

CALIFORNIA - LICENSED - CONTRACTOR

GAIL W. JESSWEIN, REGISTRAR

SUMMER 1995

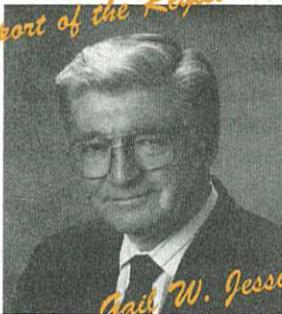
PETE WILSON, GOVERNOR

"Discourage litigation....Point out ... how the ... winner is often a real loser in fees, expenses, and waste of time." Abraham Lincoln.

Sometimes it's better to use an alternative to the court system. That's how alternative dispute systems, such as mediation and arbitration, came about. I encourage you to take advantage of the CSLB's arbitration programs should the need ever arise.

Arbitration is fast, free and fair! It's also fail-safe for contractors, by allowing those with good

Report of the Registrar



Gail W. Jesswein

records to keep them that way. If a contractor complies with the arbitration decision, the complaint is not discloseable.

At CSLB, we use both mediation and arbitration to resolve complaints. The registrar may refer a complaint to arbitration if an investigation determines there has been a violation of contract law. The CSLB has two arbitration programs, mandatory and voluntary. If the alleged damages are under \$5,000 or the contract price is less than \$5,000, arbitration is mandatory. If the complaint alleges damages of between \$5,000 and \$25,000, arbitration is voluntary.

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CSLB Enforcement: The Nuts and Bolts

The Contractors State License Board has 22 enforcement units to respond to complaints about contractors. In FY1993-94 the CSLB processed 29,000 complaints. Twenty-five percent were against unlicensed contractors; the rest involved licensed contractors.

"Most complaints against licensed contractors are resolved without resorting to the legal system," said Karen McGagin, the Board's chief deputy registrar and CSLB enforcement supervisor. "Often it's simply a misunderstanding or miscommunication.

"However, we did file 1,800 legal actions against licensed contractors, and we referred 500 cases to arbitration. In addition, we filed 1,700 citations against unlicensed contractors and

referred another 700 unlicensed contractors to district attorneys for criminal prosecution."

Most licensed contractors know about the Board's enforcement efforts against unlicensed contractors: the stings, sweeps and public awareness campaigns. This article looks at enforcement involving licensed contractors.

The heart of the enforcement process, according to Ms. McGagin, lies in the interactions among contractor, client and CSLB district office personnel. "Our CSRs and deputies are all trained in customer service and conflict resolution methods," she said. "We're not there to argue for any particular viewpoint or constituency. We want to get problems resolved."

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Board Briefs....

CSLB Task Force Updates

The following task force updates are as of the June Board committee meetings.

Education. The Contractor Education Task Force will present its final recommendations to the Licensing Committee at the Board's July 20 meeting in Irvine. There was general agreement at the public hearings that education is good, but industry representatives and most others felt it should not be mandated.

Home Improvement. The Classification and Regulation

Task Force, charged with examining whether a separate classification for contractors working in the field of home improvement is needed, presented its recommendations to the Licensing Committee. The committee accepted the recommendations and dismissed the task force.

The recommendations include a proposal to study a new certification for home improvement work. The study should consider whether there should be: education

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Tips to Tame Trouble

The main cause of enforcement actions is complaints. And the main cause of complaints, according to Victoria Fallon, supervising deputy of the Sacramento district office, is poor communication.

"Good contractors make a point of establishing and maintaining good relations with their clients," she said. "They keep in touch, return calls, describe what's going on, explain why there are problems and what they're doing about them. They put any changes in writing, including cost, and have clients sign change orders before doing the work.

"Some homeowners have heard horror stories about contractors, and when their contractor doesn't keep them informed, they begin to get nervous. Not too long after that they start to become hostile, and hostile clients can lead to real trouble."

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State of California

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Governor

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Director, Department of
Consumer Affairs

Gail W. Jesswein
Registrar of Contractors

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Board Member Paul Petersen Succumbs to Cancer

Contractors State License Board member Paul C. Petersen died on April 6 after a lengthy battle with cancer. He was 76.

Mr. Petersen's appointment to the Board by Gov. Pete Wilson was effective from August 1, 1991, to June 1, 1995. During his tenure on the Board he served as vice-chair in 1993-94.

"The building industry has lost a true giant," said CSLB Registrar Gail Jesswein. "His contribution to our field is impossible to measure, but the results of his commitment to excellence should stand as an inspiration to his fellow contractors for many years to come."

Mr. Petersen entered the



construction field in 1935 as an apprentice in the San Francisco Bay Area. In 1953 he founded Whitecliff Homes, a San Mateo-based company that has since built more than 20,000 homes and apartment units from Sacramento to San Jose.

Among the posts he held during his career in the construction industry were director of the National Association of Home Builders, chair of the Construction Industry Advancement Fund of Northern California, three-time president of the West Bay Division of the Building Industry Association and a founding father of the Pacific Coast Builders Conference.

1994 Reference Book Supplement Now Available

The 1995 Supplement to the 1994 edition of the *California Contractors License Law and Reference Book* is now available from the CSLB headquarters in Sacramento or the Department of General Services. The supplement updates Chapters 6, 7 and 8 of the reference book.

Supplies of the supplement at CSLB headquarters are limited. To obtain a copy, send a self-addressed, stamped 6 1/2" X 9 1/2" envelope to:

LAWBOOK SUPPLEMENT
CSLB
P.O. Box 26000
Sacramento, CA 95826

Postage is \$1.24.

Supplement copies at the Department of General Services may not be ordered separately but must be purchased with the *California Contractors License Law and Reference Book*. Price of the supplement-reference book

combination is \$16.35, which includes tax, postage and handling. Cost of the reference book alone is \$13.50.

