



Bulletin

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Licensing Board Calendar

Labor Day/Board Office Closed
 September 1, 2003

Regular Board Meeting
 October 8, 2003

Veteran's Day/Board Office Closed
 November 11, 2003

Thanksgiving/Board Office Closed
 November 27-28, 2003

Christmas/Board Office Closed
 December 24-26, 2003

General Contractors Licenses Expire
 December 31, 2003

2003 Contractor Licensing Legislation

The 2003 session of the North Carolina General Assembly adjourned July 20 with 2,364 bills being introduced during the session. Several bills enacted during the 2003 session affect the general contractor licensing laws in North Carolina. One bill introduced in May 2003, House Bill 1305, deals primarily with residential construction. H1305 proposes to create a Construction Defects Litigation Study Commission. The commission would study extension and modification of the current statutes of repose, modification of the time when statutes of repose begin to run, and clarification of the statutes applicable to defective products used in construction processes. The bill also includes other proposals to lower the existing statutory minimum for licensure from \$30,000 to \$15,000 and sets requirements for maintaining minimum commercial general liability insurance coverage for licensed general contractors. H1305 is eligible for consideration when the legislature convenes for its 2004 short session. Another piece of legislation not enacted during the session, House Bill 1298, would establish licensing requirements for

“persons who engage in or offer to engage in the business of glass glazing.” This legislation defines glass glazing as “engaging in the business of selecting, cutting, assembling, installing, maintaining, servicing, or repairing all types of glass for windows, sashes and doors, metal frames, ornamental decorations, mirrors or bathtub and shower enclosures in a commercial, residential, industrial, institutional, modular or any other type of construction setting.” At present there is no licensing requirement for contractors who perform this work as subcontractors in North Carolina.

The summary below describes bills ratified during the 2003 session which affect or change North Carolina’s general contractor licensing laws.

Senate Bill 323—clarifies when the Board may seek injunctive relief against unlicensed contractors and protects the identity of complaining parties against licensed or unlicensed contractors. The new law amends the provision that gives the Licensing Board authority

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Governor Easley Appoints Michael Barber, Reappoints Graham Moore To Licensing Board

Governor Michael Easley has appointed Michael L. Barber of Greensboro to the Licensing Board. Mr. Barber’s term actually began February 2003 and his term expires December 31, 2006. Barber is currently managing attorney for the General Practice area with Crumley & Associates of Greensboro. He attended Campbell University School of Law and earned a B.A. in Economics from the University of North Carolina at Greensboro. Barber serves as a member of the Guilford County Board of Commissioners and was Chairman in 2002. He is former Director of Governmental Affairs with the Greensboro Regional Realtors Association. Mr. Barber was appointed to one

of the three public member positions with the Board succeeding former Board member Earl Jones. Mr. Jones now serves in the North Carolina General Assembly representing District 60 in the House of Representatives.

Governor Easley also reappointed member Graham T. Moore of Fayetteville to serve a second 5-year term. Mr. Moore’s term became effective January 1, 2003 and his term expires December 31, 2007. Moore, a native of Oxford, North Carolina, graduated from North Carolina State University with a B.S. in Civil Engineering and has been a highway/heavy general contractor for the past 30 years. Mr. Moore served as President of Carolinas AGC in 2002.

NCLBGC Bulletin

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

**NORTH CAROLINA
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

New Legislation Clarifies Retailers Performing Certain Plumbing, Heating Services

Governor Easley signed on May 1 a new law with provisions authorizing retail merchants, who are not licensed as plumbing, heating or fire sprinkler contractors, to sell goods and services for single family heating and cooling systems. Senate Bill 772 modifies a bill enacted by the 2002 General Assembly granting retailers authority to sell plumbing, heating and cooling systems without violating the laws governing plumbing, heating and fire sprinkler contractors (Chapter 87, Article 2 of the NC

General Statutes). Under the new law, retailers may provide a written estimate to a potential buyer, but no contract may be presented or signed prior to review and approval by a licensed plumbing and heating contractor. The person installing the new system must be licensed and the contract for sale and installation must be signed by the buyer, an authorized representative of the retail merchant and by a licensed contractor.

This new law became effective July 1, 2003.

Rivenbark Named Construction Institute's First Master Builder

The Construction Institute of the American Society of Civil Engineers recently approved Dr. Charles L. Rivenbark of Forest City as its first member to achieve "Master Builder" recognition. Rivenbark has been a general contractor for 25 years and holds licenses as a general contractor, plumbing contractor and home inspector in North Carolina. He earned degrees including a Masters of Arts in Architecture and a Doctorate in Business Administration.

Dr. Rivenbark provides substance abuse counseling to individuals and families in his community.

HAVE YOU MOVED?

In each issue of the newsletter, we place a reminder to licensed general contractors that they should notify the Board concerning any change of address. It's important to know that the regulations governing general contracting in North Carolina actually require license applicants and holders of general contractors licenses to notify the Board as to a change of address. *21 NCAC 12.0505* states that the notification to the Board must be made in writing within 30 days from the date of the change. General contractors may determine if the current address is registered by visiting the Board's web site and database at www.nclbgc.org.

Address change notices may be mailed or faxed to the Board office at P.O. Box 17187, Raleigh, NC 27619; (fax) 919/571-4703. License numbers should be included with any change of address notice.

Disciplinary Action, Legal Consequences May Befall Contractors Unlawfully Allowing Use Of License

As more general contractors are now operating and building in North Carolina than ever before, increasing numbers of licensing law violators are being reported to the Licensing Board and investigated. A significant portion of the complaints or reports of violations we receive now involves the unlawful use of a general contractor's license by an unlicensed contractor, often with the aid of a licensed individual. The Board is empowered to take legal or disciplinary action against contractors found guilty of allegations such as sharing a general contractor's license with an unlicensed person or firm. There may be consequences other than discipline for violators of the licensing statutes, and some of these consequences can be quite severe for those caught.

Licenses Are Not Transferable . . .

is one of the prime tenets of contractor licensing, yet still is misunderstood by many individuals. North Carolina's general contractor licensing statutes (at N.C.G.S. §87-1, *et seq.*) require that individuals, sole proprietors, partnerships, corporations, etc. practicing general contracting must possess a license. The statute does not, however, authorize or permit the holder of a sole proprietorship license, for example, to allow a partnership, corporation or any other individual to use that license for any reason. A typical complaint received by the Board now involves allegations where the holder of an individual license allows an unlicensed partnership, corporation or other entity to use or "share" his or her license. This is clearly a violation of the general contractor licensing law. This may occur because the individual licensee believes this arrangement is justifiable or legal as long as he or she is an employee of the unlicensed contractor

or if there is no written agreement establishing the terms of the partnership. Once again, licenses are not transferable.

