Agenda

CONSTRUCTION SERVICES COMMISSION

MEETING

July 29, 2015
9:00 a.m. Room 474
Heber M. Wells Building
160 E. 300 S. Salt Lake City, Utah
This agenda is subject to change up to 24 hours prior to the meeting.

HEARING:

9:00 am Rules Hearing

ADMINISTRATIVE BUSINESS:

Sign Travel Form Swear in New Commission Members Select New Chairman Approve Minutes June 24, 2015 Meeting Investigation Update, David Furlong

DISCUSSION ITEMS:

Review Pending Stipulations, Orders Ending Probation and Reinstating License to Good Standing and Orders Dismissing Case:

- Double T Plumbing Construction Inc, Stipulation and Order, misrepresentation and fine
- Robert Hansen Roofing LLC, Stipulation and Order,
- Vision Home Builders LLC, Stipulation and Order, misrepresentation and fine
- Red Canyon Acoustics Inc, Stipulation and Order, misrepresentation and fine
- Jesse Haynes, journeyman plumber, Stipulation and Order, criminal history
- Shakespeare Construction LLC, Stipulation and Order, misrepresentation and fine
- Evolution Drywall LLC, Stipulation and Order, misrepresentation and fine
- MBYG Home Builders Inc, Stipulation and Order, misrepresentation and fine
- Handy Excavation Inc, Stipulation and Order, financial responsibility
- Titan Roofing LLC, Stipulation and Order, misrepresentation and fine
- SJS Construction Inc, Stipulation and Order, misrepresentation and fine
- JDN Construction Inc, Stipulation and Order, probationary license
- Roycroft Homes & Construction LLC, public reprimand

- Scott Boyd Erickson, dba Sun Landscaping Inc, Stipulation and Order, fine
- Ram Core Construction Inc, Stipulation and Order, criminal history
- Northeast Construction, Inc, Stipulation and Order, financial records and fine
- Bleazard Drywall, LLC, Stipulation and Order, disciplinary and fine
- Kingdom Stone Masonry LLC, Stipulation and Order, fine
- Diamond Roofing, LLC, Stipulation and Order, financial responsibility
- Davis County, Order of Dismissal
- Wind River Homes Inc, Order of Dismissal
- Michael Douglas Carver, Order Reinstating License
- Robert Earl Tucker, Jr., Nondicsiplinary Order Reinstating License

Review pending Default Orders, Failure to Respond and Orders on cases with admissions or similar:

- Beehive Telephone Company Inc, Amended Default Order, financial responsibility
- High Country Landscaping Inc, Default Order, financial responsibility and misrepresentation
- Bingham Construction Inc, Default Order, financial responsibility and misrepresentation
- Miller Time Drywall LLC, Default Order, financial responsibility and misrepresentation
- James Wiseman, dba Wiseman Building Services, Default Order, financial responsibility, bond cancellation
- Chisl Inc, Default Order, financial responsibility, bond cancellation
- Casey Dunn, dba Dunn Painting, Default Order, financial responsibility, bond cancellation
- Johnson Custom Homes LLC, Default Order, financial responsibility, bond cancellation
- Pace Development LLC, Default Order, financial responsibility, bond cancellation
- Miner's Construction & Remodeling Inc, Default Order, financial responsibility
- Kolby James Martinez, Default Order, non compliance with probation and fine
- Frank Eddie Stricker, Default Order, non compliance with probation and fine
- Evans Tile & Stone, Default Order, financial responsibility, bond cancellation
- Ryan Michael Leavitt, Default Order, failure to comply
- Jason Carl Cochran, Default Order, failure to respond

Probation Update, Neena Bowen, Danielle Healy

APPOINTMENTS:

NEXT SCHEDULED MEETING:

August 26, 2015

Note: In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify, Dave Taylor, ADA Coordinator, at least three working days prior to the meeting. Division of Occupational & Professional Licensing, 160 East 300 South, Salt Lake City, Utah 84115, 801-530-6628 or toll-free in Utah only 866-275-3675

