

KENNY C. GUINN  
Governor

STATE OF NEVADA

REPLY TO:

MEMBERS

KIM W. GREGORY  
*Chairman*  
DOUG CARSON  
DENNIS K. JOHNSON  
JOHN LINDELL  
DENNIS F. NELSON  
DEBORAH WINNINGHAM SHELTRA  
MICHAEL ZECH



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**STATE CONTRACTORS' BOARD**

MINUTES OF THE MEETING  
AUGUST 10, 1999

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:37 a.m., Tuesday, August 10, 1999, 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  
Mr. Doug Carson  
Mr. Dennis Johnson  
Mr. John Lindell  
Mr. Dennis Nelson  
Ms. Deborah Sheltra

BOARD MEMBERS ABSENT:

Mr. Michael Zech

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer  
Mr. David Reese, Legal Counsel (Cooke, Roberts & Reese)  
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)  
Ms. Nancy Mathias, Licensing Administrator  
Mr. Bill Rizzo, Director of Investigations  
Ms. Kathy Stewart, Licensing Supervisor  
Mr. Jack Edstrom, Investigator  
Mr. Gary Leonard, Investigator  
Mr. Mike Maloy, Investigator  
Ms. Betty Willis, Recording Secretary

OTHERS PRESENT:

Leslie Clarkson, Court Reporter, Sierra Nevada Reporters; Pepper O. Freyman, Owner, Freyman Construction & Remodel; Mike Epps, Owner, Sierra Reign Construction; Cary Hibbard, Owner, Excel Builders & Development; Lisa McMillan, Partner, Reno Sparks Plumbing; Chris Hooper, Legal Counsel representing The Weitz Company Inc; David Christenson, The Weitz Company Inc; Glen Gosh, The Weitz Company Inc; Eric Stovall, Legal Counsel for Palomino Valley Construction; Charles Helton, Owner, Palomino Valley Construction; David Brinsko, Complainant; Rick Hsu, Legal Counsel for Eddings Commercial Contractors; Lew Eddings, Owner, Eddings Commercial Contractors; Bobby Jack Bryant, Owner, Bryant Construction; Russ Rodoni, Complainant/Sierra Design Concrete; Pearl LaPerla, Complainant; John and Michelle Taylor, Complainants; Sammy Ellis, Complainant; Garth Frehner, former Board Member and CEO of Frehner Construction Company Inc.; Jim Keenan, Purchasing Manager, Douglas County; Ted Olivas, Purchasing & Contracts Manager, Clark County; Jim Mulcahy, Clark County Public Works; Mari Bochanis; Attorney, Southern Nevada Water Authority; Scott Saibini, Harker & Harker; Rudy Etchison, Nevada Department of Transportation; Kathy Pruitt, State Public Works Board; Cheryl Blomstrom, State Government Affairs, The Associated General Contractors; Leo Myers, Lucky Concrete; Kevin Hill, City of Henderson; Laurie Currie, Granite Construction; John Madole, The Associated General Contractors; Steve Gill, Gill Construction; Tom Yantis, Buildings & Dwellings; Dave Nichols, Buildings & Dwellings;

Jerry Cruitt, Architect; and Joe Serpa.

Ms. Grein stated the agenda had been posted in compliance with the open meeting law, on August 4, 1999, by Mike Maloy, Investigator, 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 Internet web site.

It was learned there were 28 items on the amended agenda, each item of an emergency nature. Additionally the regular agenda was amended to reflect that the application hearing of Nick Mallas General Contractor was continued for 30 days to the next Reno meeting and the disciplinary hearing of Fradella Iron Works was continued to the next Las Vegas meeting. Ms. Grein commented she also had several proposed recommendations from the Enforcement Advisory Committee, which had been carried over from the last Las Vegas meeting.

MR. CARSON MOVED TO HEAR THE AMENDED AGENDA INCLUDING THE CHANGES TO THE REGULAR AGENDA.

MR. LINDELL SECONDED THE MOTION

THE MOTION CARRIED.

The following motion closed the meeting to the public.

MS. SHELTRA 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).

#### APPLICATIONS

##### DIVERSIFIED RESTORATION INC (B2 - Residential & Small Commercial) - NEW APPLICATION, BOARD DECISION

Jim Wilkinson, President, and Barbara St. John, Vice President, were present and notified the license application had been approved with a license limit of \$150,000, a \$10,000 bond, with the stipulation that Gary St. John be removed from the corporation.

