



# Bulletin

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## Licensing Board Calendar

- Good Friday/Board Office Closed**  
March 25, 2005
- Regular Board Meeting**  
April 13, 2005
- Memorial Day/Board Office Closed**  
May 30, 2005
- Independence Day/Board Office Closed**  
July 4, 2005
- Regular Board Meeting**  
July 13, 2005
- Labor Day/Board Office Closed**  
September 5, 2005

## RULES CHANGE CERTAIN FINANCIAL RESPONSIBILITY REQUIREMENTS, RECOVERY FUND APPLICATION PROCEDURES

### New Rules Become Effective In March 2005

The Licensing Board began proceedings in September 2004 to amend several rules contained in 21 NCAC 12. The two rules become effective March 1, 2005. The Board conducted a public hearing on October 13, 2004 in order to receive public comment on the proposed amendments, which were published in the September 1, 2004 issue of *The North Carolina Register*.

Rule .0204 (a)(4) *Eligibility*, is amended to include provisions requiring limited license applicants to provide an audited financial statement as part of an application if the applicant is in bankruptcy. The rule is designed to assure that limited license holders are financially responsible and fiscally stable.

Rule .0903 (a), *Application for Payment*, requires applicants in Homeowners Recovery Fund claims, when claiming against the estate of a deceased general contractor, to submit a statement from the estate administrator that the claimant will not receive payment from the estate. The rule allows such applicants to proceed

against the Homeowners Recovery Fund without needless delay.

Text of the actual rules is printed below. The portion of text with strike-through is deleted and new text is underlined.

#### SECTION .0200 – LICENSING REQUIREMENTS

##### 21 NCAC 12.0204 Eligibility

- (a) Limited License. The applicant for such a license must:
- (1) Be entitled to be admitted to the examination given by the Board in light of the requirements set out in G.S. 87-10 and Section .0400 of this Chapter;
  - (2) Be financially stable to the extent that the total current assets of the applicant or the firm or corporation he represents exceed the total current liabilities by at least seventeen thousand dollars (\$17,000.00); ~~and~~
  - (3) Successfully complete 70 percent of the examination given the applicant by the Board dealing with the specified contracting classification chosen by the ~~applicant~~ applicant; and

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## Governor Appoints Jerry Smith To Licensing Board

Jerry Smith, Senior Vice President and Co-Division Manager of the Utilities Division for T.A. Loving Company, Goldsboro, has been appointed by Governor Mike Easley to the Licensing Board. Mr. Smith replaces R. Kelly Barnhill as the public utility contractor member on the Licensing Board.

Mr. Smith's appointment began February 2, 2005 and his term expires December 31, 2009. Mr. Smith started his career with T.A. Loving Company in 1967 as a rod man on a survey crew, working his way to superintendent and project manager, and became Utility

Division Co-Manager in 1988. He is currently Division Manager and member of the company's Board of Directors. Mr. Smith has been a leader in North Carolina's construction industry through his affiliation with several industry associations, including Carolinas AGC, where he served on its Board of Directors as Utility Division Vice Chairman and Chairman. Currently he is a member of the North Carolina Underground Utility Damage Prevention Coalition and NC Utility Contractors Association Board of Directors. Mr. Smith has been married to his wife Agnes for 40 years and has two sons, Eddie and Jeff.

**NCLBGC Bulletin**

Published semi-annually as a service to general contractor licensees to promote a better understanding of the General Contractors Licensing law (N.C.G.S. §87-1 to 87-15.9) and to provide information of interest to construction professionals and the public.

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LICENSING BOARD for  
GENERAL CONTRACTORS**

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## Planning a Relocation or Move?

Please mail or fax your new address and telephone number to the Licensing Board (include your license number) at:

P.O. Box 17187  
Raleigh, NC 27619  
Fax: (919) 571-4703

# 2004 Homeowners Recovery Fund Report

Following 21 hearings on claims presented to the Board in 2004, a total of \$421,405 has been awarded from the Homeowners Recovery Fund to eligible claimants. In December 2003, the Homeowners Recovery Fund Review Committee considered 30 claims before the recovery fund, dismissing nine of the claims and referring the remainder of the eligible claims to the Board for a hearing in 2004.

Persons who file claims with the Homeowners Recovery Fund must meet specific criteria and must demonstrate to the Board that they have suffered a reim-

bursable loss in the construction or alteration of a single-family dwelling unit. The Homeowners Recovery Fund is generated from fees paid to local government inspection departments by licensed general contractors who apply for building permits in the construction of single-family dwelling units. As of January 2005, the recovery fund's net worth is \$723,200.

Below is a list of awards ordered by the Board in 2004 to eligible claimants, including the names of the general contractors whose conduct caused reimbursable losses to claimants.

| <b>Claimant</b> | <b>Award</b> | <b>General Contractor</b>                 |
|-----------------|--------------|---|
| Everhart        | \$5,000      | Cornerstone Residential Development Corp. |
| Adee            | \$77,000     | Oliver Wells/Wells Development, LLC       |
| Norrell         | \$4,250      | A.L. Elks                                 |
| Gronquist       | \$2,000      | Richard Marvin McClain, Jr.               |
| Brown           | \$9,000      | Custom Dream Builders, Inc.               |
| Prillaman       | \$2,500      | Brothers Custom Builders, Inc.            |
| Kiiskila        | \$6,655      | Quantum Construction & Restoration, Inc.  |
| Havner          | \$77,000     | Osborne Builders, Inc.                    |
| Wright-Ware     | \$12,000     | Aaron Yandel                              |
| Hobson          | \$4,000      | CRL Construction, Inc.                    |
| Debnam          | \$3,000      | Triangle Custom Builders, LLC             |
| Darlington      | \$50,000     | Helmsman Construction, Inc.               |
| Westmoreland    | \$4,000      | Beauchamp Construction Co.                |
| Demetrious      | \$70,000     | Oliver Wells/Wells Development, LLC       |
| Teeter          | \$25,000     | Blue River Builders                       |
| Bishop          | \$5,000      | Bill Buchanan Builder                     |
| Brewer          | \$15,000     | Castlebay Construction, Inc.              |
| Aronson         | \$50,000     | Brugh Properties, Inc.                    |

## CHILD LABOR LAWS INFORMATION FOR EMPLOYERS

The U.S. Labor Department's Wage and Hour Division offers instructions and information to employers who want to know more about child labor laws. Violation of any of existing child labor provisions could result in the assessment of civil money penalties, which can be as high as \$11,000 per minor.

For more information, contact the Wage and Hour Division's toll free number 1-866-487-9243, or visit its website at [www.wagehour.dol.gov](http://www.wagehour.dol.gov).

## DISCIPLINARY ACTION, LEGAL CONSEQUENCES MAY BEFALL VIOLATORS

# Loaning, Sharing Your General Contractors License— Not A Good Idea

**M**ore general contractors are operating in North Carolina (almost 31,000 licensed) in 2005 than in previous years. And the Licensing Board continues to receive increasing numbers of reports, often in the form of a formal complaint, alleging unlawful use of a general contractor's license by unlicensed persons or firms. In many of these cases or complaints, a licensed general contractor has aided an unlicensed person or business by effectively loaning the license, or allowing the license to be used in some manner by the unlicensed entity.

