

STATE LICENSING BOARD FOR CONTRACTORS
COMMERCIAL BOARD MEETING MINUTES

May 19, 2016

The regular meeting of the Commercial Board was called to order by the Chairman, Lee Mallet, on Thursday, May 19, 2016 at 9:34 a.m. at 2525 Quail Drive, Baton Rouge, Louisiana.

Members of the Board present:

- Lee Mallet, Chairman
- William J. Cloutre, Vice Chairman
- Lloyd "Chip" Badaeux
- N.R. "Noah" Broussard
- Nelson A. "Andy" Dupuy, Jr.
- Courtney Fenet, Jr.
- August Gallo, Jr.
- Kenneth Jones
- Donald G. Lambert
- Garland Meredith
- Byron Talbot
- Victor Weston

Members Danny Graham, Christopher N. Stuart, and Art O. Walker were absent. Finding a quorum present, the regular order of business began.

Also attending the meeting were: Michael B. McDuff, Executive Director; Judy Dupuy, Board Administrator; Judge Darrell White, Retired, Hearing Officer; Board Attorneys, Jennifer Sims and Stephanie Laborde; and from the staff, Nathan Rawls, Brent Templet, Debbie Belyeu, Ashleigh Scott, Doug Traylor, Marianne Sullivan, Emma Payne, and John Dixon; Compliance Director, Brad Hassert; Compliance Investigators, Carl Bourque, Frank Vaughn, Jessie Wells, Charmel Peterson, Jeanette Raffray, Todd Brady, and Leann Evans; and Tarah Revette recording the minutes.

Mr. Gallo led the members and audience in the Pledge of Allegiance.

A moment of silence was observed for the passing of former board attorney Richard Nevels.

Judge Darrell White gave the invocation, introduced himself, and advised those present of his duties.

Mr. Lambert made a motion to accept the Minutes of the **April 21, 2016** regular meeting. Mr. Fenet seconded. The motion passed.

Mr. McDuff introduced Alberto DePuy and Ronald Burrough with the Attorney General's office; Ken Naquin with Louisiana Associated General Contractors; Ed Guillory with Home Depot's Service Licensing Department; and Trula and Chris Remson with Remson Haley Herpin Architects. Ms. Sims also introduced guests Kristin Oglesby, Katie Cook, and Markeya Scott who are summer interns with Breazeale, Sachse & Wilson, L.L.P.

NEW BUSINESS

C. QUALIFYING PARTY HEARINGS:

1. **D & D ROOF SERVICES, INC.**, New Caney, Texas – La. R.S. 37:2156.1, Sec. 103 Rules and Regulations of the Board

Ms. Dupuy gave a summary of the allegations. No one was present on behalf of D & D ROOF SERVICES, INC. Ms. Sims entered the exhibit packet into evidence and it was admitted. Mr. Weston made a motion to suspend the company's license until such time the company has replaced the qualifying party. Mr. Gallo seconded. The motion passed.

2. **SUNX FINANCE, LLC**, Hammond, Louisiana – La. R.S. 37:2156.1, Sec. 103 Rules and Regulations of the Board

Ms. Dupuy stated that service could not be confirmed for this matter and requested for it to be removed from the agenda. Mr. Jones made a motion to remove this matter from the agenda. Mr. Weston seconded. The motion passed.

D. COMPLIANCE HEARINGS:

1. Matters 1a and 1b were consolidated.

- a) **COLMEX CONSTRUCTION, LLC**, New Orleans, Louisiana – La. R.S. 37:2158(A)(4)
- b) **WENDELL SANDERSON JR. D/B/A SANDERSON PLUMBING**, Picayune, Mississippi – La. R.S. 2160(A)(1)

Mr. Rawls gave a summary of the allegations. Angelica Rivera was present on behalf of COLMEX CONSTRUCTION, LLC. Ms. Rivera entered a no contest plea. Mr. Meredith made a motion to accept the plea. Mr. Jones seconded. The motion passed. Ms. Rivera gave a statement. Mr. Weston made a motion to assess a \$1000 fine plus \$500 in administrative costs. Mr. Gallo seconded. The motion passed.

Mr. Rawls gave a summary of the allegations. Wendell Sanderson was present on behalf of WENDELL SANDERSON JR. D/B/A SANDERSON PLUMBING. Mr. Sanderson entered a no contest plea. Mr. Gallo made a motion to accept the plea. Mr. Meredith seconded. The motion passed. Mr. Sanderson gave a statement. Mr. Weston made a motion to assess a \$500 fine plus \$500 in administrative costs. Mr. Gallo seconded. The motion passed.

