

204th Meeting Contractors' Registration Board

August 9, 2006

(A) The meeting was called to order by the Vice-Chairman, Edgar Ladouceur, at 12:35 PM.

(B) Approval of the agenda and order of business was accepted on a motion by Mr. Caldwell and seconded by Mr. Brunetti.

(C) The minutes of the 203rd meeting were approved on a motion by Mr. Brunetti and seconded by Mr. Gianlorenzo.

(D) Court Case Update: June/July 2006

DEFENDANT FINES RESTITUTION DATE CLAIMANT

Boillard 75 - 01/06

Camilo 750 4,350 01/06 Aquino

Cannone 300 01/06 Domenech

Cagle 1,500 01/06 Sowa

Giorgio 210 01/06 Benton

Giorgio 102 01/06 Marzzone

Giorgio 92 01/06 Perez

Johnson 1,000 2,000 01/06 Mulhern

Lombardi 250 - 01/06

McLean 600 01/06 DeBenedetto

Valenti 150 01/06 Imondi

Aceto 1,500 02/06

Andoscia 1,500 895 02/06 Tamayo

Boillard 75 02/06
Bonner 50 02/06
Cantara 1,500 02/06
Debaene 6,050 02/06 Quadrato
Giorgio 200 02/06 Benton
Giorgio 70 02/06 Perez
Giorgio 111 02/06 Mazzone
Mikhail 500 02/06
Rainville 1,000 02/06
Santana 250 02/06
Smith 6,500 02/06 Martin
Souza 150 1,250 02/06 Pietkiewicz
Valenti 300 02/06 Imondi
Valletta 200
Dragon 500
Giorgio 52 03/06 Mazzone
Giorgio 105 03/06 Benton
Giorgio 45 03/06 Perez
Hart 250
Sarault 100
Valenti 150 03/06 Imondi
Ballou 3,000 3,000 03/06 Desilets
Perreault 1,500
Perreault 500
Perreault 500
Perreault 325 03/06 Gagnon

Perreault 500 525 03/06 Vinacco
Perreault 1,750 1.575 03/06 Kociuba
Perreault 2,000 3,875 03/06 Petrucelli
Walsh 500 10,000 03/06 Cineus
Boillard 150 04/06
Crenca 4,000 04/06 Ferri
Dozois 2,225 04/06 Grossman
Dozois 1,025 04/06 Young
Dozois 2,025 04/06 DeShaies
Hart 250 04/06
Marchese 2,752.14 04/06 DiManna
Souza 250 1,800 04/06 Cardi
Sarault 100
Tallo 500
Anderson 500 5,000 05/06 Harten
Bonner 50
Decristofaro 150 3,000 05/06 Johnson
Mercurio 250 05/06 Melino
Romanelli 675 05/06 Rusak
Romanelli 1,265 05/06 DiBiasio
Romanelli 2,035 05/06 Kochilas
Russo 50 05/06 Clough
Sarault 100 05/06 Rook
Valenti 150 05/06 Imondi
Smith 2,500 1,225 05/06 Mueller
Smith 2,500 1,700 05/06 McCormick

Smith 3,000 13,500 05/06 DiSpigno

Smith 2,500 3,592 05/06 Anderson

Smith 2,500 3,125 05/06 Bednarick

Smith 1,000 05/06

Smith 500 05/06

Hinsley 500 06/06

Merritt 500 06/06 DelSignore

McKeon 13,500 06/06

Mercurio 250 06/06

Petrucci 500 06/06

Russo 100 06/06 Clough

Sarault 100 06/06 Rook

Valenti 150 06/06 Imondi

DeJesus 300 350 06/06 Oni

Eastwood 500 06/06

Felder 1,500 2,350 06/06 Cartier

Lancellota 500 06/06

McKeon 500 2,500 06/06 Reilly

Willard 1,100 06/06 Partington

Bonner 2,000 07/06 DeTora

Hinsley 500 07/06

Mercurio 250 07/06

Russo 100 07/06 Clough

Tomaselli 550 07/06 Gainor

Correia 1,750 525 07/06 Russell

250 07/06

Elek 250 07/06

Merolli 500 07/06

1000 3,500 07/06 Diano

Valcourt 2000 5000 07/06 Badessa

TOTAL: \$62,400 \$129,076.14

TOTAL FINES & RESTITUTION: \$191,476.14

(E) Consideration of Cases on Appeal and Oral Argument:

(1) 12:40 PM, claim #5294, Shackelton vs. Baffoni, exceptions filed by the respondent. The respondent was in attendance, but the claimant failed to appear. The Board had heard this matter at the June 14th meeting and continued an action until a view was conducted by the Board, which was scheduled for July. After review of the site the matter was heard. The respondent failed to appear, the claimant was present. On a motion by Mr. Ladouceur and seconded by Mr. Gianlorenzo the decision of hearing officer was upheld but modified the compliance date. Vote was unanimous with the exception of Mr. Salisbury who abstained. Completion date was extended until 9/30/06;

(2) 01:00 PM, claim#5527, Bleou vs. Davigon, exceptions filed by the respondent. Both parties were in attendance. The respondent testified that he was not aware or notified of the hearing and notice was sent to his girl friends place of residence and he never received it. After listening to both parties a motion was made by Mr. Ladouceur and seconded by Ms. Calcagni to remand this matter back for a new

Administrative hearing. Respondent to be notified at 18 Rolling Basket Road North Attleboro;

(3) 01:15 PM, claim #4894, Morin vs. Conway, motion to vacate a final order. Parties requested the matter be rescheduled, may have a resolution before next appeal date assigned;

(4) 01:30 PM, registration #20175, John McKeon, McKeon Development Corp., motion to reinstate registration having paid a fine of \$13,500 to the Board. Matter discussed and the unanimously denied the reinstatement of this registration. Respondent having been notified of this hearing failed to appear. Motion made by Mr. Ginalorenzo and seconded by Mr.

Brunetti;

(5) 01:45 PM, registration #21383, Michael Iarossi, K.M.I. LLC, status update of registration conditionally reinstated previously by the Board. Mr. Iarossi was present but was unaware the bankruptcy affirmation agreement was part of the original agreement and was given one week to resolve this matter with the Executive Director to assure he was following the conditions previously set forth on his reissuance;

(6) 02:00 PM, claim #5459, Viveiros vs. Silvio, exceptions filed by the respondent. Due to medical reasons a continuation was granted on this claim. Claimant will be away in September so matter may be continued to October, if a resolution isn't forthcoming before then;

(7) 02:15 PM, claim #5567, Davis vs. Becker, exceptions filed by the respondent. Both parties were in attendance

and presented their cases. The respondent did not appear due to lack of notice, however notice was sent to the last known address of record. He also stated he had spoken to someone at the Board regarding the hearing date. After many questions and review of the pictures in the file the Board unanimously upheld the hearing officers decision on a motion by Mr. Ladouceur and seconded by Mr. Gianlorenzo with exceptions to the fines, which were increased to the value of the contract of 418,500, however fines could be reduced to \$2,000 if work performed meets the approval of the local building official.

(F) Report of the Executive Director:

(1) Statistics Report: 7/12/06 8/9/06

Registrations:

Number of Registered Contractors 12250 12168

Number of Cards Surrendered 3482 3495 Number of Cards Lapsed 11721 11855

Number of Cards Invalidated 438 425

Number of Cards Suspended 327 332

Number of Cards Revoked 42 42

Registration Actions 7/12/06 8/9/06

Number of New Registered Contractors 128 118

Number of Renewed Contractors 12122 12050

Number of Cards Surrendered 38 21

Registrations Invalidated 92 64

Registrations Suspended 23 11

Registrations Revoked 3 0

Claims: 7/12/06 8/9/06

Administrative Appeals 4 4

Board Appeals 6 6

Address Trace 49 49

Awaiting Further Action 54 54

Court 221 228

Disposed 4716 4743

Final Orders 112 117

Hearings 50 48

Out of State Services 35 34 Proposed Orders 16 16

Under Investigation 173 169

Total Claims Filed with the Board 5436 5468

Number of New Claims 7/12/06 8/9/06

57 37

Violations:

