and Exhibit B is the Sign In Log.

BOARD MEMBERS PRESENT:

Mr. Kim Gregory – Chairman	(Exited at 3:20 p.m.)
Mr. Doug Carson	(Exited at 3:20 p.m.)
Ms. Margaret Cavin	
Mr. Dennis Johnson	
Mr. Randy Schaefer	(Exited at 3:20 p.m.)
Ms. Deborah Sheltra	

BOARD MEMBERS ABSENT:

Mr. Mike Zech

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Dennis Haney, (Haney, Woloson & Mullins) (Exited at 3:20 p.m.)
Mr. David Reese, Legal Counsel (Cooke, Roberts & Reese)
Mr. Hal Taylor, Legal Counsel
Ms. Nancy Mathias, Licensing Administrator
Mr. George Lyford, Director of Special Investigations
Mr. Frank Torres, Deputy Director of Investigations
Ms. Kathy Stewart, Licensing Supervisor
Mr. Gary Hoid, Investigator
Mr. Gary Leonard, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Leslie Clarkson, Court Reporter, Sierra Nevada Reporters; Peter Beekof, Jr., President, West Ridge Homes Inc.; Starlin Jones, Senior Operator, City of Sparks; Carolyn McLeod, Complainant; Carl Alvin Sandgren, Owner, Carl Sandgren Construction; Dwight Millard, Partner, Millard Realty & Construction Company; Peter and Barbara Rinaldo, Complainants; Danny Nuckolls, Witness; Tom Garretson, Vice President, Garretson – Ferguson Construction Inc.; Sabrina Zabel, Witness; Attorney Sandra-Mae Pickens for Millard Realty & Construction Company; Lee S. Molof, Counsel for the Rinaldos; Edd

Ferguson, President, Ferguson Construction Inc.; Edward Goss, General Manager, Ceramic Tile Center; Ginger Contacessi, Office Manager, Ceramic Tile Center; Paul Pasillas, Owner, Paul Pasillas Tile Co.; Biff Plemel, Owner, A House That Biff Built, Complainants: Reed and Gloria Dopfs, Don and Shirley Dornan, Ron Chamness, Tahoe Truss, and Shannon Galvin, Credit Manager, BMC West; Mark Nielsen, President, M. Nielsen Corp.; Attorney Greg Skinner for M. Nielsen Corp; Ken Wood, Consultant; Magda Kisbal, Complainant; Howard Kerr, President, Climate Control of Nevada Inc.; and Complainants: Michael Austin, James Piper, Clem Piper, and Deborah Hoopes.

* * * * *

Ms. Grein stated that Ron Carney had posted the agenda in compliance with the open meeting law on May 31, 2000 at the Washoe County Court House, Washoe County Library, and Reno City Hall. In addition, it had been posted in both offices of the Board, Las Vegas and Reno and on the Board's Internet web page.

It was learned there were 23 items on the amended agenda, each item of an emergency nature. Additionally, a discussion regarding pool classifications was added to the regular agenda under the Executive Session.

MR. CARSON MOVED TO HEAR THE AMENDED AGENDA.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

The Chairman called for a motion to approve the minutes of May 23, 2000.

MS. CAVIN MOVED TO APPROVE THE MINUTES OF MAY 23, 2000.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

ENFORCEMENT ADVISORY COMMITTEE

No items were presented for consideration.

STAFF UPDATE ON COMPLAINTS

- ROBERT V. JONES CORP. #23498**
- THE ROBERT V. JONES COMPANY #44321**
- R V J C ELECTRICAL #43827**
- SUN VALLEY PLUMBING AND MECHANICAL #42529**

(Continued from 8/25/99, 9/23/99, 11/23/99, 12/22/99, and 1/11/00, 4/19/00) STAFF REPORT

George Lyford, Director, Special Investigations Unit, presented the staff report, providing the Board with current complaint statistics. He stated that there had been three or four new complaints filed since the last meeting on April 19, 2000. Mr. Lyford pointed out that Robert V. Jones had not provided monthly reports as requested by the Board, although reminders to that effect had been sent to all known addresses of record.

The current status of the licenses was suspended.

Mr. Gregory requested that a hearing be set for the next meeting in Las Vegas for final resolution of the matter.

FINDINGS OF FACT, CONCLUSIONS OF LAW

LUCKY & SONS CONSTRUCTION #36736 – FINDINGS OF FACT, CONCLUSIONS OF LAW

John Lucky and Randy Lucky, Partners, were not present. Neither was legal counsel or anyone else present to represent the Licensee.