2. Matters 2a – 2h were consolidated.

- a) **S & R DEVELOPMENT INC. (OF MS)**, Pearl, Mississippi – La. R.S. 37:2158(A)(4) and Rules and Regulations of the Board Sec. 109
- b) **MM CONSTRUCTION LLC**, Vicksburg, Mississippi – La. R.S. 37:2158(A)(4)
- c) **BEEBE COMMERCIAL FLOORING, LLC**, Jacksonville, Arkansas – La. R.S. 2160(A)(1)
- d) **MORRIS’S TRUCKING COMPANY, INC.**, West Monroe, Louisiana – La. R.S. 2160(A)(1)
- e) **J.P.O. CONTRACTORS, INC.**, Tuscaloosa, Alabama – La. R.S. 2160(A)(1)
- f) **ROLANDO VARGAS D/B/A PRS CONSTRUCTION**, Arlington, Texas – La. R.S. 2160(A)(1)
- g) **ALFREDO LOPEZ D/B/A ALGV CONSTRUCTION**, Red Oak, Texas – La. R.S. 2160(A)(1)
- h) **MICHAEL WALKER D/B/A WALKER IRON WORKS**, Franklinton, Louisiana – La. R.S. 2160(A)(1)

Mr. Rawls gave a summary of the allegations for matters 2a – 2h. James Morris was present on behalf of MORRIS’S TRUCKING COMPANY, INC. and was sworn in. Michael Walker was present on behalf of MICHAEL WALKER D/B/A WALKER IRON WORKS and was sworn in. Ron Withers was present on behalf of BEEBE COMMERCIAL FLOORING, LLC and was sworn in. Mr. Rawls also stated that the project value for S & R DEVELOPMENT INC. (OF MS) was not correct and the project value should state \$4,100,000.00. Mr. Jones made a motion to amend the agenda to correct the project value for S & R DEVELOPMENT INC. (OF MS) to \$4,100,000.00. Mr. Talbot seconded. The motion passed.

Mr. Morris entered a no contest plea. Mr. Jones made a motion to accept the plea. Mr. Weston seconded. The motion passed. Mr. Morris gave a statement. Mr. Weston made a motion to assess a fine for MORRIS’S TRUCKING COMPANY, INC. in the amount of \$1000 plus \$500 in administrative costs allowing the fine to be reduced to \$500 plus \$500 in administrative costs if the company obtains a license within 90 days. Mr. Fenet seconded. The motion passed.

Mr. Walker entered a no contest plea. Mr. Jones made a motion to accept the plea. Mr. Talbot seconded. The motion passed. Mr. Walker gave a statement. Mr. Weston made a motion to assess administrative costs for MICHAEL WALKER D/B/A WALKER IRON WORKS in the amount of \$250. Mr. Gallo seconded. The motion passed.

Mr. Withers presented a settlement offer to the board on behalf of BEEBE COMMERCIAL FLOORING, LLC. Mr. Meredith made a motion to accept the settlement offer as presented, which included a no contest plea. Mr. Gallo seconded. The motion passed.

Mr. Rawls read the settlement offer presented on behalf of MM CONSTRUCTION LLC. Mr. Lambert made a motion to accept the settlement offer as presented, which included a no contest plea. Mr. Dupuy seconded. The motion passed.

Mr. Rawls read the settlement offer presented on behalf of J.P.O. CONTRACTORS, INC. Mr. Dupuy made a motion to accept the settlement offer as presented, which included a no contest plea. Mr. Weston seconded. The motion passed.

Mr. Rawls read the settlement offer presented on behalf of ROLANDO VARGAS D/B/A PRS CONSTRUCTION. Mr. Dupuy made a motion to accept the settlement offer as presented, which included a no contest plea. Mr. Gallo seconded. The motion passed.

