

JIM GIBBONS
Governor

STATE OF NEVADA



MEMBERS

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

STATE CONTRACTORS BOARD

MINUTES OF THE MEETING June 16, 2010

REPLY TO:

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CALL TO ORDER:

Hearing Officer Burke called the meeting of the State Contractors Board to order at 8:30 a.m., Wednesday, June 16, 2010, 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. Kevin Burke, Hearing Officer
Mr. Donald L. Drake, Board Member

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. George Lyford, Director of Investigations
Mr. Daniel Hammack, Chief of Enforcement

LEGAL COUNSEL PRESENT:

Mr. Bruce Robb, Esq., Legal Counsel
Mr. David Brown, Esq., Legal Counsel

Ms. Grein stated the agenda was posted in compliance with the open meeting law on June 10, 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: KEVIN BURKE

1. DISCIPLINARY HEARING:

HEDGEHUNTERS, INC., License Nos. 32846, 64844, 52247

AMAZON CONSTRUCTION CORPORATION, License Nos. 54331, 54323

STONE STYLES INCORPORATED, License No. 68467

Chad R. Norton, Treasurer of Hedgehunters, Inc. and President of Amazon Construction Corporation was present with counsel, William Bryson, Esq.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

Exhibit 2 – Correspondence from Hedgehunters, Inc., dated November 18, 2009, to include a Final Grading Report from J A Cesare and Associates, Inc.

Exhibit 3 – Correspondence from Benchmark Consulting Services, LLC, dated April 16, 2010.

Exhibit 4 – Correspondence from Shumway Van and Hansen, dated May 18, 2010.

Exhibit 5 – Correspondence from Shumway Van and Hansen, dated June 8, 2010 with the Board's response, dated June 9, 2010.

Hearing Officer Burke found Respondent 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; 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 \$2,000.00 for the First Cause of Action; a fine of \$1,000.00 for the Second Cause of Action; a fine of \$500.00 for the Third Cause of Action for total fines of \$3,500.00 and investigative costs of \$2,052.00. Fines and costs must be paid within thirty (30) days of the June 16, 2010 Board Hearing or all licenses shall be suspended. Hedgehunters, Inc. licenses shall remain suspended until such time as a current financial statement with bank verification form for all cash accounts that supports the license limit is provided.

If financial statement does not support the current license limit, the license shall be lowered to the amount that the financial statement supports. Hedgehunters, Inc. shall be granted one hundred and eighty (180) days to correct the items on the Notice to Correct. Hedgehunters, Inc. may hire a properly licensed contractor or perform the work themselves. If the Notice to Correct is not completed within this one hundred and eighty (180) day timeframe, all licenses shall be revoked.

2. DISCIPLINARY HEARING:

STUART STOUT ROOFING, INC., dba ROOF TEC, License No. 67444

Licensee was present.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

An agreement was entered into with the homeowner and the licensee. Investigator Greg Welch shall procure three (3) bids from properly licensed contractors to complete the items on the Notices to Correct. Stuart Stout Roofing, dba Roof Tec shall select the contractor to perform the work and be responsible for payment. Stuart Stout Roofing, dba Roof Tec has ninety (90) days from the June 16, 2010 Board Hearing to complete the Notice to Correct and have stipulated to the reduction of the license limit to \$400,000.00. This matter will be brought back before Hearing Officer Kevin Burke in September, 2010.

3. DISCIPLINARY HEARING:

G WORKS, PAINTING, LLC, License No. 57058

Licensee was present with counsel, Illyssa I. Fogel, Esq.

One witness testified for the Board.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

Exhibit 2 – Declaration of Gerald D. Works in Support of Response to Complaint of Board.

Exhibit 3 – Correspondence from Illyssa I. Fogel, Esq. containing Respondent's bankruptcy documents.

The following Respondent's exhibits were entered:

Exhibit A-1 - A letter from Kristine D. Johnson dated May 5, 2010.

Exhibit A-2 – An undated letter from Bob Scott, President of CSE Construction, Inc.

Hearing Officer Burke found Respondent guilty of one (1) violation 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. Respondent was assessed a fine of \$250.00 for the Second Cause of Action; a fine of \$500.00 for the Third Cause of Action for total fines of \$750.00 and investigative costs of \$1,421.00. The First Cause of Action was dismissed. Fines and costs are due within sixty (60) days of the June 16, 2010 Board Hearing or license number 57058 will be suspended. Respondent must provide a current, compiled, reviewed or audited financial statement that supports the license limit within sixty (60) days of the June 16, 2010 Board Hearing. If financial statement does not support the current license limit, the license limit shall be lowered to the amount the financial statement supports. If a current financial statement is not provided within sixty (60) days of the June 16, 2010 Board Hearing, the license shall be suspended. License number 57058 is placed on probation for one year, within this one year time frame; a Business Review shall be conducted.

4. DISCIPLINARY HEARING:

CY CHAIM YEHRIS, Owner, dba C Y DEVELOPMENT AND CONSTRUCTION, License No. 16728

Licensee was present.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

C Y Development and Freedom Underground entered into a Settlement Agreement whereby C Y Development shall pay Freedom Underground \$115,110.00. An amount of \$30,000.00 upon release of the lien on one of the units and an amount of \$14,185.00 upon release of each additional unit until the Settlement Agreement is paid in full. This Agreement is subject to the approval of Southwest USA Bank. This matter shall be brought back before Hearing Officer Kevin Burke on July 29, 2010.

5. DISCIPLINARY HEARING:

THE ARCUS GROUP, LLC, License No. 60670

JAMES RUSSELL THOMAS, Owner, dba J T C AND ASSOCIATES; License No. 60670

Licensee, James Russell Thomas was present with counsel, Marc Bawden, Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board's Hearing File.