MS. SHELTRA MOVED TO ACCEPT THE FINDINGS OF FACT, CONCLUSIONS OF LAW.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO REVOKE LICENSE #36736, LUCKY & SONS CONSTRUCTION.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MS. SHELTRA MOVED TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$4,703.38 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

SUMMARY SUSPENSIONS

MASTER PLUMBING AND MECHANICAL #13954 – SUMMARY SUSPENSION

Leo Cook, Owner, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

George Lyford, Director, Special Investigations Unit, stated the license was an active C1 license. Four money-owing complaints had been filed against the license, totaling \$277,000. Financial information to establish financial responsibility had been requested, but, to date, there had been no response. An investigator had contacted Mr. Cook, who told him he was not going to provide financial information to the board, adding others owed him money, and he was unable to pay anyone. Mr. Cook desired to surrender his license.

MR. CARSON MOVED TO SUMMARILY SUSPEND LICENSE #13954, MASTER PLUMBING AND MECHANICAL, BASED UPON THEIR CURRENT FINANCIAL STATUS, AND POSSIBLE HARM TO THE PUBLIC.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

COMMERCIAL AIRE SERVICES CO. #31614 & #39438 – SUMMARY SUSPENSION

Richard Donald Ford, President, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

George Lyford, Director, Special Investigations Unit, provided the board with a report. He stated it was possible the company was filing bankruptcy. Investigators had been to the company's location, and it was closed up. Neighbors had indicated City Marshals had shut down the company for outstanding judgments. Mr. Lyford said the Recorder's Office had several judgments against the company.

Three licenses were involved. Two for Commercial Aire Services Co. (numbers shown above), and one for Stocks Mills & Supply Co.

It was then learned that 3 licenses were involved for Stocks Mills & Supply Co.: license #4287, #4287B, and #33505.

License #4287 was an AB license, which was "Unlimited" with no bond, license #4287B was a C5 license, which was "Unlimited" with no bond, and license #33505 was a C3 license, with a \$100,000 and no bond.

MR. CARSON MOVED TO SUMMARILY SUSPEND LICENSE #31614, COMMERCIAL AIRE SERVICES CO., LICENSE #39438, COMMERCIAL AIRE SERVICES CO., LICENSE #4287, STOCKS MILLS & SUPPLY CO., LICENSE #4287B, STOCKS MILLS & SUPPLY CO., AND LICENSE #33505, STOCKS MILLS & SUPPLY CO., BASED UPON THEIR CURRENT FINANCIAL STATUS, AND POSSIBLE HARM TO THE PUBLIC.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

APPLICATIONS

The following motion closed the meeting to the public.

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

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

The meeting was then closed to the public pursuant to NRS 241.030 to discuss financial and other data, which is confidential under NRS 624.110 (2).

COLMAN DEVELOPMENT INC #38828 (B2 – Residential & Small Commercial) RENEWAL OF EXPIRED LICENSE

John Foley, Construction Manager, was present. He was notified the renewal application had been approved.

PERFORMANCE DOOR & TRIM INC (C3A – Carpentry, Remodeling, Repairs) NEW APPLICATION

Robert Bush, Secretary/Treasurer, was present. He was notified the license application had been approved with a limit of \$350,000 and a \$15,000 bond.

BEAUTIFUL HOMES (C15B – Siding) NEW APPLICATION, RECONSIDERATION

The license application had been denied on May 9, 2000 for lack of financial responsibility. New financial information had been provided.

Tom Gassaway, Owner, was present. He was notified the license application had been approved with a limit of \$35,000 and a \$5,000 bond.

ADVANCED CONCRETE CUTTING (C3 – Carpentry) NEW APPLICATION

Mike Zell, Owner, Advanced Concrete Cutting, and Gary Wieser, Associate, were present. They were notified that the license application had been approved with a limit of \$200,000, and a \$10,000 bond.

UMANA CONSTRUCTION #44885 (C3 – Carpentry) ONE TIME RAISE IN LIMIT

Alex Umana, Owner, was present. He was notified the one time raise in limit application to perform the Dynasty Bistro Tenant Improvement project had been approved for \$150,000, payment and performance bonds if required.

The remainder of the applications on the agenda was reviewed and discussion occurred on the following: #2-4, 6-10, 12, 18-20, 24-25, 31, 35-36, 38, 40, 42-44, 47-49, 53-55, 57-58, 60-61, 63, 66-68, 72-74, 76-78, 80-81, 88-89, 96-98, 101, 106-107, and 112.

The amended agenda was continued until later in the day.

INTERVIEW

WEST RIDGE HOMES INC. #25326 – INTERVIEW

Peter Beekof, Jr., President, was present. He provided new financial information for Board review. A financial discussion ensued wherein the one time raise in limit was explained to Mr. Beekof.

MR. JOHNSON MOVED TO RENEW THE LICENSE RENEWAL APPLICATION WITH A FINANCIAL REVIEW UPON RENEWAL IN 2001.

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

MS. CAVIN MOVED TO OPEN THE MEETING TO THE PUBLIC.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

ADVISORY OPINIONS

CITY OF SPARKS – Bid #99/00-079, Filter Media Replacement Project – RECONSIDERATION OF 5/23/00 Advisory Opinion

Ms. Mathias introduced the matter, and explained that new and more in-depth information had been provided.