No one was present on behalf of S & R DEVELOPMENT INC. (OF MS). Ron Withers with BEEBE COMMERCIAL FLOORING, LLC provided testimony to the board regarding this matter. Investigator Jessie Wells was called to the stand and was sworn in. Mr. Wells reviewed the exhibit packet. Ms. Sims entered the exhibit packet into evidence and it was admitted. Mr. Meredith made a motion to find S & R DEVELOPMENT INC. (OF MS) to be in violation. Mr. Jones seconded. The motion passed. Mr. Meredith made a motion to assess the maximum fine plus \$500 in administrative costs, to place the company on probation for one year from the date of the hearing, and to have the qualifying party retake the Business and Law and the Building Construction exams within 120 days. Mr. Lambert seconded. The motion passed.

No one was present on behalf of ALFREDO LOPEZ D/B/A ALGV CONSTRUCTION. Investigator Jessie Wells reviewed the exhibit packet. Ms. Sims entered the exhibit packet into evidence and it was admitted. Mr. Wells provided testimony to the board. Ron Withers with BEEBE COMMERCIAL FLOORING, LLC provided testimony to the board regarding this matter. Mr. Fenet made a motion to find ALFREDO LOPEZ D/B/A ALGV CONSTRUCTION to be in violation. Mr. Jones seconded. The motion passed. Mr. Jones made a motion to assess a fine of \$2500 plus \$500 in administrative costs. Mr. Meredith seconded. The motion passed.

E. STATUTORY CITATIONS R.S. 37:21621:

Mr. Rawls presented the statutory citations. Mr. Gallo made a motion to accept the statutory citations as presented. Mr. Meredith seconded. The motion passed.

OLD BUSINESS

F. COMPLIANCE HEARINGS/CONTINUANCES:

1. Matters 1a – 1c were consolidated.

- a) **PILOT TRAVEL CENTER**, Knoxville, Tennessee – La. R.S. 37:2158(A)(4)
- b) **A. PHELPS PETROLEUM OF NORTHWEST FLORIDA, INC.**, Panama City, Florida – La. R.S. 2160(A)(1)
- c) **MOREAU SERVICES, LLC**, Harvey, Louisiana – La. R.S. 2160(A)(1)

Mr. Rawls gave a summary of the allegations for matters 1a - 1c. Attorney Thomas Cortazzo and Scott Moore were present on behalf of PILOT TRAVEL CENTER. Mr. Moore was sworn in. Alvin Phelps was present on behalf of A. PHELPS PETROLEUM OF NORTHWEST FLORIDA, INC. and was sworn in. No one was present on behalf of MOREAU SERVICES, LLC.

Investigator Frank Vaughn was called to the stand and was sworn in. Mr. Vaughn reviewed the exhibit packet for MOREAU SERVICES, LLC. Ms. Sims entered the exhibit packet into evidence and it was admitted. Mr. Vaughn provided testimony to the board regarding his investigation of the alleged violations. Mr. Talbot made a motion to find MOREAU

SERVICES, LLC to be in violation. Mr. Gallo seconded. The motion passed. Mr. Talbot made a motion to assess fine of \$10,000 plus \$500 in administrative costs. Mr. Jones seconded. The motion passed.

Mr. Phelps entered a no contest plea on behalf of A. PHELPS PETROLEUM OF NORTHWEST FLORIDA, INC. Mr. Jones made a motion to accept the plea. Mr. Fenet seconded. The motion passed. Mr. Phelps gave a statement. Mr. Moore with Pilot Travel Center provided testimony to the board regarding this matter. Mr. Phelps questioned Mr. Vaughn regarding his investigation of the project. Mr. Talbot made a motion to assess a fine for A. PHELPS PETROLEUM OF NORTHWEST FLORIDA, INC. in the amount of \$10,000 plus \$500 in administrative costs. Mr. Badeaux seconded. The motion passed.

Mr. Cortazzo presented a settlement offer to the board on behalf of PILOT TRAVEL CENTER, which included a no contest plea. Mr. Moore gave a statement to the board regarding this matter. The board and Ms. Sims questioned Mr. Moore. Upon hearing this matter, it came to the board's attention that a second violation by PILOT TRAVEL CENTER had occurred during this project. The matter was recessed while the attorney consulted with his client. This matter was reconvened after matters 3a and 3b were heard. Mr. Cortazzo presented a supplementary settlement offer to the board. Mr. Meredith made a motion to accept the supplementary settlement offer as presented, which included a no contest plea. Mr. Gallo seconded. The motion passed. Mr. Cortazzo stated that PILOT TRAVEL CENTER has waived citation and notice of hearing for the second violation.