The Board is empowered by law to take legal or disciplinary action against contractors found guilty of charges such as sharing a general contractor's license with an unlicensed person or firm. It's also important to note that there may be consequences other than disciplinary action against the license for violators of the licensing and disciplinary statutes; and the consequences can be severe for those caught.

A fundamental understanding of the general contractor licensing laws provides that general contractors licenses are *not transferable*. The Board's licensing statutes (at N.C.G.S. §87-1, *et seq.*) require that individuals, sole proprietors, partnerships, corporations, etc. practicing general contracting must first possess a valid license. The statute does not, however, authorize or allow the holder of a sole proprietorship license, for example, to allow a partnership, corporation or another entity to use that license for any reason. Perhaps the most common complaint received by the Board in these circumstances involves allegations where the hold-

er of an individual general contractors license allows an unlicensed business or corporation to use or "share" its license. This is clearly a violation of the general contractor licensing law. An argument could be made that this arrangement is legal or even justifiable as long as the licensed individual is an employee of the unlicensed contractor. Again, licenses are not transferable.

What could happen to those found to be in violation by unlawfully allowing the use of a license by another unlicensed entity? There are certainly financial considerations in such circumstances, and the North Carolina Court of Appeals has held (*Hawkins v. Holland, Hollifield v. Holland*; 97 App. 291, 388 S.E. 2d 221, 1990, and *Joe Newton v. Tull*, 75 N.C. App. 325, 330 S.E. 2d 664 (1985) that an unlicensed contractor may not recover for any amount due under a contract costing \$30,000 or more, even if he or she is associated in partnership or employed by the licensee. In *Hawkins v. Holland*, the unlicensed contractor contended that he was working in a partnership with a licensed general contractor, who said he had allowed Holland to use his license only to obtain building permits for the homes in question. The Court held in this case that the defendant unlicensed contractor's claims for recovery were unenforceable because the plaintiff's contracts were with the unlicensed individual, and not a licensed general contractor.

Violators of the licensing laws, or those who loan their licenses, may be disciplined by the Licensing Board for General Contractors for allowing the use of their license by unlicensed persons or other entities. Appropriate sanctions for misconduct in such cases may include sus-

pension or in many cases revocation of license. From 2001 through 2003, the Licensing Board suspended or revoked 19 licenses in related cases of unlawful use of licensure complaints, or where contractors illegally allowed the use of their general contractors license. Forty Consent Orders were entered during that time, effectively resolving matters involving unlawful use of license. The Board may also deny or delay issuance of a license to a new applicant if the Board determines that the applicant used another's license and unlawfully engaged in the practice of general contracting prior to filing the application.

Contractors should immediately cease any arrangement whereby an unlicensed person, partnership or corporation is allowed to use a licensed general contractor's license with the licensee's permission. Although as a licensed general contractor, you may have an ownership interest in the unlicensed entity, the unlicensed contractor may not use your license for any reason. Unlicensed contractors may not circumvent State law and licensing requirements by hiring an employee who is a licensee. Unlicensed contractors who wish to practice general contracting should file a new application under the contractor's exact legal name. For further information about filing applications or licensing, see the Board's publication, "*Laws and Regulations Applicable to General Contracting in the State of North Carolina*." This publication is available by visiting the Board's web site ([ncibgc.org](http://ncibgc.org)), or request a copy by calling the Board office at (919) 571-4183.

# New Rules Become Effective In March 2005

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- (4) Provide to the Board an audited financial statement with a classified balance sheet as part of the application, if the applicant or any owner, principal, or qualifier is in bankruptcy.
- (b) Intermediate License. The applicant for such a license must:
- (1) Be entitled to be admitted to the examination given by the Board in light of the requirements set out in G.S. 87-10 and Section .0400 of this Chapter;
  - (2) Be financially stable to the extent that the total current assets of the applicant or the firm or corporation he represents exceed the total current liabilities by at least seventy-five thousand dollars (\$75,000.00) as reflected in an audited financial statement prepared by a certified public accountant or an independent accountant who is engaged in the public practice of accountancy; and
  - (3) Successfully complete 70 percent of the examination given the applicant by the Board dealing with the specified contracting classification chosen by the applicant.
- (c) Unlimited License. The applicant for such a license must:
- (1) Be entitled to be admitted to the examination given by the Board in light of the requirements set out in G.S. 87-10 and Section .0400 of this Chapter;
  - (2) Be financially stable to the extent that the total current assets of the applicant or the firm or corporation he represents exceed the total current liabilities by at least one hundred fifty thousand dollars (\$150,000.00) as reflected in an audited financial statement prepared by a certified public accountant or an independent accountant who is engaged in the public practice of accountancy;
  - (3) Successfully complete 70 percent of the examination given the applicant

by the Board dealing with the specified contracting classification chosen by the applicant.

## **SECTION .0900 – HOME-OWNERS RECOVERY FUND**

### **21 NCAC 12.0903 Application for Payment**

(a) Applicants desiring to obtain payment from the fund shall file a verified application with the Board on a prescribed form. The form shall require information concerning the applicant and the claim including, but not limited to, the applicant's name and address, the amount of the claim, a description of the acts of the general contractor which constitute the grounds for the claim and a statement that all court proceedings are concluded or the general contractor has filed for bankruptcy. If the applicant has exhausted all civil remedies pursuant to G.S. 87-15.8(3), the application shall include certified copies from the civil action of the complaint, judgment and return of execution marked as unsatisfied. If the general contractor was a corporation which was dissolved no later than one year after the date of discovery

by the applicant of the facts constituting the dishonest or incompetent conduct, and the applicant did not commence a civil action against the general contractor, then the applicant shall include certified copies of documents evidencing the dissolution. If the applicant has been precluded from filing suit, obtaining a judgment or otherwise proceeding due to the bankruptcy of the general contractor, then the applicant shall submit a certified copy of the bankruptcy petition and any proof of claim, and documents from the bankruptcy court or trustee certifying that the applicant has not and will not receive any payment from the bankruptcy proceeding. If the applicant is claiming against the estate of a deceased general contractor, then the applicant shall submit a statement from the administrator of the estate certifying that the applicant has not and will not receive any payment from the estate.

## Licensing Examinations Now Administered Through PSI Examination Services

The Licensing Board has contracted with PSI Examination Services to administer its computer-based licensing tests effective March 1, 2004. The Board's licensing examinations are now delivered by PSI at seven North Carolina test centers and over 72 centers in other states. PSI utilizes a web-based interface allowing its clients to quickly download score reports providing access to candidate test information in a secure environment. Candidates eligible for contractor licensing exams may schedule tests either by telephone or the internet. PSI offers touch-tone phone registration service without operator assistance and online scheduling 24/7 (Candidates requesting examination accommodations outside North Carolina must make their request by telephone). Headquartered in Glendale, California, PSI provides test development, test administration and other services for licensing examinations in the U.S. and Canada.

## DEFINITIONS

**Consent Order:** An order of the Board resulting from an agreement between the Board and a licensee regarding the revocation or suspension of the license to practice general contracting, or the conditions, limitations or restrictions placed on that license. This is a method of resolving or settling disciplinary or contested cases in lieu of a disciplinary hearing.

**Revocation:** A Board action, which permanently terminates a license by effectively withdrawing that license to practice general contracting.