Consequences and Sanctions

What could happen to those found to be in violation by unlawfully allowing the use of a license by another entity?

There are most certainly financial considerations in such an arrangement. 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 with the licensee. In the *Hawkins v. Holland* case, 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. In this case, the Court held that the defendant unlicensed contractor's claims for recovery were unenforceable because the plaintiff's contracts were with the unlicensed individual, not a licensed general contractor. If a valid license is not issued in the name of a company or entity, both at time of contracting and throughout the performance of the project, the contractor may be barred from collecting payment from clients.

As mentioned above, violators may also be disciplined by the North Carolina Licensing Board for General Contractors for allowing the use of license by unlicensed persons or other entities; appropriate sanctions may include suspension or revocation of license.

During 2001 and 2002, the Board suspended or revoked 11 licenses in related cases of unlawful use of licensure complaints, entered 34 Consent Orders and 20 Admission of Violations effectively resolving disciplinary matters before the Board involving unlawful use of licensure. The Board may also delay or deny issuance of a license to a new applicant if it determines that the applicant used another's license and unlawfully engaged in the practice of general contracting prior to becoming licensed (unlicensed contractors practicing general contracting in North Carolina could be subject to legal action, or an injunction action in superior court).

Contractors should immediately cease any arrangement whereby an unlicensed person, partnership or corporation is permitted to use the licensee's general contractor's license with the licensee's permission. Although as a licensed contractor, you may have an ownership interest in the unlicensed entity, the unlicensed contractor may not use your general contractor's license for any reason. Unlicensed contractors who wish to practice general contracting should file a new application under the contractor's exact legal name. Individuals qualify for licensure by submitting a completed application and meeting the financial responsibility requirements based solely on his/her own individual financial information. For further information, 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 (ncldb.org), or request a copy by calling the Board office at (919) 571-4183.

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.)

B.W. Murrell Construction Company, Inc. and Donald Wayne Murrell, Qualifier (Guilford County; 99C310, 01C259 and 01C297) License No. 13034. After several attempts to serve Notices of Hearing by Certified Mail and Sheriff, service was accomplished through publication in a Guilford County newspaper. Respondent did not attend the February 12, 2003 disciplinary hearing; a Final Decision was entered February 24, 2003. At hearing, the Board found violations of six sections of the NC Residential Building Code, Vol. VII and one administrative violation in that a judgment of \$9,400.41 was not reported on the 2001 renewal application. The Board found the actions of B.W. Murrell Construction Company, Inc. and Qualifier Donald Wayne Murrell to constitute gross negligence, incompetence and misconduct in the practice of general contracting; License No. 13034 was revoked and the ability of Donald Wayne Murrell to act as a qualifying party was also revoked.

Goodman Construction, Inc. (Mecklenburg County; 00C115) License No. 34545. On February 12, 2003 a disciplinary hearing was held and the Final Decision entered February 24, 2003 finding violations of seven sections of the NC Residential Building Code, Vol. VII. The Board also found that Respondent hired an engineer to list areas of concern that required repair, but then requested the engineer to modify the list so that only two items were disclosed. The Board found the actions of Goodman Construction, Inc. constitute gross negligence, incompetency and misconduct in the practice of general contracting; License No. 34545 was revoked.

John Phung and John Phung, Qualifier (Mecklenburg County;

02C26) License No. 49852. A disciplinary hearing was conducted on February 12, 2003 and the Final Decision entered February 24, 2003. The Board found that the actions of Mr. Phung constitute misconduct in the practice of general contracting; License No. 49852 was suspended for one year, as was Mr. Phung's ability to act as a qualifying party. At the end of the one-year period, License No. 49852 may be reinstated provided Mr. Phung successfully completes two units of Homebuilders Institute coursework, or equivalent coursework approved by the Board, with at least one unit on the topic of law and contracts.

Gower Construction, Inc. (Wake County; 01C225 & 02C194) License No. 38610. On February 12, 2003 a disciplinary hearing was held and the Final Decision entered March 3, 2003 finding violations of three sections of the NC Residential Building Code, Vol. VII, 1997. The Board found the actions of Gower Construction, Inc. to constitute gross negligence, misconduct and incompetency in the practice of general contracting, all of which were directly attributable to its qualifier, Jerry L. Gower. License No. 38610 was suspended for four months, as was License No. 7107 issued to Mr. Gower individually; however, both licenses were immediately conditionally restored pending appropriate repair of the cited code violations.

Ronnie B. Ricks t/a Heritage Homes of Clayton (Johnston County; 01C427) License No. 10937. A disciplinary hearing was held on May 14, 2003 and the Final Decision entered June 3, 2003 determined that the actions of Ronnie B. Ricks t/a Heritage Homes of Clayton did not constitute gross negligence, incompetency or misconduct in the practice of general contract-

ing. The charges against License No. 10937 were dismissed.

James J. Corrigan, Qualifier (New Hanover County; 01C312) License No. 38601. A disciplinary hearing was held on May 14, 2003 and the Final Decision entered June 5, 2003. The Board found that Mr. Corrigan, although listed as qualifier for License No. 42626, which is assigned to Mallard Construction of North Carolina, Inc. (currently inactive), was/is not a shareholder, director, officer or employee of Mallard Construction. Instead, the Board found that Mr. Corrigan acted as an independent contractor compensated by Mallard Construction for each project based upon the construction cost of the project and was not a lawful qualifier for Mallard Construction, which constitutes misconduct in the practice of general contracting. License No. 38601 and the ability of Mr. Corrigan to act as a qualifying party for another license were suspended for six months, but immediately conditionally restored.

Revocations or Surrenders of License

SCS Group, L.C. t/a SCS Group, L.L.C. (New York; 01C375) License No. 47179. On January 16, 2003 Jacquelynn Brown, Secretary of SCS Group, L.L.C., voluntarily surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

Janus Building Corporation (Florida; 02C46) License No. 51270. On February 24, 2003 James O. Batten, Jr., President of Janus Building Corporation, voluntarily surrendered the corporate license to the Board. The

Board considers surrender of license as permanent revocation.

