



# NORTH CAROLINA LICENSING BOARD FOR GENERAL CONTRACTORS

# REPORT

SUMMER 2006

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## Tracking the Problem of “Unlicensed” Contractors



The problem of building permits being issued to “unlicensed” contractors continues to be a widespread problem in North Carolina, and in some areas the problem has become severe. For example, it is estimated that in certain counties, fully 60 percent to 70 percent of building permits are issued to “unlicensed” contractors.

North Carolina law specifically provides that building permits may be issued only to certain persons. N.C.G.S. §87-1 requires any person who for a fee or wage undertakes to construct or superintend or manage

the construction of any building or project with a cost of \$30,000 or more must be licensed as a general contractor. That same statute provides, in pertinent part, that “this section shall not apply to any person or firm or corporation who constructs or alters a building on land owned by that person, firm or corporation provided such building is intended solely for occupancy by that person and his family, firm, or corporation after completion; and provided further that, if such building is not occupied solely by such person and his family firm or corporation for at least 12 consecutive months following completion, it shall be presumed that the person, firm or corporation did not intend such building solely for occupancy by that person and his family, firm, or corporation.”

In other words, building permits can only be issued to licensed general contractors or those who truly act as their own general contractor in building a home on their own property

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### NCLBGC REPORT

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

### LICENSING BOARD CALENDAR

Labor Day / Board Office Closed  
September 4, 2006

Regular Board Meeting  
October 11, 2006

Renewals mailed for 2007  
October 13, 2006

Veteran’s Day / Board Office Closed  
November 10, 2006

Thanksgiving / Board Office Closed  
November 23 & 24, 2006

Christmas / Board Office Closed  
December 25 & 26, 2006

General Contractors Licenses Expire  
December 31, 2006



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and who occupy the building for at least 12 consecutive months following completion.

Obviously, no law can be effective without diligent enforcement. North Carolina law (N.C.G.S. §87-14) holds the permit issuing entity responsible for ensuring that building permits are issued only to those who are entitled to such permits and provides criminal penalties for failure to do so. This statute says, in pertinent part, that “it shall be unlawful for such building inspector or other authority to issue or allow the issuance of such building permit unless and until the applicant has furnished evidence that he is either exempt from the provisions of this Article or is duly licensed under this Article to carry out or superintend the work for which permit has been applied; Any building inspector or other such authority who is subject to and violates the terms of this section shall be guilty of a Class 3 misdemeanor and subject to a fine of not more than fifty dollars.”

Thus, it is the permit issuing agency’s obligation to ensure that an unlicensed person applying for a building permit under the “owner’s exception” language of G.S. 87-1 will, in fact, act as their own general contractor. Negligently issuing building permits to those who are not entitled to them is a criminal violation of North Carolina law.

To help permit issuing agencies determine whether an unlicensed person is entitled to such a building permit under the “owner’s exception” North Carolina Home Builders Association developed and recommends that permit issuing agencies ask the following questions of any unlicensed person seeking to secure a building permit:

1. *Do you own the land on which this building will be constructed?*  
**If yes**, go to question 2. **If no**, applicant is not eligible for a building permit under “owner’s exception.”
2. *Have you hired, or do you intend to hire an individual to superintend and manage construction of the project?*  
**If yes**, applicant is not eligible for a building permit under “owner’s exception.” **If no**, go to question 3.
3. *Do you intend to directly control and supervise construction activities?*  
**If yes**, go to question 4. **If no**, applicant is not eligible for a building permit under “owner’s exception.”
4. *Do you intend to schedule, contract with, and directly pay for all phases of construction work to be done?*  
**If yes**, go to question 5. **If no**, applicant is not eligible for a building permit under “owner’s exception.”
5. *Do you intend to personally order building supplies and materials for the project for which the building permit is sought?*  
**If yes**, go to question 6. **If no**, applicant is not eligible for a building permit under “owner’s exception.”
6. *Do you intend to schedule and be present for scheduled inspections?*  
**If yes**, go to question 7. **If no**, applicant is not eligible for a building permit under “owner’s exception.”
7. Do you understand that you are responsible for compliance with all applicable federal, state and local laws and requirements, including but not limited to: the State Building Code, Sedimentation Control Act requirements, and solid and hazardous waste disposal requirements?

**If yes**, got to question 8. **If no**, applicant is not eligible for a building permit under “owner’s exception.”

8. *Do you intend to personally occupy the building for at least 12 consecutive months following completion of construction and do you understand that if you do not do so, it creates the presumption under law that you fraudulently secured the building permit?*

**If yes**, the applicant may be entitled to a building permit under the “owner’s exception.” **If no**, applicant is not eligible for a building permit under “owner’s exception.”

Normally, by about the third question, the owner who is fraudulently attempting to secure a building permit under the owner’s exception (i.e. on behalf of an unlicensed contractor) usually gives up.

Many jurisdictions already employ some form of questionnaire to discern whether or not a person is entitled to the issuance of a building permit, even requiring licensed contractors to show evidence of a valid general contractors license, and unlicensed applicants to sign an affidavit as to the accuracy of their answers. Unfortunately, some jurisdictions appear to turn a “blind eye” to the pertinent statutory requirements.

In an attempt to decrease the number of building permits being issued to “unlicensed” contractors, the North Carolina General Assembly in 2005, at the request of NCHBA, included a provision in the 2005 Appropriations Act directing the NC Code Officials Qualification Board to “take steps to ensure that building inspectors enforce the requirements of G.S. 87-14”

(SL2005-276, Sec. 21.2). NCHBA anticipates that the board can satisfy the General Assembly’s directive through a concerted educational effort aimed at informing licensed code enforcement officials of the requirements of the law and the implications of not enforcing it.

Unfortunately, there is no “magic bullet” when it comes to combating the problem of fraudulent behavior by unlicensed contractors. It will take hard work and constant diligence, but education and enforcement is a good first step.