**Suspension:** A Board action, which inactivates a license to practice general contracting for a set period of time.

### Dismissal/Voluntary

**Dismissal:** A Board action dismissing a contested case, resulting in no disciplinary action against the licensee or Respondent.

### Voluntary Surrender:

A licensee's relinquishing or tendering of the license to practice general contracting, pending an investigation or other action by the Board.

**Admission of Violation:** A document signed by a licensee who admits to the stated violations, agrees not to repeat them, but acknowledges that the Board will use the document against the licensee prospectively should such action become necessary.

**Injunction:** A Superior Court order entered against an unlicensed contractor who is illegally practicing general contracting. Such an order stops the illegal practice and can be obtained by consent of a cooperating contractor or by default judgment; violation of the injunction is contempt of court.

**Code:** Provisions of the North Carolina State Building Code (Residential/Vol. VII and previous editions; General Construction/Vol. I).

# Disciplinary Action

(The following Board Orders and other Board disciplinary actions reported here are not a complete summary of all activity or a full representation of each case. Every effort is made for accuracy, but such is not guaranteed. Questions or requests for additional information about specific cases should be referred to the Board's Legal Section.)

## Final Decisions

**Mayhew Construction Corp.** (Buncombe County; 03C254) License No. 6408. A disciplinary hearing was conducted on August 11, 2004 and the Final Decision entered August 18, 2004. At hearing, evidence was presented showing that in 1995 Mayhew constructed a single-family dwelling in Buncombe County, and in 2003 the owner of the residence at the time filed a complaint with the Board alleging that Mayhew had violated the NC State Building Code during construction. The Board found that Mayhew is competent to practice general contracting, exercised reasonable care in the construction of the residence and found no evidence of any misconduct by Mayhew in connection with the residence referred to in the complaint. The Board dismissed all charges against License No. 6408.

**Messineo Builders, LLC and Qualifier, Lawrence Patrick Gibbons** (Brunswick County; 03C150 and 03C274) License No. 41955. A disciplinary hearing was conducted on August 11, 2004 and the Final Decision entered August 18, 2004. Testimony and exhibits showed that license renewal applications for 2001, 2002 and 2003 listed Lawrence Patrick Gibbons as qualifier and responsible managing employee of the corporation. Mr. Gibbons also signed applications and renewals certifying that as responsible managing employee, he was the person who successfully completed an examination for Messineo Builders, LLC (Messineo) and was actively engaged in its work a minimum of 20 hours per week. The Board found that Mr. Gibbons was not a responsible managing member of Messineo, but was instead a casual assistant with few if any real managerial responsibilities. The Board also

found that both Messineo and Mr. Gibbons misrepresented his qualifier's status on renewal applications for 2001-2003. Messineo was reprimanded for its misconduct; and the right and ability of Mr. Gibbons to act as a qualifying party for a license was suspended for 90 days effective as of January 1, 2005.

**RTJ Contracting, Inc.** (Harnett County; 03C256) License No. 25704. A disciplinary hearing was conducted on September 8, 2004 and the Final Decision entered September 15, 2004. Testimony and exhibits at hearing showed in 2003, RTJ obtained building permits for the construction of two single-family dwellings in Harnett County, but did not act as general contractor on the projects. The Board found these actions by RTJ to constitute misconduct and a willful violation of Article 1, Chapter 87 of the NC General Statutes. The Board revoked License No. 25704, but stayed the revocation for a limited period solely to allow RTJ to complete unfinished projects under contract as of the date of the Final Decision. The Board was to be informed within 10 days of any ongoing projects, with documentation, as well as an estimated completion date for the projects. RTJ may not contract for or undertake any new work where the cost of the undertaking is \$30,000 or more. The Board permanently enjoined the unlicensed contractor in February 2004.

**Sovereign Homes/Construction, LLC** (Wake County; 03C182) License No. 46236. A disciplinary hearing was conducted on September 8, 2004 and the Final Decision entered September 15, 2004. At hearing, testimony and exhibits presented showed that Sovereign Homes/Construction, LLC (Sovereign) had a then currently invalid license because they did not have a qualifier. In addition

Sovereign had submitted a renewal application to the Board with a forged signature of the former qualifier. The Board found the actions of Sovereign to constitute fraud and deceit in obtaining a license, misconduct and a willful violation of Article 1, Chapter 87 of the NC General Statutes. The Board revoked License No. 46236.

**Bobby Hoffman Builders, Inc. and Qualifier, Robert Thomas Hoffman, Jr.** (Wake County; 03C84) License No. 40628. A disciplinary hearing was conducted and the Final Decision entered September 15, 2004. Testimony and exhibits at hearing showed that Bobby Hoffman Builders, Inc. (Hoffman Builders) had submitted a contractor change form to the City of Raleigh advising the City that Hoffman Builders was the new general contractor on a project which had formerly been in the name of an unlicensed entity. The change form was signed by Mr. Hoffman; but in fact, Hoffman Builders did not act as the general contractor for the construction project. The Board found the actions of Hoffman Builders directly attributable to its qualifier, Mr. Hoffman, which constituted misconduct and a willful violation of Article 1, Chapter 87 of the NC General Statutes. The Board revoked License No. 40628, as well as Mr. Hoffman's ability to qualify a license to practice general contracting. The Board had permanently enjoined the unlicensed entity in December 2003.

**G. Craven Gardner, II and Garry Craven Gardner, II, Qualifier** (Wake County; 03C266) License No. 23740. A disciplinary hearing was conducted on September 8, 2004 and the Final Decision entered September 15, 2004. Testimony and exhibits at hearing showed that Mr. Gardner was president of an unlicensed corporation which

had entered into a construction contract to construct a single-family dwelling for the amount of \$742,000. Mr. Gardner constructed the home, but on behalf of the unlicensed corporation. The Board found the actions of Mr. Gardner to constitute misconduct and a willful violation of Article 1, Chapter 87 of the NC General Statutes. The Board revoked both License No. 23740 and Mr. Gardner's ability to qualify a license to practice general contracting. The unlicensed corporation had already been permanently enjoined in March 2003.

**Frederick G. Norvell and Qualifier, Frederick G. Norvell** (Mecklenburg County; 02C452) License No. 36461. A disciplinary hearing was conducted on September 8, 2004 and the Final Decision entered September 15, 2004. Testimony and evidence presented at hearing showed that an unlicensed entity had entered into a contract to perform construction and remodeling on a single-family dwelling in Mecklenburg County for an estimated cost of \$74,030. The contract was signed by Mr. Norvell as "Builder" and listed License No. 36461 below his signature. During construction Mr. Norvell deviated from the engineered drawings without approval, but the homeowners did not allow him the opportunity to remedy any of the deficiencies. The Board found that the actions of Mr. Norvell constituted misconduct and a willful violation of Article 1, Chapter 87 of the NC General Statutes and ordered License No. 36461 and Mr. Norvell's ability to qualify a license to practice general contracting to be suspended for six months, such suspensions being stayed.

**James Thomas Hudson and James Thomas Hudson as Qualifier** (Sampson County; 03C219) License No. 13642. The Board conducted a disciplinary hearing on November 10, 2004 and the Final Decision entered November 18, 2004. At hearing testimony and exhibits were presented that showed Mr.

