

STEVE SISOLAK
Governor

STATE OF NEVADA



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MEMBERS
Kent Lay, Chairman
Margaret Cavin
Joe Hernandez
Jan B. Leggett
Melissa Maguire
Steve Menzies
Guy M. Wells

**STATE CONTRACTORS BOARD
MINUTES OF THE MEETING
February 20, 2020**

1. CALL TO ORDER:

Chairman Kent Lay called the meeting of the State Contractors Board to order at 8:30 a.m., Thursday, February 20, 2020, 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. Kent Lay
Ms. Margaret Cavin
Mr. Joe Hernandez
Mr. Jan Leggett
Mr. Steve Menzies
Mr. Guy Wells

BOARD MEMBERS ABSENT:

Ms. Melissa Maguire

STAFF MEMBERS PRESENT:

Ms. Margi Grein, Executive Officer
Mr. Paul Rozario, Director of Investigations
Ms. Nancy Mathias, Licensing Administrator
Ms. Jennifer Lewis, Public Information Officer
Mr. Brian Hayashi, I.T. Manager

LEGAL COUNSEL PRESENT:

Mr. Tim Geswein, Esq.

Ms. Grein stated the agenda was posted in compliance with the Open Meeting Law at Paseo Verde Library, Sawyer State Building, Clark County Library, Reno City Hall, Washoe County Courthouse and Washoe County Library. The agenda was also posted in both offices of the Board, Henderson and Reno, on the Board's Internet Website and the Nevada Public Notice Website, and e-mailed electronically to persons who have expressed interest in being kept informed of the Board's meetings.

2. STATEMENT OF THE BOARD'S MISSION

Ms. Grein read the Board's mission statement into the record: "The Nevada State Contractors Board is committed to ensuring the integrity and professionalism of the construction industry in Nevada. The NSCB has the responsibility to promote quality construction by Nevada licensed contractors through a regulatory licensing system designed to protect the health, safety and welfare of the public."

3. PUBLIC COMMENT

There was no one present to offer public comment.

4. **APPROVAL OF AGENDA:**

- Approval of Agenda with the Inclusion of any Emergency Items and Deletion of any Items

Ms. Grein noted that Item #103 (Mar Holdings of NV, LLC) and Item #104 (Material Handling Systems, Inc.) have been tabled from the Consent Agenda, and Item #10 (Larry Thomas) has been continued at the request of the applicant.

It was moved and seconded to accept the amended agenda. MOTION CARRIED.

- Recommendations for Agenda Items for Future Board Meetings

Ms. Grein reminded the Board that the annual strategic planning session has been scheduled for Tuesday, March 10, 2020 and reported on future events and training opportunities.

5. **APPROVAL OF MINUTES**

It was moved and seconded to approve the minutes of January 16, 2020 with the changes noted. MOTION CARRIED.

6. **CERTIFICATE OF APPRECIATION AWARDS PRESENTED TO INDUSTRY EXPERTS**

Ms. Grein presented certificates of appreciation to individuals who have voluntarily served as industry experts for Board investigations.

7. **EXECUTIVE SESSION**

- Executive Officer's Report

Ms. Grein reported that several Board members and staff had the opportunity to tour the Las Vegas Raiders' Allegiant Stadium. She also noted the Board hosted a Joint Task Force meeting with the Nevada Labor Commissioner and Nevada Department of Taxation, as well as two Nevada Construction Industry Relations Committee meetings. In support of the Joint Task Force initiative, Ms. Grein submitted her application to the Governor's Boards and Commissions office to be appointed to the Task Force on Employee Misclassification. Ms. Grein and Licensing Administrator Nancy Mathias attended the Federation of Association of Regulatory Boards (FARB) annual forum where they attended the Comprehensive Regulatory Training course and a variety of break out session on current regulatory news and case law. Ms. Grein added that she would be attending the Legislative Commission's Sunset Subcommittee meeting on February 21, 2020, where a discussion item on the Commission on Construction Education is expected to be heard. She also noted the Board staff would be attending the February 26, 2020 Executive Branch Audit Committee meeting where a presentation by the Division of Internal Audits was expected. Lastly, Ms. Grein noted she participated in FARB's Super Strategic Action Team meeting, attended the Associated General Contractors of Nevada SIR Awards Banquet, recorded three video messages highlighting important information for consumers, and that staff provided a presentation to the Minden Rotary and the City of Las Vegas Building and Fire Safety Division.