*By Paul Wilms, NCHBA Director of Governmental Affairs; this article appeared previously in “North Carolina Builder” and is reprinted here by permission.”*



# 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

**Huberman Properties, LLC and Marc Walker Huberman, as Qualifier** (Mecklenburg County; 04C95) License No. 48351. A disciplinary hearing was conducted on November 9, 2005 and the Final Decision entered November 18, 2005. At hearing testimony and exhibits were presented which showed that Huberman Properties, LLC (Huberman) was issued a limited residential license on February 12, 2001 and last renewed on March 13, 2003 making it invalid at hearing. Marc Walker Huberman was the sole

qualifier and registered agent for the licensee. On February 27, 2002 Huberman applied for and was granted a building permit for the construction of a single-family residence. During construction Huberman violated three sections of the NC Residential Building Code, Vol. VII, 1997 Edition with 1999 Revisions. The Board found that the actions of Huberman violated G.S. § 87-11(a) and constituted gross negligence, incompetency and/or misconduct in the practice of general contracting. The actions of Huberman were directly attributable to its qualifier and constituted gross negligence,

incompetency and/or misconduct in the practice of general contracting in violation of § 87-11(a). The Board revoked License No. 48351, as well as the right and ability of Mr. Huberman to act as a qualifying party for a license to practice general contracting for any co-partnership, corporation or any other organization or combination effective immediately.

**Dwayne Maney and Dwayne Maney as Qualifier** (Clay County; 04C73) License No. 36571. The Board conducted a disciplinary hearing on November 9, 2005, and the Final

## 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.

**Reprimand:** A Board action wherein the licensee and/or qualifier is/are reprimanded for disciplinary purposes. The Reprimand becomes a permanent record in the file and is subject to approval by the licensee/qualifier in lieu of being referred to the full Board for formal proceedings.

**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 may 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).

Decision was entered November 18, 2005. Testimony and exhibits showed that Dwayne Maney was issued a limited residential license in February 1996 with Dwayne Maney as the sole qualifier. The license was last renewed on February 6, 2004 and was invalid at hearing. On December 30, 2003 licensee applied for and was issued a building permit for the construction of a single-family residence in Cherokee County; there was no contract for the construction, and Mr. Maney was not the general contractor for the construction of the residence. The Board found that the actions of Mr. Maney as licensee violated G.S. § 87-1 and § 87-10 and constituted misconduct in the practice of general contracting in violation of § 87-11(a). The licensee's actions were directly attributable to its qualifier in violation of § 87-1 and § 87-10 and constituted misconduct in the practice of general contracting in violation of § 87-11(a). The Board suspended License No. 36571, as well as the right and ability of Mr. Maney to act as a qualifying party for a license to practice general contracting for any co-partnership, corporation or any other organization or combination for a period of eight months, effective as of November 9, 2005.

**Richard L. Seguin, Jr. and Richard L. Seguin, Jr. Qualifier** (Rutherford County; 04C174) License No. 40758. A disciplinary hearing was conducted on November 9, 2005 following service of the Notice of Hearing by means of publication on 8/21/05, 8/28/05 and 9/4/05, and the Final Decision was entered November 18, 2005. Testimony and exhibits at hearing showed that Richard L. Seguin, Jr. was issued a limited building license in January 1998, and it was last renewed on January 1, 2004 making it invalid at

hearing; Richard L. Seguin, Jr. was the qualifier. On his 2004 Application for Renewal, Mr. Seguin answered "no" to question 4 concerning the existence of any liens, lawsuits, judgments or lis pendens filed against the licensee or any principal shareholder or officer not previously disclosed to the Board. On his 2004 renewal, Mr. Seguin failed to disclose that prior the date he signed and certified his renewal (12/29/03) an arbitration award and judgment had been entered against him in Rutherford County in the amount of \$42,284.

**The Great Tarheel Restoration Company and David Camden Grimes, Qualifier** (Wake County; 03C424) License No. 42069. The Board conducted a disciplinary hearing on February 8, 2006 and the Final Decision entered on February 17, 2006. Testimony and exhibits at hearing showed that The Great Tarheel Restoration Company (Great Tarheel) was issued an intermediate building license on June 19, 1998. The limitation was increased to unlimited in June 2000 and last renewed on January 1, 2006 making it currently active. David Camden Grimes is the qualifier and president. On May 10, 2002 Great Tarheel submitted a proposal to perform restoration and remodeling work on a single-family dwelling in Wake County, for a total cost of the proposed construction at \$5,287.92. Also on May 10, 2002 Great Tarheel submitted a revised proposal for an expanded scope of work at the same location. The total cost of the proposed construction was \$13,680.89. The NC Administration and Enforcement Requirements Code, 2002 Edition, required a building permit for the work, but no building permit was obtained for the construction. The Board found that the actions of Great Tarheel violated

the NC Administration and Enforcement Requirements Code, 2002 Edition, as well as violating G.S. § 87-11(a) of the NC State Building Code, 2002 Edition and constituted misconduct in the practice of general contracting. Great Tarheel was reprimanded for its misconduct, but all charges brought against Respondent David Camden Grimes were dismissed.

**Gene Sellers and Gene Sellers as Qualifier** (Brunswick County; 04C242) License No. 13753. The Board conducted a disciplinary hearing on February 8, 2006 and entered the Final Decision on February 17, 2006. At hearing testimony and exhibits were presented showing that Mr. Sellers was issued a limited residential license on April 21, 1982. The license was last renewed on January 1, 2006 with Gene Sellers as qualifier. On August 6, 2003 Mr. Sellers entered into an agreement to construct a home in Supply, NC and applied for a building permit in Brunswick County for the same project which was valued at \$68,100. An unlicensed entity, however, acted as the general contractor for the project by selecting subcontractors, accepting invoices from subcontractors and paying subcontractors for work performed. Other than obtaining the building permit and visiting the project site when no subs were present, Mr. Sellers did not act as a general contractor on the project. The Board found that the actions of Mr. Sellers constituted misconduct in the practice of general contracting in violation of G.S. § 87-11(a) and were directly attributable to Gene Sellers as qualifier also in violation of G.S. § 87-11(a). The Board revoked License No. 13753, as well as the right and ability of Mr. Sellers to act as a qualifying party for a license to practice general contracting for

any co-partnership, corporation or any other organization or combination effective as of the date of the Final Decision (February 17, 2006).