Hudson had authorized an unlicensed individual by means of a notarized statement to obtain building permits on his behalf under License No. 13642. On two separate occasions the unlicensed individual had obtained building permits in New Hanover County for repairs to the same single-family dwelling at estimated costs of \$25,000 and \$82,269.90, listing Mr. Hudson as the contractor. The unlicensed individual supervised the construction project and handled all of the business affairs for his own construction business, but Mr. Hudson was not actively engaged in the unlicensed individual's construction project and was not the general contractor for the project. The Board found the actions of Mr. Hudson constituted misconduct and a willful violation of Article 1, Chapter 87 of the NC General Statutes and revoked both License No. 13642 and Mr. Hudson's ability to qualify a license to practice general contracting. The Board had permanently enjoined the unlicensed individual and his company in August 2004.

**Pierce Construction Inc. and Ronald L. Pierce** (Mecklenburg County; 03C400) License No. 46974. A disciplinary hearing was conducted on November 10, 2004 and the Final Decision entered November 18, 2004. Testimony and evidence showed that the license of Pierce Construction Inc. (Pierce Construction) had not been renewed for 2004, was invalid and in 2003 Pierce Construction had contracted to construct an addition to a home in Mecklenburg County for \$48,000, while listing the estimated cost on the building permit as \$40,000. Pierce Construction failed to obtain framing and electrical inspections, and two building code violations were found. The Board found the actions of Pierce Construction constituted gross negligence, incompetency and misconduct; and the actions of Mr. Pierce as qualifier constituted gross negligence, incompetency and misconduct. The Board ordered License No.

46974 and Mr. Pierce's exam credentials to be suspended for one year and thereafter unless and until Mr. Pierce presents to the Board evidence that he has taken and passed a Level I Building Code course.

## Revocations or Surrenders of License

**Dean D. Latour** (Catawba County; 04C131 and 04C296) License No. 45849. On August 23, 2004 Dean D. Latour surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Touchstone Carolina, LLC** (Forsyth County; 04C306) License No. 50877. On August 23, 2004, Steven V. Toth surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

**Brookshire Construction Co., Inc.** (Mecklenburg County; 04C112) License No. 38671. On September 13, 2004 Jacob J. Palillo surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

**Donald Ray Corum** (Rockingham County; 03C395, 03C444, 04C13 and 04C247) License No. 48030. On November 11, 2004 Donald Ray Corum surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Gilbert Chriscoe** (Randolph County; 02C285) License No. 13541. On January 21, 2005 Gilbert Chriscoe surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Mark Howard** (Iredell County; 03C347) License No. 46454. On January 27, 2005 Mark Howard surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Capps & Associates, Inc.** (Wake County; 04C325, 04C359 and 04C388) License No. 49286. On February 10, 2005 James Robert Capps voluntarily surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

## Consent Order (Licensees)

**Peer Beveridge t/a Beveridge Construction, and Qualifier, Peer J. Beveridge** (Wake County; 03C201) License No. 38270. On August 9, 2004 the Board filed Consent Orders in which Peer Beveridge t/a Beveridge Construction, and Peer J. Beveridge, as Qualifier agreed to a one-year suspension of license and exam credentials (during which time the license must be active), conditionally restored following a six-month active suspension. Mr. Beveridge also agreed to restrictions of submitting a list with estimated dates of completion plus supporting documentation for each currently-unfinished project in which the cost of the undertaking is \$30,000 or more. During the six-month active suspension, Mr. Beveridge shall not serve as a qualifier as defined in G.S. § 87-10. A Consent Order violation would cause the provisional restoration of License No. 38270 to be rescinded and require its surrender to the Board for six additional months. In signing the Consent Order, Mr. Beveridge agreed to allegations of doing business as an unlicensed LLC in the construction of a garage for a total amount of \$34,800, building with two building code violations and failing to notify the Board of a bankruptcy filing within 30 days as required by law. The Board obtained a permanent injunction against the unlicensed LLC in February 2004.

**Bob Burns Construction, Inc.** (Currituck County; 03C189) License No. 35838. The Board entered into a Consent Order on August 25, 2004 in which Bob Burns Construction, Inc. agreed

to a six-month suspension of license, conditionally restored for 12 months, but restricted to taking and passing a Level I Building Code course and a Law and Administration course and submitting written proof of satisfactory completion of both to the Board. A Consent Order violation would require a six-month surrender of license to the Board. The Board contends and Mr. Burns denies that he violated 12 sections of the NC State Building Code, Volume VII, 1996 Edition in the construction of a single-family dwelling built at a contract price of \$87,720.

**Joey Shore and Joey Shore, Qualifier** (Cherokee County; 03C392) License No. 44822. On November 2, 2004 the Board entered into a Consent Order in which Mr. Shore agreed to a six-month suspension of license and exam credentials, conditionally restored following a 60-day active suspension, but restricted to submitting a list with supporting documentation of current unfinished projects and undertaking no new projects costing \$30,000 during the 60-days of active suspension, scheduled to begin on the day following the last estimated date of completion. A violation of the Consent Order would require a six-month surrender of license to the Board. Mr. Shore further agreed to allegations that he applied for and obtained a building permit for the construction of a residential dwelling for an estimated cost of \$127,000, but in reality the homeowners had contracted with an unlicensed entity at a cost of \$123,907; and that during construction of the residence Mr. Shore may have acted as construction manager, but not as the general contractor. The above violations constitute misconduct in the practice of general contracting and a willful violation of of G.S. § 87-11(a). The Board obtained a permanent injunction against the unlicensed entity in July 2004.

**Larry Rogers Construction Co., Inc. and Mark Edward Rogers & David Larry Rogers,**

**Qualifiers** (Moore County; 03C364, 03C366 and 03C368) License No. 330869. On November 15, 2004 a Consent Order was filed in which all parties agreed to a six-month suspension of license and exam credentials of both qualifiers, conditionally restored following a 60-day active suspension of license and exam credentials to begin on December 1, 2004, but restricted to submitting a list with supporting documentation of current unfinished projects and undertaking no new projects in excess of \$30,000 or qualifying any new projects during the active suspension. A Consent Order violation would require a six-month surrender of license and exam credentials to the Board. David Larry Rogers further agreed to allegations that on three separate occasions he had obtained building permits in Macon County for the construction of residences on which he acted as construction manager, but not general contractor. The above violations constitute misconduct in the practice of general contracting and a willful violation of G.S. § 87-11(a).

**John William Pinkston, II and Qualifier, John William Pinkston, II** (Buncombe County; 03C403) License No. 50572. The Board entered into a Consent Order on December 8, 2004 in which Mr. Pinkston agreed to a suspension of his license and exam credentials until February 19, 2006, or until he is no longer on probation in Buncombe County, whichever is sooner. Throughout the duration of his probation Mr. Pinkston shall not practice general contracting as defined in G.S. § 87-1. Mr. Pinkston further agreed to allegations that he was the president, registered agent and qualifier for a corporate contracting company which submitted two proposals for the design and construction of a medical office at a price of \$249,850, neither of which were accepted, and further that in 2003 he submitted an application for payment of services rendered, including an invoice from an engineer where the cost reflect-

ed a greatly inflated amount due over what the engineer had originally billed Mr. Pinkston. Additionally Mr. Pinkston agreed that on his 2004 renewal with the Board he had failed to disclose he was under investigation or engaged in any controversy with this Board or any other regulatory agency. The above violations are directly attributable to the qualifier and constitute misconduct in the practice of general contracting and a willful violation of G.S. §§ 87-11(a) and 87-13 and constitute fraud or deceit in obtaining a license.