MINUTES

UTAH CONSTRUCTION SERVICES COMMISSION

June 24, 2015

North Conference Room - 9:00 AM Heber Wells Building Salt Lake City, UT 84111

CONVENED: 9:08AM ADJOURNED: 11:09 AM

Bureau Manager: Dan Jones
Board Secretary: Ann Naegelin

Board Members Present Kevin Clubb, Acting Chair, Electrical Board Chair

Sean Conlon, Plumber Board Chair

Chris Martineau Joseph Ligori Robert Campbell Brad Knowlton David Young

Board Members Absent Jerry Preston, Chairman, excused

Larry Gillett, Burglar Alarm Board Chair, excused

Guests: Mike Moffatt, UTCLC

John Hill, RMGA

Rich Thorn, AGC of Utah Joey Gilbert, AGC of Utah Richard Fullmer, AGC of Utah

Ross Ford, Utah HBA

Nate Cooley, Ram Core Construction Chris Devore, Ram Core Construction

DOPL Staff Present: Ray Walker, Regulatory and Compliance Officer

David Furlong, Chief Investigator

Gordon Summers, Investigation Supervisor Stephen Duncombe, Bureau Manager

Josef Sharp, Financial Auditor

Neena Bowen, Compliance Specialist

Danielle Healy, Audit Tech/Compliance Specialist

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Minutes
Construction Services Commission
June 24, 2015

TOPICS FOR DISCUSSION

DECISIONS AND RECOMMENDATIONS

ADMINISTRATIVE BUSINESS:

Approval of May 27, 2015 Minutes

Mr. Campbell made a motion to approve the minutes from the May 27, 2015 meeting. Mr. Ligori seconded the motion. Motion passed by unanimous vote.

Investigation Update

Mr. Summers gave an investigations update. Item was noted with no action taken.

Mr. Furlong reported that Utah will be participating in a thirteen state sting operation with NASCLA.

DISCUSSION ITEMS:

Pre-License Education Course Review AGC of Utah

The AGC of Utah presented their 20 Hour Pre-License Education Course. They answered questions from the Commission about their course. They will be using the same curriculum as the Utah HBA. Mr. Martineau made a motion to approve the application from the AGC of Utah. Mr. Knowlton seconded the motion. Motion passed by unanimous vote.

Review Proposed Rule Change

The Commission discussed a proposed change to R156-55a-301(2) scope of practice for the S370 fire suppression systems contractor. Mr. Young made a motion to accept the proposed rule change. Mr. Conlon seconded the motion. Motion passed by unanimous vote. The rule will be published and a public hearing will be scheduled.

Review Changes to Utah HBA Course

The Commission reviewed the request from the Utah HBA to make changes to their 20 Hour Pre-License Education Course. The Commission discussed the request and decided the types of changes submitted do not require approval from the Commission.

Joe R Leavitt Order Reinstating License

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Preferred Aluminum & Remodeling Inc Order Reinstating License Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Chris Scott Versey Order Reinstating License

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Nailbenders Woodwork & Design LLC Order of Dismissal

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

True Form Construction LLC Order of Dismissal

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Blackmesa Excavating Inc Order Reinstating License Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Celia Steel Erections Inc Order of Dismissal Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Lambert Hardwood Flooring Inc Order Reinstating License Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

O & M Quality Stucco LLC Order Reinstating License

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Joel Timo Order Reinstating License

Page 4 of 7 Minutes Construction Services Commission June 24, 2015 Masters Touch Builders LLC Stipulation and Order Ross Construction Management Inc Stipulation and Order Turner Concrete Incorporated

Stipulation and Order

Blue River Construction LLC Stipulation and Order

James Michael Skeem Stipulation and Order

TC Drywall Inc Stipulation and Order

Old Town Painting LLC Stipulation and Order

Isileli Hakemei Fangupo Stipulation and Order

Pathway Directional Boring Underground Utility LLC Stipulation and Order

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

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Cutting Edge Building Group LLC Stipulation and Order

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Austin Todd Hawkins Non-Disciplinary Limitation Stipulation and Order Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Spencer Garrett Riley Stipulation and Order Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Hennefer Plumbing Inc Stipulation and Order Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Shannon G Bramlett Stipulation and Order

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Brent John Sorensen Stipulation and Order Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Chris Boyack Construction Inc Stipulation and Order

Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Houston D Howe Stipulation and Order Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

Myrtis Tyrone James Stipulation and Order

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Liberty Mechanical LLC Stipulation and Order

Inkley Brother's Corporation Default Order

Beehive Telephone Company Inc Default Order

Tate's Construction Contracting Inc Default Order

DKA Construction LLC Default Order

Mitchell Hardwood Flooring Default Order

Baugh Construction & Development Default Order

MPK Flooring LLC Default Order

Shawn Richard Young Default Order Mr. Jones reviewed the Order with the Commission. Mr. Knowlton made a motion to approve the Order. Mr. Conlon seconded the motion. Motion passed by unanimous vote.