To order the reference book or the supplement-reference book combination, send a check or money order (no cash) to:

Office of Procurement
Dept. of General Services
P.O. 1015
North Highlands, CA 95660

Be sure to specify whether you are ordering the reference book or the combination. Be sure also to include the recipient's name and a street address. All orders are shipped via UPS and cannot be delivered to a post office box.

Neither the book nor the supplement is available through any CSLB field office, but they may be available at specialty bookstores. Please check your local telephone directory.

Classification Notes Installation of Fire Alarms Now Limited to C-10s

Installers of fire alarm systems are now required to hold a C-10 license, according to new regulations.

The change, approved in May by the state Office of Administrative Law, went into effect June 16.

Prior to this change, fire alarm systems could be installed by C-7 (low voltage) as well as by C-10 (electrical) contractors. The change limits installation to C-10 contractors.

The regulatory definition of low voltage contractors (section 832.07 of Chapter 8 of Title 16 of the California Code of Regulations) now reads as follows: "A communication and low voltage contractor installs, services and maintains all types of communication and low voltage systems which are energy limited and do not exceed 91 volts. These systems include but are not limited to telephone systems, sound systems, cable television systems, closed-circuit video systems, satellite dish antennas, instrumentation and temperature controls, and low voltage landscape lighting. Low voltage fire alarm systems are specifically not included in this section."

The change was prompted by concerns among fire protection district personnel that many C-7 contractors were not qualified to install fire alarm systems and that improperly installed systems might fail to function and thereby result in loss of life or property.

Questions? Write a CSLB classifications deputy, Contractors State License Board, P. O. Box 26000, Sacramento, CA 95826.

Mighty Myers: Remarkable Roadbuilder

Look! Up in the sky! It's a bridge! It's a crane! His company is faster than a speeding bullet! Able to leap tall obstacles in a single bound, he's Sacramento-area licensed contractor C. C. Myers.



Founder of C.C. Myers, Inc. — one of the state's largest and most reputable highway contractors — Mr. Myers has pulled off superhuman feats. As unassuming as Clark Kent, Mr. Myers noted, "There is a sense of family and teamwork with all of our employees sharing pride in projects completed."

Well, no wonder, when you peruse the project list.

After the 1989 Loma Prieta earthquake, C. C. Myers, Inc. rebuilt two freeway bridges near Watsonville in 55 days -- a world record.

Running crews around the clock in 1994, the company completed repairs on the quake-damaged Santa Monica Freeway 74 days ahead of schedule, earning a \$14.8 million bonus. Governor Wilson said, "We rebuilt the world's busiest freeway in just 66 days. Part of our success came from contracting with private firms — to speed rebuilding and keep down the costs."

Again working around the clock earlier this year, the firm took just 21 days to replace a flood-damaged bridge on Interstate 5 in the San Joaquin Valley. Completing the project 29 days

early earned him an \$870,000 bonus.

"We come in ahead of schedule and under budget because we use the best skilled workers and run the job with a talented management team," said Mr. Myers.

"Those of us in the construction industry know what it takes to build a first-class infrastructure: government commitment, quality contractors and a skilled, hard-working labor force. Each member of my crew has a job to do in a tough and dangerous occupation. At the end of the day they go home feeling tired, but proud.

"Every construction worker I've ever known points with a special pride as he or she tells the kids, 'I built that'," Mr. Myers noted.

The key to success, he says, is to motivate, not to micromanage. His staff is motivated to show what they can do. For Mr. Myers, "Motivating is really easy."

He started by motivating himself, leaving home at 16 after deciding he didn't enjoy farming. He "kept passing this ugly old bridge," got a job building bridges and freeways and has been building them ever since. In 1955 he went to work for a Southern California-based contractor who sent him throughout California to manage highway projects.

In 1977 he started his own firm. His annual revenues have grown from \$6 million to more than \$135 million this past fiscal year.

"People have responsibilities in different areas. It's individual responsibility, combined with teamwork. Everyone is totally involved, and jumps right in, from

C.C. Myers, Inc. employees, to our subcontractors, to government inspectors."

"The Santa Monica freeway is a great example of what we can accomplish when we pull together," continued Mr. Myers. "Nobody's ever done what we did."

Silently attesting to his team approach is the large mahogany conference table Mr. Myers uses as his desk. Padded comfortable chairs surround the table, hinting of many team meetings. The many plaques and awards the firm has earned line the hallways and reception areas for everyone to enjoy. Self-assured enough to share credit, he recently wrote in the company newsletter, "As a team, we are MIGHTY."

What Mr. Myers finds mighty interesting is new design — "how to do it better today than you did it yesterday." For instance, on a project under Highway 280 in San Francisco, instead of tearing out and replacing one section as originally planned, "we redesigned and retrofitted it."

He takes pride in his company's innovative approach and delights in his career. "I love my job and enjoy what I do." His good humor shines through in the old-fashioned popcorn machine in his wood-paneled office.

The ultimate proof that he relishes the business comes when asked what he does to relax. "I'm building a new home," he said. Asked if that wasn't work, he responded, "I like to do that." He also likes cruising in his speedboat and going out for a good dinner.

But what he enjoys most is time with his wife and two sons. Somehow, it's easy to imagine him pointing out projects to his sons, and saying, "I built that."

Applications Now Need FEIN or SSN

Beginning January, the CSLB no longer processes any license or renewal applications that do not include either a Federal Employer Identification Number (FEIN) or a Social Security Number (SSN).

The FEIN is required for all partnership applications, including husband-wife partnerships. The SSN is required for all others. Nonresident aliens in the country legally and required to provide a SSN for licensure under Section 30 of the Business and Professions Code can obtain it from the Social Security Administration.

To avoid having your application returned, be sure it includes your FEIN or SSN.

Feds Offer Business Aid

Contractors in need of business counseling or assistance should look into the services provided by an innovative federal program known as SCORE.