Ollie Harrington & Son Builders, Inc. (Pitt County; 032C15) License No. 12534. On March 14, 2003 Ollie Harrington, President of Ollie Harrington & Son Builders, Inc., voluntarily surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

Dennis Harrington (Pitt County) License No. 11683. On March 14, 2003 Dennis Harrington surrendered his general contractors license to the Board. The Board considers surrender of license as permanent revocation.

Don Freeman Builder, Ltd. (Wake County; 03C59) License No. 18522. On May 7, 2003 Donald G. Freeman, President of Don Freeman Builder, Ltd., surrendered the corporate license to the Board. The Board considers surrender of license as permanent revocation.

Consent Order (Licensees)

Chestnut Hill Construction Service, Inc. (Buncombe County; 01C369) License No. 42299. On January 24, 2003 the Board entered into a Consent Order in which Chestnut Hill agreed to a 90-day license suspension, conditionally restored following a 30-day active suspension for violating an earlier consent order with the Board. A present Consent Order violation would require a 60-day license surrender to the Board. Chestnut Hill further agreed to allegations of failing to inform the Board of required financial information including: on 1999 & 2000 renewal applications, a \$925 lien filed against Chestnut Hill; on its 2000 renewal application, a \$5,289.66 judgment; and on its 2000 renewal application, a \$10,000 claim of lien filed against Chestnut Hill, but which was dismissed by the Court in late 2000. These

actions constitute fraud or deceit in obtaining a license and misconduct in the practice of general conduct.

Walter Tyson Wynn, Jr. (Alamance County; 01C475) License No. 37151. The Board entered into a Consent Order on January 30, 2003 in which Mr. Wynn agreed to a 12-month license suspension, immediately and conditionally restored for 12 months but restricted to undertaking no new projects in excess of \$30,000 for one month; a violation of the Consent Order would necessitate a 12-month license surrender to the Board. Mr. Wynn further agreed to allegations of violating three sections of the NC Residential Building Code, Vol. VII, which constitute misconduct in the practice of general contracting.

Glenn A. Ashley (Craven County; 01C320) License No. 46603. On February 4, 2003 a Consent Order was filed in which Mr. Ashley agreed to a 12-month license suspension, immediately and conditionally restored for 15 months, but restricted to undertaking no new projects in excess of \$30,000 for nine months. A Consent Order violation would require a 12-month license surrender to the Board. Mr. Ashley further agreed to allegations of misconduct in the practice of general contracting in that he signed for three building permits to perform fire restoration in New Bern and Havelock, North Carolina, projects on which he did not in fact act as the general contractor.

Hubert Getty King, Jr. and Hubert Getty King, Qualifier (Henderson County; 02C39) License No. 44966. A Consent Order was entered on March 13, 2003 in which Mr. King agreed to a 12-month license suspension and a 12-month suspension of his examination credentials, both immediately and conditionally restored for 15 months, but restricted to undertaking no new projects in excess of \$30,000 for 9 months.

A violation of the Consent Order would necessitate a 12-month license surrender to the Board as well as a 12-month surrender of Mr. King's examination credentials to the Board. Mr. King further agreed to allegations of misconduct in the practice of general contracting in that he allowed an unlicensed entity to act as the general contractor in the construction of a single-family dwelling and used his name and license number on the building permit application.

Lee General Contracting, Inc. (Carteret County; 02C300) License No. 38724. On March 24, 2003 a Consent Order was entered in which Lee General Contracting, Inc. agreed to a 6-month license suspension, immediately and conditionally restored for 15 months, but restricted to undertaking no new projects in excess of \$30,000 for 30 days. A violation of the Consent Order would require a 6-month license surrender to the Board. Robert E. Lee, Jr., President and Qualifier, further agreed to allegations that Lee General Contracting, Inc. had violated two sections of the NC Residential Building Code, Vol. VII in the construction of a single-family dwelling, as well as failing to inform the Board of certain required financial information on the 2001 renewal application, a lawsuit filed against both Lee General Contracting, Inc. and Robert E. Lee, Jr. These actions constitute gross negligence, misconduct and incompetency in the practice of general contracting and fraud or deceit in obtaining a license.

Hands On Enterprises, Inc. and Johnnie Sears, Qualifier (Harnett County; 01C500) License No. 44001. A Consent Order was entered on April 14, 2003 in which Johnnie Sears, Qualifier and Registered Agent, on behalf of Hands On Enterprises, Inc., agreed to a 6-month license suspension, immediately and conditionally restored for 15 months, but restricted to undertaking no

new projects in excess of \$30,000 for 2 months. The Board alleged that Respondent, in the construction of a single-family dwelling with a retaining wall, violated portions of the NC Residential Building Code, Vol. I-A and Vol. I of the NC State Building Code. The alleged actions constitute gross negligence, incompetency and misconduct and are directly attributable to the qualifier. A violation of the Consent Order would necessitate a 6-month license surrender to the Board.

Lyman L. Cox, Jr. and Lyman L. Cox, Jr., Qualifier (Pitt County; 02C75) License No. 12981. On May 12, 2003 dual Consent Orders were entered in which Mr. Cox agreed to a 12-month license suspension and a 12-month suspension of his examination credentials, both immediately and conditionally restored for 15 months, but restricted from undertaking any new projects in excess of \$30,000 for 9 months. A violation of the Consent Order would necessitate a 12-month license surrender to the Board, as well as a 12-month surrender of Mr. Cox's examination credentials to the Board. Mr. Cox further agreed with allegations of misconduct in the practice of general contracting in that he entered into a contract with an unlicensed entity to act as a consultant for the unlicensed entity to act as the general contractor in the construction of a single-family dwelling, using Mr. Cox's signature, name and license number on the building permit application. Additionally Mr. Cox failed to inform the Board of certain required financial information on his 2001 renewal application, a \$15,050 judgment. These actions constitute misconduct in the practice of general contracting and fraud or deceit in obtaining a license.

C.A. Gaither Construction, Inc. (Catawba County; 01C464) License No. 40181. A Consent Order was entered on May 16, 2003 in which C.A. Gaither Construction, Inc. agreed to a

6-month license suspension, immediately and conditionally restored for 12 months with no active suspension. A violation of the Consent Order would necessitate a 12-month license surrender to the Board. C.A. Gaither Construction, Inc. further agreed with allegations of continuing construction following inspection, but proceeding beyond the scope of a limited commercial permit without obtaining the additional required permits and releases and continuing to work in violation of two "stop work orders." These actions constitute gross negligence, incompetency and misconduct in the practice of general contracting.