##### FREYMAN CONSTRUCTION & REMODEL (B2 - Residential & Small Commercial) - NEW APPLICATION, RECONSIDERATION, BOARD DECISION

Pepper O. Freyman, Owner, was present and informed by the Board that his request for a B3 license was unnecessary because the B2 license would cover the same work. He was then notified the license application had been approved with a license limit of \$175,000 and a \$10,000 bond.

##### SIERRA REIGN CONSTRUCTION (C3 - Carpentry) - NEW APPLICATION, RECONSIDERATION, BOARD DECISION

Mike Epps, Owner, was present and informed the license application had been approved with a license limit of \$50,000 and a \$5,000 bond.

##### EXCEL BUILDERS & DEVELOPMENT (B2 - Residential & Small Commercial) - NEW APPLICATION, NAME SIMILARITY

Cary Hibbard, Owner, was present for the application review. It was learned Mr. Hibbard had a prior conviction. Kathy Stewart, Licensing Supervisor, told the Board Mr. Hibbard had provided verification that he was in compliance with the terms of his probation, which he had been on since September 23, 1998. Mr. Hibbard added he

was due to come off of probation early. He had provided the board with a letter to that effect. A financial discussion was then entered into and Personal Indemnification was explained to Mr. Hibbard, who told the Board he had entered into an agreement with American Home Shield to perform their warranty work in the Reno area. When asked what kind of work he intended to perform, Mr. Hibbard said he would be taking care of whatever warranty work American Home Shield needed performed when a homeowner alerted the company of a problem. He said he would be performing and billing one job at a time, fixing window leaks, etc.

MR. NELSON MOVED TO APPROVE THE LICENSE APPLICATION WITH A LICENSE LIMIT OF \$5,000, A \$1,000 BOND, A BID LETTER, AND A LETTER FROM THE COURT REMOVING MR. HIBBARD FROM PROBATION.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED. (MS. SHELTRA WAS OPPOSED)

Thereafter, it was determined no name change was necessary.

#### NORTHERN NEVADA REBAR (C14A – Reinforcing Steel) NEW APPLICATION

Ed Doyle, President, was present and notified the license application had been approved with a license limit of \$300,000 and a \$15,000 bond. After being informed of the approval, Mr. Doyle asked that the Board reconsider a limit amount of \$500,000. The Board was not inclined to reconsider the request.

#### GREAT BASIN HEATING AND AIR CONDITIONING (C21 – Refrigeration & Air Conditioning) NEW APPLICATION

Carl Balma, Secretary/Treasurer, was present and informed that the license application had been approved with a license limit of \$50,000 and a \$5,000 bond.

#### RENO SPARKS PLUMBING (C1D – Plumbing) NEW APPLICATION

Present was Lisa McMillan, Partner. She told the Board that her husband intended to do custom homes and remodeling. He was currently working for Reno Sparks Plumbing and Heating and they were in the process of buying the company. The McMillans were purchasing every contract that was currently in place and the rights to the name as well. A motion was made, seconded and carried to approve the license application with a limit of \$25,000, a \$5,000 bond, conditioned upon the receipt of a new bank confirmation form indicating a minimum of \$7,000.

#### WEITZ COMPANY INC (THE) #31225 (B – General Building) ONE TIME RAISE IN LIMIT, BOARD DECISION/CLASSIFICATION

Chris Hooper, Legal Counsel representing The Weitz Company, was accompanied by David Christenson, and Glen Gosh. Mr. Gregory explained that a golf course could not be built with a B classification license. When asked what licenses the company held in other states, it was learned that since 1991, The Weitz Company held an active class A license in Arizona, qualifying the company for reciprocity in the state of Nevada if an application were to be submitted to expand the license to an AB, unlimited, classification.

MR. NELSON MOVED TO APPROVE A NEW LICENSE APPLICATION FOR AN AB LICENSE CLASSIFICATION, UNLIMITED, \$50,000 BOND, AND WAIVE THE 30 DAYS UPON RECEIPT OF THE COMPLETED, NEW APPLICATION.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

The remainder of the applications on the agenda were reviewed and discussion

occurred on the following: #1, 4-5, 7, 9-10, 13, 18, 21, 24, 26, 33, 37-39, 41, 49-54, 56-57, 60-67, 69-70, 75, 78, 88, 92, 95, 99-100, and 108-110. The amended agenda was postponed until later in the day.

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

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED.

