

The State Licensing Board for Residential and General Contractors met on **February 1, 2006** at the Professional Licensing Boards Division, 237 Coliseum Drive in Macon, Georgia for the purpose of conducting business.

Members Present:

- Allen Richardson, Chairman
- Roger Huggins, Vice Chairman
- Bob Barnard
- Dan Cash
- Mark Herbert
- Melissa Henderson
- Guy Middleton
- Philip Thayer
- Timothy Ansley
- David Cyr
- Morgan Wheeler
- Steve Cash
- Hoppy Hopkins
- Tommy Holder

Others Present:

- Kyle Floyd, Executive Director
- Reagan Dean, Board Attorney
- Alison Martin, Board Secretary
- Regina Thompson, Application Specialist I
- Laura Sturick, Application Specialist I
- Ed Phillips, Home Builders Association of Georgia
- Tyler Newman, Home Builders Association of Georgia
- Jim Hilliard, Swimtime Pools Association
- Jamie Jordon, City of Fitzgerald Building Permit Office
- Denton Hammond, Certified Public Accountant

Chairman Richardson established that a quorum was present and called the meeting to order at 9:05 A.M.

A motion was made by Bob Barnard, seconded by Steve Cash, and the Board voted unanimously to approve the Board's November 16, 2005 minutes.

A motion was made by Hoppy Hopkins, seconded by Steve Cash, and the board voted unanimously to approve the Board's November 30, 2005 Residential-Light Commercial Contractor sub-division conference call minutes.

A motion was made by Morgan Wheeler, seconded by David Cyr; and the Board voted unanimously to approve the Board's November 30, 2005 General Contractor Division conference call minutes.

A motion was made by Bob Barnard, seconded by Hoppy Hopkins; and the Board voted unanimously to approve the Board's December 22, 2005 minutes.

A motion was made by Morgan Wheeler, seconded by Timothy Ansley; and the board voted unanimously to approve the examination subcommittee minutes from the January 24, 2006 conference call.

A motion was made by Hoppy Hopkins, seconded by Steve Cash; and the Board voted unanimously to approve the Board's January 24, 2006 full Board conference call.

Mr. Jim Hilliard, representing Swimtime Pool Association from Cumming, Georgia addressed the Board with his concerns regarding how the new legislation governing Residential and General Contractors will affect swimming pool professionals such as himself. The Board Attorney, Reagan Dean, told Mr. Hilliard that the Board has no legal authority to give exemptions or to advise how other professions conduct themselves. Mr. Dean went on further to say that it is the company's responsibility to decide if it falls within the description of a contractor as defined by O.C.G.A. § 43-41-2(4).

This discussion from Mr. Hilliard addressed the Board members concerning the definition of what a "subcontractor" is and who would be classified as such.

Mr. Denton Hammond, a Certified Public Accountant, addressed the Board with some concerns regarding the CPA form in the General Contractor application. Mr. Hammond informed the Board that this form, by asking CPAs to "certify" the net worth amount is unethical within his profession. He offered replacing the CPA reference letter with what he called "opinion letters," which would not compromise a CPA's ethical obligations. Mr. Hammond also suggested attaching an affidavit similar to the opinion letter and financial statements wherein the CPA states his or her registration number as well as the name of the accounting firm.

The Request for Proposal that was discussed in the January 24, 2006 conference call was brought to the table again and Board members were updated with the status of the proposal. Reagan Dean, Board Attorney, informed the Board that the proposal must be approved by the Attorney General's office before going to the Procurement Office and then the proposal will come back to the Board only if changes are made requiring Board notification. Mr. Reagan Dean told the Board that he hopes to have the Request for Proposal back from the Attorney General's office and the Procurement Office before the March 1, 2006 Board meeting.

At 10:30 a.m., Chairman Richardson motioned the Board go into executive session to deliberate on applications and the motion was seconded by Melissa Henderson. Voting in favor of the motion were those members present: Allen Richardson, Melissa Henderson, Bob Barnard, Steve Cash, Mark Herbert, Guy Middleton, Philip Thayer, Timothy Ansley, Dan Cash, David Cyr, Tommy Holder, Hoppy Hopkins, Roger Huggins, Morgan Wheeler. The Board broke into groups respective to each division of licensure, and reviewed applications.