Starlin Jones, Senior Operator, City of Sparks, was present. He informed the Board that he was the one who wrote the specifications for the project.

Mr. Gregory explained it was the City's right to require a more stringent opinion, and if the City wanted to have a licensed contractor perform the job, that information needed to be included in the job specifications. However, the Board's opinion was broader, and remained the same. As a maintenance project, no license was required to perform the job.

APPLICATIONS (Continued)

The following motion closed the meeting to the public.

MS. CAVIN MOVED TO CLOSE THE MEETING TO THE PUBLIC.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

The meeting was then closed to the public pursuant to NRS 241.030 to discuss financial and other data, which is confidential under NRS 624.110 (2).

The remainder of the applications on the agenda was reviewed and discussion occurred on the following: #1, 3, 5-6, 8, 11, 13, 14, 17, and 22-23.

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

MS. CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO APPROVE ALL APPLICATIONS NOT SPECIFICALLY DISCUSSED IN CLOSED SESSION PER STAFF RECOMMENDATION.

MS CAVIN SECONDED THE MOTION.

THE MOTION CARRIED.

GRASS VALLEY HOMES #41185 & #41224 – FINANCIAL RESPONSIBILITY HEARING

John Lee Wagoner, Owner, Grass Valley Homes, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

Kathy Stewart, Licensing Supervisor, was sworn in.

Mr. Taylor questioned Ms. Stewart and established that both licenses had expired as of January 31, 2000. Ms. Stewart testified that documents to establish financial responsibility had been requested numerous times. A CPA prepared financial statement, dated March 23, 2000, was not provided until March 29, 2000, and it did not demonstrate sufficient working capital and net worth.

Mr. Taylor stated the Board had denied the Licensee's application for renewal on April 18, 2000 based upon that financial statement. He added that the 4th and 5th causes of action indicated that judgments against the Licensee had been awarded. New financial information had not since been received to support the license renewal.

Ms. Stewart testified that after the denial, the Licensee had requested that the matter be reconsidered on May 9, 2000. Mr. Wagner and his legal counsel, Gregory Corn, had then met with the Board on that date. At the time, Mr. Corn represented that Mr. Wagner's bankruptcy was strictly medical, and that construction debt would not be included in the discharge debts. The action had then been tabled for 30 days to allow the Licensee to provide a post-petition financial statement and a list of all construction debts. To date, that information had not been provided. However, Ms. Stewart stated she had received a phone message the previous day at approximately 3:15 p.m. from Attorney Corn indicating that he was calling to confirm Mr. Wagner's election to continue the hearing for more time.

to resolve the issues. Ms. Stewart added she had not been able to contact Mr. Corn since, and she had not received a response to the message she left him.

MR. JOHNSON MOVED TO TABLE THE HEARING TO THE RENO MEETING ON OCTOBER 10, 2000.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

DISCIPLINARY HEARINGS

HELP-U-SCAPE #25524 – DISCIPLINARY HEARING

Michael David Spears, Owner, Help-U-Scape, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

The license was suspended for no bond in September, 1999. Subsequently, It expired on February 29, 2000.

Carolyn McLeod, Complainant, and Gary Leonard, Investigator, were sworn in.

The notice of hearing & complaint, which consisted of pages 1-34, had been mailed certified on May 6, 2000. The return receipt was signed and received at NSCB on May 22, 2000.

The hearing was for possible violation of NRS 624.301 (4), willful failure or refusal without legal excuse on the part of a licensee as a contractor to prosecute a construction project or operation with reasonable diligence, thereby causing material injury to another; NRS 624.301 (5), willful failure or refusal without legal excuse on the part of a licensee to comply with the terms of a construction contract or written warranty, thereby causing material injury to another; NRS 624.302 (5), failure or refusal to respond to a written request from the board or its designee to cooperate in the investigation of a complaint; NRS 624.302 (6), failure or refusal to comply with a written request by the board or its designee for information or records, or obstructing or delaying the providing of such information or records; NRS 624.3012 (1), or alternatively NRS 624.3016 (1), diversion of money or property received for the completion of a specific construction project or operation or for a specified purpose in the completion of any construction project or operation to any other construction project or operation, obligation or purpose, or alternatively, any fraudulent or deceitful act committed in the capacity of a contractor; NRS 624.3013 (3), failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board; NRS 624.3013 (5), as set forth NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the order to correct; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; and NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed.

The hearing notice was entered into the record as EXHIBIT 1.

Mr. Taylor questioned Ms. McLeod who testified she had entered into a contract with the Respondent to perform landscaping. The contract price was \$5,968. Ms. McLeod ultimately paid \$6,153. Mr. Taylor then referenced photographs and said they indicated that the rear patio was discolored and did not match. Ms. McLeod confirmed that the patio was real blotchy from a cure that had been put on. Additionally, there were dead plants

and missing plants, some of which had since been replaced.

Mr. Leonard testified that notices to correct had been sent, and financial documents had been requested. To date, the corrections had not been performed, and the documents had not been produced. Mr. Leonard validated that the work had been performed beyond the scope of the license.