#### ADVISORY OPINION

#### MCCARRAN INTERNATIONAL AIRPORT – Project #2097 East Baggage Claim Elevators, LICENSE CLASSIFICATION

No one was present for the advisory opinion. The scope of work consisted of installing metal siding on exterior of elevator enclosure. The elevators were 6 floors high.

The general contractor, D N Anderson, intended to use Carmel Building, as a subcontractor, for the procurement installation of exterior metal panels and asked if one of Carmel Building's licenses (C8, or B) was sufficient to perform this portion of the work. The Board opined the work could be performed with a C8 license.

#### DISCIPLINARY HEARINGS

#### PALOMINO VALLEY CONSTRUCTION #37975 – DISCIPLINARY HEARING (Continued From July 13, 1999)

The stipulation was presented but Eric Stovall, Legal Counsel for Palomino Valley Construction, declined to sign it.

Charles Helton, Owner; Robert Dees; David Brinsko, Complainant; Jack Edstrom, Investigator; Wayne Reid; Earl Ammerman, Consulting Engineer; Curtis Helton; John Ross; Matthew Stewart; Stephen Mendola; Robert Graham; Wallace Johnson; Ed Keiffer; Ray Foote; Ross Foote; and Brian Barton were sworn in.

DAVID BRINSKO, COMPLAINANT - Under questioning by Mr. Griffy, Mr. Brinsko told the Board that on or about September 23, 1997, he had entered into a contract with the licensee to build a single-family residence. On or about April 8, 1998, the contract had been amended to allow the licensee to assume the interior painting, interior finish, and to top out the plumbing. The licensee had then proceeded to build most of the home. Subsequently, workmanship issues manifested themselves and Mr. Brinsko identified them as the ones listed in the notice of hearing on pages 2-3: the fascia and eaves; freeze blocks; garage floor; roof tiles; floors; front porch; stucco; and heater. Mr. Brinsko said Jack Edstrom, Board Investigator, had been to the job site several times and had validated the items. In one visit, Mr. Edstrom had brought a second investigator to validate the workmanship items. Subsequently, a notice to correct had been issued to Palomino Valley Construction. The homeowner then detailed what the problems were regarding each of the validated items. The manufacturer's warranty on how to prepare the service for the paint used on the eaves was entered into the record as EXHIBIT A; witness photographs of the fascia and eaves were entered into the record as EXHIBIT B; witness photographs pertaining to puddling of water on the garage floor were entered into the record as EXHIBIT C; and witness photographs regarding the spalling of the concrete of the garage floor were entered into the record as EXHIBIT D. Mr. Brinsko said he had properly corrected the gas shut off valve himself, adding that all items just discussed had been the responsibility of the licensee. Mr. Brinsko noted that the front porch had not been built according to the engineered plans, detailing the differences. When asked if page 10 of the hearing notice was the warranty items discussed with Mr. Helton at the time of the walk-through, Mr. Brinsko answered no, because he said some of them had manifested themselves later, but the fascia and the eaves, the

stucco over spray, and the roof had been mentioned. Mr. Brinsko then provided the background history of the roof.

Mr. Stovall next questioned Mr. Brinsko regarding correspondence between he and Palomino Valley Construction. Mr. Gregory stated the Board was more interested in addressing Mr. Helton's response to its notice to correct, dated November 25, 1998. When asked if Mr. Helton had made any efforts to repair or fix the items listed on the notice to correct, Mr. Brinsko replied that Mr. Helton had never agreed on how to fix the items. He had never attempted to make repairs to the standards of the industry, the plans, or the contract. Mr. Gregory countered that item number 5 had been corrected and Mr. Brinsko agreed. Henceforth, the questioning focused on Mr. Brinsko's efforts to prohibit Mr. Helton's attempts to correct the issues.

Mr. Edstrom stated he had been to the Brinsko property four times. Referencing pages 13-15 of the hearing notice, Mr. Edstrom validated item 1, 2, 4, 5 (this item was later corrected), 6, 9, 10, 11 (corrected, and approved by the manufacturer) and 12 (corrected by the homeowner). Item 11 was in question because Mr. Brinsko had later received a notice from the manufacturer indicating that the on-site engineer was more appropriate to decide the fix. The engineer's report involving the front porch was entered into the record as EXHIBIT E. When asked about page 16 of the hearing notice, Mr. Edstrom said this letter pertained to an inspection, which resulted from an administrative meeting conducted after the original notice to correct had been issued. A second investigator, Mr. Leonard, had been asked to inspect the job site. After his inspection, Mr. Leonard had written the letter indicating he agreed with the items in the notice to correct. To Mr. Edstrom's knowledge, only the roof tiles in the notice to correct had been fixed, but he concurred with Mr. Stovall, under questioning, that the gas turn off handles had been provided by Mr. Helton even though Mr. Brinsko had fabricated his own. More questioning followed, but as some of the documentation Mr. Stovall referenced was not in the hearing file, Mr. Stovall introduced a packet of witness documentation on behalf of Mr. Helton, which was entered into the record as EXHIBIT F.