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Date Approved	Chairperson, Construction Services Commission		
	m transcript but are intended to record the significant features of the sare not necessarily shown in the chronological order they occurred.		
Nathan William Cooley Ram Core Construction Inc	Mr. Clubb reviewed the recommendations discussed in the closed session. A motion was made by Mr. Conlon to have the assistant attorney general draft a Stipulation and Order for reinstatement of the E100 classification on probation. Practice will be restricted to directional boring and work incidental to directional boring. All of the standard requirements for sex offender criminal history will be included in the Order. Mr. Martineau seconded the motion. Motion passed with six votes in favor. Mr. Knowlton voted against the motion.		
	The meeting was re-opened in order to make a decision on the application for Ram Core Construction Inc.		
Closed Portion of Meeting	Mr. Conlon made a motion to close the meeting to discuss the character, professional competence or physical or mental health of an individual. Mr. Martineau seconded the motion. Motion passed by unanimous vote.		
Compliance Report	Ms. Bowen and Ms. Healy gave a compliance report for the contractors on probation.		
Minutes Construction Services Commission June 24, 2015			

Bureau Manager, Division of Occupational & Professional Licensing

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Date Approved

SWORN STATEMENT SUPPORTING CLOSURE OF BOARD MEETING DOPL-FM-010 05/02/2006

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Co	MINI	GUSS	_ acted as B	oard, which met or	ber of the $6-2$	Construction 4-15	DEVIVES		
Appropr	riate n	otice was given of the	Board's m	eeting as required l	by §52-4-2	202.			
~		he Board was present open meeting, to clos					iled in the		
ł	the character, professional competence, or physical or mental health of an individual (52-4-205(1)(a))								
		strategy regarding pending or reasonably imminent litigation (§52-4-205(1)(c)) deployment of security personnel, devices, or systems (§52-4-205(1)(f)) investigative proceedings regarding allegations of criminal misconduct (§52-4-205(1)(g))							
The conting		the closed portion of losed.	the Board	meeting was restric	cted to a d	iscussion of the matter	r(s) for which the		
minutes (of the (a) the (b) the	the closed meeting, the open meeting at which e reason or reasons for the location where the cle vote of each member	h the close holding th osed meet	d meeting was app ne closed meeting; ing will be held; an	roved: nd				
(1	a) theb) thec) the	d/or kept or maintained e date, time, and place e names of members pe e names of all others pe cessary to fulfill the or	of the mee resent and resent exce	eting; absent; and ept where such disc	closure wo				
		nt to §52-4-206(5), a s 05(1)(f), but a record b)5 (1)(a) or		
		A record was not mad A record was made by		Tape Recording	[☐ Detailed Written M	linutes		
	Pursuant to §52-4-206(1), a record by tape recording is required for a meeting closed under §52-4-205(1)(c) or 52-4-205(1)(g), and was made.								
		Detailed written minuwere kept of the meeti		content of a closed	meeting a	Ithough not required,	are permitted and		
I hereby knowledg		or affirm under penalt	y of perjui	y that the above in	formation	is true and correct to	the best of my		
		1/1/1/				6-24-15			
Board	d Chai	rman or other Presidir	ng Member	r		Date of Signature			

Brian Babcock

From:

Randy Emery < REmery@buckner.com>

Sent: To: Wednesday, July 22, 2015 9:31 AM Brian Babcock

Cc:

Richard Thorn; dsnow@beehiveinsurance.com; sclark@dalebarton.com

Subject:

DOPL Insurance Issue

Attachments:

Rule R156-55a[2].pdf

Brian,

Thanks for sharing this with me, very interesting. It would be nice to think that language such as this in DOPL's licensing requirements might move the insurance industry to offer a broader and more comprehensive policy, but it's not. The fact of the matter is that carriers are becoming much more restrictive on the contractors they will even consider offering coverage for and more often than not they want to limit coverages when they do. While as you suggest the "your work" exclusion could be problematic, but there are several others.

I'm always taking exception when absolute language is used such as; "...shall not exempt from coverage <u>any area</u> of construction within the scope of the work performed." Does anyone really think that's possible. Just review the list of exclusion in a CGL policy.