**Mahesh Patel and Mahesh Patel, as Qualifier** (Mecklenburg County; 04C65 and 04C219) License No. 26219. The disciplinary hearing was conducted on February 9, 2006 and the Final Decision entered on February 28, 2006. Testimony and exhibits at hearing showed that Mr. Patel was issued an unlimited building license in July 1989, which had been renewed on April 13, 2005 but was expired at hearing. Mr. Patel had applied for his license renewal on February 7, 2006, but the renewal was not approved and was returned for correction. Mahesh Patel is the qualifier for respondent licensee. On September 17, 2002 Mr. Patel contracted to construct a Hampton Inn and Suites in Wilson, NC for \$2,810,000. A later modified contract included an unlicensed entity as an additional contractor who handled a majority of financial transactions for the Hampton Inn project. On his 2004 renewal Mr. Patel answered "no" to question no. 4 "Have there been any liens, lawsuits, judgments, or lis Pendens filed against the licensee or any officer or principal shareholder which have not been previously disclosed to this Board?" Mr. Patel should have disclosed a \$5,000 judgment entered against him in Wilson County. On March 8, 2004 Mr. Patel contracted to remodel an existing commercial building in Fayetteville for The Room Store at a cost of \$725,000, and on March 9, 2004 Mr. Patel obtained a building permit to renovate the interior and exterior of the same property at a cost of \$194,000. Mr. Patel was not the general contractor for The Room Store project in that he did

not select, supervise or work with the subcontractors; and he did not estimate costs, receive payments or pay subcontractors on the project. The actions of Mr. Patel further violate § 87-11(a), constitute misconduct in the practice of general contracting, are directly attributable to the qualifier and constitute misconduct in the practice of general contracting. The actions of Mr. Patel are also in violation of § 87-13. The Board determined that License No. 26212 issued to Mahesh Patel should be suspended for six months, effective upon the date of renewal of his license which was expired, and the ability of Mahesh Patel to act as a qualifying party for a license to practice general contracting for any co-partnership, corporation or any other organization or combination is suspended for a period of six months, effective upon the date of renewal of License No. 26212, which was expired. Mr. Patel was ordered to provide to the Board a list of all projects under contract as of the date of his Final Decision (2/28/06); he will be allowed to complete those projects, but may not undertake to contract for any further construction projects as a general contractor or as a qualifier to a licensed general contractor until his suspension period has ended.

## Revocations or Surrenders of License

**Derrick James** (Clay County; 04C200) License No. 43018. On December 3, 2005 Derrick James voluntarily surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Millennium Homes of Wilmington, Inc.** (New Hanover County; 05C37) License No. 51784. On January 10,

2006 Cary L. Coniglio voluntarily surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

**William M. Eaton** (Cumberland County; 04C334) License No. 5634. On February 2, 2006 William M. Eaton voluntarily surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Arden Construction Company, LLC** (Buncombe County; 04C194) License No. 53024. On February 2, 2006 Gregory Paul Weigle voluntarily surrendered the corporate license and his exam credentials to the Board. The Board considers surrender of license as permanent revocation.

**Van Slyke Builders, Inc.** (Florida & Wake County; 03C204 and 04C450) License No. 39365. On February 10, 2006 Brian Van Slyke voluntarily surrendered the corporate license and his exam credentials to the Board. The Board considers surrender of license as permanent revocation.

**Timothy L. Dennis** (Stanly County; 05C361) License No. 46620. On April 26, 2006 Timothy L. Dennis voluntarily surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

**Ross-Markham, Inc.** (Brunswick County; 02C439) License No. 21018. On May 15, 2006 Robert L. Deaver voluntarily surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

## Consent Order (Licensees)

**Derrick James and Derrick James as Qualifier** (Clay County; 04C200) License No. 43018. On November 7, 2005 the Board filed Consent Orders in which Derrick James and Derrick James as qualifier agreed to a voluntary surrender of his license and exam credentials to the Board, effective 30 days after Mr. James had signed his consent orders, or on December 3, 2005. Mr. James had submitted a building permit application to Cherokee County for the construction of a dwelling and signed the application as "applicant/contractor." In actuality an unlicensed entity acted as the general contractor for the construction of the log home at an estimated cost of \$84,000.

**Daniel L. Arrowood t/a Arrowood Builders and Daniel L. Arrowood as Qualifier** (Buncombe County; 03C186; OAH File No. 05LBC1436) License No. 42310. The Board entered into a Consent Order on January 6, 2006 in which Daniel L. Arrowood t/a Arrowood Builders and Daniel L. Arrowood as qualifier agreed to a four-month suspension of license and exam credentials to begin on the day following the last estimated date of completion of current unfinished projects in which Mr. Arrowood was then involved. Mr. Arrowood also agreed to the successful completion of a Level I Building Code course offered by the NC Department of Insurance. Mr. Arrowood had been issued a limited building license in June 1998. In December 2002 Mr. Arrowood began construction of a Spa Project, but in May 2003 a complaint was filed with the Board alleging numerous violations of the NC State Building Code, Vol. I, General Construction, 1996 Edition and/or 2002 Edition.

## Paul Zia, P.E. Appointed to Licensing Board, Carl Worsley, Jr. Reappointed

Governor Michael Easley has appointed Paul Zia, Ph.D., P.E. to the Licensing Board. Dr. Zia's term began on the date of his appointment, February 16, 2006 and his term on the Licensing Board expires December 31, 2010. Zia, who is now a consulting structural engineer, obtained his BSCE from National Chiao Tung University, China (1949), MSCE from the University of Washington (1952) and Ph.D. from the University of Florida (1960). He joined the North Carolina State University faculty in 1961, serving as department head of civil engineering from 1979 to 1988. Dr. Zia has also served on the civil engineering faculty at the university of Florida and the University of California, Berkeley. Dr. Zia has received numerous honors and awards including election to the National Academy of Engineering, Honorary Membership of ASCE and ACI, Fellow of PCI, PCI Martin Korn Award, ASEE Lamme Medal and Centennial Medallion, ASCE Boase Award and NCSU's Alexander Quarles Holladay Medal of Excellence. He is currently

Distinguished Professor Emeritus of Civil Engineering at NC State University. Dr. Zia and his wife Dora live in Raleigh.