**Gary Edward Moore and Gary Edward Moore, Qualifier** (Watauga County; 03C427 and 03C457) License No. 21963. On December 9, 2004 a Consent Order was filed in which Mr. Moore agreed to an 18-month suspension of license and exam credentials, conditionally restored following a six-month active suspension, but restricted to submitting a list with supporting documentation of current unfinished projects and undertaking no new projects costing \$30,000 during the six-months of active suspension, scheduled to begin on the day following the last estimated date of completion. A violation of the Consent Order would require an 18-month surrender of license to the Board. Mr. Moore further agreed to allegations that in 2001 he contracted in the name of "Moore Construction Company" and obtained a building permit in Watauga County for construction of a residential dwelling with an estimated cost of \$455,928 using License No. 21963 at a time when he was only entitled to act as a general contractor for single projects valued of up to \$350,000. Further he agreed that in 1995 he contracted for the construction of a \$125,000 single-family dwelling in the name of "Moore Construction Co.," an unlicensed entity, and then submitted a building permit application to Caldwell County for the same residence with "Gary E. Moore Const. Co." as the contractor, but using License No. 21963. The above violations

constitute misconduct in the practice of general contracting and a willful violation of G.S. § 87-11(a). The Board obtained a permanent injunction against the unlicensed entity in February 2004.

**S.J. McMillan Builders, Inc. and Scott J. McMillan, as Qualifier** (Carteret County; 01C337) License No. 27294. The Board entered into a Consent Order on December 17, 2004 in which Scott J. McMillan, President, on behalf of the corporation, agreed to a nine-month suspension of license, immediately conditionally restored for 15 months provided that by December 17, 2005 he submits written proof of satisfactory completion of a Level I Building Code course offered by the NC Department of Insurance dealing with the provisions of Volume VII of the NC State Building Code. A Consent Order violation would require a nine-month surrender of license to the Board. Further Mr. McMillan agreed that S.J. McMillan Builders, Inc. entered into a contract for the construction of a residence at a price of \$441,000 and obtained a building permit for the construction which was found to have seven building code violations. The above violations constitute gross negligence, incompetency and misconduct in the practice of general contracting and a willful violation of of G.S. § 87-11(a) and are directly attributable to Scott J. McMillan as qualifier and constitute gross negligence, incompetency and misconduct in the practice of general contracting in violation of G.S. § 87-11(a).

**The Bentley Company, Inc. and John D. Bentley, Qualifier** (Mecklenburg County; 03C356) License No. 40747. On February 4, 2005 a Consent Order was entered in which John D. Bentley, in behalf of The Bentley Company, Inc. and himself as Qualifier, agreed to a six-month suspension of license and exam credentials, conditionally restored for 15 months, but restricted to submitting a list with supporting documentation of current

unfinished projects and undertaking no new projects in excess of \$30,000 for 60 days. A violation of the Consent Order would require a six-month surrender of license and exam credentials to the Board. Mr. Bentley further agreed to allegations of two violations of the NC Residential Building Code, Vol. VII, 1997 in the construction of the single-family dwelling in Union County. The above violations constitute gross negligence, incompetence and/or misconduct in the practice of general contracting in violation of G.S. § 87-11(a).

**Richard H. Cohn and Richard H. Cohn, as Qualifier** (South Carolina; 04C01) License No. 49131. A Consent Order was filed on February 10, 2005 in which Richard H. Cohn and Richard H. Cohn, as Qualifier, agreed to an 18-month suspension of license and exam credentials, conditionally restored following a six-month active suspension, but restricted to submitting a list with supporting documentation of current unfinished projects and undertaking no new projects in excess of \$30,000 or qualifying any new projects during the six months of active suspension, scheduled to begin on the day following the last estimated date of completion of current unfinished projects. A violation of the Consent Order would require an 18-month surrender of license and exam credentials to the Board. Mr. Cohn further agreed to allegations that on his 2004 renewal application to the Board he failed to disclose he was under investigation or engaged in any controversy with this Board or any other regulatory agency in that he was personally involved in a lawsuit filed against him in Cumberland County where he had contracted as an unlicensed entity and then misrepresented on the building permit application the cost as compared to the contract price. Findings include a building code violation with an inadequate footing to support the weight of the exterior wall. The above violations constitute fraud or deceit in obtaining a license, gross neg-

ligence, incompetency, misconduct in the practice of general contracting and/or a willful violation of G.S. §§ 87-1, 87-10, 87-11(a) and 87-13.

**Donald E. Gray, Jr. and Donald Eugene Gray, Jr., as Qualifier** (Wake County; 03C378) License No. 53564. On February 10, 2005 the Board entered into a Consent Order in which Mr. Gray agreed to a 12-month suspension of license and exam credentials, conditionally restored following a six-month active suspension, but restricted to submitting a list with supporting documentation of current unfinished projects and undertaking no new projects in excess of \$30,000 or qualifying any new projects during the 6-month active suspension, scheduled to begin on the day following his last estimated day of completion of currently ongoing projects. Mr. Gray further agreed that during the 12 month period commencing on March 9, 2005 he would successfully complete a Law and Administration course offered by the NC Code Officials Qualification Board through the NC Department of Insurance and submit written proof to the Board of satisfactory completion. A violation of this Consent Order would require a 12-month surrender of license to the Board. Mr. Gray also agreed to allegations that prior to becoming licensed by the Board he submitted a proposal for the remodeling of a commercial facility, and entered into a contract all while unlicensed. The above violations constitute misconduct in the practice of general contracting and a willful violation of G.S. § 87-11(a). The Board obtained a permanent injunction against the unlicensed entity in January 2002.

**Darrell J. McAuly and Darrell John McAuly, as Qualifier** (Cumberland County; 03C499) License No. 32494. On February 10, 2005 a Consent Order was filed Mr. McAuly 12-month suspension of license and exam credentials, conditionally restored following a six-month active suspension, but restricted to submitting a list with supporting

documentation of current unfinished projects and undertaking no new projects in excess of \$30,000 or qualifying no new projects during the six-month active suspension, scheduled to begin on the day following his last estimated day of completion of currently ongoing projects. Mr. McAuly further agreed to allegations that on his 2001 and 2002 renewal applications to the Board he failed to disclose three judgments entered against him in Cumberland County in 2001 prior to completing his renewal application; that on his 2002 renewal application he failed to disclose there had been a lawsuit filed against him in Cumberland County where an unlicensed corporation of which he was president had contracted to build a single-family dwelling for \$98,600. The above violations constitute fraud or deceit in obtaining a license, misconduct in the practice of general contracting and a willful violation of G.S. §§ 87-1, 87-11(a) and 87-13.

## Admissions of Violation (Licensees)

**Gibson Technical Services, Inc.** (Georgia; 03C129) License No. 53163. On September 24, 2004 an Admission of Violation was entered in which Gibson Technical Services, Inc. admitted entering into a contract in 2003 to provide construction and installation services for a communications system in three areas of North Carolina for a total cost of \$766,485. As of the date of the contract, Gibson Technical Services, Inc. held a limited PU (communications) license and was only entitled to act as general contractor for single projects with a value of up to \$350,000.