SCORE ("Service Corps of Retired Executives"), a component of the federal Small Business Administration, makes the knowledge and experience of retired business executives and small business owners available to people trying to succeed in today's business environment. SCORE has offices in cities and communities statewide that offer workshops and both short- and long-term counseling by retired business people. The counseling sessions are free, but there is a fee of \$25 to \$50 for most workshops.

To locate the SCORE office in your area, look for the Small Business Administration entries in the white pages of the telephone book under U.S. Government Offices.

Report (cont. from page 1)

Voluntary arbitration must meet the following conditions. The contractor cannot have a history of repeated or similar violations, must be in good standing at the time of the alleged violation and at the time of referral to arbitration, and cannot have any outstanding disciplinary actions. The parties must not have previously agreed to private arbitration of any disputes, in their contract or otherwise. If these requirements are met, the case is referred to the arbitration association approved by the Board and the arbitrator's award is considered an order of the registrar. Failure of the licensee to comply with the arbitration award shall result in automatic license suspension.

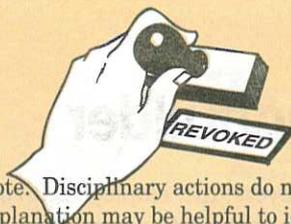
Arbitration in this program is binding -- that is, both parties must comply with the decision. Parties who refuse to comply may be taken to court and have a judgment entered against them. Licensed contractors who fail to comply with an award can have their licenses suspended or revoked.

Mandatory arbitration is also binding. To qualify for mandatory arbitration, the contractor's license must be in good standing and without prior violations. Also, the parties must not have agreed previously to private arbitration of the dispute, in their contract or otherwise.

Arbitration provides benefits to both contractor and consumer: It is fast (about 120 days); the hearings are informal; all decisions are binding and enforceable in court; and the complaint will not be disclosed, nor will the contractor's license be suspended or revoked, unless the contractor fails to comply with the award.

In both programs the CSLB provides and pays for one expert witness, the arbitrator and all administrative fees.

(Continued on page 5)



Disciplinary Actions from March 1, 1995, to May 31, 1995

Note. Disciplinary actions do not include licenses suspended for failure to maintain required bonds. The following explanation may be helpful to identify causes of disciplinary action indicated by sections referenced in the table of Disciplinary Actions.

Business and Professions Codes

490	Relationship of conviction of a crime to licensed activity	7101.1	Violation of Section 206.5 of the Labor Code
7018.5	Failure to provide notice to owner regarding lien provisions	7111	Failure to keep records and to make them available to a representative of the Registrar
7026.7	Advertising as a contractor without a license	7111.1	Refusal to or failure to cooperate with deputy in investigation
7028	Acting in the capacity of a contractor without license	7112	Misrepresentation of a material fact on an application
7029	Contracting as a joint venture without the required license	7113	Failure to complete a project for the price stated in the contract
7029.5	Failing, as a plumbing, electrical sign or well drilling 7029.6, 7029.7	7113.5	Avoiding or settling for less than lawful obligations as a contractor through the various bankruptcy proceedings
7030	Failing to include in a contract the notice that contractors are licensed by the Contractors State License Board	7114	Aiding and abetting an unlicensed person
7030.5	Failing to fulfill the requirement that the contractor's license number be placed on all contracts, subcontracts, calls for bid, and other forms of advertising	7115	Failure to comply with the Contractors' Law
7071.11	Judgment or admitted claim against bond	7116	Committing a willful or fraudulent act as a contractor
7083	Failing to report a change of address, namestyle, or personnel within 90 days	7117	Acting as a contractor out of namestyle
7085.6	Failure to comply with an arbitration award	7117.5	Contracting with inactive license
7090.1	Failure to comply with civil penalty or "order to correct" in Registrar's citation	7118	Contracting with unlicensed person
7097	Suspension of additional licenses	7119	Failure to prosecute a job with diligence
7098	Revocation of additional licenses	7120	Failure to pay for materials or services
7099.6	Non-compliance with a final citation	7121	Prohibition against associating with suspended or revoked license
7107	Abandonment of a project without legal excuse	7122	Participation of license in violating Contractors Law
7108	Diverted funds or property received for a specific job to other purposes	7122.5	Responsibility of Qualifying Person for acts committed by his/her principal
7109	Willfully disregarded plans and specifications, or has failed to complete the job in a good and workmanlike manner	7123	Conviction of a Felony in connection with construction activities
7109.5	Violation of Safety Laws resulting in death or serious injury	7124	A plea of nolo contendere is considered a conviction
7110	Willful disregard and violation of building laws	7154	Employment of unregistered home improvement salesman
		7155	Participation in violation by a home improvement salesman
		7157	Model Home kickback prohibition
		7159	Failure to comply with contract requirements
		7161(b)	False advertising

Licenses Revoked

NAME AND CITY	LIC#	SECTIONS VIOLATED
A A A HYDROSEED, LOTUS	649441	7097, 7098, 7112, 7121.5
A C I CONSTRUCTION INC., CITY OF INDUSTRY	622880	7090.1
A CARPET DEN, RIVERSIDE	613925	7090.1
AAA QUALITY ELECTRIC, RIVERSIDE	543900	7090.1
AARDVARK ASPHALT REPAIR, PITTSBURG	426385	7090.1
ACS ASBESTOS HAZARD MANAGEMENT INC., PITTSBURG	509510	7090.1
ALADDIN POOLS & SPAS INC., SIMI VALLEY	582280	7090.1
ALL AMERICAN GLASS & MIRROR, OXNARD	598000	7090.1
ALL WEATHER LANDSCAPES, NAPA	545323	7109, 7113, 7115, 7159, 7030, 7097, 7098, 7121, 7121.5
ALLANTE CONSTRUCTION SERVICES INC., SACRAMENTO	480988	7090.1
AMAZON WATER WELLS, SAN JUAN BAUTISTA	635063	7107, 7108, 7110 (1689.7), 5115 (7018.5, 7030), 7116, 7117.5, 7097, 7098, 7121.5
AMERICAN EXTERIORS, LOS ANGELES	381497	7090.1
ANDERSEN PLASTERING, VISTA	603164	7090.1
ANDERSON PATRICK CUSTOM BUILDER, DES MOINES, IA	576201	7090.1
ANTHONY CONSTRUCTION, RICHMOND	473264	7085.6
APEC ROOFING AND SIDING INC., EL CAJON	408071	7090.1
ARMS ENGINEERING INC.		
DBA ARMS CONSTRUCTION, IRVINE	596342	4567, 1044, 1111, 1111.1
ARNOT JAMES, FALLBROOK	568240	7090.1
ASSURED ROCK & WATERSCAPE, RIVERSIDE	522741	7090.1
AUSTIN SIGNS, SANTA ANA	573023	7090.1

