

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



RENO
9670 Gateway Drive, Suite 100
Reno, Nevada 89511
(775) 688-1141
Fax (775) 688-1271
Investigations (775) 688-1150

LAS VEGAS
4220 So. Maryland Parkway
Building D, Suite 800
Las Vegas, Nevada 89119
(702) 486-1100
Fax (702) 486-1190
Investigations (702) 486-1110

STATE CONTRACTORS' BOARD

MINUTES OF THE MEETING DECEMBER 22, 1999

The meeting of the State Contractors' Board was called to order by Chairman Kim Gregory at 8:03 a.m., Wednesday, December 22, 1999, State Contractors' Board, Las Vegas, 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 (Arrived at 8:09 a.m.)
Mr. Dennis Johnson
Mr. John Lindell
Mr. Dennis Nelson
Ms. Deborah Sheltra
Mr. Michael Zech

BOARD MEMBERS ABSENT:

None

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Robert Griffy, Legal Counsel (Haney, Woloson & Mullins)
Mr. Dennis Haney, Legal Counsel (Haney, Woloson & Mullins)
Mr. Hal Taylor, Legal Counsel
Ms. Nancy Mathias, Licensing Administrator
Mr. George Lyford, Director of Special Investigations Unit
Mr. Rick Bertuzzi, Director of Investigations
Mr. Frank Torres, Deputy Director of Investigations
Mr. Linc Dante', Investigator
Mr. Bob Macke, Investigator
Mr. Greg Mincheff, Investigator
Mr. Ron Ramsey, Investigator
Ms. Betty Wills, Recording Secretary

OTHERS PRESENT:

Cari Inkenbrandt, Court Reporter, CSR Associates of Nevada; Dana Bray, Owner, Desert Breeze Heating & Cooling, Lamar Thomas, Complainant; Jeffrey Posin, Legal Counsel representing Dana Bray; James J. Bartholomew, Complainant; Beatrice Bartholomew, Complainant; Robert Haidet, Owner, Image Landscape Construction; Curt Rawlings, Legal Counsel, Image Landscape Construction; Jim Agers, Vice President, The Flooring Company; Dan Gorham, Complainant; James Kohl, Legal Counsel, Robert V. Jones Corp.; Ed Pennewell, President, La Paz Ceramic Tile; Steven DiAngelo, Business Associate, Robert V. Jones; and Rodney Balinski, Business Associate, Robert V. Jones; Hank Lavi, Owner, Town Square; Grover Williams, Vice President, P & C Drilling Company; Cheryl Sorensen, Secretary/Treasurer, Morlock Crane Service; Keith Pearce, Red Mountain Ready Mix; Ernie Carreon, Vice President, Capital Pacific Homes; and Sharol Huckaba, Complainant.

Loyd Mead, NSCB Investigator, had posted the meeting agenda in compliance with the open meeting law on December 15, 1999, at the Sawyer State Building, Clark County Library, and Las Vegas City Hall. Additionally, the agenda had been posted in each office of the Board, Las Vegas and Reno, and on the Board's Internet web site.

Two items on the agenda of December 21, 1999 had been continued and added to the agenda of December 22, 1999. The Board now heard Desert Breeze Heating & Cooling, and Image Landscape Construction before returning to the regularly scheduled agenda.

DISCIPLINARY HEARING

DESERT BREEZE HEATING & COOLING #43618 - DISCIPLINARY HEARING

FASTER AIRE SERVICES #48253 – DISCIPLINARY HEARING

Dana Bray, Owner, Desert Breeze Heating & Cooling, and Complainant Lamar Thomas were sworn in.

As a court reporter was not present at the start of the hearing, the tape recording was recognized as the official record until Cari Inkenbrandt, Court Reporter, arrived at approximately 8:20 a.m.

The notice of hearing and an amended complaint, dated November 18, 1999 and consisting of pages 1-40, had been sent by certified mail. The return receipt was dated November 30, 1999.

