Synergy Business Park, Kingstree Building 110 Centerview Drive, Kingstree Building, Room 202-02 Columbia, South Carolina 29210 Minutes

Thursday, January 15, 2009

10:00 a.m.

Daniel Lehman, Chairman announced that the meeting was held in accordance with §30-4-80 of the South Carolina Freedom of Information Act by notice mailed to all requesting persons, organizations, and news media. In addition, notice was posted on the bulletin boards at the main entrance of the Kingstree Building.

WELCOME AND CALL TO ORDER:

Daniel Lehman, Chairman, called the regular meeting of the Contractor's Licensing Board to order at 10:00 a.m. Other members present for the meeting included: Kim Lineberger, Vice Chairman. Bill Neely, Douglas Greer, Mark Plyler, Lewis Caswell, and Wendi Nance.

Staff members participating in the meeting included: Sheridon Spoon, Deputy General Counsel, Michael Anderson, Administrator, Gary Wiggins, Administrator, Stan Bowen, Administrator, Joyce Thurber, Program Coordinator, Angela D. Scott, Administrative Assistant and Randy Gore, Court Reporter

Others present participating in the meeting included: John Sessions, Tina Sessions, Dan Askins, John Hickman, Bill Ramsey, Julian Barton and J. T. Darby.

Approval of Agenda:

Thursday, January 15, 2009

Motion

Ms. Nance moved to approve the Thursday, January 15, 2009, agenda adding Election of Officers and Legislation. Mrs. Lineberger seconded the motion, which carried unanimously.

Approval of Minutes:

Thursday, October 16, 2008

<u>Motion</u>

Mr. Caswell moved to approve the Wednesday, October 16, 2008, meeting minutes. Ms. Nance seconded the motion, which carried unanimously.

Election of Officers:

Chairman Lehman called for nominations from the floor for the Office of Chairman. Mrs. Lineberger moved to nominate Mr. Daniel Lehman to serve as Chairman. Mr. Caswell seconded the motion, which carried unanimously. There being no further nominations, the nominations were closed and Mr. Daniel Lehman was re-elected by acclamation. Chairman Lehman called for nominations for the Office of Vice-Chairman. Ms. Nance moved to nominate Mrs. Kim Lineberger to serve as Vice-Chairman. Mr. Plyer seconded the motion, which carried unanimously. There being no further nominations, the nominations were closed and Mrs. Lingberger was re-elected by acclamation.

Excused Members:

Mr. Frank Walker received an excused absence.

Chairman's Remarks:

Daniel Lehman

Chairman Lehman thanked the Board for their support. He commended the Board and staff on how well they were working on the legislation.

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Administrator's Remarks:

Michael Anderson

- 1. **"Yes Answers" -** Mr. Anderson informed the Board that all applications with "yes" answers have to be approved by the administrator. Staff is in the process of streamlining the application process and asked the Board to give guidance as to what "yes" answers they would like to review. Mr. Lehman requested staff to draft criteria on which "yes" answers require the Board to review.
- 2. **IRC Reports** Mr. Anderson stated that the Board will continue receiving the IRC reports but staff will be streamlining the IRC process. The Board will be receiving summarize case reports.
- 3. **Recreation Surface and Tennis Courts** Mr. Anderson informed the Board that staff needs guidelines from the Office of General Counsel as to what the statute covers regarding the grading process.
- 4. NPCAL International Playground Association Mr. Anderson stated that he received information from NPCAL International Playground Association. This is a non-profit organization that has members whom install playground equipment. They are requesting any information that may pertain to Playground Contractors who install playground equipment, recreational surfacing, bleachers, and/or athletic equipment.

Mrs. Lineberger

Mrs. Lineberger stated that any case that has a Board policy does not have to be reviewed by the Board, if there is no policy the issue would need to be brought before the Board.

Mr. Neeley and Mr. Caswell

Mr. Neely and Mr. Caswell both agreed that staff may contact them for the IRC hearings if needed since they are located in Columbia.

