Synergy Business Park, Kingstree Building 110 Centerview Drive, Kingstree Building, Room 108 Columbia, South Carolina 29210 Board Minutes

Thursday, July 16, 2020

10:00 a.m.

Mr. Daniel Lehman, Board Chair, announced that public notice of this meeting was properly posted at the Synergy Business Park, Kingstree Building and on the Agency's website, and provided to all requesting persons, organizations and news media in accordance with Section 30-4-80 of the South Carolina Freedom of Information Act. As a result of the COVID-19 public health emergency, this meeting is being conducted via teleconferencing with notice given to all parties of this teleconferencing platform.

WELCOME AND CALL TO ORDER:

Mr. Lehman, Board Chair, stated that a quorum of board members were present and called the regularly scheduled meeting of the South Carolina Contractor's Licensing Board to order at 10:05 a.m. Other Board Members present for the meeting included: James Lady, Legrand Richardson, Jr., Lewis Caswell, Kimberly Lineberger, Frank Walker, and Scott Appleton.

Staff members participating in the meeting included: Georgia Lewis (Advice Counsel), Molly Price (Board Administrator), Shakera Thomas (Program Assistant), Erin Baldwin (Office of Disciplinary Counsel), Chris Elliott (Office of Disciplinary Counsel), Maurice Smith (Office of Investigations and Enforcement), Nathan Ellis (State Fire Marshal), and Sean Cary (Court Reporter).

APPROVAL OF AGENDA

Motion:

Mr. Appleton made a motion to approve the April 23, 2020, agenda. Ms. Lineberger seconded the motion, which carried unanimously.

APPROVAL OF MINUTES

Mr. Appleton made a motion to approve the January 16, 2020, meeting minutes. Ms. Lineberger seconded the motion, which carried unanimously.

APPLICATION HEARINGS

ADT LLC / ERROL SMITH (BAC. – FAC. BFRE Initial application)

The registered employee application could not be approved at staff level. Erroll Smith was present and was not represented by legal counsel. All persons testifying were sworn in by the court reporter. Application hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary. There were no witnesses present for the meeting.

Motion:

Mr. Richardson made a motion to approve the application. Mr. Walker seconded the motion, which carried unanimously.

VIVINT INC / FACUNDO SOTO. (BAC. – FAC. BFRE Initial application)

The registered employee application could not be approved at staff level. Facundo Soto was present and not represented by legal counsel. All persons testifying were sworn in by the court reporter. Application hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary. There were no witnesses present at the meeting.

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Motion:

Mr. Richardson made a motion to approve the application. Mr. Walker seconded the motion, which carried unanimously.

BOGGS CONTRACTING INC. / WILLIAM DUKE AND CARL ANDREW BOGGS III (CLG Initial Application)

The initial application could not approved at staff level. William Duke and Carl Andrew Boggs III, were present and represented by legal counsel, Henry P. Wall of Bruner, Powell, Wall and Mullins, LLC. All persons testifying were sworn in by the court reporter. Application hearings are recorded by a certified court reporter in the event a verbatim transcript is necessary. Ms. Lineburger recused herself from the hearing.

Executive Session Motion (IN)

Mr. Richardson made a motion to go into executive session to seek legal advice. Mr. Appleton seconded the motion, which carried unanimously.

Executive Session Motion (OUT)

Mr. Richardson made a motion to come out of executive session. Mr. Appleton seconded the motion, which carried unanimously.

Mr. Lehman noted for the record that no votes or actions were taken while in executive session.

Motion:

Mr. Walker made a motion to approve the application for Mr. William Duke and Boggs Contracting. Mr. Lady seconded the motion, which carried unanimously.

Motion:

Mr. Caswell made a motion to approve the application for Mr. Carl Andrew Boggs, III and Boggs Contracting. Mr. Walker seconded the motion, which carried unanimously.

NEW BUISNESS:

Residential Multipurpose Fire Sprinkler Systems (2018 SCRC P2904.1) Licensure Requirements

Ms. Price explained to the Board that the question that been asked as to whether or not a licensed mechanical contractor with the plumbing classification could install a residential fire sprinkler system in accordance with 2018 SCRC P2904.1 or if it must be installed by a licensed fire sprinkler contractor. Assistant State Fire Marshal Nathan Ellis participated in the conversation and agreed with Ms. Price that the language in Section 40-10-20(8) "Fire Sprinkler System" which states "but does not include dual or multi-purpose water lines supplying fire systems or equipment, potable water, or process water, or both" appears to exempt this type of system from the requirements of the Fire Protection Sprinkler Systems Act.

Motion:

Mr. Richardson made a motion that a licensed mechanical contractor with the plumbing classification can install a residential multipurpose fire sprinkler system pursuant to P2904.1 of the SC Residential Code. Mr. Caswell seconded the motion, which carried unanimously.

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Interpretation of Section 40-11-320 (A) - Construction Manager Licensing Requirements

Ms. Price stated that there had been some confusion among board staff as to whether or not a Construction Manager (CM) license could be issued to a general or mechanical contractor for classifications outside of their CG or MC licensure classification. Board staff also wanted clarification about how to apply this to engineers and architects and whether or not they could select any and all classifications. The Board discussed the current requirements and Ms. Price stated that a lot of the confusion could probably be cleared up with updating the current applications.

Motion:

Mr. Appleton made a motion to clarify that construction managers can designate their CM certification to their license group and classification and that the classifications CM-PE and CM-Architect should be added to clarify that engineers and architects do not select individual general and mechanical classifications. Ms. Lineberger seconded the motion, which carried unanimously.

Audited Financial Statement Requirements

Christopher J. Sellman, CPA, CCIFP, addressed the Board about audited financial statements and the Board's requirement that audited financial statements be a full audit report. Mr. Sellman said that the statute uses financial statement singular. The statute also uses the singular form when referring to the owner-prepared financial statement, which is only a balance sheet. LLR investigator Courtney Crosby, CPA, told the Board that she did not see any significant impact with the Board temporarily accepting balance sheet only audit reports in lieu of a full audited report, but she supported a task force to look into the issue further, which Ms. Price agreed would be beneficial.

Motion:

Mr. Walker made a motion to make a temporary interpretation that a balance sheet only audited financial statement in accordance with GAAP is acceptable until a task force is appointed to look into the requirement and staff can bring a recommendation back to the Board in October. Mr. Appleton Seconded the motion, which carried by majority. Mr. Richardson voted against the motion.

OFFICE OF INVESTIGATIONS AND ENFORCEMENT

Investigative Review Committee (IRC) Reports:

The IRC committee met on February 23, 2020; May 22, 2020; June 11, 2020; and June 25, 2020. Ms. Price went through each report and the recommendations of the IRC.

Motion:

Mr. Caswell made a motion to approve the IRC reports for February 23, 2020; May 22, 2020; June 11, 2020; and June 25, 2020. Mr. Richardson second the motion, which carried unanimously.

STAFF REPORTS

Administrator's Report – Molly F. Price

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Ms. Price gave the Board an updated about renewals for Burglar, Fire and Sprinkler Contractors and General Contractors. She stated that she would continue working to update the licensure applications

with Ms. Lewis for the Board's review. Mrs. Price directed the Board to the PSI Exam and Survey statistics and the Board's financial report located in their materials.

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

Motion:

Mr. Richardson made a motion to adjourn. Mr. Appleton seconded the motion, which carried unanimously.

The meeting concluded at 2:26pm