The hearing was for possible violation of NRS 624.301(3), 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 624.3011 (1) (c) (1), willful or deliberate disregard and violation of the building laws of the state or of any political subdivision thereof; NRS 624.3011 (2), if a contractor performs construction without obtaining any necessary building permit, there was a rebuttable presumption that the contractor willfully and deliberately violated the building laws of this state or of its political subdivisions; NRS 624.3013 (3), failure to establish financial responsibility as set forth in NRS 624.220, 624.260, 624.263 and 624.265 at the time of renewal of the license or at any other time when required by the board; NRS 624.3013 (5), as provided 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 notice to correct; NRS 624.3016 (1), any fraudulent or deceitful act of a contractor whereby substantial injury is sustained by another; NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general or which was below the standards in the building or construction codes adopted by the city or county in which the work was performed; and NRS 624.3018 (2), the performance by any partnership, corporation, firm or association of any act or omission constituting a cause for disciplinary action likewise constitutes a cause for disciplinary action against any licensee who is a member, officer, director or associate of such partnership, corporation, firm or association, and who participated in such prohibited act or omission.

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

Mr. Taylor represented the Board and Mr. Griffy presented the case. Jeffrey Posin, Legal Counsel for Dana Bray, was also present.

Mr. Griffy stated the matter involved three homeowners, and the installation of swamp coolers and air conditioners. Mr. Bray had been charged with workmanship issues and for not pulling the permits in each project. Mr. Griffy indicated he had received a letter dated December 20, 1999 from Mr. Posin addressing some of the charges. The letter noted that Mr. Bray did admit to some of the charges, and it contained the requested financial statement.

Bob Macke, NSCB Investigator, had investigated Mr. Bartholomew's complaint, and testified that the complaint pertained to a swamp cooler that had been installed incorrectly and without permits, as well as a roof that had been damaged. Additionally, the electrical

and plumbing work had been performed without permits. A Clark County official had met with Mr. Macke on the job site, and Mr. Macke learned that two code violation notices had been issued. Mr. Macke told the Board why. The Licensee had not met with Mr. Macke and Mr. Bartholomew at the job site. Later the Licensee had responded by letter indicating that he did not have a contract with Mr. Bartholomew. When advised that the board had a copy of the contract, the Licensee reiterated he did not have one. Shortly after the final notice to correct had been issued, the Licensee found the contract. The payment agreement between the Licensee and Mr. Bartholomew was that Mr. Bartholomew would provide his credit card number and when all work had been accomplished, the Licensee would bill Mr. Bartholomew's credit card. Mr. Bartholomew's credit card account indicated he was billed the same day the contract was signed. As of December 20, 1999, the work had not been corrected by Desert Breeze. Mr. Bartholomew had hired another contractor to perform some of the electrical work so as to have heat. The plumbing had frozen and burst, and the roof damage, as well as the sheet metal remained the same.

Regarding Mr. Serbenick's complaint, Mr. Macke said the credit card issue was the same as in the Bartholomew complaint. Mr. Macke explained that Mr. Serbenick originally had contacted Desert Breeze for the purpose of fixing his existing air conditioner. Instead, he was sold a new unit, which he had attempted to cancel within a period of three days, but was informed he could not. Subsequently, the manufacturer who added Freon to the unit corrected the original air conditioning unit. As of December 20, 1999, documentation had been provided by Mr. Posin indicating that Desert Breeze had credited Mr. Serbenick's account. Mr. Macke had not yet validated that fact with Mr. Serbenick, but a copy of the credit slip was entered into the record as EXHIBIT A.

Mr. Thomas testified he had entered into a contract with Desert Breeze to provide two gas pack HVAC units to his residence. The contract price was \$4,900. The contract had been paid in full, and the two units had been installed. The air conditioners worked all summer but then Mr. Thomas learned that no gas for heat had been hooked up. The Gas Company refused to hook it up because the lines had not been inspected, there was no permit, and it had not been tested. The units were now operational.

Mr. Tucker, NSCB Investigator, verified that the gas line had been partially run but that the gas company had refused to set the meter until the line had been inspected, and a permit pulled. Mr. Tucker sent Desert Breeze a notice to correct indicating it would be necessary to hire a properly licensed contractor. Mr. Tucker said he had not been back to the job site but he had a receipt indicating the plumbing contractor, ProServe Plumbing, had been paid.

James J. Bartholomew arrived and was sworn in. He provided the Board with EXHIBIT 2, an update of events.

Beatrice Bartholomew was sworn in. She detailed what had occurred with her credit card account and said the charge had been removed from her account.

Mr. Posin said he had submitted a letter to the board, summarizing his client's position regarding the three matters pertaining to Mr. Bartholomew: 1) there was no question that there was bad work performed at Mr. Bartholomew's house; 2) there was a question as whether Mr. Bray contracted to install electrical work because Mr. Bray's contract excluded the electric, and 3) there was a dispute between the two parties as to what was contained in the original contract. It was Mr. Bray's desire to engage a third party electrical contractor to correct the outstanding issues. Mr. Posin's letter, dated December 20, 1999, was entered into the record as EXHIBIT B.