Mr. Taylor then questioned Mr. Leonard regarding the David Rund complaint. Mr. Leonard testified that he was familiar with the allegations contained in the complaint. He then explained that Mr. Rund had entered into an agreement with the Licensee for the landscaping of the property. The contract price was \$26,373. Mr. Rund paid the Licensee a \$5,000 deposit. Thereafter, the Licensee decided to not move forward with the project, and refused to return the \$5,000 deposit.

The evidentiary was closed.

MR. CARSON MOVED TO ACCEPT THE FILE AND TESTIMONY AS FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO FIND LICENSE #25524, HELP-U-SCAPE, IN VIOLATION OF ALL CHARGES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO REVOKE LICENSE #25524, HELP-U-SCAPE, AND TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,998.33 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

CARL SANDGREN CONSTRUCTION #36769 – DISCIPLINARY HEARING

Carl Alvin Sandgren, Owner, Carl Sandgren Construction, was present. He and NSCB Investigator Gary Hoid, were sworn in.

The notice of hearing & complaint, which consisted of pages 1-10, had been mailed certified on May 6, 2000. The return receipt was signed and received at NSCB on May 17, 2000.

The hearing was for possible violation of NRS 624.3013 (3) and NRS 624.302 (6), failure to establish financial responsibility as set forth in NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board: failure or refusal to comply with a written request by the board or its designee for information or records, or obstructing or delaying the providing of such information or records.

The notice of hearing was entered into the record as EXHIBIT 1, and the stipulation was signed.

The status of the license was expired as of January 31, 2000.

Mr. Hoid testified a formal request for financial documentation had been made, but no documents had been forthcoming.

Mr. Sandgren testified he had filed a bankruptcy, which had been discharged. Mr. Sandgren stated he did not want to renew his license. He said he was out of business. He, personally, was in bad health, and the business was in trouble financially.

Dwight James Hunter (Lahonton Valley Glass), the complainant, had been paid in full by the surety bond.

The evidentiary was closed.

MR. CARSON MOVED TO FIND LICENSE #36769, CARL SANDGREN CONSTRUCTION, IN VIOLATION OF ALL CHARGES.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO REVOKE LICENSE #36769, CARL SANDGREN CONSTRUCTION.

MR. SCHAEFER SECONDED THE MOTION.

THE MOTION CARRIED.

MILLARD REALTY & CONSTRUCTION COMPANY #7213 - DISCIPLINARY HEARING

GARRETSON – FERGERSON CONSTRUCTION, INC. #24487 – DISCIPLINARY HEARING

Mr. Taylor had earlier presented the Board with an amended hearing notice adding Garretson – Ferguson as an additional Respondent, explaining the reason for the amended notice.

Dwight Millard, Partner, Millard Realty & Construction Company; Peter and Barbara Rinaldo, Complainants; NSCB Investigator Gary Leonard; Danny Nuckolls, Witness; Tom Garretson, Vice President, Garretson – Ferguson Construction Inc.; and Sabrina Zabel, Witness, were sworn in. Attorneys Sandra-Mae Pickens for Millard Realty & Construction Company, and Lee S. Molof, for the Rinaldos were identified. Edd Ferguson, President, Ferguson Construction Inc., was also present.

The notice of hearing and complaint, which consisted of pages 1-26, had been mailed certified on May 6, 2000. The return receipt was signed and received at NSCB on May 9, 2000.

An answer to the notice of hearing and complaint, which was mailed on May 6, 2000, had been received from Counsel for Millard on May 25, 2000. In response to that answer, an amended notice of hearing and amended complaint had been prepared.

The amended notice of hearing and amended complaint had been mailed to Millard, via certified mail, on June 2, 2000. The certified mail receipt had not been returned as of June 5, 2000.

A copy of the amended notice of hearing and amended complaint had been faxed to Counsel for Millard on June 2, 2000.

The hearing was for possible violation of NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with the correction notice; and NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed.

The hearing notices were entered into the record as EXHIBIT 1. Additional exhibits were then entered into the record as follows: GROUP EXHIBIT A, the response to the complaint and the answer to the amended complaint; and EXHIBIT 2, the waiver of notice regarding the amended complaint.

Both Mr. Millard and Mr. Ferguson signed the stipulation.

Mr. Leonard testified he had investigated the matter, and that he had validated the workmanship issues. He had also validated the additional items cited in the addendum to the notice to correct. A notice to correct regarding the first set of items had been sent October 13, 1999. The addendum notice to correct had been sent December 3, 1999, and the final notice to correct had been sent January 31, 2000. Mr. Leonard stated that the Respondents had always agreed to make the repairs, but after lots of discussion between the homeowner and the Respondents, the corrections had not been done.