- Review of Monthly Department Statistics

Ms. Grein provided the following statistics for the month of January:

- Licensing Department
 - Received 165 new license applications and 225 change applications;
 - Issued 109 new licenses;
 - Approved one Financial Review;
 - Approved 685 inactive and active license renewal applications;
 - Issued or renewed 19 Certificates of Eligibility;
 - Held 8 new application denial hearings;
 - Initiated 18 actions for failure to comply with unemployment compensation or industrial insurance requirements;

- Received 3,083 calls; and
- Held 2 Business Assistance Programs with 73 participants.
- Our Investigations Department:
 - Opened a total of 219 complaints, including 133 compliance and 86 criminal complaints;
 - Held 12 Disciplinary Hearings, where 10 licenses were revoked and a total of \$83,000 in fines and \$7,891 in investigative costs were assessed;
 - Issued 15 court filings seeking prosecution for 12 misdemeanor charges, one gross misdemeanor charge, and one felony charge;
 - Sent 27 Cease and Desist Orders to respondents;
 - Held one Recovery Fund meeting where 2 cases were heard – 1 was denied and one case was continued; and
 - Opened 27 Recovery Fund claims during the reporting period.

It was moved and seconded to approve the Monthly Statistics Report. MOTION CARRIED.

- Report of Disciplinary Hearing Outcomes for January 2020

Ms. Grein reported on the disciplinary hearing outcomes for January 2020.

- Report of Application Denial Hearing Outcomes for January 2020

Ms. Grein reported on the application denial hearing outcomes for January 2020.

- Report of Commission on Construction Education Grant Application Outcomes for 2019

Ms. Grein reported on the Commission on Construction Education grant application outcomes for January 2020.

- Legislative Discussion

Ms. Grein provided discussion concerning potential initiatives for the 2021 Legislative Session.

- Discussion and Action Concerning Implementation of NRS 622.234

Ms. Grein provided an update on changes made during the 2019 Legislative Session with regard to NRS 622.234 and presented recommendations to the Board for implementing procedures to further comply with the legislative changes.

It was moved and seconded to accept the proposed policy and implementation plan in order to comply with the provisions of NRS 622.234. MOTION CARRIED.

- Review and Approval of Quarterly Financial Reports for the Period Ending December 31, 2019

Ms. Lumbert provided the Board an overview of the Board's quarterly financial reports for the period ending December 31, 2019.

It was moved and seconded to accept the Quarterly Financial Reports for the Period Ending December 31, 2019. MOTION CARRIED.

- Review and Approval of the Commission on Construction Education Financial Report for the Period Ending December 31, 2019

Ms. Lumbert provided the Board an overview of the Commission on Construction Education financial report for the period ending December 31, 2019.

It was moved and seconded to accept the Commission on Construction Education Financial Reports for the Period Ending December 31, 2019. MOTION CARRIED.

- Review and Approval of Cash Disbursements and Transfer Journals for the Period Ending December 31, 2019

It was moved and seconded to approve the Cash Disbursements and Transfer Journals for the Period Ending December 31, 2019. MOTION CARRIED.

- Discussion and Approval of FY 2019-2020 Budget Augmentation for Capital Expenditure

Ms. Grein provided the Board an overview of the 2019-2020 Budget Augmentation for Capital Expenditure.

It was moved and seconded to accept the 2019-2020 Budget Augmentation for Capital Expenditure. MOTION CARRIED.

- Executive Officer's Quarterly Report Pursuant to NAC 624.030 and 2019-20 Strategic Plan Second Quarter Activity Update

Ms. Grein and staff provided an update on the second quarter strategic planning initiatives for FY 2019-20.

It was moved and seconded to accept the Executive Officer's Quarterly Report pursuant to NAC 624.030 and 2019-20 Strategic Plan for the second quarter. MOTION CARRIED.

- Adoption of Proposed Regulation LCB File No. R014-19 Concerning Proposed Changes to NAC 624.6975 - NAC 624.7293 Regarding Rules of Practice

Ms. Grein provided the Board a review of proposed regulation LCB File No. R014-19 concerning proposed changes to NAC 624.6975 - NAC 624.7293 regarding rules of practice.

It was moved and seconded to adopt the proposed regulation LCB File No. R014-19 as written. MOTION CARRIED.