It was Mr. Posin's position that the reason Mr. Bray had not returned to the property was because Mr. Bray did not feel he would be provided with a safe work place, as both Mr. Bartholomew and Mr. Bray were alleged to have threatened each other. What Mr. Bray was now proposing to do to resolve any continuing issue with Mr. Bartholomew's property was to engage a third party to complete the job at Mr. Bray's expense.

Addressing the Serbenick property, Mr. Posin detailed what had occurred, indicating that the dispute arose over whether there should be a refund or not. In order to resolve the dispute, Mr. Bray had refunded all the money to Mr. Serbenick.

Mr. Posin then spoke to the Thomas project. He admitted there was delay because Mr. Bray thought he was able to install the gas line under his license classification. When he determined he could not, Mr. Bray had hired a third party contractor to complete the work.

Under questioning by Mr. Posin, Mr. Bray said his contract with Mr. Bartholomew indicated that all electrical work would be done by others, and that Mr. Bartholomew would pay for the work. All permits and inspections were to be performed by the homeowner. Mr. Bray said his contract excluded electrical. The contract was entered into the record as EXHIBIT C.

Mr. Bray agreed there were some deficiencies with the job and that the technical violations alleged in the first cause of action of the hearing notice were accurate. Mr. Bray added there were disputes as to whether he was supposed to do some of the work such as the electrical, and that all charges to the credit card had been reversed. Mr. Bray said he did not receive any money for the project.

Concerning the Serbenick project, Mr. Bray said he found out Mr. Serbenick had cancelled the project when he arrived to perform the work. He did not believe he should have to refund the full amount because of his costs, but in a spirit to resolve the dispute, he had refunded the full amount of money.

Mr. Bray then detailed what had caused the Thomas delay. He said he was unclear whether there was a general on the job to pull a permit and about running the gas lines. He apologized and said he didn't know better based on what he saw other HVAC companies doing.

Mr. Gregory clarified what Mr. Bray could do with his license.

Mr. Bray said he hired Proserve to get the issues corrected. Proserve had been paid in full. Both the Serbenick and Thomas projects were finished. Mr. Bray was ready to engage a third party contractor to complete the Bartholomew project.

Dialogue followed regarding the Bartholomew contract wherein the signature on the contract was called into question by Mr. Bartholomew.

The evidentiary was closed.

MR. ZECH MOVED TO FIND LICENSE #43618, DESERT BREEZE HEATING & COOLING, IN VIOLATION OF NRS 624.3017 (1), NRS 624.3013 (5), NRS 624.3011 (1) (C) (1), NRS 624.3016 (1), NRS 624.3015 (1), NRS 624.3011 (2), AND NRS 624.301 (3).

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase

MR. ZECH MOVED TO IMPOSE A FINE OF \$1,000 PER VIOLATION; TO RECOVER THE INVESTIGATIVE COST OF \$1,828.29, TO BE PAID WITHIN 60 DAYS OR THE LICENSE WOULD AUTOMATICALLY SUSPEND; THAT WITHIN THE 60 DAY PERIOD OF TIME, A THIRD PARTY WAS TO BE HIRED TO COMPLETE THE BARTHOLOMEW PROJECT TO THE STANDARD OF INDUSTRY TO BE INSPECTED BY THE BOARD INVESTIGATOR; AND TO PLACE A PERMANENT LETTER OF REPRIMAND INTO THE LICENSE FILE OF DESERT BREEZE HEATING & COOLING, #43618.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MS. SHELTRA MOVED TO PLACE A PERMANENT LETTER OF REPRIMAND INTO THE LICENSE FILE OF FASTER AIRE SERVICES, #48253, RELATING TO

THE ACTION TAKEN ON LICENSE #43618, DESERT BREEZE HEATING & COOLING.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED. (MR. JOHNSON AND MR. NELSON WERE OPPOSED)

MS. SHELTRA MOVED TO DISMISS THE CHARGE OF NRS 624.3013 (3).

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

IMAGE LANDSCAPE CONSTRUCTION #43970 - DISCIPLINARY HEARING

The notice of hearing and complaint, dated November 18, 1999 and consisting of pages 1-14, had been sent certified mail. No return receipt was received but there was an affidavit of hand delivery on file.