**Norstate Contracting, Inc.** (Martin County; 02C445) License No. 46409. An Admission of Violation was entered on October 4, 2004 in which Norstate Contracting, Inc. (Norstate) admitted allowing its

license number to be used on a Pitt County building permit application completed by a representative of an unlicensed corporation. Norstate violated eleven sections of the NC Residential Building Code, Vol. VII, 1997 with 1998/1999 Revisions, in the construction of a single-family dwelling.

**Robert S. Devitt, Jr.** (Watauga County; 03C370) License No. 42253. On October 6, 2004 an Admission of Violation was entered in which Mr. Devitt admitted obtaining a building permit for the 2003 construction of a single-family dwelling. During construction, Mr. Devitt was licensed as an individual, but conducted business as an unlicensed corporation which was only entitled to act as a general contractor for single projects valued at less than \$30,000.

**Frederick L. McIlvain** (Alexander County; 03C440) License No. 38265. An Admission of Violation was entered on October 8, 2004 in which Mr. McIlvain admitted violating six sections of the NC Residential Building Code, Vol. VII, 2002 in the construction of a single-family modular dwelling in Alexander County, NC. Although Mr. McIlvain indicated that he was willing to remedy the violations, the homeowners will not allow him to return.

**Stephen Weil** (Duplin County; 04C96) License No. 43576. On November 2, 2004 an Admission of Violation was entered in which Mr. Weil, who is licensed as an individual, admitted violating NCGS § 87-11 by acting as a principal in an unlicensed corporation which engaged in the practice of general contracting. In that capacity, Mr. Weil signed a 2003 building permit application for the construction of a single-family dwelling in Duplin County using his individual license number, but listed the name of the unlicensed corporation. The corporation later contracted to sell the same home, but Mr. Weil signed the contract as "seller." Also in 2003, the unlicensed corpora-



tion submitted a proposal to perform repair work on apartments in Rocky Mount, but the proposal was submitted by Stephen Weil.

**Ebrahim Safaie Mowlavi t/a Persis-Nova Construction Co.** (Mecklenburg County; 03C181) License No. 20291. An Admission of Violation was entered on December 22, 2004 in which Ebrahim Safaie Mowlavi t/a Persis-Nova Construction Co. admitted violating two sections of the NC Residential Building Code, Vol. VII, 1997 in the construction of a single-family dwelling in Mecklenburg County. The two violations have since been repaired by Ebrahim Safaie Mowlavi t/a Persis-Nova Construction Co.

**Jamie Allen Andrews** (New Hanover County; 02C372, 03C104 and 03C169) License No. 40761. On February 2, 2005 an Admission of Violation was entered in which Mr. Andrews admitted: 1. violating three sections of the NC Residential Building Code, Vol. VII, 1997 with 1998/1999 Revisions in the construction of a single-family dwelling in Pender County; 2. obtaining a building permit for the construction of a new residence in Pender County by using his individual license number, but then violating NCGS § 87-11 in that he acted as a principal in an unlicensed corporation which engaged in the practice of general contracting when he entered into a contract for the same property as a corporation and violated four sections of the NC Residential Building Code, Vol. VII, 1997 with 1998/1999 Revisions in its construction; and, 3. once again obtaining a building permit for the construction of a new residence in New Hanover County by using his individual license number, but then violating NCGS § 87-11 in that he acted as a principal in an unlicensed corporation which engaged in the practice of general contracting when he entered into a contract for the same property as a corporation. Mr. Andrews further admitted failing to reveal information to the Board on his

2001 and 2002 renewal applications concerning liens, lawsuits, judgments, or lis pendens filed against him not previously disclosed to the Board.

## Unlicensed Contractor Cases— Injunctions

**Default Judgment:** Permanent Injunctions were obtained by entry of a Default Judgment in Wake County Superior Court against each of the unlicensed contractors listed below for practicing general contracting in an amount of \$30,000 or more, in violation of N.C.G.S. § 87-13. In some instances, the Sheriff was unable to locate the contractors and/or Certified Mail was not delivered, but the Board effected service either by newspaper publication or through the Secretary of State; nevertheless, the contractors were enjoined from further practice of general contracting (including bidding) in an amount of \$30,000 or more until such time as the person or firm becomes licensed by the Board.

**David Beasley d/b/a Commercial Renovation Services, Inc.** (Franklin County; 03C306). David Beasley d/b/a Commercial Renovation Services, Inc. contracted to renovate a basement and construct an addition to a home for a cost of \$38,875. Default Judgment was entered July 1, 2004.

**Steven J. Swaney d/b/a Hawkeye Construction** (Cabarrus County; 03C46). Steven J. Swaney d/b/a Hawkeye Construction contracted to construct a home for a cost of \$113,000 and thereafter undertook the construction. Default Judgment was entered July 1, 2004.

**Richard Barnett** (Virginia; 03C291). Mr. Barnett undertook to supervise and manage the repair of a fire damaged home with an estimated cost of \$62,208. Default judgment was entered July 2, 2004.

**MacDonald Builders, LLC** (Edgecombe County; 03C320). MacDonald Builders, LLC submitted a proposal to construct a house for the price of \$96,400

and later submitted a proposal to complete fire restoration and reconstruction work on a residence for a cost of \$73,000. Default Judgment was entered July 2, 2004.

**Dick Wilbur d/b/a Equipment Maintenance & Service** (Cumberland County; 03C233). Dick Wilbur d/b/a Equipment Maintenance & Service submitted a proposal to renovate a building for a cost of \$36,496. Default Judgment was entered July 2, 2004.

**Kenneth Baker** (Iredell County; 03C490). Mr. Baker contracted to renovate a commercial building for a price of \$99,500. Default Judgment was entered November 16, 2004.

**D&B Contracting, Inc. and Robert J. Watson** (Wake County; 03C478). D&B Contracting, Inc. contracted to construct an addition and remodel a home for a price of \$73,003 and thereafter undertook construction, while Mr. Watson misrepresented himself as a licensed general contractor. Default Judgment was entered against both defendants on November 16, 2004.

**Howard R. Parker d/b/a Parkers General Construction & Repair** (Hertford County; 03C496). Howard R. Parker d/b/a Parkers General Construction & Repair submitted a bid to repair a storm damaged home for a price of \$30,920; a subsequent change order increased the price to \$34,260. Default Judgment was entered November 16, 2004.

**Brickwood Contractors, Inc.** (Virginia; 03C280). Brickwood Contractors, Inc. submitted a bid to clean, repair and paint two 300,000-gallon water tanks for a price of \$668,734. Default Judgment was entered November 17, 2004.

**Evans Somata Group, LLC** (Georgia; 03C268). Evans Somata Group, LLC contracted to construct a commercial building for a price of \$213,700 and thereafter undertook the construction. Default Judgment was entered November 17, 2004.

**Ron King d/b/a Ron King Construction** (Chatham County; 03C353). Ron King d/b/a Ron King Construction contracted to construct an addition onto a home for a cost of \$43,500; a subsequent change order increased the contract price, and defendant was paid \$49,774. Default Judgment was entered November 17, 2004.