2. COMPLETE CONSTRUCTION CONTRACTORS, LLC, Baton Rouge, Louisiana – La. R.S. 37:2158(A)(4)

Ms. Sims requested this matter to be moved to the end of the agenda. Mr. Weston made a motion to move agenda item F. 2. to the end of the agenda. Mr. Jones seconded. The motion passed.

3. Matters 3a and 3b were consolidated.
 - a) GULF STREAM MANOR PHASE II, LLC D/B/A GULF STREAM BUILDERS, LLC, Lake Charles, Louisiana – La. R.S. 2160(A)(1)
 - b) SOUTHERN CHOICE PROPERTIES OF LA, LLC, Lake Charles, Louisiana – La. R.S. 2160(A)(1)

Mr. Rawls gave a summary of the allegations for both matters. Attorney Scott Hackenberg and Eric Wotten were present on behalf of GULF STREAM MANOR PHASE II, LLC D/B/A GULF STREAM BUILDERS, LLC. Mr. Wotten was sworn in. Attorney Scott Henchy was present on behalf of SOUTHERN CHOICE PROPERTIES OF LA, LLC. Mr. Hackenberg entered a no contest plea for both entities. Mr. Gallo made a motion to accept the no contest plea for both entities. Mr. Jones seconded. The motion passed. Mr. Hackenberg gave a statement. Investigator Frank Vaughn, who was previously sworn in, was called to the stand and provided testimony to the board regarding his investigation of the alleged violations. Mr. Hackenberg submitted documents to the board and they were admitted. Mr. Wotten gave a statement. Mr. Talbot made a motion to assess a fine of \$2500 plus \$250 in administrative costs for each entity. Mr. Fenet seconded. The motion passed.

4. MASON JAMES CONSTRUCTION, LLC, Baton Rouge, Louisiana – La. R.S. 2160(A)(1)

Mr. Rawls gave a summary of the allegations. No one was present on behalf of MASON JAMES CONSTRUCTION, LLC. Investigator Leann Evans was called to the stand and was sworn in. Ms. Evans reviewed the exhibit packet. Ms. Sims entered the exhibit packet into evidence and it was admitted. Ms. Evans provided testimony to the board regarding her investigation of the alleged violation. Mr. Meredith made a motion to find MASON JAMES CONSTRUCTION, LLC to be in violation. Mr. Gallo seconded. The motion passed. Mr. Meredith made a motion to assess the maximum fine plus \$500 in administrative costs. Mr. Gallo seconded. The motion passed.

G. REQUEST FOR REHEARING/RECONSIDERATION:

1. **BRUNGART FIRE PROTECTION, LLC**, Mobile, Alabama – La. R.S. 2160(A)(1)

Mr. Rawls gave a summary of the company's reconsideration request and the board's decision at the March 17, 2016 Commercial Meeting. Chuck Brungart and Sam Langham were present on behalf of BRUNGART FIRE PROTECTION, LLC. Mr. Brungart and Mr. Langham were sworn in. Both Mr. Brungart and Mr. Langham gave a statement regarding the alleged violation. Mr. Badeaux made a motion to reconsider the penalty previously assessed for this matter. Mr. Dupuy seconded. The motion passed. Mr. Badeaux made a motion to assess a fine of \$1000 plus \$500 in administrative costs. Mr. Lambert seconded. The motion passed.

H. REQUEST FOR JUDGMENT REHEARING/RECONSIDERATION OF PENALTY:

1. **MARK DUNN BUILDERS, LLC**, Minden, Louisiana – La. R.S. 37:2150-2192, (A)(8) and (A)(9), 2156.1(D)(1) and Section 115 of the Board's Rules and Regulations

Ms. Dupuy gave a summary of the company's reconsideration request and the board's decision at the March 17, 2016 Commercial Meeting. Ms. Sims entered documents into evidence and they were admitted. Mr. Lambert made a motion to reinstate the commercial and residential licenses for MARK DUNN BUILDERS, LLC. Mr. Badeaux seconded. The motion passed.

Agenda item F. 2. under **COMPLIANCE HEARINGS/CONTINUANCES** was heard after agenda item H. 1.