Under questioning by Ms. Pickens, Mr. Leonard stated the Respondents had always been willing to make the corrections; the holidays had prevented Millard from going into the home, but Mr. Leonard was aware of Millard's attempts to schedule the repairs; and kept abreast of the extent of all discussions between the homeowner and the Respondent, Mr. Leonard said he was aware that Millard had agreed to buy back the home..

Mr. Molof questioned Mr. Leonard regarding a survey of the Rinaldo property, sparking a debate regarding several issues.

Mr. Gregory clarified that any workmanship issue had to be corrected by appropriate means to the standard of the industry.

Mr. Taylor questioned the Rinaldos regarding access to the property to perform the corrections. Mr. Taylor asked the Rinaldos to tell the Board how they perceived their willingness to grant the Respondent's access to the property, which Mr. Rinaldo did.

Ms. Pickens then spoke to the amended notice to correct, referencing tab number 5, which she said was a time line containing correspondence from Millard indicating the dates the work would be accomplished.

Mr. Rinaldo commented that the letters Ms. Pickens referenced were all dated after the final notice to correct had been issued.

Mr. Molof stated that the Rinaldos were ready to allow the repair work to be performed, but they were requesting that the Board order the Respondent to acquire another contractor to make the repairs under NRS 624.300.

Mr. Gregory pointed out it was an option that both parties had to agree to.

Subsequently, all parties agreed to move forward with the completion of the repairs.

Mr. Leonard was to facilitate both the homeowner and the Licensee, preferably without

attorney representation, within the next week, in an attempt to schedule the work, which was to be performed to the standard of trade in general, to be verified by the Board's investigator.

Mr. Molof agreed, but said one of the problems might require serious structural changes.

Mr. Leonard was to make that determination.

Mr. Leonard then stated that the problem was that the north wall of the Rinaldo's home was out of plumb approximately an inch. Mr. Rinaldo had constructed a fire place chimney up the north wall. He questioned who was to tear the chimney down to straighten the wall, considering it had been tied in.

MS. SHELTRA MOVED TO TABLE THE HEARING TO THE NEXT RENO MEETING ON JULY 11, 2000. INVESTIGATOR LEONARD WAS TO FACILITATE THE TWO PARTIES IN GETTING THE ISSUES RESOLVED.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

PAUL PASILLAS TILE CO. #38010 – DISCIPLINARY HEARING (Continued from 4/4/00)

Paul Pasillas, Owner, Paul Pasillas Tile Co. was present. Edward Goss, General Manager, Ceramic Tile Center; Ginger Contacessi, Office Manager, Ceramic Tile Center; and NSCB Investigator Gary Hoid, were sworn in.

Mr. Taylor stated he had received evidence yesterday that the money-owing complaint of Ceramic Tile had been satisfied. Notice to that effect was entered into the record as EXHIBIT 2.

The only remaining issue was financial responsibility, and Mr. Pasillas had provided new financial information.

The current status of license was suspended, not renewed.

Mr. Pasillas did not see any need to close the hearing to discuss his financial statement. He told the Board he was merely waiting for the matter before them to be resolved so that he could move forward with renewing his license, and that he was working on getting his bond reinstated.

MR. JOHNSON MOVED TO APPROVE THE LICENSE RENEWAL, CONTINGENT UPON THE REACTIVATION OF THE SURETY BOND, BACKDATED TO FEBRUARY 2, 2000, AND WITH A FINANCIAL REVIEW UPON RENEWAL IN 2001.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

A HOUSE THAT BIFF BUILT #34150 – DISCIPLINARY HEARING

Biff Plemel, Owner, A House That Biff Built, Complainants: Reed and Gloria Dopfs, Don and Shirley Dornan, Ron Chamness, Tahoe Truss, and Shannon Galvin, Credit Manager, BMC West; and Gary Hoid, NSCB Investigator, were sworn in.

The notice of hearing & complaint, which consisted of pages 1-38, had been mailed

certified on May 5, 2000. The return receipt was signed and received at NSCB on May 8, 2000.

The hearing was for possible of NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor; NRS 624.3013 (3), failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board; NRS 624.3015 (2), bidding to contract or contracting for a sum for one construction contract or project in excess of the limit placed on the license by the board; and NRS 624.3016 (1), any fraudulent or deceitful act committed in the capacity of a contractor.

The hearing notice and complaint were entered into the record as exhibit 1, and the stipulation was signed.

The Licensee held a B2 license, which was active with a \$5,000 bond.

Mr. Taylor questioned Mr. Dopf who testified that he had entered into a verbal agreement with the Licensee for services performed and materials provided. Mr. Dopf had overpaid Mr. Plemel \$23,000. The Licensee then issued Mr. Dopf a check on November 3, 1999 for that amount, but the check was returned for non-sufficient funds. Additionally, the Licensee purchased manufactured trusses from Tahoe Truss Inc, for a total amount of \$8,546.86. The Licensee failed to pay the balance due of \$8,046.86, which Mr. Dopf was paying off due to a lawsuit that had been filed.