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Revocations (cont. from page 4)

AYAZJOO SAKO, GLENDALE	607820	490, 7112, 7123, 7097, 7098, 7121, 7102
B C ARTISTIC CONCRETE, MORRO BAY	556304	7090.1
BAKER JAMES L ROOFING, SAN JOSE	494722	7090.1
BAKER STEVE, LONG BEACH	502742	7090.1
BARBA JERRY A PAINTING AND DECORATING, LA VERNE	536842	7090.1
BARRETT & LOKUS CONSTRUCTION CO INC., COSTA MESA	345338	7090.1
BENCHMARK DESIGNS INC., COSTA MESA	574784	7090.1
BERHOW CONSTRUCTION, LAKEWOOD	602662	7090.1
BERRY MARC CONSTRUCTION INC., RANCHO CUCAMONGA	528744	7090.1
BETH JOHN A CUSTOM WOODWORKING, COSTA MESA	553061	7108, 7113, 7116, 7097, 7098, 7121, 7121.5
BOGHOSKHAN CHARLES, BURBANK	605982	490, 7112, 7123, 7097, 7098, 7121, 7102
BRENES DRYWALL CO., IRVINE	379087	7090.1
BREWSTER ARTHUR J CONSTRUCTION, VILLA PARK	460827	7090.1
BRIERTON TERENCE PATRICK, SAN DIEGO	643625	7085.6
BRIGHAM CONSTRUCTION & DEVELOPMENT INC., LOS ANGELES	601522	7090.1
BUSY BEE CONSTRUCTION & MAINTENANCE, SANTA ANA	526791	7090.1
C M & R PROPERTY MAINTENANCE, CASTRO VALLEY	501071	7090.1
CADDY KEITH ELECTRIC, AUBURN	656326	7090.1
CDI MANAGEMENT INC., BEAVERTON, OR	598320	7090.1
CHRISTY MECHANICALNORTH HIGHLANDS	572326	7090.1
CLARK THOMAS J., ZEPHER COVE, NV	520405	7090.1
COASTAL BUILDING AND DEVELOPMENT, HUNTINGTON BEACH	617289	7090.1
COMMAND CONSTRUCTION CO., INC., ENCINITAS	679666	7121.5, 7122.5, 7102
COMMAND ROOFING SERVICES, INC., SANTEE	586607	7109, 7113, 7115, 7159, 7097, 7098, 7121.5
CONLEE LEE B ROOFING CO., N HOLLYWOOD	112438	7090.1
CONSTRUX, THOUSAND OAKS	591465	7090.1
CONTRACT SHEET METAL INC DBA CERTIFIED SHEET METAL, MOORPARK	579501	7090.1
COOK, ROGER, ENCINO	556308	7090.1
CRAFTSMEN CONSTRUCTION, FREMONT	544221	7107, 7109, 7119, 7116, 7097, 7098, 7121, 7121.5
CREATIVE CONCRETE, YUBA CITY	648336	7109A, 7713, 7115(7159) (7083)(7164) 7097, 7098, 7121, 7121.5
CUSTOM SERVICES OF NORTHERN CAL., CASTRO VALLEY	589043	7090.1
DALE J OWEN, YUBA CITY	454774	7109, 7113, 7115(7030, 7159), 7117, 7154, 7097, 7098, 7121, 7121.5, 7102
DAVE DODD FLOORING, EL SOBRANTE	612085	7107, 7109, 7113, 7115(7030) (7030.5) (7159), 7097, 7098, 7121.5
DECKOTE CONSTRUCTION COATINGS, WOODLAND HILLS	512006	7090.1
DELTA-TECH CONTRACTORS INC., SACRAMENTO	523704	7090.1
DI MARZIO ROOFING SERVICE, CAPITOLA	636562	7107, 7109, 7113, 7115(7159) (7030), 7097, 7098, 7121.5
DU VALL DENNIS PAINTING SERVICE, SACRAMENTO	576103	7090.1
E & B AWNING, REDLANDS	466727	7112, 7097, 7098, 7121, 7121.5
EATON JR WILLIAM DBA THE CARPET MAN, SAN BERNARDINO	331776	7090.1
ENVIRONMENTAL SYSTEMS ENGINEERING INC., VICTORVILLE	596321	7090.1
EVEREDDY BLDRS, SIMI VALLEY	319728	7109, 7110, 7113, 7115(7030, 7159), 7117, 7121, 7098
EXCALIBUR CONSTRUCTION, PLACENTIA	606207	7107, 7113, 7115(7083.1 7159), 7116
F S C BUILDERS INC., SAN JOSE	647375	7107, 7108, 7113, 7115, (7068.1, 7159), 7116, 7097, 7098, 7121.5, 7122.5
FAIRWEATHER HEATING & AIR COND., NORCO	602524	7090.1
FERREIRA CONSTRUCTION, FOLSOM	551767	7090.1
FISHER CONSTRUCTION, SAN LUIS OBISPO	596890	7090.1
FIVE STAR ROOFS, PALMDALE	529760	7090.1
FLAMINGO POOLS/SPA'S, RIVERSIDE	315369	7090.1
FLOYD ALLEN CUSUMANO, CAMBRIA	510685	7107, 7109AB, 7113, 7115, 7018.5, 7064, 7159, 7116, 7120, 7121
FONTENLA JOSE G., GLENDALE	409002	7090.1
FORCIER CONSTRUCTION CO., ORANGE	270785	7113, 7119, 7115(7028)
GOLD COUNTRY LATHING, COLFAX	609629	7090.1
GOLDEN STATE CONCRETE, PALMDALE	463747	7090.1
GOLDEN STATE ROOFING, SAN FRANCISCO	665029	7109, 7113, 7115(7159), 7116, 7097, 7098, 7121, 7121.5
GOULD MICHAEL C., SANTA BARBARA	449330	7090.1
GRECO CONSTRUCTION, SANTA ROSA	345181	7110(1771 & 1774), 7116, 7102,
GREGORY POOLS, MERCED	627717	7090.1
GUY JOSEPH, INC., TEMECULA	574330	7108, 7108.5, 7115, 7030.5, 7116, 7120, 7097, 7098, 7121.5
H & P CONSTRUCTION, PORT HUENEME	518221	7090.1
H T PAINTING, REDONDO BEACH	513009	7090.1
HAEGER MEL CO., CARMICHAEL	316800	7090.1
HAMILTON GEORGE, LOS ANGELES	413743	7090.1
HAWKINS REGINALD M., SUGARLOAF	475753	7090.1
HEARNE COMMERCIAL, OAKLAND	395492	7090.1
HENRY JOHN ROOFING CO., CORONA DEL MAR	415232	7085.6
HERNANDEZ TONY CEMENT CONTRACTOR, GOLETA	271047	7090.1
HILTERBRAND CARL, COSTA MESA	592451	7090.1
HOGAN CONSTRUCTION CO., SAN CARLOS	525970	7107, 7113, 7116, 7108, 7120, 7115(7159), 7097, 7098, 7121.5
HOGAN F M SWIMMING POOL CONSULTANT, BREA	577492	7107, 7108, 7113, 7115(7028), 7116, 7117, 7121, 7102
HOLLYWOOD DEVELOPERS, HOLLYWOOD	646677	7098, 7121.5
HOTEL INTERIOR SERVICES, SAN DIEGO	510246	7090.1
HOUSER MIKE GENERAL CONTRACTING, RIVERSIDE	481052	7090.1
HOVING TIMOTHY A., LAKE ARROWHEAD	441323	7090.1
HUGHES MICHAEL ARTHUR III DBA GUARDIAN ROOF CO., FRESNO	416881	7090.1
HUNTER G CONSTRUCTION, SAN DIEGO	584973	7090.1