Action Against Registration 15 15

Non-Registered Subcontractors 4 5

Cancelled Insurance 702 749

Notice of Hearing 1 1

Non-Registered Contractors 554 565

TOTAL RECORDS 1276 1335

Number of New Violations 15 73

Lapsed Registrations/Never Re-Newed:

July 2005 11 11

August 2005 8 6

September 2005 133 133

October 2005 142 140

November 2005 93 93

December 2005 105 102

January 2006 129 126

February 2006 127 126

March 2006 189 184

April 2006 172 169

May 2006 217 197

June 2006 251 229

July 2006 1 226

Tickets: #'s Fines

2006

January 0 \$0 \$0

February 0 \$0 \$0

March 0 \$0 \$0
April 0 \$0 \$0
May 3 \$750 \$750
June 1 \$250 \$250 (1)
July \$2,750 (9)
August \$250 (1)

Commercial Roofers: 7/12/06 8/9/06
Number registered 111 111
Number expired/lapsed 18 18
Number surrendered 10 11
Number invalidated 0 0
Number suspended 0 0
Number revoked 0 0
Pending Approval 0 0

Registration Actions 7/12/06 8/9/06
Number of New Registered Contractors 4
Number of Renewed Contractors 107 111
Number of Cards Surrendered 0 0
Number of Expired/Lapsed 0 0
Registrations Invalidated 0 0
Registrations Suspended 0 0
Registrations Revoked 0 0

(G) Old Business:

(1) Subcommittee: Establish to review/draft/rewrite rules and regulations. New committee to consist of the following:

Members Staff

F. Carlone K. Ryan

E. Ladouceur G. Whalen

P. Brunetti M. Lanni

A. Salisbury

B. Calcagni

D. Caldwell

T. Furey

S. Gianlorenzo

It was established that the 1st meeting would take place Tuesday August 29, 2006 at the Better Business Bureau at 8:30 AM. Changes need to be made to address the expungement process, new waiver of jury trial form and new legislative changes that just went into effect.

(2) Legislation: This year of some (16) bills submitted only (2) passed; 1st was the study commission which was extended for another year; 2nd the passage of H-8245 which will have a dramatic impact on the functions at the Board. A brief summary was provided to the Board members outlining some of the major changes and the need to change rules and regulations to reflect these changes. The major disappointment was the removal of the restricted receipt account to fund these new changes. It was the understanding of the Board members and staff that participated in this process that funding would be forth coming to

accomplish these objectives;

(3) Staff: Currently we are down (2) staff positions; one clerical is out for the next several weeks on a workers compensation related injury and the other the investigators position has been vacant since 7/10/05;

(4) Jury Waiver Form: These modifications need to be incorporated into the rules and regulations in order to proceed properly;

(5) Implementation Plan for New Legislative Changes: The Board without the resources will have difficulty enforcing some of the provisions of the new law; however, the insurance provision needs to be implemented immediately to assure contractors are educated as to the requirements and comply with the new law. The Board discussed options to inform registrants of the changes to the law. The Executive Director informed the Board that all new registrants and renewal notices sent out after the enactment of the law were notified of the \$500,000 insurance requirement. It was suggested a post card or other type of notice with a very bright color be sent out to all contractors. It was also suggested highlights of some of the other changes be provided in the notice with the Boards web-site included to obtain copies of the changes or a summary of the changes. This post card could also be sent to all the insurance agents to advise them of the changes. Currently, the web-site has updated some of this information. It was brought to the Boards attention that all the current information, forms, notices, tickets, etc. will have to be changed and the current budget for mailing and printing is not sufficient to make all these

modifications. Mr. Ladouceur will look into the funding mechanism discussed as part of these changes. Concerns were also expressed as to other unfunded mandates such as home inspection program and commercial roofing license law. Another change that needs to be implemented is the information provided at our web-site regarding claims. Those cases that have notice of hearings are now reportable. This modification will be forthcoming shortly and will reflect cases since the boards inception 7/1/90.