The hearing was for possible violation of NRS 624.3017 (1), workmanship which was not commensurate with standards of the trade in general or which was below the standards in the building or construction codes adopted by the city or county in which the work was performed; 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 notice to correct; NRS 624.3015 (1), acting in the capacity of a contractor beyond the scope of the license; NRS 624.307 (1), it is unlawful for any person, including a person exempt under NRS 624.330, to advertise as a contractor unless he has a valid license in the appropriate classification established by NRS 624.215 and 624.220.

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

Robert Haidet, Owner, Image Landscape Construction, and Tom Tucker, NSCB Investigator, were sworn in. Dollie Russell, Complainant, was not present.

The stipulation was signed.

Mr. Taylor stated the issue regarded a landscape license holder who had advertised services beyond the scope and offered to enter into a contract with Dollie Russell to provide services beyond the scope. The complaint contained substandard workmanship issues and failure to correct after being served a notice to correct. Mr. Taylor noted the complainant Dollie Russell had been present the previous day, but that she had been unable to return for the continued hearing.

Mr. Tucker testified that he had investigated the allegations and had validated the complaint. The licensee had been served with a notice to correct, but had not complied. The work, which had been contracted for was beyond the scope of the license. Advertising materials in the notice of hearing had been produced by the Licensee.

Curt Rawlings, Legal Counsel for Mr. Haidet, asked Mr. Tucker if the Licensee had made an offer to correct. Mr. Tucker responded that Mr. Haidet had made an offer to Ms. Russell. He offered to give her \$200 to apply toward having a coating put over her patio. The offer had been declined.

Mr. Zech questioned why the corrective order not complied with. Mr. Haidet said he had made Ms. Russell an offer of \$100, rather than \$200 mentioned earlier. She had agreed. Two months later he found out Ms. Russell had filed a complaint with the board. He had since tried to work out issues with the complainant.

Mr. Taylor entered a copy of Mr. Haidet's business card into the record as EXHIBIT 2, and a copy of Dolly Russell's contract, dated 8/11/98, was entered into the record as EXHIBIT 3.

Mr. Rawlings acknowledged his client was acting beyond the scope of his license, and used a business card and a flyer that was somewhat misleading because it seemed to indicate that Mr. Haidet was licensed to perform concrete work. Mr. Rawlings said they were not present to offer excuses. They were present to ask the Board to consider that for the last 1 ½ years he had not been able to get his landscaping license renewed because of the current complaint, and he had also not been issued his license for concrete work. He had been informed he needed to get the matter resolved before the renewal was accepted.

Mr. Haidet stated there were items on the correction notice that he could not correct. He said he ultimately offered Ms. Russell to have the concrete removed by a licensed contractor and to refund her money. The offer had been denied.

Mr. Tucker said he was not aware of any offer.

Mr. Rawlings and Mr. Haidet were advised the offer needed to be in writing to the board.

Mr. Haidet said that what Ms. Russell ultimately wanted was flagstone put over the top of the deck.

The evidentiary was closed.

MR. ZECH MOVED TO TABLE THE MATTER TO THE NEXT HEARING IN LAS VEGAS IN 30 DAYS TO ACCOMMODATE A SETTLEMENT OFFER.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

THE FLOORING COMPANY #43387 & #48372 – DISCIPLINARY HEARING (Continued from 11/23/99)

Jim Agers, Vice President, The Flooring Company; Greg Mincheff, NSCB Investigator; and Dan Gorham, Complainant, were present.

Mr. Taylor stated that he had just been given a letter, dated December 22, 1999, from Ideal Tile Inc. Mr. Gorham indicated he had just received the same letter. The letter was entered into the record as EXHIBIT 3, and upon review Mr. Gregory revealed it was a statement indicating that more time was needed to resolve the corrective work.

Mr. Gorham said he had met with Mr. Mincheff and Mr. Agers on November 24, 1999. Mr. Agers had then agreed he would have somebody repair the items on the floor and to replace the damaged molding. The molding was replaced within a matter of days. In further conversations with Mr. Agers, Mr. Gorham was told someone would be out the following week to start the repairs of the floor. No one did and no one called. Mr. Gorham next related his conversations with Ideal Tile and Marble in an effort to resolve the flooring problem.

Mr. Agers said he had contacted someone by the name of Danny Kameski, of Ideal Tile, who Mr. Agers said had represented himself as part owner, and whom Mr. Agers thought was going to perform the work. Mr. Agers later learned no appointments had been made. He had learned within the last few days who the true owner was.

The evidentiary was closed.