Board Chairman Carl Worsley, Jr. was reappointed by the Governor to serve an additional 5-year term on the Licensing Board, effective January 1, 2006. A native of Rocky Mount, Mr. Worsley served in the U.S. Coast Guard from 1973 to 1977 and was stationed on the outer banks. Worsley received his bachelor's degree in business administration from Elizabeth City State University, and has been building homes for more than 26 years, starting the Carl Worsley Company in Nags Head in 1987. He has served as past Regional Vice President of the North Carolina Home Builders Association and is a member of the Chamber of Commerce and Outer Banks Association of Realtors. Mr. Worsley is also an appointee of the Town of Nags Head Planning Board. He was elected Chairman of the Licensing Board in April 2006.

**William M. Eaton and William M. Eaton as Qualifier** (Cumberland County; 04C334) License No. 5634. On February 10, 2006 the Board entered into Consent Orders in which William M. Eaton and William M. Eaton as qualifier agreed to the revocation of License No. 5634 and Mr. Eaton's exam credentials to the Board, effective 30 days after Mr. Eaton had signed his consent orders, or on March 9, 2006. Mr. Eaton had entered into an agreement with Mr. John Johnson in which Mr. Eaton agreed to work for Mr. Johnson's

company, S&J Builders, Inc. an unlicensed business. Mr. Eaton would not be responsible for any materials or labor costs in the business, and his signature appears on the agreement. Both Mr. Eaton and Mr. Johnson are owners of S&J Builders, Inc. and have done construction projects together under S&J Builders, Inc. In March of 2003, S&J Builders, Inc. submitted a proposal to construct a single-family dwelling in Fayetteville, NC for a cost of \$212,000. The proposal was accepted by the future homeowners. On July 17, 2003 Mr. Johnson applied

for a building permit using the license number of Mr. Eaton, but Mr. Eaton was not the general contractor for the construction project.

**David Ross McCracken and David Ross McCracken as Qualifier** (Onslow County; 04C114 and 04C179) License No. 40712. On February 13, 2006 Consent Orders were filed in which David Ross McCracken and David Ross McCracken as qualifier agreed to a twelve-month suspension of license and exam credentials, but conditionally restored following a four-month active suspension of license and exam credentials to begin on the day following the last estimated date of completion of current unfinished projects, but restricted to submitting a list within ten days 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. Mr. McCracken had entered into a verbal agreement in late 2001 for the construction of a residence in Jacksonville, NC using the name of an unlicensed entity as the general contractor for a construction cost of \$325,000, the actual cost of the construction, however, exceeded \$670,000. Mr. McCracken holds a limited residential construction license. In August 2003 Mr. McCracken entered into a written contract for the construction of a residence in Hubert, NC again using the name of the same unlicensed entity as contractor but using his own NC License No. 40712 on the building permit application. The total cost of construction for the second project was \$350,000, but the contract for construction was a cost plus 10% arrangement in which the parties agreed to an estimated construction

cost of \$486,500. The actions of Mr. McCracken constitute violations of §§ 204.1 and 305 of the NC Administration and Enforcements Code, 1996 Edition with 1999 Revisions; and §§ 304.1 and 304.3.1, 2002 Edition.

**Noble Builders & Construction, Inc. and Gregory Dean Smith as Qualifier** (Mecklenburg County; 04C452 and 04C453) License Nos. 52159 and 33002. The Board entered into Consent Orders on March 9, 2006 in which none of the agreed-upon discipline is pertinent unless and until the licenses are renewed. (Neither license has been renewed as of the time of this publication). Nevertheless, the discipline provides for a twelve-month suspension of Mr. Smith's exam credentials, but immediately conditionally restored for a fifteen-month period commencing on the effective date of the Consent Order

## Financial Responsibility

## Qualifier Rules Effective April 1, 2006

Six rules changes, as previously published in the Licensing Board's Fall-Winter (2006) newsletter, became effective April 1 and May 1, 2006. (The 2005 Fall/Winter Bulletin erroneously published a January 1, 2006 effective date for the rules). Two of the six new rules include modified requirements for financial responsibility and new provisions for license qualifiers.

The newly adopted rules affect licensure applicants, examination qualifiers and also licensed general contractors subject to disciplinary measures. Four rules became effective April 1, 2006, including amended rule 21 NCAC 12.0204(4) Eligibility,

which requires submittal of audited financial statements for applicants who have been in bankruptcy within seven years prior to the application filing. .0204(d), as amended, also raises the surety bond amounts to be maintained to \$350,000 for a limited license, \$1,000,000 for an intermediate license, and \$2,000,000 for an unlimited license. New .0205(b) Filing Deadline/Applicant Seeking Qualifier, allows qualifiers to act as a qualifier for no more than two licenses, regardless whether the licenses are held individually or by a corporation or other entity. The previous rule had more restrictive language, in that it allowed qualifiers to qualify their own individual license

plus one additional license. .0408 Person Taking Examination, clarifies the term "members of the personnel," as defined in G.S. 87-10, and also clarifies that a partner may take an examination on behalf of a partnership. .0701 Improper Practice, codifies the Board's current practice of allowing the Review Committee to settle disciplinary cases by consent order.

Two other new rules became effective May 1, 2006. Rules .0302 Request and .0506 Charge for Status of Licensure, provide the Board with authority to impose a charge covering costs for application packages and verified copies of lists or rosters of licensed contractors.

(i.e., the date on which he qualifies an active license) and restricted to submitting a list within ten days with supporting documentation of current unfinished projects. The actions of Mr. Smith constituted misconduct in the practice of general contracting and a willful violation of G.S. § 87-11(a).