In questioning by Mr. Plemel, Mrs. Dopf told the Board that the check had been presented to the Minden bank on November 3, 1999. It was then that the bank informed the Dopfs there were no funds to cover the check. The Dopfs retained the check and resubmitted it on November 29, 1999. At that time, the bank stamped it non-sufficient funds and initialed it for the Dopfs benefit.

Mr. Taylor next questioned Mr. Dornan who testified that on or about August 31, 1998, he had entered into a contract with the Licensee for the construction of a residence for a total contract price of \$215,000. Mr. Dornan stated he had not been Informed that the license limit was \$75,000. A lien had been placed on his house by the Licensee, which still remained.

Ms. Galvin testified she was Credit Manager for BMC West. She confirmed that the Licensee owed BMC one balance due of \$2,358.50, and a second one of \$14,945.96. No attempts had been made to pay the outstanding amounts.

Mr. Hoid testified that a request for financial documentation had been made January 7, and February 7, 2000. To date, none had been received.

Mr. Chamness testified that the current balance on the Tahoe Truss issue was \$8,046.86. An arrangement to pay the balance had been reached with the Dopfs as a result of the lawsuit Tahoe Truss filed to foreclose on the lien.

Mr. Plemel testified he did not bring financial documentation as requested, and the bills, as claimed, had not been paid. He then spoke to the Dopf check, saying his bank had no record of the check being processed, and that in the beginning of November, the funds had been available for the check to clear. Mr. Plemel agreed that Mr. Dopf had given him too much money, but as he continued on the project, the additional work ate up the funds. By November 22, 1999, Mr. Plemel placed a stop payment on the check because, by that date, the funds were no longer owed to Mr. Dopf. The original check in his possession had no bank stamps, and the documentation to verify his statement was with his attorney. Mr.

Plemel confirmed he did not finish the project. His agreement with Mr. Dornan had been verbal; he worked on the house as Mr. Dornan needed things done. He said he could provide copies of the invoices. Speaking to the debts owed to the suppliers, Mr. Plemel said he was in a hole because of other bills coming in. On a debt of \$60,000, he had cut the debt to \$30,000, and he was working on eliminating the rest of it. The funds to pay the debt were being derived from his contractor's business.

When asked why he did not provide the Board with a financial statement, Mr. Plemel replied it was irresponsible neglect on his part.

Mrs. Dopf then explained what had occurred regarding the check Mr. Plemel had given them.

In response to a question regarding bidding over the limit, Mr. Plemel stated the contract had been written as a time and materials, cost plus.

The evidentiary was closed.

MR. CARSON MOVED TO FIND LICENSE #34150, A HOUSE THAT BIFF BUILT, IN VIOLATION OF ALL CHARGES.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO REVOKE LICENSE #34150, A HOUSE THAT BIFF BUILT.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MS. SHELTRA MOVED TO REQUIRE FULL RESTITUTION TO THE DAMAGED PARTIES, AS WELL AS THE RECOVERY OF THE INVESTIGATIVE COSTS OF \$2,955.81 PRIOR TO FUTURE LICENSURE IN THE STATE OF NEVADA.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

Mr. Haney assumed the seat as Board attorney for the next hearing.

M. NIELSEN CORP. #36244 - DISCIPLINARY HEARING (Continued from 5/9/00)

Mark Nielsen, President, M. Nielsen Corp., was present. Also present were Attorney Greg Skinner for M. Nielsen Corp; Ken Wood, Consultant; Magda Kisbal, Complainant; and NSCB Investigator Gary Leonard.

Mr. Taylor recapped the previous hearing, and questioned Mr. Nielsen.

Mr. Nielsen testified that he left the project on May 19, 1999. Mr. Taylor then entered a copy of a proposed change order, dated April 29, 1999, into the record as EXHIBIT 4. Mr. Nielsen verified that he was the submitter of the document. Mr. Taylor then questioned Mr. Nielsen regarding the basement walls, their size, and at what point the change in height occurred to the plans.

A letter from Attorney Skinner, dated May 25, 1999, to Ms. Kisbal indicating that work had

been indefinitely suspended on May 19, 1999, due to architectural changes was entered into the record as EXHIBIT 5. Mr. Taylor then read a portion of EXHIBIT 6, a response letter dated May 28, 1999, from E. Leonard Furchter, Esquire, counsel for Ms. Kisbal, which had been sent back to Attorney Skinner.

Mr. Taylor asked Mr. Nielsen if there was a further response to the letter of May 28. Mr. Nielsen stated he believed there was.

Mr. Skinner then admitted the Licensee had contracted over his limit on three occasions.

Mr. Leonard stated the red tag had been cleared. Mr. Nielsen had performed the work, and the Building Department had signed off on the red tag. Mr. Skinner added the red tag had been removed immediately.

Discussion between the attorneys ensued regarding the reason for termination and official notice.

Mr. Skinner stated the item would be in litigation before June 28, 2000. Mr. Nielsen had filed a lien to foreclose for over \$100,000, and he would be filing to foreclose within the next two weeks.