MS. SHELTRA MOVED TO FIND LICENSE #43387 & #48372, THE FLOORING COMPANY, IN VIOLATION OF NRS 624.3017 (1), NRS 624.3015 (1), AND NRS 624.3013 (5).

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase.

MS. SHELTRA MOVED TO IMPOSE A FINE OF \$1,000 PER VIOLATION, TO RECOVER THE INVESTIGATIVE COST OF \$1,365.49, AND TO PLACE A PERMANENT LETTER OF REPRIMAND INTO THE LICENSE FILE OF THE FLOORING COMPANY, LICENSE #43387 & #48372. THE LICENSEE WAS GIVEN 30 DAYS TO RESOLVE THE MONETARY ISSUES AND THE CORRECTIVE ORDER TO THE STANDARD OF THE INDUSTRY TO BE INSPECTED BY THE BOARD INVESTIGATOR, OR BOTH LICENSES WOULD AUTOMATICALLY SUSPEND UNTIL BOTH ISSUES WERE RESOLVED.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

ROBERT V. JONES CORP. #23498 & #44321 – DISCIPLINARY HEARING (Continued from 8/25/99, 9/23/99, and 11/23/99)

R V J C ELECTRICAL #43827 – DISCIPLINARY HEARING (Continued from 8/25/99, 9/23/99, and 11/23/99)

SUN VALLEY PLUMBING AND MECHANICAL #42529 – DISCIPLINARY HEARING (Continued from 8/25/99, 9/23/99, and 11/23/99)

Robert V. Jones, President, Robert V. Jones Corp., was not present. Present were James Kohl, Legal Counsel, Robert V. Jones Corp.; Ed Pennewell, President, La Paz Ceramic Tile; Steven DiAngelo, Business Associate, Robert V. Jones; and Rodney Balinski, Business Associate, Robert V. Jones; and Board Investigators: Linc Dante, and Ron Ramsey.

Mr. Griffy recapped the matter of the La Paz billing issue, which, upon review of the documents, indicated that the La Paz billing was accurate, and that La Paz was indeed owed money.

Mr. Dante then explained how the discrepancy between the Robert V. Jones Corp. billing and the La Paz billing had occurred. From the documentation Mr. Dante had reviewed, Mr. Dante said it appeared La Paz was owed approximately \$200,000.

Mr. Kohl objected on the basis that he did not receive the documents until Monday, December 20, 1999 and needed time to review them. A discussion occurred regarding the accounting process used by Robert V. Jones Corp.

Mr. Griffy updated the Board regarding the Campbell complaint. He said the workmanship issues had been taken care of, but there was still a lien on the property that Century Security Systems had placed on it. Mr. Griffy had documentation indicating that the Campbells had paid the Jones Corp. the full contract price of \$11,553 for Central Security Systems on May 7, 1998. Additionally, new information indicated that Jones Corp. had agreed to, but had not paid, Bradley Glass. Mr. Griffy then read into the record EXHIBIT 12, a letter from Mr. Campbell.

MR. LINDELL MOVED TO SUMMARILY SUSPEND LICENSE #23498, #44321, #43827, and #42529 UNTIL JANUARY 11, 2000 AT 3:00 PM.

MR. CARSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

D M L CONSTRUCTION #33597 – DISCIPLINARY HEARING

The hearing was continued at the request of the Licensee.

R K A & ASSOCIATES INC #35401, #35402, & #37911 – DISCIPLINARY HEARING

Neither Tom David Ashmore, President, R K A & Associates, nor legal counsel was present

to represent the Licensee.

NSCB Investigators: Ron Ramsey and Linc Dante'; Hank Lavi, Owner, Town Square; Grover Williams, Vice President, P & C Drilling Company; Cheryl Sorensen, Secretary/Treasurer, Morlock Crane Service, were sworn in.

The notice of hearing and complaint, dated November 18, 1999 and consisting of pages 1-44, had been sent certified mail. The return receipt was dated November 24, 1999.

The hearing was for possible of NRS 624.3012 (1), diversion of funds or property received for 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, NRS 624.3012 (2), willful or deliberate failure by any licensee or agent or officer thereof to pay any moneys when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when he has received sufficient funds therefor as payment for the particular construction work; NRS 624.3016 (1), any fraudulent or deceitful act of a contractor whereby substantial injury is sustained by another; NRS 624.3013 (3), failure to establish financial responsibility as set forth in NRS 624.220, 624.260, 624.263 and 624.265 at the time of renewal of the license or at any other time when required by the board; and NRS 624.3013 (5), as set forth in NAC 624.640 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board.