Mr. Spoon

Mr. Spoon referenced a meeting held on April 20, 2006, where the Board the Board reviewed licensure requirements for the construction of recreational projects and recreational surfaces that include asphalt paving or concrete paving \$5,000 per contract. Recreational projects were previously deemed to be exempt from licensure. Upon review of the wording of the statutes, the Board has developed the policy that addresses licensure for the construction of recreational projects, including golf course construction.

Mr. Caswell

Mr. Caswell asked whether the Board needed to list asphalt and concrete paving.

Mr. Neeley

Mr. Neely asked whether sub-section C falls under a general contractor.

Mr. Andeson

Mr. Anderson stated if contractors are going to do asphalt paving they would need an asphalt classification.

MOTION

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Ms. Nance made a motion, accept the staff's recommendations to amend policy to read: "asphalt or concrete paving classification would be required if concrete or asphalt paving is part if the process for recreational surface." Mrs. Lineberger seconded the motion, which carried unanimously.

Advisory Opinions:

Sheridon Spoon NONE

Legislative Update: NONE

Old Business:

Julian Barton – South Carolina Home Builders Association

Mr. Anderson informed the Board that he was contacted by Mr. Julian Barton, of the South Carolina Home Builders Association asking that residential experience be accepted for a limited building classification.

Mr. Barton testified that if an applicant has worked under a licensed general contractor for a number of years and feels they have the necessary experience to get license under the limited building classification. He presented the Board with a proposal and asked that they familiarize themselves with it. He is asking that the Board go back to their previous policy that allowed residential experience be accepted for a general contractor's license.

Mrs. Lineberger asked if a residential builder was granted a Group 3 license classification, what would stop them for getting a Group 4 or 5 license classifications.

Mr. Anderson stated that a licensee with a Group 3 license classification would have to provide an audited financial statement to upgrade to the unlimited classification.

Mr. Caswell asked whether there was a dollar amount or a limit on the size of a home a residential builder may construct.

Mr. Anderson stated that there is no limit on the cost of a residential home built by a licensed residential homebuilder.

MOTION

Mr. Neeley moved to enter into executive session to seek legal advice. Mrs. Linberger seconded the motion, which carried unanimously.

The Board returned to public session. Ms. Nance made a motion, to come out of executive session. Mr. Neeley seconded the motion, which carried unanimously.

MOTION

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Mrs. Lineberger made a motion, that the Board retains its current policy to require commercial experience to qualify for general contractor's license. Mr. Neeley seconded the motion, which carried unanimously.

New Business:

Recommendation of Investigation Review Committee:

October, 2008, IRC Recommendations:

Ms. Nance made a motion, to approve the recommendations of the Investigative Review Committee. Mr. Caswell seconded the motion, which carried unanimously.

November, 2008, IRC Recommendations:

Mr. Neeley made a motion, to approve the recommendations of the Investigative Review Committee. Ms. Nance seconded the motion, which carried unanimously.

December, 2008, IRC Recommendations:

Mrs. Lineberger made a motion, to approve the recommendations of the Investigative Review Committee. Mr. Caswell seconded the motion, which carried unanimously.

License Under the Grandfather Provision:

Mr. John Sessions

Staff received a request from Mr. Sessions requesting that the Board grant him a license under the grandfather provision. Mr. John Sessions and Mr. Michael Anderson were all sworn in by Mr. Randy Gore. Mr. Sessions waived his right to counsel.

Mr. Anderson informed the Board that staff received a letter from Horry County asking the Board to review the record and credentials of Mr. Sessions and permit him the privilege of the grandfather provision for his contractor's license application. A letter was received from City of Myrtle Beach stating that Mr. Sessions has been doing commercial plumbing contracting work exceeding Five Thousand Dollars in Myrtle Beach since 1978. The Inspection Department has made inspections on plumbing work done by Mr. Sessions and found that he is conscientious in his work and has found no problems to date with his work.

Mr. Sessions appeared before the Board and offered the following testimony. Mr. Sessions testified that he did not know that he had to be licensed by the Contractor's Licensing Board; he thought his Residential license covered him doing commercial work. He has been in the plumbing business for over thirty years. He has a perfect record and would like to continue in the plumbing business. He testified that the jobs range from Thirty –Five Thousand Dollars too Fifty Thousand Dollars.