Mr. Stovall continued his questioning of Mr. Edstrom, referencing Mr. Edstrom's letter of 4/26/99, which indicated he had received a response from Mr. Helton regarding his proposed fixes. In addition, Mr. Edstrom had received Mr. Brinsko's responses to those fixes. When asked if Mr. Brinsko's desire for fixes exceeded both what Mr. Helton had proposed and what the Board had asked Mr. Helton to do, Mr. Edstrom replied that, in some cases, Mr. Brinsko's expectations may have been higher but the purpose of the letter was to inform Mr. Helton why some of the proposals were not sufficient. More discussion followed regarding the proposed fixes, which Mr. Stovall stated became a moving target because Mr. Brinsko would accept the fix and later pull back from it.

Mr. Gregory summarized, to date, the status of the notice to correct, pointing out that nothing significant had been accomplished. He clarified that all corrections were to be made to the standards of the trade in general, to be verified by the Board's investigator. He said appropriate corrections needed to be proposed, and accepted by the board investigator as an alternate to redoing the whole project. The appointment to perform the work would be scheduled by the investigator with the homeowner, and then the board investigator would remain on the job site to oversee that the corrective work was properly performed. Mr. Stovall countered, noting what had occurred in the past during Mr. Helton's attempts to correct the work.

When asked if the matter could be resolved within the next 30 days, both parties agreed. At this point, it was suggested that two investigators oversee the activity and that subcontractors perform the work, eliminating Mr. Helton's presence on the job site. Mr. Rizzo was asked to review and sign off on the proposed fixes with the exclusion of the floor joist, which was to be signed off by the structural engineer of record. When the corrective work started, there was to be no badgering of the subcontractors. Cooperation was needed on behalf of all parties.

MR. JOHNSON MOVED TO CONTINUE THE HEARING FOR 60 DAYS TO THE RENO MEETING IN OCTOBER, WITH A STATUS REPORT IN 30 DAYS.

MR. NELSON SECONDED THE MOTION.

A discussion next focused on minimum code requirements versus plans and specifications. Mr. Helton was cautioned to pay attention to the differences between the two.

THE MOTION CARRIED.

#### EDDINGS COMMERCIAL CONSTRUCTORS #32018 – DISCIPLINARY HEARING

The notice of hearing had been sent certified mail on June 11, 1999. Return service had been signed and dated June 14, 1999. The hearing was for possible violation of NRS 624.3015 (2), acting beyond the scope of the license, 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; NRS 624.3013 (5), as set forth in NAC 624.640 (5), failure to comply with law or regulations of board, bid or contract void if licensee exceeds scope of license or monetary limit. The notice of hearing was entered into the record as EXHIBIT 1.

Mr. Lindell disclosed that he had bid Chevy's Restaurant with another contractor. It was he who had brought up the matter of Chevy's Restaurant to staff. He then abstained from voting on the Chevy's issue.

Rick Hsu, Legal Counsel for Lew Eddings, Owner, Eddings Commercial Contractors, identified himself and stated his client was not contesting the charges, rather he was admitting to them as stipulated in the notice of hearing. He said he only wanted to offer a quick presentation for the penalty phase.

Mr. Gregory clarified, for the record, that the licensee, Lew Eddings, was pleading no contest to the charges as stipulated in the notice of hearing. Mr. Hsu agreed.

Ms. Grein noted she had received two letters from Mr. Hsu asking about a possible settlement. She said she had declined it because the licensee had been disciplined by the Board before for the same offense. Mr. Hsu disagreed.

When offered the stipulation, the stipulation was signed.

For the record, Mr. Gregory pointed out the licensee had the wherewithal to have the correct license limit but had performed the jobs as an unlicensed contractor. In a court of law, his contracts with Chevy's, Romano's, and the Border Restaurant were void. No one involved had been protected.