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

The status of the license was suspended for no bond as of July 11, 1999.

Mr. Taylor stated there were 2 cases of failure to pay: Morlock Crane Service and P & C Drilling. Mr. Lavi had paid \$46,750 for installation of a canopy at his gas station. The Licensee had hired Monitor Inc. to perform the work. Monitor Inc. was not paid out of the money, although the Licensee had been paid by Mr. Lavi. As a consequence, a judgment had been taken against Mr. Lavi, and a lien had been filed on his house.

Ms. Sorenson testified Morlock Crane was still owed \$1,725. Mr. Williamson testified P & C Services was still owed \$1,845. Both testifiers said there had never been an offer to pay. Mr. Williamson said he had received an offer but only if he performed more work.

Mr. Lavi confirmed that Monitor had not been paid \$5,746, which with court costs was over \$7,000. Discussion then occurred regarding the judgment and the lien on Mr. Lavi's house.

Mr. Dante testified the financial statement had not been received, providing a time line of events. Mr. Ramsey added that the last time he tried contacting Mr. Ashmore, the telephone was answered as Flying A Petroleum, the business Mr. Ashmore was currently operating.

Mr. Lavi added that Flying A Petroleum was a maintenance service.

Ms. Sorenson had filed against bond, but there were 4 other complaints on the bond totaling \$167,000. Morlock's amount was so small, Ms. Sorenson said it wasn't worth going after.

MR. CARSON MOVED TO FIND LICENSE #35401, #35402, AND #37911, R K A & ASSOCIATES INC., IN VIOLATION OF ALL CAUSES OF ACTION AS STATED IN THE HEARING NOTICE.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Penalty phase

MR. CARSON MOVED TO REVOKE LICENSE #35401, #35402 AND #37911, R

K A & ASSOCIATES INC., AND TO RECOVER THE INVESTIGATIVE COST OF \$2,615.29 AND COMPLETE RESTITUTION OF ALL OUTSTANDING CLAIMS SHOULD THE LICENSEE EVER REAPPLY FOR LICENSURE IN THE STATE OF NEVADA.

MS. SHELTRA SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

SOUTHWEST FLOORING #42523 – DISCIPLINARY HEARING

Neither Michael Edward Machay, President, Southwest Flooring, nor legal counsel was present to represent the Licensee

The notice of hearing and complaint, dated November 18, 1999 and consisting of pages 1-5, had been sent certified mail to the address of record. The return receipt had not been returned. The notice returned by the post office was stamped "Attempted, Not known."

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 moneys when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when he has received sufficient funds; NRS 624.3013 (3), failure to establish financial responsibility as set forth in NRS 624.220, 624.260, 624.263 and 624.265 at the time of renewal of the license or at any other time when required by the board; and NRS 624.3013 (5), as set forth in NAC 624.640 (3), failure in any material respect to comply with the provisions of this chapter or the regulations of the board.

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

Ron Ramsey was sworn in and testified he had talked to an employee who had indicated to Mr. Ramsey that the Licensee was in San Diego. His attempt to contact the licensee at the address of record had been unsuccessful.

The evidentiary was closed.

MS. SHELTRA MOVED TO FIND LICENSE #42523 IN VIOLATION OF ALL CAUSES OF ACTION.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY

MS. SHELTRA MOVED TO ACCEPT THE CAUSES OF ACTION AS INDICATED IN THE HEARING FILE AND TO REVOKE LICENSE #42523, SOUTHWEST FLOORING ASSOCIATES, AND TO RECOVER THE INVESTIGATIVE COST OF \$1,276.24 AND COMPLETE RESTITUTION OF ALL OUTSTANDING CLAIMS SHOULD THE LICENSEE EVER REAPPLY FOR LICENSURE IN THE STATE OF NEVADA.

MR. ZECH SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Mr. Ramsey stated that no one had claimed against the bond.

PEREA LANDSCAPES #39239 & #44235 – DISCIPLINARY HEARING

Neither Manuel Perea, Sr., Owner, Perea Landscapes, nor legal counsel were present to represent the Licensee.

Carmen Caruso, NSCB Investigator, and Keith Pearce, Red Mountain Ready Mix, were sworn in.

The notice of hearing, dated November 18, 1999 and consisting of pages 1-14, had been sent certified mail. The return receipt was dated November 20, 1999.