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Report (cont. from page 4)

Key to the success of arbitration is well-trained, experienced arbitrators. The CSLB is using Arbitration and Mediation International to provide arbitrators. Our arbitrators must have at least four years' experience in a construction-related industry or as an attorney, judge or arbitrator on construction-related cases. They must have passed an arbitrator's course on construction arbitration or be licensed to practice law in California, and they must keep abreast of construction technology and laws relating to arbitration. They also receive training on the arbitrator's code of ethics, law, administrative procedures and techniques, and CSLB arbitration procedures, laws and policies.

"Arbitration is fast free and fair! It's also fail-safe for contractors by allowing those with good records to keep them that way."

Since January 1995, arbitration in California has climbed steadily to more than 100 cases per month. Many disputes between consumers and contractors can be resolved efficiently and satisfactorily through arbitration.

An article elsewhere in this issue, "CSLB Enforcement: The Nuts and Bolts," details what happens if arbitration is not used.

President Lincoln's advice about discouraging litigation is more appropriate today than ever. Hopefully all your customers will be happy and you will never need arbitration. But if you do, I encourage you to try it. Arbitration is a benefit earned by virtue of your good record. Use arbitration to keep your record that way.

Tips (cont. from page 1)

Ms. Fallon also advises contractors not to ignore calls from CSLB field personnel. "If a CSR or deputy calls," she said, "he or she is probably working on a consumer complaint. It's in your interests to find out about the complaint and to show a willingness to take care of it. We're interested in working with you to remedy the problem."

Philip Treas, supervising deputy for the San Diego district office, advises contractors to make corrections a high priority. "Too many contractors say they'll take care of something and then don't. If you can't get to it quickly, be honest and realistic about when you can get to it. Homeowners don't like to hear that something will be remedied in a week and two weeks later nothing has happened.

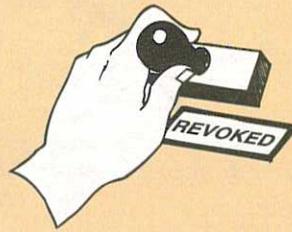
"Better than that is saying you'll get to it and then doing it when you said you would."

Briefs (cont. from page 1)

requirements that emphasize residential remodeling; testing that emphasizes the residential work environment; a separate bond or liability insurance requirement; a phase-in period with no consideration for "grandfathering"; or an additional cost or licensing fee.

Other recommendations include: raise to \$1,500 the limit on the right to reconsider a home solicitation contract and specify that it applies only to a duly licensed contractor responding to a call; raise the amount on the home improvement contract form to \$2,500; develop a pamphlet specifying what contractors must provide to homeowners in home improvement notices and contract documents; and have staff prepare an issue paper that clarifies how framing or carpentry experience would be considered in qualifying for a "B" license once the new C-5 carpentry classification goes into effect (probably in early 1996).