Select Builders of Chapel Hill, LLC and Robert D. Buysse, Qualifier

(Orange County; 01C468) License No. 50218. On May 21, 2003 dual Consent Orders were entered in which Select Builders of Chapel Hill, LLC agreed to a 12-month license suspension, and Robert D. Buysse, as qualifier, agreed to a 12-month suspension of his examination credentials, both immediately and conditionally restored for 15 months, but restricted to undertaking/acting as qualifier for no new projects in excess of \$30,000 for 9 months; and successfully completing a Level I Building Code Course. A Consent Order violation would necessitate 12-month license surrender to the Board, as well as a 12-month surrender of Mr. Buysse's examination credentials to the Board. Mr. Buysse, as qualifier, further agreed to allegations that Select Builders had violated three sections of the NC Residential Building Code, Vol. VII, in the construction of an addition onto an existing dwelling, as well as failing to inform the Board of certain required administrative information including on its 1999, 2000 and 2001 renewal applications, revealing information of operating the business as an L.L.C. rather than as an individual/sole proprietorship; and on its 2002 renewal application, fail-

ing to reveal information about a controversy over a contract, payment of labor or materials and payments being withheld on its billings due to a controversy. These actions were directly attributable to the qualifier and are in violation of § 87-11(a).

D.C. Boyle, Inc. and Dan C. Boyle, Qualifier (Gaston County; 02C153) License No. 45896. Dual Consent Orders were entered on June 11, 2003 in which D.C. Boyle, Inc. agreed to a 90-day license suspension, and Dan C. Boyle, as qualifier, agreed to 90-day suspension of his exam credentials with both immediately conditionally restored for 24 months, but restricted to undertaking/acting as qualifier for no new projects in excess of \$30,000 for 90 days from the effective date of July 10, 2003, and successfully completing a Level I Building Code Course. A Consent Order violation would necessitate a 90-day license surrender to the Board, as well as a 90-day surrender of Mr. Boyle's examination credentials to the Board. Mr. Boyle further agreed to allegations that D.C. Boyle, Inc. had violated multiple sections of the NC Residential Building Code, Vol. VII in the construction of a single-family dwelling and that these actions were directly attributable to the qualifier and are in violation of § 87-11(a).

Americo A. DiNofa t/a A&G Home Inspections & Construction and Americo A. DiNofa, Qualifier (Haywood County; 02C83) License No. 38871. On June 12, 2003 dual Consent Orders were entered in which Mr. DiNofa t/a A&G Home Inspections & Construction agreed to a 12-month license suspension, and Americo A. DiNofa, as qualifier, agreed to a 12-month suspension of his exam credentials with both immediately conditionally restored for 15 months, but restricted to undertaking/

acting as qualifier for no new projects in excess of \$30,000 for 9 months. A Consent Order violation would necessitate a 12-month surrender of Mr. DiNofa's license to the Board, as well as a 12-month surrender of his exam credentials to the Board. Mr. DiNofa further agreed to allegations that although he had obtained a building permit as general contractor in the construction of a log home, an unlicensed entity and not Mr. DiNofa had contracted with the prospective home owners and the unlicensed entity intended to act as the general contractor for the project. These actions were directly attributable to the qualifier and constitute misconduct in the practice of general contracting.

Waterway Construction Co., Inc. and James Coolidge Davis, Qualifier

(New Hanover County; 02C295) License No. 37474. Dual Consent Orders were entered on June 20, 2003 in which Waterway Construction Co., Inc. agreed to a 12-month license suspension and James Coolidge Davis, as qualifier, agreed to a 12-month suspension of his examination credentials with both immediately conditionally restored for 15 months, but restricted to undertaking/acting as qualifier for no new projects in excess of \$30,000 for 30 days. A Consent Order violation would necessitate a 12-month license surrender to the Board, as well as a 12-month surrender of Mr. Davis's examination credentials to the Board. Mr. Davis further agreed to allegations that Waterway Construction Co., Inc. and he as qualifier continued to build for 3-1/2 months in 2001 with an expired license, during a time when they were not licensed to practice general contracting. These actions constitute misconduct in the practice of general contracting.

Admissions of Violation (Licensees)

Terry Clifton Trotter

(Davidson County; 02C34) License No. 16592. On January 10, 2003 an Admission of Violation was entered in which Mr. Trotter admitted violating one section of the NC Residential Building Code, Vol. VII in the construction of a single-family dwelling.

Koehler Homes, Inc. (Iredell County; 02C148) License No. 44785. An Admission of Violation was entered on January 14, 2003 in which Koehler Homes, Inc. admitted entering into a contract for the construction of a single-family dwelling for the amount of \$475,500 at a time when its license limitation was for projects costing up to \$250,000.

Mountain Home Log Builders, Inc. (Yancey County; 02C222) License No. 42527. On January 15, 2003 an Admission of Violation was entered in which Mountain Home Log Builders, Inc. admitted entering into a contract for the construction of a 5,000 square foot single-family dwelling at an estimated cost between \$550,000 to \$625,000; at the time, Respondent's license limitation was for projects costing up to \$250,000.

Paul Edward Hair (Person County; 02C187) License No. 31246. An Admission of Violation was entered on January 16, 2003 in which Mr. Hair admitted violating two sections of the NC Residential Building Code, Vol. VII in the remodeling and renovation of a single-family dwelling. Additionally, Mr. Hair admitted identifying himself in his response to the Board as an entity other than that in which he is licensed, as well as failing to notify the Board that he is operating under an assumed name.

Gary Lee Carpenter t/a Gary Lee Carpenter Builder (Nash

County; 02C165) License No. 40686. On January 24, 2003 an Admission of Violation was entered in which Mr. Carpenter admitted contracting in an amount in excess of \$30,000 while acting as a principal in an unlicensed entity, a violation of §87-11.

W.D. Osborne Construction Company, Inc. (Durham County; 02C52) License No. 31090. An Admission of Violation was entered on January 27, 2003 in which W.D. Osborne Construction Company, Inc. admitted entering into three contracts to construct an addition and make renovations to a single-family dwelling where the total cost was \$255,077; at the time Respondent's license limitation was for projects costing up to \$250,000.