**Consent Orders of Unlicensed Contractors:** Permanent Injunctions were obtained by entry of a Consent Order in Wake County Superior Court concerning each of the following unlicensed contractors who practiced general contracting in an amount of \$30,000 or more, in violation of N.C.G.S. § 87-13, but who admitted to their wrongdoing, paid court costs and service fees and cooperated with the Board in the matter.

**Charles Manning d/b/a Manning Homes** (Pitt County; 02C427). Manning Homes and Roger Manning were involved in the contract phase of a Winterville, NC single-family dwelling at a construction price of \$155,000. Charles Manning (brother of Roger) failed to name licensee Roger W. Manning as the project contractor. The parties agree and stipulate that it was an unintentional oversight and a permanent injunction nevertheless was obtained in Wake County Superior Court by entry of a Consent Order on June 29, 2004.

**David L. Nelson** (Dare County; 03C383). Mr. Nelson obtained a building permit as owner/builder from Currituck County to construct a commercial building for \$89,000. Thereafter he undertook construction and leased a portion of the building to another, unaware that his actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 29, 2004.

**Decksapes, Inc.** (Mecklenburg County; 03C380). Decksapes, Inc. entered into three contracts to construct a sunroom, screen porch and deck for a total price of \$64,774, unaware that its actions violated North Carolina law. A permanent injunction was obtained in Wake County

Superior Court by entry of a Consent Order on July 1, 2004.

**Greenbriar Homes, Inc.** (Georgia; 03C393). Greenbriar Homes, Inc. contracted to construct a home in Clay County for a price of \$123,907. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on July 1, 2004.

**Michael Dana Gangi d/b/a Big Dog's Turf** (Iredell County; 03C446). Mr. Gangi submitted an "Open End Proposal" for the renovation of a Mecklenburg County home for a cost of \$124,270. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on July 20, 2004.

**Wendy C. Price d/b/a Price Right Home Improvements** (Pender County; 03C328). Wendy C. Price d/b/a Price Right Home Improvements contracted to construct an addition to a home in Pender County for a cost of \$40,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on July 20, 2004.

**American Home Repair Services, Inc.** (Wake County; 03C175). The Board contends that American Home Repair Services, Inc. (American Home Repair) bid a project where the cost of construction exceeded \$30,000. American Home Repair denies the Board's contention that it engaged in the unauthorized practice of general contracting; however, American Home Repair chose to resolve Board File No. 03C175 through the terms and conditions of the Consent Order. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on July 30, 2004.

**Elcana Steven Coleman** (Georgia; 03C487). The Board contends that Mr. Coleman undertook construction where the cost of construction exceeded \$30,000. Mr. Coleman disagrees with the Board's contention; however, Mr. Coleman chose to resolve Board File No. 03C487 pursuant to the terms and condi-

tions outlined in the Consent Order. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on July 30, 2004.

**David Penny d/b/a 3 in 1 Construction** (Pender County; 03C218). David Penny d/b/a 3 in 1 Construction submitted an Estimate in the amount of \$151,040.35 to repair a fire damaged home in New Hanover County and thereafter undertook work on the project. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on August 31, 2004.

**Ronald W. Anderson** (Cherokee County; 03C354). Mr. Anderson obtained a building permit in Cherokee County in July 2002 to construct a commercial building for a convenience store at an estimated cost of \$70,000 and thereafter undertook construction. Less than one year later in February 2003, Mr. Anderson listed the property for sale or lease with a realty company; in May 2003 Mr. Anderson leased out a portion of the building, unaware that his action violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on August 31, 2004.

**Clyde Keith Bumgarner, Jr.** (Lincoln County; 03C317). Mr. Bumgarner assisted his niece and her husband with the construction of their Lincoln County home where the cost of the home was approximately \$150,000. Mr. Bumgarner was unaware that his actions in coordinating subcontractors could be considered the practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on August 31, 2004.

**Johnnie Faulkner** (Alamance County; 03C436). Mr. Faulkner contracted to renovate a home in Orange County for a cost of \$68,300. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on August 31, 2004.

**Clay Hawkins** (Gaston County; 03C407). Mr. Hawkins undertook construction of an office/storage building on property owned by another where the cost of the project exceeded \$30,000, unaware that his action violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on August 31, 2004.

**DJM Construction Co., Inc.** (Cumberland County; 03C237). DJM Construction Co., Inc. contracted to reconstruct a home in Hoke County for a price of \$91,760, unaware that its actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order filed on September 8, 2004.

**Haywood Hughes, Hughes Construction of North Carolina LLC, and Ann C. Hughes d/b/a Last Detail Lawn Care** (Johnston County; 03C479 and 03C480). Mr. Hughes and Ms. Hughes undertook to superintend and manage renovation of a barn in Johnston County where the cost of construction exceeded \$30,000, unaware that their actions constituted the practice of general contracting. Hughes Construction of North Carolina LLC had no part in the renovation project. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order against Haywood Hughes and Ann C. Hughes on September 8, 2004; it was further ordered on September 8, 2004 that the action against Defendant Hughes Construction of North Carolina, LLC be dismissed.

**River Front Development Group** (Buncombe County; 03C312, 04C22 and 04C23). River Front Development Group contracted with three homeowners in Buncombe County to construct a residential dwelling and to set up two modular homes for costs in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 10, 2004.

**Bobby Steele** (Chatham County; 04C100). Mr. Steele obtained a building permit in Chatham County as owner/builder to construct a personal residence for an estimated cost of \$60,000 and undertook construction. Initially he intended to occupy the home; however, within two months and before a Certificate of Occupancy was issued, he had listed the home for sale, unaware that his actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by the entry of a Consent Order on November 17, 2004.

**Michael Nicolosi and Mark Kabbes d/b/a Seakay Construction Corporation** (Maryland; 04C151). Defendants submitted a proposal to construct an addition to a dialysis center for a cost of \$137,200, unaware that their actions constituted the practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 6, 2004.

**Lionel F. Perreault** (Virginia; 04C193). Mr. Perreault obtained a building permit as owner/builder in Brunswick County for a personal residence for an estimated cost of \$81,715 and undertook construction. Less than five months later, he executed an offer to purchase and contract for the sale of the home, the Certificate of Occupancy was issued one month later, and the sale closed within a week. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 6, 2004.

**R.B. Jones Investments, LLC** (Buncombe County; 04C199). R.B. Jones Investments, LLC contracted to construct a commercial building for a cost of \$64,583.21. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 6, 2004.

**Roy Strickland** (Scotland County; 04C83). Mr. Strickland contracted to construct a home in Richmond County for a cost of \$169,500. A permanent injunction was obtained in Wake County Superior

Court by entry of a Consent Order on December 6, 2004.

**Todd Toney** (Gaston County; 04C171). Mr. Toney undertook to remodel a home at a cost of \$47,950, unaware that his actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 6, 2004.

**Westgate Development Corp.** (Brunswick County; 04C177). Westgate Development Corp. contracted to construct a home for a cost of \$291,000, unaware that its actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 6, 2004.

**John Edward Whidden, III** (Wake County; 04C165). Mr. Whidden contracted to manage the construction of two homes for \$50,000, unaware that his actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 6, 2004.