**F. Christian Ebaugh t/a Alta Building Systems and F. Christian Ebaugh as Qualifier** (Watauga County; 03C191; OAH File No. 05LBC0705) License No. 14422. On March 30, 2006 a Consent Order was filed in which F. Christian Ebaugh t/a Alta Building Systems and F. Christian Ebaugh as qualifier agreed to a six-month suspension of License No. 14422 and his exam credentials, but restricted to submitting a list within ten days of receipt of his Final Decision with supporting documentation of current unfinished projects and estimated dates of completion for each project. The six month period of suspension shall begin on the next calendar day following the last estimated date of completion for the last project and undertaking no new projects in excess of \$30,000 during his six months suspension. Mr. Ebaugh also agreed to take and pass a Level I Building Code course offered by the NC Department of Insurance or an equivalent course dealing with the provisions of Volume VII of the NC State Building Code and submit to the Board written proof of satisfactory completion of the course. Mr. Ebaugh entered into a contract to construct a single-family dwelling in Watauga County and obtained a building permit listing the value of the project at \$208,000 when it would consist of three stories and cost well in excess of \$300,000. After the certificate of occupancy had been issued at least seven violations of the NC Residential Building Code, Vol.

VII, 1997 Edition were discovered and attributable to the respondent qualifier whose actions constituted misconduct and incompetency in the practice of general contracting, in violation of G.S. § 87-11(a).

**Kent Couch Construction Co. and Kent A. Couch as Qualifier** (Catawba County; 04C44) License No. 43275. On April 5, 2006 Consent Orders were entered in which Kent Couch Construction Co. and Kent A. Couch as qualifier agreed to a four-month suspension of license and exam credentials, stayed for fifteen months, commencing on April 28, 2006, but restricted to taking and passing a Level I Building Code course or equivalent offered by the NC Department of Insurance dealing with the NC State Residential Building Code and submitting to the Board written proof of satisfactory completion of the course. Mr. Couch entered into a “cost plus set fee” contract for the construction of a single-family dwelling at a contract price of \$245,055. Five violations of the NC Residential Building Code, Vol. VII, 1997 Edition, with 1999 Amendments, were discovered, although all are now corrected to the homeowners’ and county inspectors’ satisfaction.

## Admissions of Violation (Licensees)

**David Dees** (Craven County; 04C20) License No. 37283. On December 12, 2005 an Admission of Violation was entered in which Mr. Dees admitted accepting payments and supervising work of subcontractors paid directly, all of which exceeded \$30,000. At the time of contracting for the commercial project Mr. Dees held a limited residential license. Mr. Dees further admitted misrepresenting

the cost of the project on the building permit application in violation of § 304.3.1 of the NC Administration and Enforcement Requirements Code, 2002 Edition, as well as violating three sections of the NC State Building Code, 2002 Edition, applicable to roofing requirements.

**J & L Contractors, Inc.** (Onslow County; 04C234) License No. 51389. An Admission of Violation was entered on February 7, 2006 in which Angelic Michelle Briese, qualifier, admitted that on the original 2002 application for license J & L Contractors, Inc. failed to disclose certain information to the Board. In response to Question 2 (b), J & L failed to report that its president, Jimmy Pierce, was then under investigation by the Board and had been convicted in 1995 of conspiracy to possess and distribute cocaine and marijuana.

**David R. Murphy** (Davidson County; 04C143) License No. 36616. On February 9, 2006 an Admission of Violation was entered in which Mr. Murphy admitted violating four sections of the NC Residential Building Code, Vol. VII, 1997 with 1999 Revisions and one section of the NC State Building Code, Vol. I, 1996 Edition in the construction of a single-family dwelling in Davidson County.

**Renaissance Building and Design, LLC** (New Hanover County; 04C431) License No. 53592. An Admission of Violation was entered on February 16, 2006 in which Brian T. Yow, Owner/ Manager admitted that on the original 2003 application for license he had failed to disclose certain information to the Board. In response to Question 13, Mr. Yow failed to report that in 1999 and 2000 he had been convicted on five counts of writing worthless checks.

**Bradley C. Coleman t/a Merrcal Builders** (Union County; 03C451) License No. 49732. On March 1, 2006 an Admission of Violation was entered in which Mr. Coleman admitted violating one section of the NC Residential Building Code, Vol. VII, 1997 Edition with amendments, in the construction of a single-family dwelling in Union County.

**Sterling Builders of NC, Inc.** (Guilford County; 05C35) License No. 51027. An Admission of Violation was entered on March 25, 2006 in which Sterling Builders of NC, Inc. admitted entering into a contract for the construction of a single-family dwelling in Randolph County with a contract price of \$512,000. At that time Sterling was the holder of a limited building license and was only entitled to enter into contracts with a value of up to \$350,000.

**John A. Soprano** (South Carolina; 04C399) License No. 45641. An Admission of Violation was entered on March 28, 2006 in which Mr. Soprano admitted submitting a building permit application on December 15, 2003 for the remodeling and renovation of a single-family dwelling in Mecklenburg County at a cost of \$86,300. Mr. Soprano admitted that he had actually begun construction on the project prior to December 15, 2003 and so had violated § 304.2 of the NC Administration and Enforcements Code, 2002 Edition.

**Special K. Builders, Inc.** (Guilford County; 04C128) License No. 46896. On March 30, 2006 an Admission of Violation was entered in which William Kageorge, President, admitted violating six sections of the NC Residential Building Code, 2002 Edition, in the construction of a new modular home in Surry County. At the time of entry of

the Admission of Violation, however, all violations had been corrected.

**Landmasters Builders and Developers, Inc. t/a Landmasters, Inc.** (Florida; 04C507) License No. 36003. An Admission of Violation was entered on April 18, 2006 in which Landmasters Builders and Developers, Inc. t/a Landmasters, Inc. admitted violating 21 N.C.A.C. 12.0205 in failing to notify the Board immediately of the loss of a qualifier in 2003. They also admitted violating two sections of the NC Administrative and Enforcement Requirements Code, 2002 Edition, by failing to obtain a building permit and failing to obtain inspections in the construction of two Macon County projects.