(Continued on page 8)



Revocations (cont. from page 5)

HUNTOON JOHN PATRICK, EL SEGUNDO	596171	7090.1
I E C S INC., GLENDALE	532506	7090.1
ICE CONCEPTS INC., VAN NUYS	556727	7107, 7109, 7110BC, 7113, 7115, 7030, 7121, 7121.5, 7159,
INCREDIBLE KITCHENS, DIAMOND BAR	655346	7107, 7109, 7113, 7115(7030, 7030.5, 7159D, 7159F, 7159G, 7159H,
		7159J, 7159K, 7159L) 7116, 7097, 7098, 7121.5
INGRAM ELECTRIC, GLENDALE	468090	7090.1
INLAND PACIFIC ELECTRIC, CORONA	638367	7090.1
IRVINE CONSTRUCTION, SACRAMENTO	414836	7090.1
J P S CONSTRUCTION & SUPPLY INC., LOS ANGELES	600710	7090.1
J R BUILDERS, LAGUNA BEACH	523107	7085.6
J S CONSTRUCTION, PLAYA DEL REY	599255	7090.1
JACKSON AND SON GENERAL CONTRACTORS & CARPENTERS, LOS ANGELES	432133	7090.1
JACKSON ENTERPRISES, SAN RAFAEL	617470	7122.5
JERSEY CONSTRUCTION COMPANY, INC. DBA: SUNWEST BUILDERS, ORINDA	577526	7107, 7108.5, 7109, 7113, 7115, 7159, 7028, 7116, 7120, 7121.5, 7123, 490
JMJ CONSTRUCTION INC DBA A AFFORDABLE ROOFING, LOS ANGELES	614710	7098, 7121
JOHNSON MICHAEL C., CANYON COUNTRY	659079	7107, 7108, 7113, 7115(7030) (7159), 7116, 7117, 7161(B), 7083, 7097, 7098, 7121, 7121.5
JOSE MARIA SALCEDO & CO., FRENCH CAMP	534334	7098
JUU YU CONSTRUCTION INC., MONTEREY PARK	619948	7090.1
KARAMAR LANDSCAPE, ORANGEVALE	594542	7090.1
KAUFENBERG MICHAEL P., SACRAMENTO	617425	7090.1
KEA - MAC CONSTRUCTION CO., YORBA LINDA	422851	7090.1
KIM MYUNG HO, ANAHEIM	641737	7090.1
KINGS CANYON CONSTRUCTION CO. INC., SQUAW VALLEY	458454	7090.1
KINGSON ENTERPRISES INC., FRESNO	576269	7090.1
LA PALMA DRYWALL, PERRIS	275449	7090.1
LAAN MASONRY, VENTURA	341680	7090.1
LARRY E PRATT, SHASTA	316598	7107, 7109, 7113, 7097, 7098, 7121.5
LARSON JERRY ROOFING, CARLSBAD	249187	7090.1
LEE MENEFFEE CONSTRUCTION, YUCAIPA	327638	7109, 7113, 7119, 7121
LEMMONS ROBERT CONSTRUCTION CO., SAN DIEGO	479394	7090.1
M B R, HAYWARD	457961	7090.1
M C CABINET CO., INGLEWOOD	538572	7098, 7121.5
M J W CONSTRUCTION, SAN CLEMENTE	474135	7107, 7109A, 7113, 7098, 7097, 7121.5
MARKKRIS ROOFING CO., NORTH HOLLYWOOD	458348	7090.1
MASONRY SPECIALTIES, SACRAMENTO	517521	7090.1
MATTHEW LOMBARDI CONSTRUCTION, SAN ANSELMO	470813	7108.5, 7120, 7116, 7097, 7098, 7121.5
MC CARTNEY KIRK A., LA COSTA	519369	7090.1
MC COLLUM ROOF SERVICE, S PASADENA	412154	7090.1
MEL'S BACK INC., UPLAND	600690	7090.1
MERIT ROOFING, ROSEVILLE	593431	7090.1
MEYER & SONS CONSTRUCTION CO., JANESVILLE	359385	7090.1
MICHELMORE PETER BLAIR, NEWPORT BEACH	573688	7090.1
MORGAN & SON LATH AND PLASTER, HIGHLAND	383971	7090.1
NOR-CAL ROOFING CO., ROHNERT PARK	307224	7108, 7110, 7115, 7116, 7120, 7123, 7121, 7121.5, 7098, 7102
NORTHERN CALIFORNIA C & S INC dba BRAZIL		
GEORGE PLUMBING HEATING & AIR CONDITION, FREMONT	595583	7090.1
ORNAMENTAL BUILDERS	657926	7107, 7113, 7116, 7117(A), 7114, 7115(7159), 7097, 7098, 7121.5
P C S CONSTRUCTION CO., LITTLEROCK	590010	7090.1
PACE LARRY CONSTRUCTION, SAN LUIS OBISPO	449307	7090.1
PACIFIC INDUSTRIAL INC., RANCHO CORDOVA	511874	7090.1
PACIFIC RIM CONSTRUCTION, SAN ANSELMO	521134	7090.1
PARODE BUILDERS, SAN RAFAEL	323412	7098, 7122.5, 7102
PATRICK MICHAEL SCULLEY, O'BRIEN, OR	546755	7098, 7122.5
PERAZA TONY, RIVERSIDE	416186	7090.1
PERKINS TIMOTHY P., SAN DIEGO	455410	7090.1
POOL EQUIPMENT PROTECTION SERVICES, RESEDA	526651	7090.1
PRECISION BUILDING CONCEPTS, GUADALUPE	612294	7090.1
PROCESSING SYSTEMS INTERNATIONAL, CORNING	458054	7109, 7113, 7115, 7159, 7097, 7098, 7121.5
RIO GRANDE LANDSCAPE CONSTRUCTION CO., CONCORD	504349	7090.1
ROBERT LEE MAIERS, ENCINITAS	599074	7121.5, 712 2.5
ROLLIN THUNDER CONSTRUCTION, LOMPOC	628490	7090.1
ROVERTO C HERNANDEZ, LINDEN	309938	7098
RUDI'S MASONRY CONSTRUCTION CO., LANCASTER	363475	7090.1
RUPE M W GENERAL CONTRACTOR, BELLFLOWER	490174	7090.1
RUSSELL J C, COSTA MESA	371926	7090.1
RYSTIN INDUSTRIES INC., NORTHBRIDGE	574656	7090.1
S E H CONSTRUCTION, SAN MATEO	585272	7107, 7113, 7116, 7120, 7115 (7030) (7159), 7119, 7097, 7098, 7121.5
SAL-HER CONTRACTOR CO., FRENCH CAMP	649844	7107, 7109, 7110, 1689.7, 7113, 7115, 7030, 7030.5, 7018.5
SALAZAR SALVADOR BERMUDEZ, RIALTO	622094	7090.1
SCHEMBRI JAMES M ROOFING, HEMET	234278	7090.1