(H) New Business:

(1) Budget: The Boards budget reflects \$971,981 which includes the following break down (attached list from \$571,148 to \$971,981);

(2) Insurance Requirement: The Board unanimously concluded that insurance coverage is currently in effect and must be enforced accordingly. Insurance required is \$500,000 and not having the proper coverage invalidates the registration and subjects the contractor to the newly imposed fines as a non-registered contractor of up to \$5,000 for the 1st offense;

(3) Unfunded Mandates: In that legislation that modified the home inspection licensing law was not passed implementing the program will cause some problems to those who will not be grandfathered into the program. Funding will determine implementation of this as well as other programs, which have not been implemented due to lack of funds;

(4) Right of Rescission Clause: The R.I.A.G.C. (RI Assoc. General Contractors) as well as ABC (Assoc. Builders & Contr.) expressed concerns over the right of rescission clause requirement.

The Board felt that the intent was for consumer protection and will review this aspect when new rules and regulations are revised. This may be an issue the study commission will need to address in the near future;

(5) Consumer Information Form: Contracts over \$1,000 must now be in writing and must contain language regarding mechanic lien releases and consumer information. This language will need to be discussed at the subcommittee meeting so it can be ready for the October 1, 2006 implementation date set forth in the legislation;

(6) Audit Review: The six points of recommendations were reviewed regarding last years audit. In that most of them addressed the funding aspect and due to lack of funding could not be implemented. Other recommendations have been made or are in the process of being corrected;

(7) Board Members Terms: Several board members terms expire this September:

E. Ladouceur (3) year term;

P. Brunetti (3) year term;

R. Cardoza (2) year term;

Additionally one vacate position as commercial roofer (3) year term to 9/1/08 and another commercial contractor (2) year term;

(8) Home Inspectors: Exam board of professional home inspectors

looking for inspectors willing to serve on EBPH1 board of Directors for a (2) year term starting 11.1.07 deadline 8/15/06;

(9) Retirement: Daniel D. DeDentro retired as the Second Building Code Commissioner in the State of Rhode Island;

(10) Public Hearing: Date to be discussed at next meeting depending on how far the subcommittee is able to proceed with changes;

(11) NASCLA: Board of Directors annual meeting to be held 8/22 to 8/26 in Scottsdale AZ;

(12) Builders Helping Heroes: This program was nominated by the Boards Executive Director as a possible recipient of the NASCLA Community Service in Contracting Award. The vote should be forthcoming and award presented at the banquet;

(13) On Line Registrations/Claim Filing: This was part of the new law and working on trying to get this implemented by years end.

(I) Public Comment: None

(J) Announcements: Sub-Committee meeting, Standards Review, August 29, 2006 8:30 AM at Better Business Bureau.

The next meeting is scheduled for Wednesday September 13, 2006 at 12:30 PM

Conference Room "C", 2nd Floor, One Capitol Hill.

(K) Adjournment: A motion was made by Mr. Gianlorenzo and seconded by Mr.

Salisbury to adjourn at 3:40 PM.

**Members Present: E. Ladouceur, S. Gianlorenzo, D. Caldwell,
T. Furey, B. Calcagni, A. Salisbury and P. Brunetti**

**Members Absent: F. Carlone, M. Turkel, J. Pesce, R. Cardoza and D.
Gagnon**

**Others Present: George Whalen (Executive Director), Kathryn Ryan,
(Legal Counsel)
stenographer and parties for Appeals.**

Respectfully Submitted,

**George W. Whalen, Executive Director
Contractors' Registration Board**

GWW/man