Mattox Unlimited, Inc. (Pitt County; 01C146) License No. 48427. On February 10, 2003 an Admission of Violation was entered in which Donald H. Mattox, Jr., President, admitted failing to inform the Board of certain required information including on its 2001 application for license, failing to disclose information about a lien having been filed personally against him, although the claim of lien was never served and no lawsuit was ever filed.

David G. Vaughn Construction, Inc. (Pitt County; 01C388) License No. 32280. An Admission of Violation was entered on March 5, 2003 in which David G. Vaughn Construction, Inc. admitted contracting outside its license classification and exceeding its license limitation in submitting a bid and entering into a contract for a commercial building project.

Today Homes of North Carolina Inc. t/a Albemarle Homes (Virginia; 02C67) License No. 40977. An Admission of Violation was entered on March 5, 2003 in which Today Homes of North Carolina Inc. t/a Albemarle Homes admitted violating three sections of the NC Residential

Building Code, Vol. VII in the construction of a single-family dwelling.

Donald Henderson (Transylvania County; 02C374) License No. 17035. On March 10, 2003 an Admission of Violation was entered in which Mr. Henderson admitted violating two sections of the NC Residential Building Code, Vol. VII while performing additions and renovations to an unfinished basement of a single-family dwelling.

Jackie E. James (Pitt County; 02C370) License No. 43920. An Admission of Violation was entered on March 10, 2003 in which Mr. James admitted securing a building permit using his sole proprietor license number, but contracting in an amount in excess of \$30,000 while acting as a principal of an unlicensed entity and using an assumed name to contract for and engage in the construction of a single-family dwelling in violation of §87-13; Mr. James failed to file the required documentation with the Board notifying the Board that he was operating under an assumed name.

David Sikes Builder, Inc. (Buncombe County; 02C288) License No. 33188. On March 11, 2003 an Admission of Violation was entered in which David Sikes Builder, Inc. admitted violating two sections of the NC Residential Building Code, Vol. VII in the construction of a single-family dwelling.

Edwin C. Papworth (Mecklenburg County; 02C239) License No. 41795. An Admission of Violation was entered on March 11, 2003 in which Mr. Papworth admitted constructing and selling a single-family dwelling for the price of \$720,000 at a time when his license limitation authorized him to construct projects costing up to \$500,000.

Harry T. Wilkes (Brunswick County; 02C279) License No. 39122. On March 13, 2003 an Admission of Violation was

entered in which Mr. Wilkes admitted acting as President and Registered Agent in a corporation that engaged in the practice of general contracting without a license. Mr. Wilkes further admitted that he signed a building permit application for the unlicensed corporation in the construction of a single-family dwelling using the license number issued to him as an individual.

Woody Billings (Hyde County; 02C368) License No. 31125. An Admission of Violation was entered on April 8, 2003 in which Mr. Billings admitted entering into a contract for a commercial building project at a time when he was the holder of a limited residential license.

Architectural Products, Inc. (Mecklenburg County; 02C173) License No. 49884. On April 29, 2003 an Admission of Violation was entered in which Architectural Products, Inc. admitted entering into a contract to construct a porch/deck addition to a single-family dwelling and failing to obtain a required building permit before beginning construction, a violation of NC Residential Building Code, Vol. VII.

Harvey Yancey Ellis, Qualifier (Person County; 02C324) License No. 29387. An Admission of Violation was entered on April 29, 2003 in which Mr. Ellis admitted constructing a deck on a single-family dwelling and failing to obtain a required building permit before beginning construction, a violation of NC Residential Building Code, Vol. VII.

Robert J. Valente (Carteret County; 02C321) License No. 16773. On April 30, 2003 an Admission of Violation was entered in which Mr. Valente admitted submitting a proposal to install storm shutters for a commercial project in the amount of \$86,543 while acting as President and Registered Agent of an unlicensed corporation, but using his individual residential license number.

Designline Builders, Inc. (Mecklenburg County; 02C48) License No. 48691. An Admission of Violation was entered on May 12, 2003 in which Designline Builders, Inc. admitted performing repairs to the foundation system of a single-family dwelling and failing to obtain a required building permit before beginning construction, a violation of NC Residential Building Code, Vol. VII.

Phillip Keith Price (Rutherford County; 02C385) License No. 22986. On May 12, 2003 an Admission of Violation was entered in which Mr. Price admitted entering into a contract with an unlicensed person—as an unlicensed joint venture—to construct a four-unit townhouse for a third party. Mr. Price further admitted submitting the building permit application listing only himself as the contractor and \$225,000 as the estimated cost. Mr. Price violated §87-11 by acting as a principal in an entity engaged in the practice of general contracting without a license.

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.

UNLICENSED CONTRACTOR FACES CRIMINAL, CIVIL SANCTIONS

In April 1999, the Board filed a lawsuit against John T. Ward,

d/b/a Ward Exteriors for contracting without a license. In July 1999, the Board and Ward entered into a Consent Order that prohibited Ward from the further practice of general contracting. In November 2001, Ward contracted with a Graham homeowner to remodel her home for \$41,694. Ward never completed the work and the owner had to hire other contractors to complete the project.

On June 2, 2003, a Wake County Superior Court Judge found Ward guilty of criminal contempt of court and sentenced him to 30 days in jail for violating terms of the 1999 Consent Order. In a separate civil action, the Superior Court of Alamance County found that Ward willfully engaged in unfair and deceptive trade practices and awarded the owner damages in the amount of \$71,820.

W.G. Bowman d/b/a Bowman & Sons Construction (Wake County; 02C92). W.G. Bowman d/b/a Bowman & Sons Construction contracted to construct a single-family dwelling for a price of \$133,220. Default Judgment was entered February 21, 2003.

Donald Greenspan (Henderson County; 02C55). Mr. Greenspan contracted to construct a single-family dwelling for an estimated cost of \$85,000. Default Judgment was entered February 21, 2003.

M-T Construction Services, Inc. (South Carolina; 01C492). M-T Construction Services, Inc. contracted to design and build a 70-room hotel for a price of \$1,900,000. Default judgment was entered February 21, 2003.

North End Home Improvements, Inc. (Beaufort County; 02C218). North End Home Improvements, Inc. submitted four bids to rehabilitate substandard dwellings at a cost ranging from \$34,520 to \$52,295. Default Judgment was entered February 21, 2003.