In today's market residential builders are some of the most difficult to find coverage for. Just one example: Travelers and CNA have absolute residential exclusion endorsements on their policies. On many accounts Travelers will give it back in Utah, as will CNA but with a limitation on the completed operations coverage where most our claims are. Those few carriers that will offer coverage for residential builders almost always have exclusions for subsidence or any movement of dirt and earth. In addition, they prefer to include an exclusion for "damage to your work performed by a subcontractor".

These are the big ones, but what about pollution exclusions, or design, or construction management? I believe all our contractors weather they understand it or not have exposure to these kind of risk, and yet most go uninsured. If I thought this provision in the DOPL contractor licensing requirements would cause the carriers to offer better policies and or drive contractors to purchase more comprehensive coverages, I would be all for it. But the fact of the matter is, this requirement simply can not be met as written.

Randy C. Emery
Buckner

THE BUCKNER COMPANY
6550 SOUTH MILLROCK DRIVE, SUITE 300
SALT LAKE CITY, UT 84121

t 801.937-6727 c 801.580-5691 f 801.365-0808

On 7/21/15, 5:50 PM, "Brian Babcock" < brian@babcockscott.com > wrote:

All:

Attached is a copy of a proposed rule change with DOPL. The rule change deals primarily with the continuing education of contractors, but there is also a change as it relates to insurance. Please review on page 3, the new subsection (2) in green. This deals with public liability insurance coverage required by contractors as part of their license. This change

Brian Babcock

From: Doug Snow <dsnow@beehiveinsurance.com>

Sent: Tuesday, July 21, 2015 7:36 PM

To: Brian Babcock
Subject: RE: Insurance Issue

Brian

Thanks for sending this over. Because of my schedule it will be difficult for me to attend a meeting to discuss this either this week or next. However, I believe the intent of Taz and DOPL could be successfully accomplished by refinement of the wording they are using. In that spirit I would offer something like the following:

(2) The public liability insurance coverage required under Subsection 58-55-302(2)(b), and Subsection (1) shall be underwritten using standard liability insurance forms produced by the Insurance Services Office (ISO) and not contain any exclusion endorsements or policy amendments that eliminate coverage for third party liability claims arising out of the work performed by the contractor.

As you know the GL policy is not intended to be a warranty policy for poor workmanship and there should be no expectation of that in the licensing rules. Please let me know if you have additional thoughts. Thanks ds

Doug Snow

Beehive Insurance Agency, Inc.
W. Douglas Snow, President
P. O. Box 571431, Murray, UT 84157-1431
Direct Phone 801-685-6870
Fax 801-685-2899





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From: Brian Babcock [mailto:brian@babcockscott.com]

Sent: Tuesday, July 21, 2015 5:51 PM

To: Doug Snow; remery@buckner.com; sclark@dalebarton.com

Cc: Richard Thorn

Subject: Insurance Issue

All:

Attached is a copy of a proposed rule change with DOPL. The rule change deals primarily with the continuing education of contractors, but there is also a change as it relates to insurance. Please review on page 3, the new subsection (2) in green. This deals with public liability insurance coverage required by contractors as part of their license. This change indicates that the policy "shall not exempt from coverage any area of construction within the scope of the work performed."

Brian Babcock

From:

Teri Paulson <teri.paulson@integratedslc.com>

Sent:

Tuesday, July 28, 2015 6:54 PM

To:

Bob Babcock; Brian Babcock

Subject:

Fwd: Proposed Insurance Rule Change

Here is the original proposed language: (2) The public liability insurance coverage required under Subsection 58-55-302(2)(b), and Subsection (1) above, shall not exempt from coverage any area of construction within the scope of the work performed.

Here are two possible alternatives:

- 1 (2) The public liability insurance coverage required under Subsection 58-55-302(2)(b), and Subsection (1) above, shall not exempt from coverage any area of construction within the scope of the work performed. This does not apply to standard ISO policy form exclusions.
- 2 (2) The public liability insurance coverage required under Subsection 58-55-302(2)(b), and Subsection (1) above, shall not have trade specific exclusions for the scope of work performed.

Our argument is that the they are asking the insurance carriers to literally insure against anything and everything. This would cause a massive exodus from Utah of the standard insurance carriers. It would almost certainly increase the cost of insurance dramatically. The type of exclusions the board is attempting to address are not standard exclusions. They are endorsed exclusions.

Teri Paulson

Integrated Insurance Solutions



Flynn Paulson

Office (801) 487-3000 | Fax (801) 412-0893

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