- Delegation of Authority to Executive Officer Pursuant to NRS 241.0357 Concerning Decisions Regarding Litigation

Ms. Grein provided discussion concerning the delegation of authority to the Executive Officer pursuant to NRS 241.0357 concerning decisions regarding litigation.

It was moved and seconded to approve the delegation of authority to the Executive Officer pursuant to NRS 241.0357 concerning decisions regarding litigation. MOTION CARRIED.

- Legal Report

Discussion Concerning Potential or Pending Litigation (A public body may interrupt the open meeting and exclude the public for the purpose of having an attorney-client discussion of potential and existing litigation pursuant to NRS 241.015(3)(b)(2))

Mr. Geswein reported on pending legal matters.

It was moved and seconded to accept the Legal Report. MOTION CARRIED.

- Subcommittee Reports
Executive Subcommittee, Recovery Fund Subcommittee, Classification/Regulation Subcommittee, Finance Subcommittee.

Ms. Grein noted that the Board held two Subcommittee meetings. The Residential Recovery Fund meeting was held on January 15, 2020 where one claim was continued and one claim was denied. Ms. Grein also noted that the Nevada Construction Industry Relations Committee meeting was held on January 28, 2020.

8. APPROVAL OF CONSENT AGENDA:

- Ratification of Staff Approved License Applications, Changes of Licensure, Reinstatement of Licensure, Voluntary Surrenders (List Attached, Items 1 to 405)

Mr. Joe Hernandez made no disclosures.

Mr. Guy Wells made the following disclosures.

- Item #87 (JC Companies, LLC) – Disclosed and abstained based on a current business relationship.
- Item #250 (Aggregate Industries SWR, Inc.) – Disclosed and abstained based on the applicant being a competitor.

Mr. Kent Lay made the following disclosures:

- Item 170# (Touchstone Living, Inc.) – Disclosed and abstained based on the applicant being a competitor.
- Item #203 (Coleman Toll, LP) – Disclosed and abstained based on the applicant being a competitor.
- Item #236 (Toll Henderson LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #237 (Toll North LV, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #238 (Toll North Reno, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #239 (Toll NV Holdings, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #240 (Toll NV, LP) – Disclosed and abstained based on the applicant being a competitor.
- Item #241 (Toll South, LV) – Disclosed and abstained based on the applicant being a competitor.
- Item #242 (Toll South Reno, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #243 (Toll Sparks, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #274 (Ferguson Enterprises, LLC) – Disclosed and abstained based on a current business relationship with the applicant.

Mr. Jan Legget made the following disclosures:

- Item #202 (Clark & Sullivan Constructors) – Disclosed that the applicant is a fellow AGC Board member.
- Item #265 (Q&D Construction) – Disclosed a personal relationship with the applicant.
- Item #311 (Custom Painting & Decorating) – Disclosed and abstained based on a personal relationship with the applicant.

Mr. Steve Menzies made the following disclosures:

- Item #40 (Chicago Painting, Inc.) – Disclosed and abstained based on a personal applicant.
- Item #50 (DBR Plumbing, Inc.) – Disclosed a past business relationship with the applicant.
- Item #73 (Hal Mechanical, Inc.) – Disclosed and abstained based on a past and current business relationship with the applicant.
- Item #170 (Touchstone Living, Inc.) – Disclosed a past business relationship with the applicant.
- Item #203 (Coleman Toll, LP) – Disclosed and abstained based on a current business relationship with the applicant.
- Item #236 (Toll Henderson, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #237 (Toll North LV, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #238 (Toll North Reno, LLC) – Disclosed and abstained based on the applicant being a competitor.
- Item #239 (Toll NV Holdings, LLC) – Disclosed a past business relationship with the applicant.
- Item #240 (Toll NV, LP) – Disclosed a past business relationship with the applicant.
- Item #241 (Toll South, LV) – Disclosed the applicant is a fellow Board member.
- Item #242 (Toll South Reno, LLC) – Disclosed the applicant is a fellow Board member.
- Item #243 (Toll Sparks, LLC) – Disclosed the applicant is a fellow Board member.

Ms. Margaret Cavin made the following disclosure:

- Item #202 (Clark & Sullivan Constructors) – Disclosed and abstained based on a current business relationship with the applicant.
- Item #265 (Q&D Construction) – Disclosed and abstained based on a current business and personal relationship with the applicant.
- Item #311 (Custom Painting & Decorating) – Disclosed a past business relationship with the applicant.
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It was moved and seconded to approve the amended Consent Agenda. MOTION CARRIED.