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 moneys when due for any materials or services rendered in connection with his operations as a contractor, when he has the capacity to pay or when he has received sufficient funds therefor; and NRS 624.3013 (3); failure to establish financial responsibility pursuant to NRS 624.220, 624.260, 624.263 and 624.265 at the time of renewal of the license or at any other time when required by the board.

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

Mr. Pearce testified that he was owed \$979.75, an amended amount.

MR. CARSON MOVED TO FIND LICENSE #39239 AND #44235, PEREA LANDSCAPES IN VIOLATION OF ALL CHARGES.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO ACCEPT THE CAUSATIVE ACTION AS LISTED IN THE HEARING FILE AND TO REVOKE LICENSE #39239 & #44235, PEREA LANDSCAPES, AND TO RECOVER THE INVESTIGATIVE COST OF \$885.51 AND COMPLETE RESTITUTION OF ALL OUTSTANDING CLAIMS SHOULD THE LICENSEE EVER REAPPLY FOR LICENSURE IN THE STATE OF NEVADA.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

Mr. Pearce was advised to file a claim against the bond.

CAPITAL PACIFIC HOMES #21711 – DISCIPLINARY HEARING

Ernie Carreon, was present to represent Capital Pacific Homes. He informed the Board he had recently been appointed Vice President and was in the process of filling out the application to be the Qualified Employee.

Mr. Mincheff, NSCB Investigator, added the complainant also was not present.

The hearing was tabled until January 11, 2000 at 3:30 p.m.

D & H AIR CONDITIONING #19606 – DISCIPLINARY HEARING

Neither Dennis Roy Hanson, Owner, D & H Air Conditioning, nor legal counsel was present to represent the Licensee.

Ron Ramsey, NSCB Investigator, was sworn in.

The notice of hearing and complaint, dated November 18, 1999 and consisting of pages 1-5, had been sent certified mail. The return receipt was received and was dated November 22, 1999.

The hearing was for possible violation of NRS 624.3015 (3), knowingly entering into a contract with a contractor while that contractor was not licensed, or bidding to contract or entering into a contract with a contractor for work in excess of his limit or beyond the scope of his license; NRS 624.3013 (5), as set forth in NAC 624.640 (5), failure in any material respect to comply with the provisions of this chapter or the regulations of the board: each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license.

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

Mr. Taylor stated that Utopia Development, an unlicensed contractor, had hired D & H Air as a subcontractor. D & H Air had not been paid and complained to the board, at which point it was learned that D & H Air had contracted with an unlicensed contractor. In addition, D & H Air had failed to include the license number and monetary limit on their contract.

Mr. Ramsey testified he had not been able to contact Utopia Development to confirm that they had indeed hired D & H Air Conditioning, but he did have a copy of the contract that D & H Air had submitted to Utopia. Mr. Ramsey confirmed Utopia Development was an entity in North Hollywood, California. He also confirmed that the contract did not contain the license number or monetary limits.

The evidentiary was closed.

MR. ZECH MOVED TO DISMISS ALL CHARGES AGAINST LICENSE #19606, D & H AIR CONDITIONING, AND TO PLACE A WARNING LETTER INTO THE LICENSE FILE FOR THE SECOND CAUSE STATED IN THE HEARING NOTICE.

MR. JOHNSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY. (MS. SHELTRA OPPOSED)

HUDGENS LANDSCAPING #40940 – DISCIPLINARY HEARING

Neither Richard Hudgens, President, nor legal counsel was present to represent the Licensee.

The notice of hearing, dated November 18, 1999 and consisting of pages 1-15, had been sent certified mail. The return receipt had been returned dated November 20, 1999.

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 624.3017 (1), workmanship which was not commensurate with standards of the trade in general or which was below the standards in the building or construction codes adopted by the city or county in which the work was performed, NRS 624.3013 (5), as set forth in NAC 624.700 (3) (a) and NAC 624.640 (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 the notice to correct, and each licensee shall include in all bids he submits or contracts he enters into for construction work within this state, the number of his license and monetary limit placed upon his license.

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

Tom Tucker, NSCB Investigator, and Complainants: Raymond Paiz, and Sharol Huckaba, were sworn in.

Mr. Taylor stated that the Licensee had entered into contracts with the complainants to perform grading, landscaping, and to pour decking at their residence, for a total contract amount of \$3,500. The work was beyond the scope of the C10 license held by the Licensee. There was also a substandard workmanship case, a failure to comply with the notice to correct, and the monetary limit was not included on the contract.