R.E. Payne Construction, Inc. (Virginia; 01C378). R.E. Payne Construction, Inc. contracted to construct a 97-unit motel for a price of \$2,600,000 and another motel for the price of \$2,109,397. Default Judgment was entered February 21, 2003.

Southern Heritage Log Home Builders, Inc. (Tennessee; 02C260). Southern Heritage Log Home Builders, Inc. contracted to build a log home for \$124,549. Default Judgment was entered February 21, 2003.

Steve Grant d/b/a Steve Grant General Contractor (Wake County; 02C139). Steve Grant d/b/a Steve Grant General Contractor provided three proposals to renovate and construct an addition onto an existing house for a total cost of \$45,110. Default Judgment was entered February 21, 2003.

The Zehia Corporation of North Carolina (Wake County; 02C118). The Zehia Corporation of North Carolina submitted one bid in the amount of \$299,875 to construct a commercial building and a second bid to construct another commercial building in the amount of \$698,550. Default Judgment was entered February 21, 2003.

Anthony Robert Bellew (Vermont; 02C94). Mr. Bellew contracted to remodel a basement of a home for a price of \$40,700. Default Judgment was entered March 21, 2003.

Carl Greer d/b/a CG Paving (Ashe County; 02C211). Carl Greer d/b/a CG Paving contracted to undertake a paving project for a total cost of \$173,000. Default Judgment was entered March 21, 2003.

David Davenport (Martin County; 02C163). Mr. Davenport submitted seven bids ranging from \$30,495 to \$53,780 to rehabilitate substandard dwellings. Default Judgment was entered March 21, 2003.

Charles H. Franklin and Nora E. Franklin (Virginia; 02C62). Mr. and Mrs. Franklin

obtained a building permit to construct a 2,880 square foot personal residence for an estimated cost of \$200,000. They constructed the home listing it for rent prior to obtaining a Certificate of Occupancy. Default Judgment was entered March 21, 2003.

Funderburk Construction, Inc. (Lincoln County; 02C167). Funderburk Construction, Inc. contracted to construct an addition to a church for a price of \$277,400. Default Judgment was entered March 21, 2003.

Robert Matthews d/b/a Robert Matthews Construction (Craven County; 02C142). Robert Matthews d/b/a Robert Matthews Construction contracted to repair a home on a cost plus basis. Mr. Matthews was paid at least \$67,000 for the work performed. Default Judgment was entered March 21, 2003.

Tony Mobley d/b/a Mobley's Repairs (Martin County; 02C179). Tony Mobley d/b/a Mobley's Repairs contracted to repair and remodel a church at a cost of \$72,500. Default Judgment was entered March 21, 2003.

Shirrell Mulwee (Forsyth County; 02C154). Mr. Mulwee contracted to construct two additions on a home for a cost of \$137,837. Default Judgment was entered March 21, 2003.

Ken L. Propst and Darrell L. Propst d/b/a Propst Decks & Docks Unlimited (Gaston County; 02C210). Ken L. Propst and Darrell L. Propst d/b/a Propst Decks & Docks Unlimited contracted to build an addition onto an existing home for a price of \$32,400. Default Judgment was entered March 21, 2003.

Trillium Ventures LLC (Brunswick County; 02C43). Trillium Ventures LLC contracted to construct a home for a sum of \$540,700. Default Judgment was entered March 21, 2003.

Tristar, Inc. (Wake County; 02C227). Tristar, Inc. contract-

ed to build an addition onto a home for a price of \$36,663. Default Judgment was entered March 21, 2003.

Tammy L. Martin (Davidson County; 02C158). Ms. Martin obtained a building permit to construct a single-family dwelling for an estimated cost of \$62,637.75 and undertook construction of the home. Ms. Martin and her husband sold the home on the day the Certificate of Occupancy was issued. Default Judgment was entered May 9, 2003.

John E. O'Connor d/b/a O'Connor Construction Company (Johnston County; 02C186). John E. O'Connor d/b/a O'Connor Construction Company contracted to construct an addition onto an existing home for a cost of \$45,000. Default Judgment was entered May 9, 2003.

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.

B & E Interior Renovations, Inc. (Virginia; 02C113). B & E Interior Renovations, Inc. submitted a bid to renovate a hotel for a sum of \$905,590 unaware that bidding upon the work violated North Carolina's general contractor licensing law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 2, 2003.

Bunn Jones d/b/a Bunn Jones Plumbing and Home Improvements (Edgecombe County; 02C166). Bunn Jones d/b/a Bunn Jones Plumbing and Home Improvements contracted to rehabilitate a dwelling for a price of \$36,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 2, 2003.

Jimmy E. Dillahunt d/b/a Dillahunt & Associates (Carteret County; 02C123). The North Carolina Licensing Board for General Contractors contends that Jimmy E. Dillahunt d/b/a Dillahunt & Associates contracted to remodel a house for a price in excess of \$30,000. Mr. Dillahunt signed the Consent Order, and a permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 2, 2003.

Harvey Campbell d/b/a Renova Construction (Beaufort County; 02C100). Harvey Campbell d/b/a Renova Construction prepared a \$67,725 estimate to construct a single-family residence for an acquaintance for the sole purpose of submitting the proposal to a mortgage lender for loan approval. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 2, 2003.

Efird Grading, Inc. (Stanley County; 02C120). Efird Grading, Inc. submitted a bid in the amount of \$99,81.85 for a grading and paving project. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 9, 2003.

Keith Medley d/b/a Garages USA (Buncombe County; 02C232). Keith Medley d/b/a Garages USA contracted to construct a three-car garage with an apartment. The North Carolina Licensing Board for General Contractors contends that the cost of construction exceeded \$30,000, and Keith Medley d/b/a Garages USA denies that he acted as the general contractor for the project. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on January 9, 2003.

Jeffrey Dudley (Edgecombe County; 02C162). Mr. Dudley submitted nine bids ranging from \$33,900 to \$55,000 to rehabilitate substandard dwellings, but was 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 12, 2003.

Greg Oldham d/b/a Southern Home Improvement (Lee County; 02C127). Greg Oldham d/b/a Southern Home Improvement estimated the cost to repair a fire damaged home to be \$27,870 and accepted employment in the venture based on that estimate; however, an insurance company provided a revised estimate of \$42,289. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on February 12, 2003.