[continued on page 7]

Enforcement (cont. from page 1)

The official starting point of every CSLB enforcement action is the complaint form. When a complainant contacts a CSLB field office, the office sends him or her a complaint form to complete and return. Barring exceptional circumstances, no enforcement action goes forward until this form has been returned.

Upon receipt of the complaint form, the field office sends a contact letter to both the complainant (the person filing the

complaint) and the respondent (the contractor identified in the complaint) identifying the parties and the nature of the complaint. It also contains questions the parties are supposed to answer and return in seven days.

When the contact letters are returned, the case goes to a consumer service representative (CSR). The CSR studies the complaint form and the returned contact letters, then calls the parties to collect additional information and documentation

and if possible to help find a mutually agreeable solution. About one-third of all field complaints filed are resolved and closed at this level.

If the CSR can't resolve the dispute, he or she will refer it to the district supervisor. The supervisor can decide to close the complaint, in which case the parties receive written notification of this decision, including an explanation of the reasons for this decision, or to have a deputy registrar look into it further.



Complaints that require further Board involvement go to a deputy registrar. Once a complaint goes to a deputy, the likelihood the matter will result in a legal action against the contractor — citation, accusation, injunction or criminal charges — increases significantly. A legal action remains virtually a permanent part of a contractor's official record and can have a very damaging effect on the contractor's future success. We urge contractors to try to work out problems with clients before the CSLB or any other enforcement agency becomes involved.

The deputy starts by reviewing the case file, then notifying the parties of his or her involvement. The deputy may then go to the work site alone, arrange for a site visit by an expert witness or go with the expert to the site. In most cases the expert assesses the workmanship at the site and files a report of the findings with the district office within 30 days of being hired.

If the expert's report confirms allegations of poor workmanship, the deputy notifies the licensee of the expert's findings. In most workmanship cases, the legal action is a citation with two parts: a correction order specifying how much the respondent must pay to make it right, and a civil penalty, generally from \$200 to \$2,000 (unless the contractor knowingly involved or facilitated the involvement of an unlicensed contractor, in which case the civil penalty can be as high as \$15,000).

At this point the contractor must comply with the correction

(continued on page 8)

Revocations (cont. from page 6)