Mr. Hsu clarified that there had been three bids in excess of the license limit. Only two had actually been signed. Subsequently, both contracts had been revised to below the Eddings limit and the projects were thereafter executed. All three bids occurred prior to Investigator Mike Maloy's letter dated 5/11/99. Once it became known that Mr. Eddings had bid and entered into a contract in excess of his limit, Brinker voluntarily chose to renegotiate and to enter into a new contract the \$750,000 limit. The contract had not been broken up into two, rather Brinker ended up supplying the materials. Mr. Hsu then provided the Board with witness documentation, which was entered into the record as EXHIBIT A.

Discussion next focused on letters provided by Brinker and Chevy's regarding Mr. Eddings work, which Mr. Hsu said did not pose any threat to the health, safety, and welfare of members of the public of Nevada. It was pointed out to him that Mr. Eddings had the wherewithal to raise his limit permanently or to request a one time raise in limit prior to bidding the jobs, and that Mr. Eddings had been disciplined before for similar activity.

The evidentiary was closed.

MR. CARSON MOVED TO ACCEPT THE ADMISSION OF BEING IN VIOLATION OF ALL CHARGES AS STIPULATED IN THE HEARING NOTICE.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED.

#### Penalty Phase

MR. CARSON MOVED TO SUSPEND LICENSE #32018, EDDINGS COMMERCIAL CONTRACTORS, FOR THE PERIOD OF ONE YEAR, TO PLACE A PERMANENT LETTER OF REPRIMAND THE LICENSE FILE, AND TO RECOVER THE COST OF THE INVESTIGATION PRIOR TO REINSTATEMENT OF THE LICENSE.

MS. SHELTRA SECONDED THE MOTION.

Mr. Johnson stated the penalty was a little harsh.

THE MOTION CARRIED. (MR. JOHNSON WAS OPPOSED AND MR. LINDELL ABSTAINED)

Mr. Gregory pointed out that the total cost of the investigation amounted to \$1,981.70.

#### EXECUTIVE SESSION

The Executive Session was postponed until later in the day.

#### DISCIPLINARY HEARINGS

##### BRYANT CONSTRUCTION #44759 - DISCIPLINARY HEARING

The hearing was for possible violation of NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; NRS 624.3013 (3), failure to establish financial responsibility; NRS 624.3012 (1) (2), diversion of money and failure to pay for materials and services; and NRS 624.3011 (c) (1), disregard and violation of the building laws of the state. The hearing notice was entered into the record as EXHIBIT 1.

Bobby Jack Bryant, Owner; Jack Edstrom, Investigator; Russ Rodoni, Complainant/Sierra Design Concrete; Chris Verness; Pearl LaPerla, Homeowner/Complainant; and Jack Seaver were sworn in. Dr. LaPerla's attorney did not identify himself but disclosed he had had a previous attorney/client relationship with Mr. Bryant's stepfather. He did not believe he should move forward unless Mr. Bryant waived his presence at the hearing. Mr. Bryant said he did not mind. As it turned out, the attorney did not present evidentiary at the hearing.

When presented with the stipulation, Mr. Bryant stated he wished to admit to being in violation of all but one of the 4 charges referenced in the hearing notice. Subsequently, Mr. Bryant signed the stipulation. The charges Mr. Bryant admitted to being in violation of were clarified as NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; NRS 624.3013 (3), failure to establish financial responsibility; and NRS 624.3011 (c) (1), disregard and violation of the building laws of the state.

The hearing proceeded on the allegation of NRS 624.3012 (1) (2), diversion of money and failure to pay for materials and services. Mr. Griffy stated that through his interview of the witnesses, he believed the charge was not diversion of money but, rather, failure to pay for materials and services. Mr. Bryant agreed and said he did not believe he was in violation of failure to pay for materials and services. He had signed an agreement with Sierra Design Concrete, the company who had provided the

services, to make payments on the money owed because, although he didn't receive any money for the project that had been performed, he didn't want Sierra Design Concrete left holding the bag. The Board then moved forward with the charge of failure to pay.