Restaurant Design & Development, L.L.C. (Mecklenburg County; 02C88). Restaurant Design & Development, L.L.C. contracted to upfit space for a restaurant and was paid over \$30,000 for work performed while relying upon the local inspections department for advice and being 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 February 21, 2003.

James Jackson (Forsyth County; 02C199 & 02C257). Following legal advice, Mr. Jackson contracted to construct a residence for a price of \$598,970. Again following legal advice, Mr. Jackson contracted to take over ongoing construction on another residence on a cost plus 15% basis with an initial payment of \$35,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on March 13, 2003.

James C. Hackworth d/b/a The Patio Place (Franklin County; 02C351). James C. Hackworth d/b/a The Patio Place contracted to install canopies at a public school 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 March 13, 2003.

William M. Price d/b/a Summit Log Homes and Summit Log Homes, Inc. (Watauga County; 02C247 & 02C248). William M. Price d/b/a Summit Log Homes and Summit Log Homes, Inc. contracted to construct a log home for a turnkey price of \$154,146, and later provided an estimate in the amount of \$127,000 to provide materials and labor to construct another log home. A permanent injunction was entered in Wake County Superior Court by entry of a Consent Order filed on March 13, 2003.

Weather Masters of Swansboro North Carolina, Inc. (Onslow County; 02C291). Weather Masters of Swansboro North Carolina, Inc. contracted to install storm shutters on a home for a price of \$115,000, and later contracted with another to install storm shutters on a home for a cost of \$31,000 while being 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 March 13, 2003.

Timothy McFarland d/b/a Inside and Out Remodeling (Wake County; 02C304). Timothy McFarland d/b/a Inside and Out Remodeling contracted to construct an addition on an existing home for a cost of \$34,560. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order filed on March 19, 2003.

Nancy Baker (Carteret County; 02C322). Ms. Baker obtained a building permit as an exempt owner/builder to construct a personal residence for an estimated cost of \$100,000 and undertook construction of the home. Prior to completing the construction, however, Ms. Baker placed a "For Sale" sign on the property. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on March 31, 2003.

Earnest Scott Cleaver (Nash County; 02C253). Mr. Cleaver followed advice from the local inspections department and obtained a building permit to construct a home for an estimated cost of \$70,200 on property owned by him and his family. Acting on their understanding of the advice of the local inspections department, Mr. Cleaver and his cousin mischaracterized their arrangement as an unlicensed joint venture while Mr. Cleaver and his cousin intended that his cousin's company (a licensed general contractor) serve as the general contractor for the project. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on March 31, 2003.

S.G. Ward, Inc. (Brunswick County; 02C331). S.G. Ward, Inc. contracted to construct a single-family dwelling for a price of \$102,000. A permanent injunction was obtained in Wake County Superior Court by the entry of a Consent Order on March 31, 2003.

George Thomas (Illinois; 02C323). Mr. Thomas obtained a building permit as exempt owner/builder to construct a personal residence for an estimated cost of \$112,680 and undertook construction of the home. Prior to completion of the construction, Mr. Thomas placed a "For Sale" sign on the property. Mr. Thomas was 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 March 31, 2003.

Jeffrey L. Arsenault (Buncombe County; 02C296). Mr. Arsenault contracted to renovate and transform an existing building into a veterinary hospital for a cost of \$224,900. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 4, 2003.

Billy Lollis, Jr. d/b/a D&R Home Repair (Wilson County; 02C366). The North Carolina

Licensing Board for General Contractors contends and Billy Lollis, Jr. d/b/a D&R Home Repair denies that Defendant contracted to construct a home and garage for a cost of \$65,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 4, 2003.

Gary Kruse d/b/a Disaster Reconstruction Services (Wake County; 02C340). Gary Kruse d/b/a Disaster Reconstruction Services submitted an "Estimate/Bill" to renovate a home for a cost of \$43,137. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 4, 2003.

Steven T. Whitley (Dare County; 02C267). Mr. Whitley undertook to superintend and manage construction of a home with a projected cost of \$425,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 4, 2003.

Atlantic Seaboard Corporation (New Hanover County; 02C119). Atlantic Seaboard Corporation contracted to remodel a home for a price of \$36,700. A permanent injunction was obtained in New Hanover County Superior Court by entry of a Consent Order on April 8, 2003.

Clinton L. Baxter d/b/a Baxter's CCB, Inc. (Cleveland County; 02C386). Clinton L. Baxter d/b/a Baxter's CCB, Inc. contracted to remodel and construct an addition onto an existing home for a price of \$43,180 while 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 April 15, 2003.

Deron Morrow d/b/a B&M Construction Co. (Burke County; 02C382). Deron Morrow d/b/a B&M Construction Co. contracted to construct a home for a price in excess of \$30,000 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 April 15, 2003.

Craftsman Homes, Inc. (Watauga County; 02C258). Craftsman Homes, Inc. contracted for the sale and erection of a modular home and construction of additions to the modular home for a price of \$184,920. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 15, 2003.

Dale Turnmire Construction, Inc. (Lincoln County; 02C124). Dale Turnmire Construction, Inc. submitted a proposal to build an addition onto an existing home for a cost of \$47,500. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 15, 2003.

Robb Kubik d/b/a Robb Construction (Carteret County; 02C129). Robb Kubik d/b/a Robb Construction contracted to construct a garage, carport and deck addition to an existing home 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 15, 2003.

Sterling Leigh Homes, Inc. (Wayne County; 02C333). Sterling Leigh Homes, Inc. contracted to construct a residence for a cost of \$239,500. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on April 15, 2003.

Randy Jacot d/b/a Jacot Construction Company (Guilford County; 02C367). Randy Jacot d/b/a Jacot Construction Company contracted to construct an addition onto an existing home for a price of \$65,000 while 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 May 19, 2003.

Jimmy Ray Adams d/b/a J&J Builders (Pitt County; 02C415). Jimmy Ray Adams d/b/a J&J Builders contracted to construct a single-family home for a price of \$128,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on May 19, 2003.

Krapes Construction, LLC (Durham County; 02C230). Krapes Construction, LLC signed a conditional contract that allowed for time to review the plans and determine if it was possible to build the home for the price offered by the future homeowner, but decided against the job. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on May 19, 2003.

Kurt R. Nichols (Iredell County; 02C250). Mr. Nichols obtained a building permit to construct a personal residence and undertook construction of the home; however, before completing construction, he listed the house for sale for a price of \$349,900. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 2, 2003.