At 12:25 p.m., the Board voted unanimously to move back into open session and the Board broke for lunch.

At 12:55 p.m., the Board recommenced the meeting.

Kyle Floyd, Executive Director of the Board, suggested the Board should consider forming an application subcommittee to deliberate and make recommendations on applications until the Board gives the Residential and General Contractors staff authority to approve licensure to any applicant in any division. Kyle Floyd also recommended adopting a policy that would serve as a guideline for staff to approve licensure to applicants.

For the Residential-Light Commercial and General Contractor applications already received that have too many supporting documents, the Board advised these applicants be sent a letter informing them that they should not submit any unnecessary information. Applicants must determine exactly the licensure type for which to apply and submit only the proof requested.

The Board discussed the possibility of adopting a policy that pertains to the number of projects listed in the Residential Light Commercial application for examination exemption. It was decided unanimously among Board members that an application subcommittee was necessary for each division in order to consider applications. For the Residential Basic division, Division members Melissa Henderson and Mark Herbert volunteered to participate in the application subcommittee, with an alternate subcommittee member being Allen Richardson. For the Residential-Light Commercial sub-division, sub-division members Hoppy Hopkins and Steve Cash volunteered to participate in the application subcommittee. For the General Contractor division, division members David Cyr and Morgan Wheeler volunteered to participate in the application subcommittee, with alternate subcommittee members being Dan Cash and Roger Huggins.

A motion was made by Bob Barnard and seconded by Steve Cash to ratify and approve the following applicants for licensure for the Residential-Basic Division, with the condition that all applicants meet the requirements for insurance per occurrence. The Board unanimously approved the motion.

Ismail A. Saleh	Pyramid Development, Residential Basic Qualifying Agent
Lewis H. Schwartz	Northstar Homes & Development, Residential Basic, Qualifying Agent
Cathleen J. Williams	Columbus Housing Initiative, Inc. , Residential Basic, Qualifying Agent

A motion was made by Morgan Wheeler and seconded by Hoppy Hopkins to ratify and approve the following applicants for licensure for the General Contractor Division:

Barry Wayne Atkinson	Atkinson Interior Construction, Inc. Qualifying Agent
Paul Hartley Hogan	Hogan Construction Group, LLC Qualifying Agent
Lamar Jones Johnson	Lamar Johnson Construction, LLC Qualifying Agent
Richard Dwight Morgan	Morgan Contracting, Inc. Qualifying Agent

Discussion of how to handle the CPA letter within the General Contractor application was brought to the table.

A motion was made by Roger Huggins and seconded by Tommy Holder to modify the CPA letter within the General Contractor application.

A motion was made by Tommy Holder and seconded by David Cyr to have an affidavit signed by the CPA and to accompany an opinion that would prove financial worth of a business organization in addition to the letter from the CPA and the most recent balance sheet. The Board would still have authority to verify that these financial statements meet the requirements for a General Contractor license.

It was established by Roger Huggins that the above motion would apply to General Contractors applying as either an individual or a qualifying agent.

A motion was made by Tommy Holder and seconded by Dan Cash to remove the CPA letter in the General Contractor application and replace it with a current balance sheet including the net worth of a business organization or an individual as of December 31, 2005 (or the last fiscal year). The motion was rescinded and it was decided that the CPA Reference that currently existed would remain and be

supplemented by the CPA opinion letter affidavit and balance sheet that were discussed in the previous motion made by Mr. Holder.

It was restated that a compilation would not be accepted for the financial information of a General Contractor applicant. Only an audit or a review will be accepted, as requested in the General Contractor application.

Ed Phillips, representing the Home Builders Association of Georgia, posed the question to the Board to further define a "specialty contractor."

A motion was made by Philip Thayer and seconded by Melissa Henderson that would allow two Board members to go speak with legislative members to request a reconciliation bill that would amend the contractor law during the 2007 legislative session. The reconciliation bill would, among other things, expand the definition of a "specialty contractor."

The motion was withdrawn by Philip Thayer when other board members suggested that it may be too late in this 2006 legislative session to get a reconciliation bill passed.