PEARL LAPERLA – Mr. Griffy questioned Ms. LaPerla and learned that on or about August 1, 1998, the Licensee had entered into a contract with Pearl LaPerla for the construction of a two-room structure, for a total contract price of \$37,000.00. Ms. LaPerla said she had paid the licensee a total of \$15,000.00 cash towards the contract price, \$10,000 had been paid prior to the completion of her loan and another \$5,000 had been paid toward the concrete. She had paid the \$5,000 approximately 5 or 6 weeks before the concrete had been poured. It was Ms. LaPerla's contention that it was the \$5,000 that was at issue in the hearing. When asked if Mr. Bryant had asked for the money specifically for the concrete, Ms. LaPerla replied yes, adding that there had been no accounting for the \$10,000 she had already paid him. Ms. LaPerla was then shown a photograph (EXHIBIT 2) and she identified it as the sidewalk, or concrete, under discussion. She said the concrete had been poured on a Friday, and on the following Monday, Russ Rodoni had presented her with a bill. She informed Mr. Rodoni that the bill had been paid as she had given the money to Mr. Bryant for the entire concrete job. It was then that she learned that the delay in pouring the concrete had not been due to Mr. Rodoni. He informed her that no arrangements had been made with him to pour the concrete during the preceding 5 or 6 week period Ms. LaPerla had referenced earlier. Subsequently, two liens had been filed against Ms. LaPerla's property. One had been filed by Bryant Construction and the second by Sierra Concrete Design. Mr. Bryant offered that Bryant Construction's lien was in the amount of \$7,550 and Sierra Design Concrete's was for \$4,400.

RUSS RODONI, SIERRA DESIGN CONCRETE – On November 2, 1998, the Licensee had entered into a sub-contract with the Licensee for the construction of an attached concrete porch for Pearl LaPerla. Mr. Bryant had requested that the work be performed. The contract called for Sierra Design Concrete to pour a slab, a raised monolithic patio to be covered with tile, and a set of steps in Ms. LaPerla's backyard. The total amount of the contract amounted to \$4,400. Mr. Rodoni said he had been called the following day, a Saturday, and told there was something wrong with the job. He immediately went to the LaPerla residence to see what was wrong. He found nothing wrong with the job. He then approached Ms. LaPerla to ask her what was the problem. She told him that it had to do with the payment. Mr. Rodoni said he then presented Ms. LaPerla with the invoice. He told the Board that payment arrangements had been explained to him in two ways, one, that Mr. Bryant would be taking care of the bill or two, that Ms. LaPerla would be taking care of it. Since he had not been sure who would be making the payment, he gave them both a bill. The bill with Mr. Bryant had been signed, the other one to Ms. LaPerla had not been signed. Mr. Rodoni said he could not remember what Ms. LaPerla had told him regarding the payment. To date, Mr. Rodoni said Mr. Bryant had paid him \$1,100 toward the \$4,400. He had been making payments to him since, approximately, January. Mr. Bryant then referenced a letter Mr. Rodoni had written wherein it stated he had talked to Ms. LaPerla and/or her accountant and had been told on several different occasions that they intended to pay him either in January or February for his work. Mr. Rodoni agreed, explaining the conversations that had actually occurred with Ms. LaPerla's accountant. Mr. Gregory then clarified that Mr. Rodoni's contract had been with Bryant Construction and Bryant Construction had not paid him. Mr. Rodoni agreed.

Mr. Bryant explained that Ms. LaPerla did, in fact, give him \$15,000, but he said the \$5,000 that was noted as having been given to him specifically for the concrete was not factual. Mr. Bryant then referenced a 10-page complaint that had been submitted to Mr. Bryant's bonding company and to Jack Edstrom, Investigator. It indicated a different reason as the basis of complaint. It was learned the complaint statement to the bonding company had not been included in the hearing notice. Mr. Bryant then detailed what work he had performed for \$15,000. In this discussion, it was learned the job had been red tagged for failing to pull a building permit. Thereafter, the

engineer's report was entered into the record as EXHIBIT A. Mr. Bryant again referenced Ms. LaPerla's complaint to the bonding company and said the project changed from what had originally appeared on his signed contract. Ms. LaPerla changed the entire scope of the project, and when she did, it required Bryant Construction to dismantle the building. It had started out as a two-room building with a block wall along the entire backyard. It ended up being a two room addition with a second story walkway, bathroom addition, and a deck. With the change, Ms. LaPerla had wanted the building moved to allow for the room addition. Mr. Bryant indicated signed change orders or letters to the owner regarding a change in price had not been exchanged between he and the homeowner. The only items Mr. Bryant had to prove his statement was his original contract and Ms. LaPerla's complaint to Merchants Bonding Company outlining the scope of the job. Mr. Bryant then stated the reason he was not able to pay for the concrete work was because funds had never been provided to him for that work. A multitude of other jobs had been performed for Ms. LaPerla and copies of those invoices had been provided to Mr. Edstrom. Copies of the invoices were not in the hearing notice. Mr. Bryant then referenced a copy of a cashier's check for \$37,000, which also did not appear in the hearing file.