9. **NOTICE OF INTENT TO CONSIDER CASH BOND CLAIMS**
SPARHAWK METALS INC DBA SPARHAWK METALS, License No. 64349
Patrick Charles Sparhawk, President/Qualified Individual

Ms. Cavin abstained and disclosed based on a current business relationship with the licensee.

Patrick Sparhawk was not present for the hearing.

Exhibit 1 is the Bond Claim File

It was moved and seconded to approve the bond claims of 12 claimants at a pro rata share, less the administrative costs processed by the Board to publish the bond claim action in the amount of \$279.00. MOTION CARRIED.

10. **NEW APPLICATION DENIAL HEARING**
LARRY A THOMAS
Larry Allan Thomas, Owner/Proposed Qualified Individual

This agenda item was continued at the request of the applicant.

11. **NEW APPLICATION DENIAL HEARING (Continued from Nov. 21, 2019)**
CARDINAL CONSTRUCTION CORPORATION DBA CARDINAL MANAGEMENT COMPANY
Will Cannon, President/Proposed CMS Qualified Individual
Jeffery Scott Lyon, Proposed Trade Qualified Individual
(Portions of this hearing may be closed to the public in accordance with NRS 624.110 (2) to discuss certain financial data related to the applicant.)

Scott Cannon and Jeff Cannon were present for the hearing. Jeffery Lyon was not present.

Exhibit 1 is the Board's Application File.

It was moved and seconded to approve license classification B-2 (Residential and Small Commercial) with a \$400,000,000 monetary limit, a \$15,000 bond with a personal indemnification by Will Cannon and Jeffery Lyon, and an annual business and financial review for a period of two (2) years. MOTION CARRIED.

12. **NEW APPLICATION DENIAL HEARING (Continued from Nov. 21, 2019)**
EMT ELECTRIC LLC DBA EMTEK ELECTRIC
Cesar Antonio Canizales, Managing Member/Proposed Qualified Individual
Adan Corral, Managing Member
(Portions of this hearing may be closed to the public in accordance with NRS 624.110 (2) to discuss certain financial data related to the applicant.)

Cesar Canizales and Adan Corral were present for the hearing.

Exhibit 1 is the Board's Application File.

It was moved and seconded to approve license classification C-2 (Electrical) with a \$75,000,000 monetary limit, a \$10,000 bond with a personal indemnification by Cesar Canizales and Adan Corral, and an annual business and financial review for a period of two (2) years. MOTION CARRIED.

13. **NEW APPLICATION DENIAL HEARING**
J F C LANDSCAPE MAINTENANCE LLC
Roberto Camarena-Gonzalez, Manager
Jeffrey James Hugo, Proposed Qualified Individual

Roberto Camarena-Gonzalez was not present. Jeffrey Hugo was present for the hearing.

Exhibit 1 is the Board's Application File.

Exhibit A is the Applicant's answer received February 10, 2020.

It was moved and seconded to continue this agenda item for sixty (60) days. MOTION CARRIED.

14. NEW APPLICATION DENIAL HEARING

NATIONAL STORAGE TANK INC

Nicole Annette Oblad, President

Eileen Marie Harlin, Vice President

Carl William Oblad, Secretary/Treasurer and Proposed Qualified Individual

(Portions of this hearing may be closed to the public in accordance with NRS 624.110 (2) to discuss certain financial data related to the applicant.)

Nicole Oblad, and Carl Oblad were present for the hearing. Eileen Harlin was not present.

Exhibit 1 is the Board's Application File.

It was moved and seconded to approve license classification C-28 (Fabricating Tanks) with a \$1,000,000.00 monetary limit, and a 30,000.00 bond. MOTION CARRIED.

15. PUBLIC COMMENT:

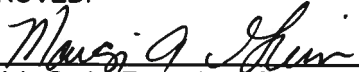
There was no one present to offer public comment.

ADJOURNMENT


There being no further business to come before the Board, the meeting was adjourned by Chairman Kent Lay at 11:13 a.m.

Respectfully Submitted,

APPROVED:


Margi A. Grein, Executive Officer


Crystal Caywood


Kent Lay, Chairman