- F. 2. **COMPLETE CONSTRUCTION CONTRACTORS, LLC**, Baton Rouge, Louisiana – La. R.S. 37:2158(A)(4)

Attorney Jennifer Sims recused herself from this matter. Board Attorney Stephanie Laborde took over for Ms. Sims regarding this matter. Mr. Rawls gave a summary of the allegations. Attorney Jason Bonaventure and Matt Morris were present on behalf of COMPLETE CONSTRUCTION CONTRACTORS, LLC. Mr. Bonaventure and Ms. Laborde gave brief summaries to the board regarding the alleged violation. Louis Sirico and Neil Feder were also present and sworn in. Mr. Bonaventure entered a no contest plea. Mr. Jones made a motion to accept the plea. Mr. Weston seconded. The motion passed. Mr. Bonaventure gave a statement and presented a settlement offer to the board. Mr. Morris was sworn in and was questioned by Ms. Laborde. Mr. Bonaventure also questioned Mr. Morris. Mr. Feder, who was a subcontractor on this project, provided testimony to the board. Mr. Talbot made a motion to accept the settlement offer presented. Mr. Lambert seconded. The motion passed.

I. PRESENTATION OF AUDIT:

Mr. Ken Alford with Provost Salter Harper & Alford, CPA gave a summary on the 2015 Audit Report and the 2015 Audited Financial Statement. Mr. Lambert made a motion to accept the 2015 Audit Report and the 2015 Audited Financial Statement as presented. Mr. Gallo seconded. The motion passed.

J. COMMITTEE REPORTS:

1. Report from the Staff – Ms. Dupuy had no new report.
2. Building Committee – Mr. Jones stated that the board has contracted with an architect for the agency's new building.
3. Classification and Testing Committee – Mr. Gallo reported that Mr. Dupuy will present the exemptions.
4. Legislative/Rules and Regulations Committee – Mr. McDuff addressed the board regarding the 2016 Legislative Session.
5. Finance Committee – Mr. Weston made a motion to accept the April financial statement as presented. Mr. Lambert seconded. The motion passed.
6. Residential Building Committee – Mr. Jones gave the report at a later time.

- K. Consideration of additional classifications for residential licenses, residential applications, home improvement registrations and residential licensure exemptions as listed and attached to the agenda, and actions of the **May 18, 2016** Residential Building Subcommittee. (Pages 6-15)

Mr. Jones made a motion to approve the additional classifications for residential licenses as listed on the agenda, and Mr. Meredith seconded. The motion passed.

Mr. Jones made a motion to amend the agenda to add the residential application for RICK GUTHRIE CONSTRUCTION, LP for Residential Framing (Subcontract Labor Only). Mr. Meredith seconded. The motion passed.

Mr. Jones made a motion to approve the residential applications as listed on the agenda, and Mr. Meredith seconded. The motion passed.

Mr. Jones made a motion to approve the home improvement applications as listed on the agenda, and Mr. Meredith seconded. The motion passed.

Mr. Jones made a motion to approve the actions taken at the May 18, 2016 Residential Building Subcommittee meeting and Mr. Meredith seconded. The motion passed.

- L. Consideration of commercial licensure exemptions as listed and attached to the agenda. (Page 16-19)

Mr. Weston made a motion to approve the exemptions based on Reciprocity as listed on pages 16-17 of the agenda, and Mr. Lambert seconded. The motion passed.

Mr. Weston made a motion to approve the Exemptions as listed on pages 17-19 of the agenda excluding PAVEMENT MARKINGS, LLC. Mr. Jones seconded, and the motion passed.

- M. Consideration of mold remediation application as listed and attached to the agenda. (Page 20)

Mr. Lambert made a motion to approve the mold remediation application as listed on the agenda, and Mr. Weston seconded. The motion passed.

- N. Consideration of additional classifications as listed and attached to the agenda. (Pages 21-23)

Mr. Lambert made a motion to approve the additional classifications as listed on the agenda, and Mr. Weston seconded. The motion passed.

- O. Consideration of commercial applications as listed and attached to the agenda. (Pages 24-35)

Mr. Lambert made a motion to approve the commercial applications as listed on the agenda. Mr. Weston seconded. The motion passed.

Mr. Lambert made a motion to amend the agenda to add and approve the commercial application for RICK GUTHRIE CONSTRUCTION, LP for Carpentry and Windows (Subcontract Labor Only). Mr. Gallo seconded. The motion passed.

The board had a discussion regarding settlement offers.

ADJOURNMENT

Mr. Meredith made a motion to adjourn at 12: 16 p.m., and Mr. Talbot seconded. The motion passed.

Lee Mallett, Chairman

Byron E. Talbot, Secretary