**Richard A. Jordan and Associates, Inc.** (Onslow County; 05C27) License No. 27649. On April 21, 2006 an Admission of Violation was entered in which Mr. Jordan, on behalf of Richard A. Jordan and Associates, Inc., admitted failing to disclose on its 2004, 2005 and 2006 Applications for Renewal with the Board that on November 12, 2004 a Judgment had been entered in Onslow County against the corporation in the amount of \$29,400.

**Michael J. Wercholuk** (Franklin County; 04C381) License No. 53323. An Admission of Violation was entered on April 21, 2006 in which Mr. Wercholuk admitted failing to notify the Board that he was conducting business under an assumed name in violation of 21 N.C.A.C. 12.0209. He also admitted failing to disclose on his 2005 Application for Renewal with the Board that he was under investigation by this Board and that a lawsuit had been filed against him in Wake County Superior Court.

**Cody Helms Construction, Inc.** (Union County; 05C53) License No. 24318. On May 2, 2006 an Admission of Violation was entered in which Cody A. Helms, qualifier, admitted violating two sections of the NC Residential Building Code, Vol. VII, 1997 Edition in the construction of a single-family dwelling in Union County.

**Darrell J. McAuly** (Cumberland County; 05C49) License No. 32494. An Admission of Violation was entered on May 5, 2006 in which Mr. McAuly admitted violating one section of the NC Residential Building Code, 2002 Edition, in the tornado-repair construction of a single-family dwelling in Harnett County.

## 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 he/she becomes licensed by the Board.

**Martin Garza** (New Hanover County; 04C350). Mr. Garza obtained a building permit as owner/builder to construct a personal residence in Onslow County for an estimated value of \$85,000. Prior to completion of construction, Mr. Garza sold the

home. Default Judgment was entered November 10, 2005.

**Victor Dudley d/b/a Better Built** (Pitt County; 04C406). Mr. Dudley contracted to renovate a home in Washington, NC and was paid \$58,831. Default judgment was entered February 2, 2006.

**Kenneth Mainer d/b/a Mainer Building Services** (Cabarrus County; 04C518). Mr. Mainer submitted a proposal to construct a garage in Concord, NC for a cost of \$43,200 and five months later contracted to renovate a home, also in Concord, NC, for a cost of \$48,100. Default Judgment was entered February 2, 2006.

**S & J Builders, Inc.** (Cumberland County; 04C282). S & J Builders, Inc. contracted to construct a home in Fayetteville, NC for a cost of \$212,000. Default Judgment was entered February 2, 2006.

**Gerald C. Tripp** (Johnston County; 04C331). Mr. Tripp contracted to remodel a home in Smithfield, NC for a cost of \$62,000 and was paid \$69,170. Default Judgment was entered February 2, 2005.

**Kenneth Tripp** (New Hanover County; 04C375). Mr. Tripp contracted to construct a home in Burgaw, NC for a cost of \$45,000 using the license of a licensed general contractor to obtain the building permit. Default Judgment was entered February 2, 2006.

**Ron O'Neal Artis d/b/a HW Works and Metal Structure Co.** (Wayne County; 04C294). Mr. Artis contracted to construct an addition onto an existing home in LaGrange, NC for a cost of \$31,000. Default Judgment was entered February 16, 2006.

**Tom Carpenter** (Forsyth County; 05C167). Mr. Carpenter contracted to construct a retaining wall and perform grading for a cost of \$35,000. Default Judgment was entered on February 16, 2006.

**Brian O. Doyle and C & M Contractors, Inc.** (Cumberland County; 04C464). Mr. Doyle and C & M Contractors contracted to upfit commercial space for a cost of \$56,000 using the general contractors license of Mr. Doyle's father to obtain the building permit. Default Judgment was entered February 16, 2006.

**Empire Interiors, Inc.** (Wake County; 05C165). Empire Interiors, Inc. contracted to remodel a basement of a home in Raleigh, NC for a cost of \$33,675. Default Judgment was entered February 16, 2006.

**Kevin R. Sumler d/b/a Expert Remodeling & Builders** (Currituck County; 05C156). Mr. Sumler contracted to construct an addition and deck onto an existing home in Coinjock, NC for a cost of \$31,550. Default Judgment was entered February 16, 2006.

**Consolidated Hospitality, Inc.** (Mecklenburg County; 04C461). Consolidated Hospitality, Inc. undertook to superintend or manage the construction of a hotel in Wilson, NC where the cost exceeded \$30,000. Default Judgment was entered May 11, 2006.

## 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.

**The Blakeston Corporation d/b/a Alaglass Pools** (Mecklenburg County; 05C182). The Blakeston Corporation d/b/a Alaglass Pools contracted to construct a swimming pool in Concord, NC for a cost of \$33,987. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 10, 2005.

**John Hilliker** (Currituck County; 05C134). Mr. Hilliker contracted to superintend or manage the construction of a home in Currituck County where the cost of the home was \$250,000. He was a personal friend of the homeowners and was unaware that his actions constituted the practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 10, 2005.

**Blake Alan Howard** (Lincoln County; 04C421). Mr. Howard undertook construction of a single-family dwelling in Lincolnton, NC where the cost exceeded \$30,000. He intended that his grandfather, a licensed general contractor, would serve as the general contractor; however, Mr. Howard hired and paid the subcontractors, unaware that his actions constituted the practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 10, 2005.

**J.D. Owen d/b/a Owen Construction Company** (Davidson County; 05C135). The Board contends that J.D. Owen d/b/a Owen Construction Company engaged in the unauthorized practice of general contracting when he undertook to remodel a home in Lexington, NC. Mr. Owen, however, denies the same but is willing to enter into a consent order. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 10, 2005.

**Larry Kicklighter d/b/a Discount Steel Building** (Nash County; 05C164). Mr. Kicklighter contracted to construct a steel building in Bailey, NC for a cost in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 28, 2005.

**National Tenant Construction, Inc.** (Virginia; 04C429). National Tenant Construction, Inc. undertook to upfit commercial space in Concord, NC for a cost in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on November 28, 2005.