Mr. Gregory added there should have been more charges on the hearing notice, keeping accurate records for one. He said all of the evidentiary was not in the file and the complaint was not accurate. Mr. Gregory then asked for a financial statement. Mr. Johnson asked that Mr. Bryant's information be included in the hearing file.

In further discussion, it was learned Mr. Bryant was current in his payments to Sierra Concrete Design. Mr. Lindell pointed out that Mr. Bryant's description of the work did not contain anything in it to indicate that Mr. Bryant had agreed to pour a patio. He believed the item was over and above what Mr. Bryant had contracted for. When asked if he had any perspective jobs, Mr. Bryant said he had quite a few perspective smaller jobs. Mr. Bryant offered to bring in every job for board review.

MR. CARSON MOVED TO CONTINUE THE HEARING TO THE NEXT RENO MEETING, STAFF TO COMPLETELY INVESTIGATE THE CHARGES, AS WELL AS MR. BRYANT'S OTHER EVIDENTIARY SO AS TO ENTER IT INTO THE RECORD, TO SUMMARILY SUSPEND LICENSE #44759, FOR 30 DAYS DUE TO PUBLIC SAFETY, HEALTH, AND WELFARE ISSUES, BASED UPON THE ADMISSION OF FINANCIAL RESPONSIBILITY, AND TO REQUEST THE LICENSEE PROVIDE A FINANCIAL STATEMENT, WITH PERSONAL INDEMNIFICATION OPTIONAL.

MS. SHELTRA SECONDED THE MOTION.

Mr. Lindell asked Mr. Carson to consider putting the license on probation and to allow Mr. Bryant to provide the board with a weekly list of all perspective jobs, rather than to suspend the license. A discussion ensued wherein Mr. Bryant pointed out, for the record, what Mr. Lindell had already referenced, that the one contract between he and Pearl LaPerla, listed nothing concerning Sierra Design Concrete. It contained concerning concrete or a patio. The discussion also centered around Mr. Carson's motion; the lack of financial responsibility on the part of the licensee; an offer by the licensee to surrender his license if he was unable to do any work under the license; and what personal indemnification entailed.

THE MOTION CARRIED.

#### APPROVAL OF MINUTES

Mr. Gregory called for a motion to approve the minutes of July 27, 1999.

MR. JOHNSON MOVED TO APPROVE THE MINUTES OF July 27, 1999.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

STEVE SWANSON AND MELISSA SWANSON, DBA SWAN DEVELOPMENT #40366 - BOARD DISCUSSION AND ACTION ON SETTLEMENT PROPOSAL AND DISMISSAL OF PETITION FOR JUDICIAL REVIEW

Mr. Reese noted the matter was presently on appeal for judicial review. He said the settlement proposal was an opportunity to close the issue. He then detailed what some of the problems were with the matter, recapping what had occurred in the two hearings and regarding the renewal application. The appeal raised the issue of due process with respect to the assessment of cost and other items. Mr. Reese explained. He then recommended that the Board accept the settlement proposal, dismiss the petition for judicial review, renew the license, and give Swan Development 60 days to pay the cost assessed against them.

Mr. Gregory suggested dismissing the money owing charge, without prejudice, due to the lack of confirming evidentiary by either party to substantiate the charges. In further discussion, the following motion was offered and acted upon.

MR. JOHNSON MOVED TO APPROVE THE RENEWAL APPLICATION OF LICENSE #40366, SWAN DEVELOPMENT, AND TO DISMISS THE CHARGE OF MONEY OWING, CONDITIONED UPON SWAN DEVELOPMENT DISMISSING THE JUDICIAL REVIEW AND, WITHIN 60 DAYS, PAYING THE COST OF THE INVESTIGATION.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED. (MR. NELSON & MS. SHELTRA WERE OPPOSED)

A D N CONSTRUCTION #42216, #42217, #42218 - DISCIPLINARY HEARING

Alan D. Newman, President, was not present nor was anyone present to represent him. The current status of the license was inactive, not renewed, as of August 1, 1999. Mr. Edstrom added he had tried to reach the licensee by phone but the numbers in the licensee file had been disconnected.