SCOTT CROWN PARKER GENERAL CONTRACTOR, SAN CLEMENTE	524675	7097, 7098, 7121, 7121.5
SEFFENS PAUL PLUMBING, SANTA MONICA	252068	7090.1
SHIDLER DAVE LANDSCAPING, LOS ANGELES	626406	7090.1
SICURO FRANK X., CANYON COUNTRY	400429	7090.1
SMITH JAMES L ELECTRICAL CONTRACTORS INC., OXNARD	261908	7090.1
SNYDER & DICKENSON CO., VAN NUYS	297891	7090.1
SOUTH COAST DESIGN, COSTA MESA	566374	7090.1
SPECIALTY ROOF SYSTEMS INC., CALABASAS HILLS	513196	7090.1
STERLING VENTURES formerly E. JAMES CONSTRUCTION, SAN RAFAEL	605060	7109(A,B), 7113, 7116, 7119, 7097, 7098, 7121, 7121.5
STRELOW II JAMES C CONSTRUCTION INC., HUNTINGTON BEACH	632989	7090.1
STUDENT PAINTERS INC. DBA STUDENT PROWORKS PAINTING, COSTA MESA	526005	7107, 7109, 7113, 7115, 7116, 7117, (7159), 7154, 7097, 7098, 7121, 7121.5
SULLIVAN'S CONSTRUCTION CO., YUBA CITY	627896	7107, 7109, 7113, 7715, 7159, 7121.5, 7102
SUPERIOR CONSTRUCTION, TUSTIN	527294	7113, 7119, 7115(7159), 7122.5, 7102
SUPERIOR URBAN DEVELOPMENT CORP., LOS ANGELES	400976	7090.1
T N T CONSTRUCTION, SHERMAN OAKS	491533	7090.1
TARPLEY CONSTRUCTION CO., OAKLAND	392429	7107, 7113, 707111(C), 719(A)(B)
TAVAGLIONE CONSTRUCTION CONSULTANT CO., RIVERSIDE	267431	7090.1
THE ELECTRICAL WORKS AND GENERAL CONSTRUCTION, SACRAMENTO	325508	7107, 7109, 7110(1689.7), 7113, 7115(7030, 7159), 7097, 7098, 7121.5
THE FINISHED CARPENTER, FREMONT	513257	7090.1
THE FLOOR STORE, SACRAMENTO	624404	7090.1
THE FLOOR STORE INC., CARMICHAEL	668488	7122.5
THE PACIFICA CORP., WESTLAKE VILLAGE	562745	7090.1
THEISEN SR HARRY L DBA SOUTH COAST POOLS, LAGUNA HILLS	518018	7090.1
THOLL JR PETER G GEN CONTRACTOR, ENCINITAS	289650	7090.1
THOMAS J BANKS CONSTRUCTION, MORGAN HILL	615663	7107, 7108, 7113, 7115 (7068.1, 7159), 7116, 71221, 7122.5, 7102,
THOMPSON PETER CONSTRUCTION, HESPERIA	609458	7090.1
TOCCO RALPH RUDOLPH, RIVERSIDE	613436	7090.1
TOVAR CONSTRUCTION SERVICES, MODESTO	588856	7090.1
TOWNE & COUNTRY LOG HOMES, PRATHER	539284	7090.1
TRI COUNTY PLUMBING, ANDERSON	676457	7107, 7109AB, 7113, 7116, 7120, 7083, 7097, 7098, 7121, 7121.5
TRINOVO CORPORATION DBA TRINOVO GROUP, STUDIO CITY	648019	7090.1
TURNER BENJAMIN CONSTRUCTION, SALINAS	293599	7107, 7109, 7110, 7113, 7115(7030, 7159), 7121, 7098, 7102
TWO HORNS ROOFING, ANAHEIM	582310	7090.1
ULARTE MANUEL PATRICK DBA P & L ENTRY AND VIEW, SUNLAND	560854	7090.1
UNIVERSAL CONSTRUCTION, MONROVIA	665937	7107, 7113, 7115(7159 A,D,J), 7097, 7098, 7121.5
UNIVERSAL CONTRACTOR, LOS ANGELES	529674	7090.1
V I P PAINTING & DECORATING, SACRAMENTO	461877	7090.1
VALLEY CONST CO., 29 PALMS	416928	7090.1
VELA GENERAL CONTRACTOR, PATTERSON	408866	7090.1
VIKING ROOFING, SIMI VALLEY	622758	7090.1
WESTCHESTER WOODCRAFT, LOS ANGELES	620679	7109, 7113, 7115 (7030, 7159) 7121, 712.5
WHITNEY & ASSOC. GENERAL CONTRACTING & DEVELOPMENT, SOUTH LAKE TAHOE	434267	7107, 7113, 7116, 7159D, 7098, 7121.5
WICKLAS CONSTRUCTION, LOS ANGELES	579917	7090.1
WRIGHT'S FLOOR COVERING, OAKHURST	563559	7090.1
YACHINI YEHUDA dba HOLLYWOOD DEVELOPERS, HOLLYWOOD	432365	7107, 7108.5, 7109, 7113, 7115(7159), 7117.5, 7121, 7121.5
YEE TONY LANDSCAPING & DESIGN, YUBA CITY	489658	7107, 7109, 7110(1689.7), 7113, 7115(7018.5, 7159), 7119, 7121, 7102,
YOSEMITE HEATING AND AIR CONDITIONING CO., FRESNO	581986	7090.1

Enforcement (cont. from page 7)

order. If payment isn't made within 30 days, the CSLB registrar will initiate action to suspend the contractor's license. A contractor who receives a citation does have the option of appealing the citation and having a hearing before an administrative law judge, who will take testimony from both sides, review the records and documents, and recommend a decision to the CSLB registrar.

The contractor who ignores a citation will have his or her license automatically suspended 30 days after the citation becomes final (a citation is final 15 days after the date of service). The Board will notify the contractor in writing before the suspension takes place, and the contractor has 15 days to appeal. If no appeal is filed, the license is suspended for one year. Resolution of the complaint at any time

during that year will ordinarily result in immediate license reinstatement.

If the contractor makes no effort while suspended to comply with the citation, at the end of the year the license is automatically revoked. If the licensee is a qualifier for other licenses, those licenses will also be affected.

To reinstate a revoked license, the contractor must reapply for a license and pay the application fee; pay the civil penalty and comply with the terms of the correction order as specified in the citation; and acquire and maintain a disciplinary bond of from \$15,000 to \$75,000 for at least two years (\$15,000 to \$100,000 for swimming pool contractors).

If the complaint involves a more serious violation, for example something that results

in a serious threat to public health or safety, the deputy can recommend an accusation: a request to suspend or revoke the contractor's license. The accusation request is developed by the district office and routed through the CSLB regional office to the Office of the Attorney General, where a deputy attorney general prepares a formal accusation for the CSLB regional office to send to the respondent, who can ask for a hearing before an administrative law judge by filing a notice of defense. The administrative law judge will review the evidence, listen to both sides, then send a proposed decision to the registrar, who can accept, revise or reject the proposal and issue his own decision.

Another avenue for conflict resolution between contractors and their clients is the use of a Board arbitration programs. (See the Registrar's Report on p. 1.)

Briefs (cont. from page 6)

Structural Defect. The Structural Defect Task Force submitted a recommended definition for structural defect to the Enforcement Committee at the June meeting. The CSLB is mandated to define the term by Dec. 31, 1995, since recent legislation extended the statute of limitations for disciplinary actions for patent and latent defects in construction.

As a first step toward placing the definition into regulation, a public hearing on the definition will be held at 1 p.m. on July 19 at the Irvine Hyatt Hotel. Written input must be delivered to the Board by 5 p.m. on July 17 and may be presented at the public hearing or sent to the Contractors State License Board, P.O. Box 26000, Sacramento, CA 95826. The definition will receive final consideration by the full Board in October.

California Licensed Contractor



Contractors State License Board
P.O. Box 26000
Sacramento, California
95826

CSLB CALENDAR

July 19: Public hearing on structural defect definition, Irvine Hyatt Hotel, Irvine

July 19: Contractor Education Task Force meeting, Irvine Hyatt Hotel, Irvine

July 20-21: Board meeting, Irvine Hyatt Hotel, Irvine

A schedule of the other FY1995-96 Board meetings will be available on the toll-free hotline (1-800-321-2752) after the July 20-21 Board meeting.



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