**Robert Archambault** (Pender County; 04C460). Mr. Archambault obtained a building permit to construct a personal residence in North Topsail Beach for a cost of \$95,000 but listed the property for sale prior to obtaining a certificate of occupancy. The certificate of occupancy was issued on February 2, 2005 and the house sold on February 25, 2005. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2005.

**Victor E. Fortune d/b/a VF's Construction** (Rowan County; 05C07). Mr. Fortune contracted to renovate a

home in Rowan County for a cost in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2005.

**Stacy Gabard d/b/a SG Builders** (Davidson County; 05C126). Defendant contracted to construct an addition onto a home in Lexington, NC for a cost of \$44,132. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2005.

**Paramount Development and Construction, LLC** (Georgia; 05C41). Paramount Development and Construction, LLC submitted a proposal to renovate commercial property at Lake Lynn for a cost in excess of \$30,000, unaware that its actions constituted unauthorized practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2005.

**Ranger & Associates, Inc.** (Stanly County; 05C62). Ranger & Associates, Inc. submitted two estimates to a church in Elon, NC to remove and replace a steeple and install guttering and downspouts for a total price of \$77,247. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2005.

**SPJ General Contracting Group, Inc. f/k/a SPJ General Contracting Group, LLC** (Mecklenburg County; 04C484 and 04C485). SPJ General Contracting Group, Inc. contracted to construct an addition onto a home in Huntersville, NC for a cost of \$32,850. In addition, SPJ contracted to construct a commercial building in Cornelius, NC for a cost of \$235,913.

A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on December 22, 2005.

**Johnny M. Maney and Maney Building and Remodeling Co.** (Cabarrus County; 05C82). The Board contends that Mr. Maney and Maney Building and Remodeling Co. contracted to upfit, convert a home into a daycare where the cost of construction exceeded \$30,000. Defendants, however, deny that the cost of construction exceeded \$30,000 and further deny that they engaged in the unauthorized practice of general contracting; Defendants agree to the entry of the consent order to resolve the case. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 3, 2006.

**Eastland Management, Inc. d/b/a Amazing Spaces** (New Hanover County; 05C28). Eastland Management, Inc. d/b/a Amazing Spaces contracted to construct a sunroom on a house in Durham, NC for a cost of \$33,907, unaware that its actions violated North Carolina law. All violations by Defendant were unknowing and were not willful. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 6, 2006.

**Benjamin P. Saglimbeni** (South Carolina; 04C477). Mr. Saglimbeni obtained a building permit to construct a personal residence in Union County for an estimated cost of \$95,000 and more than a year later listed the home for sale. After listing the home for sale, it passed final inspection and Mr. Saglimbeni sold the home. He was unaware that his actions constituted the unauthorized practice of general contracting, and when he began

construction did intend to reside in the home. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 23, 2006.

**David T. Martin** (Iredell County; 03C481).

Mr. Martin entered into a joint venture with his father, David G. Martin who is a licensed general contractor, to construct a "spec" home in Iredell, County where the cost of the project exceeded \$30,000. Mr. Martin was unaware that the unlicensed joint venture violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 28, 2006.

**Ronald Padgett d/b/a Padgett**

**Roofing & Building Co.** (McDowell County; 05C74). Mr. Padgett contracted with a marina to perform flood damage repairs for a cost of \$110,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order filed on February 8, 2006.

**CMH Homes, Inc. d/b/a Oakwood**

**Homes #773** (Tennessee; 05C88). CMH Homes, Inc. d/b/a Oakwood Homes #773 contracted for the sale and set-up of a modular home in Northampton County at a time prior to obtaining a license to practice general contracting in North Carolina. The Board contends and Defendant denies that it acted as a general contractor; Oakwood #773 has chosen to enter into the consent order to resolve this case. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 13, 2006.

**Cornell Construction Company, Inc.** (Mecklenburg County; 05C115). Cornell Construction Company, Inc.

contracted to renovate and construct an addition onto a home in Cornelius, NC for a cost of \$182,900. A permanent injunction was obtained in Wake County Superior Court by the entry of a Consent Order on February 20, 2006.

**Interior Options, LLC d/b/a**

**Momentum Group** (Wake County; 05C18). Interior Options, LLC d/b/a Momentum Group contracted to design, develop and renovate a day spa for a cost of \$49,800. A month later they contracted to develop, design and renovate a second day spa for a total price of \$90,765. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 20, 2006.

**Gralin Gaither James** (Perquimans County; 05C206). In 2002 Mr. James undertook construction of an addition and renovation of a home in Currituck County where the cost exceeded \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 20, 2006.

**Robert Pair** (New York, New York; 05C163). The Board contends that Mr. Pair undertook construction of a pool and observation deck at a home in Southern Shores, NC where the cost was in excess of \$30,000. Mr. Pair denies that the cost of the work was \$30,000 or more but desires to resolve the case by entering into a consent order. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 27, 2006.

**Construction Home Services, Inc.**

(Mecklenburg County; 05C337). Construction Home Services, Inc. contracted to construct an addition onto a home in Union County for a

cost of \$33,780, unaware that its actions constituted the unauthorized practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 12, 2006.

**Ken Davis d/b/a Mountain Log Homes** (Buncombe County; 05C87).

The Board contends that Mr. Davis engaged in the unauthorized practice of general contracting when he contracted to construct a log home for a cost in excess of \$30,000. Mr. Davis denies the same but is willing to sign a consent order to resolve the case. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 12, 2006.

**Pittman Business Corporation, Inc.**

d/b/a Pioneer Exteriors (Wake County; 04C285). Pittman Business Corporation, Inc. d/b/a Pioneer Exteriors contracted with a Howeowners Association to install siding on four buildings at a total cost of \$105,000. The cost to install siding on each of the four building was less than \$30,000, so Pioneer Exteriors was unaware that presenting a single estimate to the Association would be deemed by the Board as unauthorized practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 12, 2006.

**Country Life Log Homes, LLC** (Ashe

County; 05C266 and 05C367). The Board contends that Country Life Log Homes, LLC undertook to superintend or manage the remodeling and construction of an addition onto a home in Ashe County where the cost of the project exceeded \$30,000 and further undertook to superintend or manage the construction of another home also in Ashe County with an

estimated cost of \$265,000. Country Life Log Homes, LLC denies that it engaged in the unauthorized practice of general contracting but is willing to resolve the case with a consent order. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 18, 2006.