The notice of hearing had been sent certified mail on July 9, 1999. Return service was signed and dated July 12, 1999. The hearing was for possible violation of NRS 624.3017 (1), substandard workmanship; and NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a), failure to comply with the notice to correct. The hearing notice was entered into the record as EXHIBIT 1.

John and Michelle Taylor, Complainants; and Gary Leonard, Investigator, were sworn in.

John and Michelle Taylor - Under questioning by Mr. Griffy, it was learned that on or about May 23, 1997, the Licensee had entered into a contract with John and Michelle Taylor for the construction of a single-family dwelling for a total contract price of \$104,000. Workmanship issues had manifested themselves in the concrete front porch, the concrete sidewalk at driveway, and the concrete approach at garage. Mr. Taylor described that the concrete apparently did not have any dirt work done to compact the ground underneath or have any rebar inserted. All items had settled causing a safety hazard. Estimates to correct the work ranged around \$3,000. Mrs. Taylor added that when they first moved in, the licensee said he would fix the problem in the spring. The licensee had never been back to make the correction. Several phone calls had been made and certified letters sent in an effort to reach the licensee. Finally, a call had been received from the licensee's wife who merely stated the licensee could not fix the steps. He had been on his way to Elko and hit a horse. She then hung up. When asked if they knew of the licensee's whereabouts, Ms. Taylor said she had seen the licensee's daughter approximately a month ago and learned Mr. Newman was in Elko.

SAMMY ELLIS - Gary Leonard said he was familiar with both Mr. Newman and the property of Sammy Ellis, Complainant. He had visited the property on January 20, 1999 and had validated the items in the notice of hearing. The licensee had made no attempt to correct the problems therefore Mr. Ellis had someone else fix them. Mr. Ellis had spent approximately \$15,000 to have his problems corrected.

KIM AND ARLIS CURTIS - Mr. Griffy asked Mr. Leonard if he had validated the shower, the foundation and the furnace, in the Curtis complaint. Mr. Leonard said he had validated those items in November, 1998. To date, none of the items had been corrected. Mr. Leonard indicated he had spoken to Mr. Newman early in the investigation but, later, in the first part of the year, he had spoken to Mr. Newman's daughter, who indicated to him, that Mr. Newman had moved out of Ely to Salt Lake City, Utah, adding that Mr. Newman had never responded to any of the notices to correct.

MR. CARSON MOVED TO REFER THE MATTER TO FORMAL FINDINGS OF FACT, CONCLUSIONS OF LAW.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED.

MR. JOHNSON MOVED TO SUMMARILY SUSPEND LICENSE #42216, #42217, AND #42218, A D N CONSTRUCTION INC.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

## DISCUSSION

### LEGISLATIVE MANDATE CONCERNING BIDDERS PREFERENCE

Garth Frehner, former Board Member and CEO of Frehner Construction Company Inc., was present for the discussion. It was noted he had volunteered to serve on the committee. Ms. Grein distributed a preliminary outline and stated the formal workshop would be held on August 25, 1999 in Las Vegas.

Others present for the purpose of formulating ideas in establishing the new regulations were Jim Keenan, Purchasing Manager, Douglas County; Ted Olivas, Purchasing & Contracts Manager, Clark County; Jim Mulcahy, Clark County Public Works; Mari Bochanis; Attorney, Southern Nevada Water Authority; Scott Saibini, Harker & Harker; Rudy Etchison, Nevada Department of Transportation; Kathy Pruitt, State Public Works Board; Cheryl Blomstrom, State Government Affairs, The Associated General Contractors; Leo Myers, Lucky Concrete; Kevin Hill, City of Henderson; Laurie Currie, Granite Construction; John Madole, The Associated General Contractors; Steve Gill, Gill Construction; Tom Yantis, Buildings & Dwellings; Dave Nichols, Buildings & Dwellings; Jerry Cruitt, Architect; and Joe Serpa.

### REVIEW OF AMENDED AGENDA

The following motion closed the meeting to the public.

MS. SHELTRA 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 amended agenda was reviewed and discussion occurred on Nos. 7, 9-11, 13- 15, 18, 20, and 22.

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

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

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

PUBLIC COMMENT

No one from the general public was present to speak for or against any items on the agenda.

There being no further business to come before the Board, the meeting was adjourned by Chairman Gregory at 2:45 p.m.

Respectfully Submitted,

Betty Wilts, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman