

KENNY C. GUINN
Governor

STATE OF NEVADA

REPLY TO:



LAS VEGAS
2310 Corporate Circle
Suite 200
Henderson, Nevada 89074
(702) 486-1100
Fax (702) 486-1190
Investigations (702) 486-1110

www.nscb.state.nv.us

RENO
9670 Gateway Drive, Suite 100
Reno, Nevada 89521
(775) 688-1141
Fax (775) 688-1271
Investigations (775) 688-1150

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J. BRIAN SCROGGINS
MICHAEL ZECH

STATE CONTRACTORS BOARD

MINUTES OF THE MEETING
July 20, 2005

These are DRAFT minutes not yet ratified by the Board.

CALL TO ORDER:

Hearing Officer J. Brian Scroggins called the meeting of the State Contractors Board to order at 8:30 a.m., Wednesday, July 20, 2005, 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. J. Brian Scroggins
Mr. Jerry Higgins

STAFF MEMBERS PRESENT:

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

LEGAL COUNSEL PRESENT:

Mr. Bruce Robb, Esq., Legal Counsel
Ms. Laura Browning, Esq., Legal Counsel

Mr. Lyford stated the agenda was posted in compliance with the open meeting law on July 13, 2005, at Las Vegas City Hall, Sawyer State Building and Clark County Library. The agenda was also posted in both offices of the Board, Henderson and Reno and on the Board Internet Website.

ADJUDICATING BOARD MEMBER: J. BRIAN SCROGGINS

1. DISCIPLINARY HEARING:

T N T ROOFING, LICENSE NO. 43684

Licensee was present with Counsel Ethan Kottler, Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

The following Respondent Exhibits were entered:

Exhibit A – Packet of documents from Respondent's Counsel on behalf of T N T Roofing.
Proposal dated March 19, 2004.
Proposal dated March 21, 2004.
Notice to owner dated June 18, 2004.
Letter from Respondent to Benket Vangala dated June 14, 2004.

Letter from Respondent to Benket Vangala dated June 15, 2004.
Letter from Neil Beller to Respondent dated June 16, 2004.
Letter from Respondent to Benket Vangala dated June 23, 2004.
Documents relating to Flamingo Trails Professional Plaza project.
Documents relating to Ridgeview Professional Complex project.
Documents relating to Lane Home Furnishings project.
Documents relating to Ron Burchfield project.
Documents relating to John Lulek project.
Documents relating to Sherrie Patterick project.
Documents relating to Pamela Landoff project.
Financial statement.
Complaint filed by Respondent to the District Attorney's Office against Irrington Properties.
Answer and Counterclaim filed by Respondent.
Contractor Board Consumer Information form.
Letter from Contractors Board to Respondent dated July 30, 2004.
Receipts for materials for the Aruba Hotel project.

Hearing Officer Scroggins found Respondent T N T Roofing, Jon D. Taylor and Lisa M. Taylor, partners, license number 43684 guilty of violation of NRS 624.3011(1)(b)(1) willful disregard and violation of the building laws of the State or of any political subdivision thereof; NRS 624.3015(1) acting in the capacity of a contractor beyond the scope of the license; NRS 624.302(6) failure to comply with a written request from the Board for information or records; NRS 624.3013(3) failure to establish financial responsibility. Mr. Jon Taylor and Mrs. Lisa M. Taylor were assessed a fine of \$500.00 for the Third, Fourth and Fifth Causes of Action for a total fine of \$1,500.00. The First and Second Causes of Action were dismissed. Investigative costs were assessed in the amount of \$2,739.00. Fines and costs are to be paid within 60 days from July 20, 2005 or license number 43684, T N T Roofing will automatically be Suspended. The monetary license limit for T N T Roofing, license number 43684 was reduced to \$225,000.00.

2. DISCIPLINARY HEARING:

B M B ELECTRIC, LLC, LICENSE NO. 55805

Licensee was present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Scroggins found Respondent B M B Electric, LLC, Craig Bixman, Manager, James Evenson, Qualified Employee, license number 55805 guilty of violation of NRS 624.3013(5), as set forth in NRS 624.260(3)(a)(b)(c) the natural person qualifying on behalf of another person or firm under paragraphs (a) and (b) must prove that he is a bona fide member or employee of that person or firm and when his principal or employer is actively engaged as a contractor shall exercise authority in connection with his principal or employer's contracting business in the following manner; (a) to make technical and administrative decisions; (b) to hire, superintend, promote, transfer, lay off, discipline or discharge other employees and to direct them, either by himself or through others, or effectively to recommend such action on behalf of his principal or employer; and (c) to devote himself solely to his principal or employer's business and not to take any other employment which would conflict with his duties under this subsection; NRS 624.3016(1) any fraudulent or deceitful act committed in the capacity of a contractor, including, without limitation, misrepresentation or the omission of a material fact; NRS 624.3016(7) misrepresentation or the omission of a material fact, or the commission of any other fraudulent or deceitful act, to obtain a license. License number 55805, B M B Electric, LLC is Revoked. Mr. Bixman was assessed a fine of \$500.00 for the First, Second and Third Causes of Action for a total fine of \$1,500.00. Investigative costs were assessed in the amount of \$1,366.00. Fines and costs are to be paid within 90 days from July 20, 2005. James Evenson is not permitted to act as the Qualified Employee for any entity in the State of Nevada for Two (2) years. If James

Evenson does apply as the Qualified Employee after Two (2) years James Evenson must re-take and pass the Construction Management Survey exam.

3. DISCIPLINARY HEARING:

SOUTHWEST PROHOME, LLC, DBA PROHOME OF LAS VEGAS, LICENSE NO. 50010

Licensee was present with Counsel Jeffrey Albrechts, Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

The following Respondent Exhibits were entered

Exhibit A - Binder prepared by Counsel on behalf of Prohome of Las Vegas.
Home warranty.
Builders Warranty Management Service.
Letters of recommendation.

Exhibit B – Letter from Counsel Jeffrey Albrechts, Esq. to Dan Hammack dated July 18, 2005.

Exhibit C – Letter from Jeffrey Albrechts, Esq. to Dan Hammack dated March 31, 2005.

Hearing Officer Scroggins found Respondent Southwest Prohome, LLC, dba Prohome of Las Vegas, Jack Salmans, Manager, license number 50010 guilty of violation of NRS 624.3013(5), as set forth in NRS 624.260(3)(a)(b)(c) the natural person qualifying on behalf of another person or firm under paragraphs (a) and (b) must prove that he is a bona fide member or employee of that person or firm and when his principal or employer is actively engaged as a contractor shall exercise authority in connection with his principal or employer's contracting business in the following manner; (a) to make technical and administrative decisions; (b) to hire, superintend, promote, transfer, lay off, discipline or discharge other employees and to direct them, either by himself or through others, or effectively to recommend such action on behalf of his principal or employer; and (c) to devote himself solely to his principal or employer's business and not to take any other employment which would conflict with his duties under this subsection; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6) failure to comply with a written request from the Board for information or records. Mr. Salmans was assessed a fine of \$500.00 for the First, Fourth and Fifth Causes of Action for a total fine of \$1,500.00. The Second and Third Causes of Action were dismissed. Investigative costs were assessed in the amount of \$2,072.00. Mr. Salmans was ordered to furnish an in house financial statement reflecting the company's assets and liabilities. Fines, costs and financial statement are to be paid within 60 days from July 20, 2005 or license number 50010, Southwest Prohome, LLC, dba Prohome of Las Vegas will automatically be Suspended. Mr. Salmans was ordered to submit a Change of Qualifier application and take and pass the Construction Management Survey exam within 60 days from July 20, 2005 or license number 50010, Southwest Prohome, LLC, dba Prohome of Las Vegas will automatically be Suspended.

4. DISCIPLINARY HEARING:

LOUIS FOSTER, LICENSE NO. 54969

Licensee was present with Counsel Dale Rycraft, Jr., Esq.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Exhibit 2 – Change of address form filed with the Contractors Board on May 24, 2005.

Exhibit 3 – Packet of documents that relate to Robyne Brooks project.

List of costs dated February 1, 2005.
Items pending dated February 1, 2005.
Invoice dated January 27, 2005.
Proposal dated November 4, 2004.
Transaction report dated April 27, 2005.
Letter from Scott Loughridge to Robyne Brooks dated June 22, 2005.
Letter from Scott Loughridge to Robyne Brooks dated April 25, 2005.
Letter from Scott Loughridge to Robyne Brooks dated April 28, 2005.

Exhibit 4 – Packet of documents that relate to Derick Luu project.

Modification to tenant improvement dated January 6, 2005.
Floor plan.

The following Respondent Exhibits were entered:

Exhibit A – Packet of documents prepared by Counsel on behalf of Louis Foster.

License status #54969.
Complaint filed by Robyne Brooks.
Brooks invoice dated April 5, 2004.
Brooks invoice dated July 30, 2004.
Copy of checks paid to Respondent by Robyne Brooks.
Transaction report dated February 22, 2005.
Board's Notice to Correct certified mail receipt.
Board's request for financial statement certified mail receipt.
Subpoena dated February 14, 2005.
Subpoena dated February 24, 2005.
Letter from Respondent to Paul Easton dated March 21, 2005.
Letter from Respondent to Robyne Brooks dated February 23, 2005.
Letter from Robyne Brooks to Respondent dated February 24, 2005.

Hearing Officer Scroggins found Respondent Louis Carey Foster, dba Louis Foster, license number 54969 guilty of violation of NRS 624.3017(1) substandard workmanship; NRS 624.3013(5), as set forth in NAC 624.700(3)(a) failure to comply with the Board's Notice to Correct; Two (2) violations of NRS 624.301(4) failure to prosecute a construction project with reasonable diligence, thereby causing material injury to another; Two (2) violations of NRS 624.301(5) failure to comply with the terms of a construction contract or written warranty, thereby causing material injury to another; Two (2) violations of NRS 624.3011(1)(b)(1) willful disregard of the building laws of the State or of any political subdivision thereof; Two (2) violations of Two (2) violations 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; Three (3) violations of NRS 624.302(6) failure to comply with a written request from the Board for information or records; NRS 624.3013(5), as set forth in NAC 624.640(3) failure to notify the Board of change of address or personnel within 30 days after the change occurs; NRS 624.301(1) abandonment without legal excuse of any construction project engaged in or undertaken by the licensee as a contractor; NRS 624.301(2) abandonment of a construction project when the percentage of the project completed is less than the percentage of the total price of the contract is paid; NRS 624.302(5) failure to cooperate in an investigation; NRS 624.3013(5), as set forth in NAC 624.640(5) each licensee shall include in all bids he submits or contracts he enters into for construction work within this State, the number of his license and any monetary limit placed upon his license. Mr. Foster was assessed a fine of \$2,000.00 for all Causes of Action. The Twentieth Cause of Action was dismissed. Investigative costs were assessed in the amount of \$2,810.00. Fines and costs are to be paid within 120 days from July 20, 2005 or license number 54969, Louis Foster will automatically be Suspended. Mr. Foster was ordered to pay restitution to Robyne Brooks in the amount of \$45,000.00. A Promissory Note and Deed of Trust must be to Robyne Brooks within 2 weeks from July 20, 2005 and paid within 6 months or license number 54969, Louis Foster will automatically be Suspended. Mr. Foster was ordered to complete the Luu project within 3 weeks after Brooks receives the Certificate of Occupancy or license number 54969, Louis Foster will automatically be Suspended. Mr. Foster was ordered to furnish a financial statement prepared by a Certified Public Accountant within

30 days from July 20, 2005 or license number 54969, Louis Foster will automatically be Suspended. The Respondent is ordered to submit to a Business Review. The result of the Business Review will be presented to the Executive Officer. The Respondent will be provided a billing and will reimburse the Board for the cost of the Business Review within 10 days of receipt of the billing. Failure to submit to the Business Review or reimburse the Board the investigative cost will result in the Suspension of the license.

DISCIPLINARY HEARING – DEFAULT ORDERS:

a. CHABOT, INC., LICENSE NO. 56683

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Scroggins found Respondent Chabot, Inc., Gary C. Butts, President, license number 56683, in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Butts was found guilty of Two (2) violations of NRS 624.3016(1) any fraudulent or deceitful act committed in the capacity of a contractor including without limitation, misrepresentation, or the omission of a material fact; NRS 624.3013(4) failure to keep in force the bond or cash deposit for the full period required by the Board; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6) failure to comply with a written request from the Board for information or records. License number 56683, Chabot, Inc. was Revoked. Mr. Butts is required to pay full restitution to the damaged parties and reimburse the Board for Investigative costs of \$1,239.00 and any expenses that may be paid out of the Residential Recovery Fund.

b. CAYMAN CONSTRUCTION, INC., LICENSE NO. 45061

Licensee was present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

This matter was continued to allow the Respondent the opportunity to resolve the issues.

c. THE GARDNER DID IT, LICENSE NO. 44111

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Scroggins found Respondent Michael P. Tapia, dba, The Gardner Did It, license number 44111, in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Tapia was found guilty of violation of NRS 624.3015(1) acting in the capacity of a contractor beyond the scope of the license; NRS 624.3011(1)(b)(1) willful or deliberate disregard and violation of the building laws of the State or of any political subdivision thereof; NRS 624.302(6) failure to comply with a written request from the Board for information or records; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.3013(5), as set forth in NRS 624.520(1) failure to provide Residential Recovery Fund Notice to owner. License number 44111, Michael Tapia, dba The Gardner Did It was Revoked. Mr. Tapia is required to pay full restitution to the damaged parties and reimburse the Board for Investigative costs of \$1,241.00 and any expenses that may be paid out of the Residential Recovery Fund.

d. HACIENDA BUILDERS, LICENSE NO. 54005

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Scroggins found Respondent Job B. Gonzalez, dba Hacienda Builders, license number 54005, in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Gonzalez was found guilty of violation of NRS 624.3015(3) knowingly entering into a contract with a contractor while that contractor is 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) 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 any monetary limit placed upon his license; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6) failure to comply with a written request from the Board for information or records. License number 54005, Job B. Gonzalez, dba Hacienda Builders was Revoked. Mr. Gonzalez is required to pay full restitution to the damaged parties and reimburse the Board for Investigative costs of \$935.00 and any expenses that may be paid out of the Residential Recovery Fund.

e. GREGORY JON HESS, DBA GREG HESS PLUMBING HEATING & AIR, LICENSE NO. 45500
GREGORY JON HESS, DBA GREG HESS ELECTRICAL SERVICES, LICENSE NO. 58254
GREG HESS RESTORATION SERVICES, LICENSE NO. 55683

Licensee was not present.

The following Agency Exhibits were entered:

Exhibit 1 – Board Hearing File.

Hearing Officer Scroggins found Respondent Gregory Jon Hess, dba Greg Hess Plumbing Heating & Air license number 45500, Gregory Jon Hess, dba Greg Hess Electrical Services, license number 58254 and Greg Hess Restoration Services, Gregory Jon Hess, President, license number 55683, in default and adopted the Findings of Fact and Conclusions of Law as set forth in the Administrative complaint. Mr. Hess was found guilty of violation of NRS 624.3017(1) substandard workmanship; Three (3) violations of NRS 624.3013(5), as set forth in NAC 624.700(3)(a) failure to comply with the Board's Notice to Correct; Two (2) violations of NRS 624.301(2) abandonment of a construction project when the percentage of the project completed is less than the percentage of the total paid to the contractor; Three (3) violation of NRS 624.3011(1)(b)(1) willful or deliberate disregard and violation of the building laws of the State, or of any political subdivision thereof; Four (4) violations of NRS 624.301(1) abandonment without legal excuse of any construction project or operation engaged in or undertaken by the licensee as a contractor; Four (4) violations of NRS 624.301(5) failure to comply with the terms of a construction contract or written warranty, thereby causing material injury to another; Four (4) violations of NRS 624.3012(1) diversion of money; NRS 624.3015(1) acting in the capacity of a contractor beyond the scope of the license; NRS 624.3013(5), as set forth in NRS 624.520(1) failure to provide Residential Recovery Fund Notice to owner; NRS 624.3016(5), as set forth in NRS 624.600 failure to provide in writing the name, license number, business address and telephone number of all subcontractors and all persons who furnish material of the value of \$500 or more; a notice that a person described in subsection 1 may record a notice of lien upon the residence; an information form regarding contractors and mechanics and materialmen's license; Three (3) violations of NRS 624.3012(2) failure to pay any money due for material or services rendered; NRS 624.3013(3) failure to establish financial responsibility; NRS 624.302(6) failure to comply with a written request from the Board for information or records; NRS 624.3018(2) association of any act or omission constituting a cause for disciplinary action. License number 45500, Gregory Jon Hess, dba Greg Hess Plumbing & Heating & Air, license number 58254, Gregory Jon Hess, dba Greg Hess Electrical Services and license number 55683 Greg Hess Restoration Services was

Revoked. Mr. Hess is required to pay full restitution to the damaged parties and reimburse the Board for Investigative costs of \$4,959.00 and any expenses that may be paid out of the Residential Recovery Fund.

ADJOURNMENT

There being no further business to come before the Board, the meeting was adjourned by Hearing Officer Scroggins at 1:22 p.m.

Respectfully Submitted,

Traci Greenlee, Recording Secretary

APPROVED:

Margi Grein, Executive Officer

J. Brian Scroggins, Hearing Officer