Mr. Gregory suggested the Board only address contracting in excess of the limit, pending the outcome of the court decision.

Mr. Wood was asked to identify a document, which he said showed the plans and as-builts for the project. The document was entered into the record as EXHIBIT 7. Mr. Wood said the document had been drawn this past week.

Mr. Skinner stated that his client technically bid over his license three times. He was financially responsible at all times. The public was not in harm's way. The failure to provide the required disclosures was, per Mr. Skinner, his fault. With the recent changes in contracting law, the matter slipped by him. This also pertained to the license limit on the contract. The disclosures, license limit, and number were now on Mr. Nielsen's contract.

The evidentiary was closed in regards to paragraph 5 of the 1st cause of action, and the 3rd, 4th, 5th and 6th cause of action.

MR. CARSON MOVED TO FIND LICENSE #36244, M. NIELSEN CORP, IN VIOLATION OF THE 5TH PARAGRAPH OF THE 1ST CAUSE OF ACTION, AS WELL AS THE 3RD, 4TH, 5TH AND 6TH CAUSES OF ACTION.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. CARSON MOVED TO PLACE A PERMANENT LETTER OF REPRIMAND INTO THE FILE OF LICENSE #36244, M. NIELSEN CORP, AND TO SUSPEND THE LICENSE FOR 90-DAYS.

MS. SHELTRA SECONDED THE MOTION.

Discussion regarding the motion ensued because Mr. Johnson stated he was not inclined to suspend the license, suggesting an administrative fine would be more appropriate. Ms. Cavin and Mr. Gregory agreed.

Mr. Carson withdrew his motion, and Ms. Sheltra withdrew her second.

MR. CARSON MOVED TO PLACE A PERMANENT LETTER OF REPRIMAND INTO THE FILE OF LICENSE #36244, M. NIELSEN CORP, AND TO IMPOSE A \$1,500 ADMINISTRATIVE FINE FOR EACH VIOLATION, TOTALING FOUR, AND FOR A TOTAL ADMINISTRATIVE FINE OF \$6,000, PAYABLE WITHIN 60 DAYS OR THE LICENSE WOULD BE AUTOMATICALLY SUSPENDED.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

The remaining items were tabled for an indefinite period of time for closure pending the outcome of litigation.

Mr. Gregory, Mr. Carson, Mr. Schaefer, and Mr. Haney left the hearing at 3:20 p.m.

Mr. Reese resumed the seat as Board attorney. As there was no longer a quorum present, the remaining Board members participated in an evidence gathering only meeting on the remaining items on the agenda. Mr. Reese, reading from the statutes, explained that no decision would be rendered until all the Board members had an opportunity to read the transcripts and to make a decision.

CLIMATE CONTROL OF NEVADA INC #23378 – DISCIPLINARY HEARING

Howard Kerr, President, Climate Control of Nevada Inc., was present, and was sworn in along with Shannon Galvin, BMC West, and NSCB Investigator Gary Hoid.

The notice of hearing and complaint, consisting of pages 1-38, had been mailed certified on May 6, 2000. The receipt was returned May 15, 2000.

The hearing was for possible violation of NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any money when due for any materials or services rendered in connection with his operations as a contractor.

The notice of hearing was entered into the record as exhibit 1, and the stipulation was signed.

Mr. Kerr testified that it was possible the corporation owed Seaco, BMC West, and Raglen System Balance Inc. the amounts charged in the hearing notice.

Mr. Hoid testified he had confirmed all of the money-owing complaints as valid.

The evidentiary was closed.

Mr. Kerr was informed that a transcript would to be prepared and presented to the Board members at its next meeting for a decision.

RAINBOW HOMES #36609 – DISCIPLINARY HEARING

Victor De Blasio, President, was not present. Neither was legal counsel or anyone else present to represent the Licensee.

Mr. Taylor stated that a request for continuance had been received from the Licensee. There was no quorum to grant the continuance. The request for continuance was scheduled for July 11, 2000.

Complainants Michael Austin, James Piper, Clem Piper, Deborah Hoopes; and NSCB Investigator Gary Leonard were sworn in.

The notice of hearing and complaint, consisting of pages 1-102, had been mailed certified on May 6, 2000. The return receipt was returned to NSCB on May 30, 2000 as, unclaimed, return to sender.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which is not commensurate with standards of the trade in general or which is below the standards in the building or construction codes adopted by the city or county in which the work is performed; NRS 624.3013 (3), failure to keep records or maintain bond; misrepresentation; failure to establish financial responsibility or comply with law or regulations of board: failure to establish financial responsibility pursuant to NRS 624.220 and 624.260 to 624.265, inclusive, at the time of renewal of the license or at any other time when required by the board; NRS 624.3013 (5), respondent failed to comply with the regulations of the Board, as set forth in NAC 624.665 (1), failure in any material respect to comply with the provisions of this chapter or the regulations of the board: notification of board of changes concerning licensee; NRS 624.3015 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board by failing to comply with a notice to correct; and NRS 624.302 (6), failure or refusal to comply with a written request by the board or its designee for information or records, or obstructing or delaying the providing of such information or records.