Mr. Caswell

Mr. Caswell stated that the grandfather provision would only allow Mr. Sessions to work up to Seventeen Thousand Five Hundred Dollars. If Mr. Sessions wanted to go to another level he would have to take the examination.

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Mr. Spoon advised that the Board can make special accommodations for the applicant to take an oral examination.

MOTION

Mr. Caswell made a motion, to grant Mr. Sessions a Group 1 Grandfather License. Mrs. Nance seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Reinstatement:

Mr. Dan Askins – Dan Askins Co., Inc.

Mr. Askins appeared before the Board requesting that his license be reinstated. Mr. Anderson informed the Board that Mr. Askins entered into a Consent Agreement on November 17, 2002. He stated that staff questions whether Mr. Askins would have to retake the examination, since he has been out of the business for seven years.

Mr. Askins appeared before the Board and offered the following testimony. Mr. Askins testified that he had some financial difficulties in 2000-2001, which lead him into closing his business. Once he decided to go out of business, he entered into a Consent Agreement with the Board and surrendered his license. He testified that he is applying for a Group 2 license. He would prefer not having to retake the examination because he has taken the examination at least three or four times over a period of time. He has over Thirty-Five years of experience in the construction business.

MOTION

Mrs. Lineberger moved to enter into executive session to seek legal advice. Ms. Nance seconded the motion, which carried unanimously.

The Board returned to public session. Ms. Nance made a motion, to come out of executive session. Mr. Greer seconded the motion, which carried unanimously.

MOTION

Mr. Caswell made a motion, to grant Mr. Askins General Contractor's License, providing that he comply with §40-11-230. Mr. Greer seconded the motion, which carried unanimously.

(This proceeding was recorded by a court reporter in order to produce a verbatim transcript if requested in accordance with the law.)

Proposed Statutory Amendments:

Mr. Gary Wiggins

Mr. Wiggins informed the Board that staff has made some recommendations for proposed statutory amendments, to try to bring the statute to be more workable at the administrative level. He stated that there are major problems with the financial statements for the first four levels of licensing. One of the problems with the financial statement is that the licensing section does not have trained staff to tell whether it is accurate or fraudulent. Mr. Wiggins stated that the Board

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has the authority to make the decision as to what type of financial requirement whether it is a bond or letter of credit.

Also, staff recommends the consolidation of various license classifications. Currently Contractor's Licensing Board has a total of thirty-seven different license classifications with five different levels. He stated what staff is recommending modernizing the statute and make it better and easy to read and understand.

Mr. Greer

Mr. Greer asked whether the Board is considering another type of insurance or financial requirement and will it involve a third party.

Mr. Wiggins

Mr. Wiggins stated that the Board has the authority to decide what type of financial requirement rather it be a surety or performance bond or a product liability insurance policy.

Mr. Caswell

Mr. Caswell stated that the Board has to provide the consumer with some sort of assurance that contractor's are financially stable.

Mr. Wiggins

Mr. Wiggins stated that if the concern is consumer protection the Board needs to look into requiring product liability insurance. The only difference in the levels is the financial requirement.

Chairman Lehman

Chairman Lehman asked what is staff asking of the Board. He asked has staff finished with the proposals if so, he requested that the Board have a working meeting to review any and all recommendations for statutory amendments.

Mr. Caswell

Mr. Caswell stated when the Act was revised it took at least a year to year and a half and he do not want the Board to do anything they may regret later.

Decision

After review and discussion, the Board decided to schedule a working meeting in February 2009.

Public Comments:

Mrs. Lineberger

Mrs. Lineberger asked if a license is inactive how it would show under licensee lookup.

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Mr. Anderson

Mr. Anderson stated that it would show active unless the licensee has passed the Ninety Day period then would show lapsed. He stated that the Office of Licensure issues licenses for all forty-two licensing Boards.

Date of Next Meeting

Thursday, April 16, 2009, Meeting Room 201-03

The next meeting of the Board is scheduled for Thursday, April 16, 2009, in conference room 201-03.

Adjournment

Mrs. Lineberger moved for the meeting to be adjourned. Ms. Nance seconded the motion, which carried unanimously.

The January 15, 2009, meeting of the South Carolina Contractor's Licensing Board was adjourned at 12:45 p.m.