Hearing Officer Burke found Respondent guilty of one (1) violation 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. The Arcus Group, LLC was assessed a fine of \$500.00 for each of the First

and Second Causes of Action for total fines of \$1,000.00 and investigative costs of \$1,522.00. The Third Cause of Action will be continued in thirty (30) days. License number 60670, The Arcus Group, LLC was revoked. J T C and Associates shall provide a current financial statement that support the license limit within thirty (30) days of the June 16, 2010 Board Hearing. J T C and Associates shall be brought back before Hearing Officer Kevin Burke on July 29, 2010 for financial responsibility.

6. DISCIPLINARY HEARING: (Stipulated Revocation)

KIMBALL HILL HOMES NEVADA, INC., License No. 41351

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's counsel Mark L. Radtke, Esq. to the Board dated May 20, 2010 stipulating to the revocation of the license.

Hearing Officer Burke found Respondent 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 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. Respondent was not assessed fines or costs due to a pending bankruptcy. License number 41351, Kimball Hill Homes Nevada, Inc. was revoked.

7. DISCIPLINARY HEARING – DEFAULT ORDERS

a. AQUACADE PLUMBING, INC., License No. 28573

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Burke found Respondent Aquacade Plumbing, Inc., license number 28573, Derek Steven Overly, President and Qualified Individual, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Overly was found guilty of one (1) violation of NRS 624.302(5) failure to respond to a written request from the Board; one (1) violation of NRS 624.3013(4) failure to keep bond in force; one (1) violation of NRS 624.3013(5), as set forth in NAC 624.640(3) failure to notify Board of change of address or personnel; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was assessed a fine of \$750.00 for the First Cause of Action; a fine of \$500.00 for each of the Second and Fourth Causes of Action; a fine of \$250.00 for the Third Cause of Action for total fines of \$1,500.00 and investigative costs of \$2,171.00. License number 28573 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.

b. T & T TILE AND STONE, INC., License Nos. 52075, 56926, 56927

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File

Hearing Officer Burke found Respondent T & T Tile and Stone, Inc. license numbers 52075, 56926 and 56927, Michael Robert Trout, President and Qualified Individual, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Trout was found guilty of one (1) violation of NRS 624.3013 failure to establish financial responsibility; one violation of NRS 624.3013(4) failure to keep bond in force; 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 for total fines of \$1,000.00 and investigative costs in the amount of \$1,411.00. License numbers 52075, 56926 and 56927 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.

c. SUNVEST, INC., License Nos. 68637, 70157

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File

Hearing Officer Burke found Respondent Sunvest, Inc., license numbers 68637 and 70157, Joseph Bojrab, President and John Fredric Bucholz, Qualified Individual, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Bojrab 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 total fine of \$500.00 and investigative costs in the amount of \$1,535.00. License numbers 68637 and 70157 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.

d. CLINT EARL WILSON, dba NATURAL STONE ARTISAN, License No. 71399

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File

Hearing Officer Burke found Respondent Clint Earl Watson, dba Natural Stone Artisan, license number 71399, Clint Earl Wilson, Owner, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Watson 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), as 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 624.302(5) failure to respond to a written request from the Board; one (1) violation of NRS 624.301(2) abandonment of construction project when percentage completed is less than percentage of total contract paid; one (1) violation of NRS 624.3015(1) acting beyond scope of license; 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 624.302(1)(a) contracting or submitting a bid if license has been suspended or revoked; one (1) violation of NRS 624.3013(5), as set forth in NAC 624.640(3) failure to notify Board of change of address or personnel; one (1) violation

of NRS 624.3013(4) failure to keep bond in force; one (1) violation of NRS 624.3013(3) failure to establish financial responsibility. Respondent was assessed a fine of \$500.00 for each of the First, Second, Fifth, Sixth, Eighth, Tenth and Eleventh Causes of Action; a fine of \$100.00 for the Third Cause of Action; a fine of \$250.00 for each of the Fourth and Ninth Causes of Action; a fine of \$750.00 for the Seventh Cause of Action for total fines of \$4,350.00 and investigative costs in the amount of \$1,519.00. License number 71399 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.

e. ALL N ONE CONSTRUCTION, LLC, License Nos. 72737, 72610, 73058, 73303, 73278, 73290

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File

Hearing Officer Burke found Respondent All N One Construction, LLC, license numbers 72737, 72610, 73058, 73303 and 73278, Jaime Alfonso Telles, Member and Qualified Individual, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Telles was found guilty of 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(5), as set forth in NAC 624.640(3) failure to notify Board of change of address or personnel; one (1) violation of NRS 624.3013(4) failure to keep bond or cash deposit in force; 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 \$250.00 for each of the First, Second and Third Causes of Action; a fine of \$500.00 for each of the Fourth and Fifth Causes of Action for total fines of \$1,750.00 and investigative costs in the amount of \$1,728.00. License numbers 72737, 72610, 73058, 73303, 73278 and 72737 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.

f. GENEVA LANDSCAPE, INC., License No. 54719

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File

Hearing Officer Burke found Respondent Geneva Landscape, Inc., license number 54719 Tommy Wayne Richards, President and Qualified Individual, in default and adopted the Findings of Fact and Conclusion of Law as set forth in the Administrative complaint. Mr. Richards was found guilty of one (1) violation of NRS 624.3013(3) failure to establish financial responsibility; one (1) violations of NRS 624.3013(4) failure to keep bond or cash deposit in force. Respondent was assessed a fine of \$500.00 for each of the First and Second Causes of Action for total fines of \$1,000.00 and investigative costs in the amount of \$1,434.00. License number 54719 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.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned by Hearing Officer Burke at 12:54 p.m.

Respectfully Submitted,

Janet Brinkley, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kevin Burke, Hearing Officer