The notice of hearing and complaint was entered into the record as EXHIBIT 1.

The license was a B2 license. It was suspended, not renewed, as of November 1, 1999. The bond had been cancelled, effective November 2, 1999.

Mr. Taylor questioned Ms. Hoopes who testified that she had entered into a contract with the Licensee in September, 1997, to purchase a residence in Silver Springs, Nevada, for a total contract price of \$102,000. The total contract price had been paid. The Licensee was last on the project in May, 1999, but performed no work. Ms. Hoopes stated the Licensee had neither returned her phone calls, nor did he appear on the project as scheduled. She then provided the Board with estimates to correct some of the problems. She had none for the stucco, which was badly cracked.

Gary Leonard testified former Investigator Jack Edstrom validated the complaint.

Mr. Johnson requested that Mr. Leonard attempt to find any subcontractors who may have been involved in the project.

Mr. Leonard next confirmed that notices to correct had been sent and had not been responded to.

Mr. Austin testified that on August 25, 1998, he had entered into contract for the purchase of a residence in Stagecoach, Nevada, for a total contract price of \$150,000. The entire contract amount had been paid. The Licensee was last on the project in September, 1998. Regarding the workmanship issues, a painter had been sent to the project but she did not have her license with her. She indicated she would return with her license but did not. Additionally, two of the subcontractors on the project did not have licenses.

Mr. Leonard testified Jack Edstrom had validated the workmanship issues, and notices to correct had been sent but there had been no response.

James Piper speaking for his father, Clem Piper, testified that his father had entered into a contract with the Licensee on or about June 6, 1998, for the purchase of a single-family residence for a total purchase price of \$102,000. The entire amount had been paid. The Licensee was last on the project on June 30, 1999. Attempts had not been made to repair the workmanship issues, nor had anyone heard from the Licensee.

Mr. Leonard testified Jack Edstrom had validated the workmanship items. Notices to correct had been sent but there had been no response.

James Piper testified that he, too, had entered into a contract with the Licensee for the purchase of a single-family residence for the total purchase price of \$124,000. The entire amount had been paid. Mr. Piper said the workmanship issues were the same as with his father's house. There had been no response from the Licensee.

Mr. Leonard testified that Jack Edstrom had validated the issues. Notices to correct had been sent but there had been no response.

Floyd McElroy, Complainant was not present. Mr. Leonard verified the notices to correct had been sent without a response from the Licensee.

Mr. Leonard also testified that a request for documents to establish financial responsibility had been made of the Licensee, but again, nothing had been received. In addition, Mr. Leonard stated that the investigative file reflected that Mr. De Blasio had verbally stated to Mr. Edstrom that he was no longer affiliated with Rainbow Homes of Nevada Inc., but there was no record that Mr. De Blasio had ever notified the Board of that fact.

Regarding the Dunbar complaint, Mr. Leonard again stated that Mr. Edstrom had validated the workmanship issues. Notices had been sent. No response had been received.

Mr. Austin commented that one estimate to get his stucco removed and redone was \$11,490. The tile alone was \$2,688.

Mr. Piper said the problem with his stucco was minor compared with his father's and with Ms. Hoopes, whose stucco was, in his eyes, horrendous.

Mr. Reese recommended terminating the examination, and to reconvene at the next Reno meeting.

Mr. Johnson continued the hearing to the next Reno meeting on July 11, 2000. Ms. Grein recommended considering the matter at the next meeting in Las Vegas to review the matter for a possible summary suspension. The remaining Board members agreed.

Mr. Johnson then continued the request for continuance to the Las Vegas meeting on June 20, 2000.

BLADES CONSTRUCTION #23397 – REHEARING

Jerry Lee Blades, Owner, Blades Construction, Mike Springer, Legal Counsel for Blades Construction, and Dennis Long, Homeowner/Complainant, were present.

Ms. Grein stated that a request for reconsideration had been granted in Las Vegas.

Mr. Long stated that, after the last hearing, he had asked for a reconsideration, not for another hearing, but to have Mr. Blades to return, with supervision, and finish what had been established in the first investigation's notice to correct.

Mr. Springer questioned what the rehearing regarded because it was his understanding there had been a final resolution. Mr. Long, in the last hearing, had denied Blades Construction access to the property.

Mr. Johnson pointed out that the Board could not reopen an item that had been concluded.

Mr. Taylor asked that the discussion be included on the record. Mr. Reese agreed it could be put on the record but that it was not a hearing.

Mr. Taylor then stated there had since been an additional amendment to the complaint relating to the electrical work that had been performed outside the scope of the license.

Mr. Johnson continued the matter until July 11, 2000, or at a time that was convenient to the homeowner.

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 Acting Chairman Johnson at 4:00 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman

Dennis Johnson, Acting Chairman