**Horace Marshburn d/b/a Frazmar Homes** (Vance County; 05C152). The Board contends that Mr. Marshburn undertook construction of a home in Vance County for a cost in excess of \$30,000. Mr. Marshburn denies that he engaged in the unauthorized practice of general contracting but is willing to enter into a consent order to resolve the case. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 18, 2006.

**Alex Rhodes Homes of Elegance, LLC** (Forsyth County; 05C282). Alex Rhodes Homes of Elegance, LLC contracted to construct a home in Winston-Salem, NC for an estimated cost of \$950,000 to \$1,000,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 21, 2006.

**L. Bennie Carson d/b/a Carson & Son Grading Co.** (Cleveland County; 05C304). Within two months Mr. Carson submitted bids for two grading projects in a subdivision of Cleveland County for amounts in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 21, 2006.

**Clearbrook Development of North Carolina, Inc.** (Pender County; 05C117). Clearbrook Development of North Carolina, Inc. undertook construction of a home in Pender County with an

estimated cost of \$140,456, unaware that its actions constituted the unauthorized practice of general contracting as it believed that its hiring of a licensed employee was consistent with the law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 21, 2006.

**Gary Felton Land Investment Company, Inc.** (Wake County; 05C289). The Board contends that in November 2004 Gary Felton Land Investment Company, Inc. undertook construction of a subdivision in Granville County where the cost of the project exceeded \$30,000. Gary Felton Land Investment Company, Inc. denies that it engaged in the unauthorized practice of general contracting and believed it had complied with all applicable laws relating to the practice of general contracting in NC by retaining the services of what it believed to be a licensed contractor. That contractor represented himself as licensed and even provided a license number at the time of contracting with Gary Felton Land Investment Company, Inc. Upon learning of the unlicensed status of the contractor, however, Gary Felton Land Investment Company, Inc. retained a second contractor who it believed was licensed again in order to comply with NC law. At no time did Gary Felton Land Investment Company, Inc. intend to act as a general contractor, nor did it believe itself to be in violation of any NC laws relating to general contracting, and is willing to enter into a consent order to resolve the case. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 21, 2006.

**Ira W. Greene and Log Homes and Lumber Sales, Inc.** (Caldwell County;

05C65). An individual in Zionville, NC contends that Ira W. Greene and Log Homes and Lumber Sales, Inc. contracted to construct a home there at a cost of \$113,326. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 21, 2006.

**Holbrook & Holbrook LLC** (Forsyth County; 05C188). The Board contends, but Holbrook & Holbrook LLC denies, that they undertook to renovate a home in Winston-Salem for a cost in excess of \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 25, 2006.

**Ralph Moore d/b/a Do-Right Construction Company** (Onslow County; 05C192). Mr. Moore contracted with the Department of Veterans Affairs to utilize grant funds to renovate a home where the cost of the renovations exceeded \$30,000. Mr. Moore was unaware that his actions constituted the unauthorized practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 28, 2006.

**Bud Matthews Service Specialist, Inc. d/b/a Two City Service & Building Co.** (Orange County; 05C327). The Board contends, and Bud Matthews Service Specialist, Inc. d/b/a Two City Service & Building Co. denies, that they contracted to construct an addition, deck and porch onto a home in Bynum, NC for a cost in excess of \$30,000. They deny that they engaged in the unauthorized practice of general contracting but are willing to enter into a consent order to resolve the case. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on May 3, 2006.

**Dolphin Pools, Inc.** (Union County; 05C241). Dolphin Pools, Inc. contracted to construct a pool for a cost of \$33,700 unaware that its actions constituted the unauthorized practice of general contracting. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on May 5, 2006.

## Other:

*The unlicensed contractor case below was resolved with the Board by other means:*

### **Sidney Cruse and Lee Cruse d/b/a Cruse Home Concepts, L.L.C.**

(Richmond County; 04C75). Sidney Cruse and Lee Cruse contracted to demolish an existing addition and construct a new addition onto an existing home for a cost of \$100,000 without benefit of a NC general contractors license and thereafter undertook construction. A permanent injunction was obtained in Wake County Superior Court when the Court allowed the Board's Motion for Summary Judgment against Sidney and Lee Cruse d/b/a Cruse Home Concepts, L.L.C. on November 10, 2005.

## General Contractors must comply with Well Contractor Certification Requirements

In 1997, the North Carolina General Assembly passed laws designed to protect our groundwater resources and protect consumers from persons who may not be qualified to construct, repair, alter, or abandon water wells (including but not limited to water supply wells, irrigation wells, injection wells and peizometers) in North Carolina. These laws went into effect January 1, 2000, and state that any activity that meets the definition of a well contractor activity (construction, installation, repair, or abandonment of any well) must be performed or directly on-site supervised by an individual with a current North Carolina Well Contractors Certification. Whenever engaging in or supervising any well contractor activities in North Carolina, the on-site individual is required to carry a valid certification card and photo ID.

The NC Well Contractors Certification Commission (WCCC) found recent instances where licensed general contractors are not always confirming that those hired to perform well contractor activities are certified well contractors. The WCCC would ask that all licensed contractors verify proper certification of well contractors before allowing them to perform work on your site.

If you have any questions regarding certification or the WCC program we invite you to visit the WCC website at [www.ncwelldriller.org](http://www.ncwelldriller.org). The Well Contractors Database has a listing of all certified well contractors in the state and is updated daily. Questions regarding the certification program can be directed to WCC staff members Wilson Mize at 919.733.7015 ext 546 or Joanne Rutkofske at 919.733.7015 ext 521.





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### If you need information on contractor's licensing in other states, you need a copy of the **Contractor's State Licensing Information Directory.**

The 2005 edition identifies over 170 state agencies that regulate the construction industry. The directory summarizes the pre-qualification, licensing, examination and bonding requirements. Information regarding reciprocity, license classifications, incorporating and fees, is also included.

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