Bradley C. Kennington d/b/a Town & Country Renovation and Construction (Gaston County; 02C400). Bradley C. Kennington d/b/a Town & Country Renovation and Construction entered into two contracts to renovate a home. One contract was for \$25,290 and the other was for \$12,256 for a total cost of \$37,546. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 2, 2003.

Bill Lacy d/b/a ABL Construction (Orange County; 02C320). Bill Lacy d/b/a ABL Construction contracted to construct an addition onto an existing home for a price of \$49,580. A permanent injunction was obtained in Wake County Superior Court by entry

of a Consent Order on June 23, 2003.

Kenneth E. Bagley (Currituck County; 02C446). For nine months in 2002, Mr. Bagley undertook to superintend or manage the construction of four homes while 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 23, 2003.

Cornerstone Restoration Builders, Inc. (Craven County; 02C266). Cornerstone Restoration Builders, Inc. submitted a proposal to construct an addition to a home for a price of \$63,712. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 23, 2003.

Patrick Faircloth d/b/a Faircloth Construction (Columbus County; 03C14). Patrick Faircloth d/b/a Faircloth Construction undertook to superintend or manage the construction of a storage building for a church where the cost of the project exceeded \$30,000. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 23, 2003.

Milrac Rubber Roofing Company, Inc. (New Hanover County; 02C408). Milrac Rubber Roofing Company, Inc. submitted a bid to repair the roof of a commercial building for \$36,148. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 23, 2003.

Scott D. Neumann (Transylvania County; 02C344). Mr. Neumann undertook to renovate commercial property where the cost exceeded \$30,000 while unaware that his activities violated North Carolina law. A permanent injunction was obtained in

Wake County Superior Court by entry of a Consent Order on June 23, 2003.

Tommy Sellars (New Hanover County; 03C07). Mr. Sellars contracted to build a home for a price of \$153,350. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 23, 2003.

Jason E. Voiselle (Transylvania County; 02C343). Mr. Voiselle undertook to renovate commercial property where the cost exceeded \$30,000 while unaware that his activities violated North Carolina law. A permanent injunction was obtained in Wake County Superior Court by entry of a Consent Order on June 23, 2003.

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

E. Hathaway Construction Corporation (South Carolina; 01C70). Floyd Hathaway, President of E. Hathaway Construction Corporation (EHCC), signed a sworn Affidavit of Admission which was filed in the Board offices on April 11, 2003. In his Affidavit, Mr. Hathaway stated that he admitted the actions of EHCC created the appearance of practicing general contracting without a license, assuring the Board that EHCC will not engage in the practice of general contracting in North Carolina until such time, if ever, that the corporation is properly licensed.

Gerald R. Garber (Carteret County; 02C395). Mr. Garber signed a sworn Affidavit of Admission which was filed with the Board on April 14, 2003 in which he stated he had obtained a building permit as exempt property owner to construct a single-family dwelling; more than a year later he and his wife executed an Offer to

Purchase and Contract to sell the home. At the time when the home was listed for sale, the Garbers had not yet occupied the home. Mr. Garber assured the Board that he will not engage in the practice of general contracting in North Carolina until such time, if ever, that he is properly licensed and also that he will not undertake construction of any project where the cost exceeds \$30,000.

Robert L. McKinney, Jr. (McDowell County; 02C384). Mr. McKinney signed a sworn Affidavit of Admission which was filed in the Board offices on May 28, 2003. Mr. McKinney admitted engaging in a joint venture with a licensee of the Board to construct a four-unit townhouse. Mr. McKinney further stated he supervised and managed the project, although he is not now licensed, having voluntarily surrendered his license in 1996. Mr. McKinney assured

the Board he will not engage in the practice of general contracting in North Carolina until such time, if ever, that he is again properly licensed and also that he will not undertake to superintend or manage construction of any project where the cost exceeds \$30,000.

Atlantic Foundation Repair and Pressure Grouting, Inc. (Union County; 02C393). Michael D. Knight, President of Atlantic Foundation Repair and Pressure Grouting, Inc. (Atlantic) signed a sworn Affidavit of Admission in behalf of the corporation. It was filed in the Board offices on May 28, 2003 and stated that Atlantic had submitted a Proposal to perform grading and excavating in connection with a sink hole. At the time, Atlantic did not hold a license to practice general contracting in North Carolina. Mr. Knight assured the Board that Atlantic will not engage in the practice of general contracting in North

Carolina until such time, if ever, as the corporation is properly licensed.

UNLICENSED CONTRACTOR HELD IN CIVIL CONTEMPT OF COURT: Flanagan Clean Care and Restoration, L.L.C. (Craven County; 01C321). On June 11, 2003 Flanagan Clean Care and Restoration, L.L.C. was held in civil contempt of court for violating the terms of a July 19, 2000 Consent Order enjoining the company from the further practice of general contracting. Flanagan Clean Care and Restoration, L.L.C. made a charitable contribution in the amount of \$500.00 to the SPCA of Wake County to purge itself of civil contempt.

2003 Contractor Licensing Legislation

continued from page 1

to seek injunctive relief against licensed or unlicensed contractors, changing the Board's previous standing threshold from "an appearance" of a violation to a "determination" of a violation; gives the Board authority to seek injunctive relief for a past violation of Article 1, Chapter 87 or rules adopted by the Board. This bill also provides that once a complaint has been filed with the Board, the Board may keep the identity of a complainant confidential and not a public record until the receipt of the complaint by the full Board for hearing or injunctive action.

Senate Bill 324—increases the fee that a general contractor must pay into the Homeowners Recovery Fund; new law increases the fee amount to \$10 paid to the city or county building inspections department upon issuance of a permit for con-

struction or alteration of single family residential dwelling units.

Senate Bill 437—allows the Licensing Board to adopt rules that allow licensed plumbing and heating contractors and licensed electrical contractors to bid directly on public building projects in certain circumstances. Proposed rules would allow licensed plumbing and heating contractors and licensed electrical contractors to bid directly with a public owner if a licensed general contractor performs all of the work falling within the license classifications in effect as set out in G.S. 87-10(b) and 21 NCAC 12.0200, and the total amount of the work to be performed by a general contractor does not exceed a specific percentage (to be established by the Board) of the total bid price.



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The 2003 edition identifies over 150 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. The 2003 edition will be available February 2003.

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