The current status on the license was inactive, not renewed, as of November 1, 1999.

Ms. Huckaba testimony confirmed Mr. Taylor's statements with specific details. The contract for \$3,500 had been paid in full.

Mr. Tucker validated the substandard workmanship issues and the failure to include the monetary limit on the contract. He also stated that a notice to correct had been sent to the Licensee, but the Licensee had not responded.

Ms. Huckaba was planning to file a file against the bond.

The evidentiary was closed.

MR. CARSON MOVED TO FIND LICENSE #40940, HUDGENS LANDSCAPING, IN VIOLATION OF ALL CHARGES.

MR. NELSON SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO ACCEPT THE CAUSES OF ACTION AS STATED IN THE HEARING FILE AND TO REVOKE LICENSE #40940, HUDGENS LANDSCAPING. SHOULD THE LICENSEE ATTEMPT TO REAPPLY FOR LICENSURE IN THE STATE OF NEVADA, FULL RESTITUTION TO THE INJURED PARTY WAS TO BE MADE AND THE INVESTIGATIVE COST OF \$925.48 WAS TO BE REIMBURSED TO THE BOARD PRIOR TO THE ISSUANCE OF A LICENSE.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED.

DESIGNER RUGS PLUS #43526 – DISCIPLINARY HEARING (Continued from

Neither Gary Barton, Owner, Designer Rugs Plus, nor legal counsel was present to represent the Licensee.

The notice of hearing, dated October 21, 1999 and consisting of pages 1-17, had been sent certified mail. The return receipt had not been received. Telephone contact had then been made to verify receipt.

An amended notice of hearing dated October 27, 1999 had been sent certified mail. The return receipt was dated November 1, 1999.

A notice of continued hearing dated November 15, 1999 had been sent certified mail. The return receipt was dated November 16, 1999.

The hearing was for possible violation of NRS 624.3015 (3), knowingly entering into a contract with a contractor while that contractor was not licensed, or bidding to contract or entering into a contract with a contractor for work in excess of his limit or beyond the scope of his license; NRS 624.3014 (2) (a) (b) and (d), evasion of law: aiding or abetting an unlicensed person to evade the provisions of this chapter; combining or conspiring with an unlicensed person to perform an unauthorized act; and acting as agent, partner or associate of an unlicensed person; and NRS 624.230, it is unlawful for any person or combination of persons to: engage in the business or act in the capacity of a contractor within this state; or submit a bid on a job situated within this state, without having a license therefor as provided in this chapter, unless that person or combination of persons is exempted from licensure as provided in this chapter.

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

Greg Mincheff, NSCB Investigator, and George Lyford, Director of Special Investigations Unit, were sworn in.

Mr. Mincheff testified that the Ortegas had declined further work by the Licensee.

The license status was inactive, not renewed, as of March 1, 1999.

Mr. Lyford testified that at the hearing of June 22, 1999 and pertaining to the workmanship issue, Mr. Barton had identified the installer as an unlicensed contractor. Upon following up on the matter, the installer had been charged for acting in the capacity of an unlicensed contractor. The case was pending in justice court. Subsequently, the Licensee's records had been subpoenaed, and upon review 10 unlicensed contractors had been identified as independent contractors who performed installation work for the Licensee.

The evidentiary was closed.

MR. CARSON MOVED TO FIND LICENSE #43526, DESIGNER RUGS PLUS, IN VIOLATION OF ALL CHARGES INCLUDING THE NEWLY ADDED CHARGES.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

MR. CARSON MOVED TO REVOKE LICENSE #43526, DESIGNER RUGS PLUS, AND TO ACCEPT THE FACTUAL ALLEGATIONS AS PRESENTED IN THE HEARING FILE. SHOULD THE LICENSEE ATTEMPT TO REAPPLY FOR LICENSURE IN THE STATE OF NEVADA, FULL RESTITUTION WAS TO BE MADE TO THE INJURED PARTY, AND THE INVESTIGATIVE COST OF \$1,058.35 WAS TO BE REIMBURSED TO THE BOARD PRIOR TO THE ISSUANCE OF A LICENSE.

MR. LINDELL SECONDED THE MOTION.

THE MOTION CARRIED UNANIMOUSLY.

EXECUTIVE SESSION

UNFINISHED BUSINESS

A discussion followed wherein Mr. Haney asked the Board for guidance concerning McKim Homes.

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 11:27 p.m.

Respectfully Submitted,

Betty Wills, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

Kim Gregory, Chairman