**John Drew Campbell, Jr.** (Cabarrus County; 04C103). Mr. Campbell obtained a building permit as owner/builder in Rowan County to construct a personal residence and thereafter undertook construction. A Certificate of Occupancy was issued less than four months later, and due to personal financial reasons, Mr. Campbell sold the home for \$92,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 21, 2004.

**Kenneth Carroll d/b/a Giza Stone** (Alamance County; 04C146). Mr. Carroll undertook a series of stonework projects in Wake County for two individuals and was paid a total of \$35,950 over a seven-month period. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 21, 2004.

**Carl K. Jacobsen and Anne M. Jacobsen** (Maryland; 04C101). Mr. Jacobsen and Ms. Jacobsen

obtained a building permit as owner/builder to construct a personal residence in North Topsail Beach for an estimated cost of \$160,000 and thereafter undertook construction. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 21, 2004.

**Al Quarry** (Transylvania County; 04C107). Mr. Quarry contracted to construct a pool and room addition to a home, undertook the work and was paid \$54,289.45. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 21, 2004.

**Douglas R. Sexton d/b/a Sexton Builders** (Virginia; 04C265). Mr. Sexton contracted to construct a log home in Alamance County for a cost of \$121,932, undertook construction and was paid \$86,386.12 before abandoning the job. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 21, 2004.

**TGB Construction, Inc.** (Clay County; 04C72). The Board contends that TGB Construction, Inc. (TGB) contracted to construct a home in Cherokee County for an estimated cost of \$225,000. TGB denies that it acted as a general contractor but wishes to resolve Board File No. 04C72. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2003.

**Michael J. Cummings** (Mecklenburg County; 04C183). Mr. Cummings obtained a building permit as owner/builder to construct an addition onto a home for an estimated cost in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 12, 2005.

**First Century Homes, LLC** (Guilford County; 04C228). First Century Homes, LLC contracted to construct a home for a price of \$240,000, unaware that its actions violated North Carolina law. A permanent injunction was ob-

tained in Wake County Superior Court by entry of a Consent Order on January 12, 2005.

**Southridge Construction, Inc.** (Jackson County; 04C50). Within five months in 2003 on four separate occasions, Southridge Construction, Inc. contracted to perform construction projects where the cost of each project exceeded \$30,000, unaware that its actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 12, 2005.

**Charles Wright, Jr.** (Person County; 04C145). Mr. Wright contracted to construct a home for a cost of \$274,495. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 12, 2005.

**UGS, Inc. d/b/a Home Care Cleaners** (Pitt County; 04C77). UGS, Inc. d/b/a Home Care Cleaners contracted to repair a fire damaged home for a cost of \$131,664.66, unaware that its actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 24, 2005.

**Designer Homes of Asheville, Inc.** (Florida; 04C142). Designer Homes of Asheville, Inc. contracted to construct a home for a cost of \$500,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 28, 2005.

**Absolute Remodeling, Inc.** (Union County; 03C34). The Board contends that Absolute Remodeling, Inc. (Absolute) contracted to renovate a home in Mecklenburg County for a price in excess of \$30,000. Absolute denies the allegation but was willing to enter into the Consent Order. A permanent injunction was obtained in Wake County Superior Court by entry of that Consent Order on February 2, 2005.

**Rick L. Hodges** (Macon County; 03C363, 03C365 and 03C367).

Within a four-month period Mr. Hodges undertook construction of three "Spec" homes where the cost of each home exceeded \$250,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 2, 2005.

**Don Kromel d/b/a Kromel Construction** (Wake County; 04C214). Mr. Kromel entered into an unlicensed joint venture to construct an addition to a home for a price of \$249,175, unaware that his actions violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 2, 2005.

**Oatmeal Raisin, LLC** (Guilford County; 04C56). The Board contends that Oatmeal Raisin, LLC (Oatmeal) undertook to superintend or manage the construction of four homes where the cost of each exceeded \$30,000. Oatmeal denies that it engaged in the unauthorized practice of general contracting; however, it is willing to enter into a Consent Order in order to conclude the litigation of Board File No. 04C56. A permanent injunction was obtained in Wake County Superior Court by entry of the Consent Order on February 2, 2005.

**Other:** The unlicensed contractor cases below were resolved with the Board by other means:

**Tasha Wooten and Keith Kelly d/b/a N.C. Home Warranty** (Gaston County; 03C459). Tasha Wooten and Keith Kelly represented themselves as licensed general contractors and proposed to remodel a home in Buncombe County for a price of \$163,275.88. A permanent injunction was obtained in Wake County Superior Court when the Court allowed the Board's Motion for Summary Judgment against Tasha Wooten and entered Default Judgment against Keith Kelly on November 16, 2004.

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(Disciplinary Actions *continued from page 11*)

### **THREE UNLICENSED CONTRACTORS SUBJECT TO CRIMINAL CONTEMPT SANCTIONS**

**Larry W. Brown** (Brunswick County; 03C267). In January 2002 the Board filed a lawsuit against Larry W. Brown d/b/a Brown Construction Company for contracting without a license. In April 2002 the Court entered a Consent Order that prohibited Larry W. Brown from engaging in the further practice of general contracting. In September 2002 and 2003 Mr. Brown contracted with homeowners in Brunswick County to construct two homes where the cost of each home exceeded \$230,000. In a consent order signed on June 7, 2004 Mr. Brown admitted he was guilty of two instances of criminal contempt of court. A Wake County Superior Court Judge ordered that Larry W. Brown be incarcerated for two 30-day sentences, to run concurrently, in the Brunswick County Jail. It was further ordered that Mr. Brown serve his sentences by spending 15 weekends in the Brunswick County Jail.

**Will Smith d/b/a CCA Inc. Construction Services** (New Hanover County; 02C57). In March 2000 the Board filed a lawsuit against Will Smith d/b/a CCA Inc. Construction Services for contracting without a license. In May 2000 the Board and Mr. Smith entered into a Consent Order that prohibited Mr. Smith from the further practice of general contracting. In December 2000 Mr. Smith contracted with Living Waters Ministries in Wilmington to repair and remodel the church at a cost of \$138,843. On January 20, 2004 a Wake

County Superior Court Judge found Mr. Smith guilty of criminal contempt of court and sentenced him to 30 days in jail for violating the terms of the prior Consent Order that enjoined him from the practice of general contracting. Defendant appealed the conviction, but his appeal was dismissed in May 2004, and Mr. Smith served 30 days in the Wake County Jail.

**Erick James Antoine d/b/a Diversified Framing Contractors** (Mecklenburg County; 02C378). In July 2002 the Board filed a lawsuit against Erick James Antoine d/b/a Diversified Framing Contractors for contracting without a license. In December 2000 the Board and Mr. Antoine entered into a Consent Order that prohibited Mr. Antoine from the further practice of general contracting. In August 2002 Mr. Antoine contracted with a homeowner in Davidson, North Carolina to renovate a basement for a cost in excess of \$30,000. In a Consent Order signed in July 2004 Mr. Antoine admitted that he was guilty of criminal contempt of court. A Wake County Superior Court Judge sentenced Mr. Antoine to a term of imprisonment for 30 days. Because defendant had already served more than 30 days in the Mecklenburg County Jail for related offenses, he was credited with time served.