The discussion continued and some Board members suggested that if the two Board members went to legislative members to negotiate on this one particular issue, the possibility was high that the Board could receive a reconciliation bill effective in 2007.

A motion was made by Philip Thayer and seconded by Melissa Henderson that two Board members would go to the legislature to negotiate on the one issue of further defining a "specialty contractor." All Board members except Hoppy Hopkins and Roger Huggins, who voted against the proposal, voted in favor of the motion.

The Board appointed two members to represent two separate divisions at the legislature: Bob Barnard to represent the Residential Division and Tommy Holder to represent the General Contractor Division.

Kyle Floyd, Executive Director, brought the question to the table regarding whether modular homes (aka industrialized housing) would fall into the requirements of licensure or under the requirements for building permits. The Board discussed this matter and Reagan Dean will research the question further for the March 1, 2006 meeting.

Jamie Jordon, representing the City of Fitzgerald Building Permit Office, interjected that manufactured homes may or may not be covered under these laws because this type of housing could possibly fall into two different categories. Reagan Dean will also research this possibility and report his findings to the Board in the March 1, 2006 meeting.

Kyle Floyd brought a question to the Board regarding how they would like to handle the inactive status of a license in the future. It was established by Mr. Floyd that based on the Secretary of State rules, a license has to be active before it can be inactive. For the March 1, 2006 meeting, Mr. Floyd will draft the general guidelines for making a license inactive.

General Liability insurance for all applicants was discussed. The question brought to the table by Mr. Floyd was if the insurance was per occurrence or per aggregate. The Board clarified that it is per occurrence.

A motion was made by Bob Barnard and seconded by Tommy Holder to require that the applications already accepted have the general liability requirements fulfilled per occurrence.

It was discussed that the number of projects completed in the Residential Light commercial application needed to fall within what the definition of what a Residential Light Commercial is, as defined by O.G.C.A. § 43-41-2 (11).

A motion was made by Steve Cash, seconded by Philip Thayer to make the number of Residential Light Commercial projects in the three to five year period only one residential light commercial project. Timothy Ansley opposed the motion and the Board rejected the motion, as preferred.

A motion was made by Hoppy Hopkins to have three projects fall within the Residential-Light Commercial definition for the ten projects in ten years option. The Board rejected the motion, as preferred.

A motion was made by Steve Cash and seconded by Philip Thayer to add the text for the three projects in five years option in the Residential-Light Commercial application to read: "List three projects in Georgia, only two of which can fall within the Residential Basic category over the preceding five years." Timothy Ansley opposed the motion, but all other members of the sub-division voted in favor of the motion.

A motion was made by Steve Cash and seconded by Philip Thayer to add the text for the ten projects in seven years option within the Residential-Light Commercial application to read: "List ten projects only seven of which can be within the Residential Basic category over the preceding ten years." Timothy Ansley opposed the motion, but all other members of the sub-division voted in favor of the motion.

Hoppy Hopkins made a motion to amend both the individual and qualifying agent General Contractor applications so that they state none of the listed projects may fall within the Residential-Basic or the Residential-Light Commercial categories. Tommy Holder seconded the motion and the division voted unanimously to accept the motion.

Discussion of what to do about the counties and cities within Georgia that do not enforce building codes was brought up and will be discussed further at the next Board meeting on March 1, 2006.

Discussion of whether or not a person who obtains a license under examination exemption can qualify another company after the six month examination exemption time frame expires. This will be addressed in further detail in the March 1, 2006 meeting.

Guy Middleton made a motion to allow the Board's acceptance of a Power of Attorney for servicemen and women serving their country that would still allow them the opportunity to qualify for examination exemption while overseas. The Board voted unanimously to approve the motion.

Reagan Dean will further examine the question: if a company meets the time requirement to qualify a company, but then incorporates within the past five years; does this disqualify the company from examination exemption?

Also to be further discussed at the March 1, 2006 Board meeting is the bank line of credit and the complaint that it is too inclusive, and the suggestion that the Board will need a waiver in order to be updated on any decrease in the credit line amount.

The meeting was adjourned at 3:10 p.m. by the Chairman.

Minutes recorded by:

Alison Martin, Board Secretary

Reviewed/Edited by:

Kyle Floyd, Executive Director