



CONTRACTORS LICENSE BOARD

Inetnon Malisensiayen Kontratista

542 North Marine Corp Drive A. - Tamuning, Guam 96913
649-2211, 649-9676, 649-2210(Fax)

EDDIE BAZA CALVO
GOVERNOR

EDUARDO R. ORDONEZ
EXECUTIVE DIRECTOR

RAY TENORIO
LIEUTENANT GOVERNOR

January 22, 2013

32-13-43

Office of the Speaker
Judith T. Won Pat, Ed. D.

Date 1/22/13
Time 8:27 am
Received by AS

MEMORANDUM

To: Honorable Judith Won Pat
Speaker
32nd Guam Legislature
155 Hesler Place
Hagatna, Guam 96910

From: Eduardo Ordonez *ERO*
Executive Director

Subject: §8113.1, Section 38, Reporting Requirements for Boards and Commissions

Pursuant to Public Law 31-233, §8113.1, Section 38, Chapter 8 of Title 5 Guam Code annotated, transmitted herewith are copies of the Contractors License Board's meeting agenda to include attachments for January 16, 2013 and approved minutes for October 17, 2012.

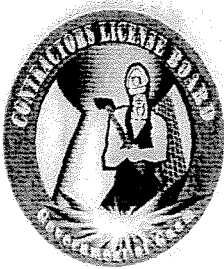
2013 JAN 28 AM 8:44
WJP

Please be advised that we are currently unable to access our website.

Should you have any questions, please contact the office at 649-2211.

Thank you.

GUAM LEGISLATURE
REPRODUCTION/MAIL ROOM
DATE: Jan 25/2013
TIME: 10:18 AM | 1 PM
RECEIVED BY: AS



Contractors License Board
Guahan Manlisenaiyen Kontratista
Government of Guam

542 N. Marine Corp.-A Tamuning, Guam 96911; 649-9676/2211 (Fax) 649-2210

Regular Board Meeting
January 16, 2013
CLB Conference Room

AGENDA

- I. Call to Order
- II. Roll Call
- III. Approval of Minutes for October 17, 2012
- IV. Public Comment
- V. Executive Director's Report
- VI. Work Assignments- Matrix updated from Administration and Investigation Section.
- VII. Investigation Report
 - A. Monthly Report Re: Status of Investigation Cases
 - B. Board's Opinion Re: Classification of Cases and to Consider Inactive Cases Closed.
- VIII. Old Business
 - A. Case #2009-05-07 (CLB vs DCK Pacific, LLC)
 1. AG's Recommendation
- IX. New Business
- X. Executive Session
- XI. Announcement – Next Regular Scheduled Meeting, February 20, 2013, 5:30pm CLB Conference Room
- XII. Adjournment



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CONTRACTORS LICENSE BOARD'S INVESTIGATION ACCOMPLISHMENTS FY 2012

The Contractors License Board (CLB) main goal is to protect the public which are the so called consumers. The public is welcome to verify with the CLB to assure that they are dealing with the proper contractor(s). Our website, a phone call, or even walk-ins can check with CLB, before they choose a contractor to do their project is in good standing or has no pending complaint(s), or the worst scenario is they might be dealing with an unlicensed contractor.

- The CLB received a total of 96 cases filed for fiscal year 2012. 43 complaints from the consumers, 14 complaints from contractors/subcontractors and 39 cases filed by the CLB Investigation Team for different types of violations like workmanship, safety violations and unlicensed construction activities.
- The CLB does not only protect the consumers but also the contractors in some cases that unfair dealings are involved. The contractors are the one that helps the CLB generate its funds, so they should also deserve a fair protection. Most common cases are about the prime contractor against the subcontractor or vice versa, which involves non-payment issues.
- The CLB Investigation Team randomly conducts jobsite investigation to assure that contractors performing construction activities are properly licensed, has a building permit posted on every jobsite and most important concern is that they follow safety precautions to protect both the public and the workers. Citations are strictly enforced to violators to assure that they be more cautious of the public safety.
- The CLB Investigation Team collected \$ 40, 600 in violation penalty fines alone.
- As of January 14, 2013 – Forty two (42) cases have been closed, three (3) had been forwarded to Gov't of Guam agencies that is within their jurisdiction and one was forwarded to the Attorney General's Office for further legal action.
- Before year 2012 ended, the CLB Executive Director's office, Investigation Supervisor's office and the Investigation Department Area renovation was completed. This enables the CLB Investigation Team concentrate more on their tasks with a better working environment.
- The CLB Investigation Team attended a couple of important trainings that would help on its work-related daily assignments.
- The CLB Investigation conducts a thorough review of applications for RME licenses. Background checks on the certifiers is applied and the final screening is performed which is actual interview before they are scheduled for testing. Five applicants were denied due to lack of experience that resulted in failing the interview process.



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CONTRACTORS LICENSE BOARD INVESTIGATION'S GOALS & OBJECTIVES FOR FY 2013

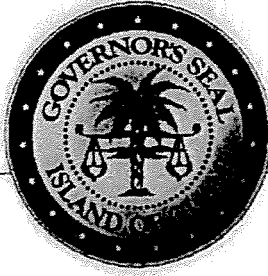
GOALS:

- Increase ratio of work for field regulation enforcement. To add more time conducting jobsite investigation to be more effective on the enforcement of the Public Law. The Board authorized the Investigation Team to use a 24-hour official vehicle to catch most of these unlicensed contracting activities which are mostly performing work after working hours and also on the weekends. This would generate more violation penalty fines as well as lessen unlicensed construction activities, which will obligate them to comply and apply for a contractor's license. This act will be adding more protection to the consumers because most cases, unlicensed acting contractors usually commits theft by deception after receiving advance payment, they tend to abandon the project unfinished.
- To consider Contractor License Investigators as law enforcers as similar to investigators of other government agencies like Department of Labor. Contractors License Investigators in California are recognized as law enforcers which are entitled to carry arms for their protection and have hazardous pay due to the risks they encounter at construction jobsites.
- Upgrade the Contractors License Investigator's starting paygrade from (I) to (L). This will match the Peals Board Investigator's payrate, which the job description is very similar in nature. CLB Investigator's job tasks are often more complicated and risky in the scope of work involved.
- Upgrade minimum qualifications for CLB Contractors License Investigators. Applicants must have at least two years of construction jobsite supervision works and at least two years of technical experience and knowledge on reading blueprints and specifications. This will legitimize and raise confidence in CLB's investigative arm to its consumers and contractors.
- Require training and recertification for the CLB Investigators. An allotted budget for investigation trainings must be considered to upgrade investigative enforcement. The Legislature approval to utilize part of the penalty fines collected from the citations served instead of allotting it to Parks & Recreation use. Proposing funds for the investigation trainings, equipment & other needs to improve and upgrade operations, protect and serve the public more effectively.
- Increase the accountability of the CLB Investigators. Start by completing a daily report instead of weekly one, reports on assigned tasks from the office and jobsite will maintain updated info on every case, this would enable the investigators monitor and do timely follow ups.

- Update study guides and testing process. Similar to Peals Board, outsource test materials/functions from a certified company or professional, thus qualifying all applicants. Third party proctors eliminates challenges to the CLB testing process.
- Implement recertification for contractors. To administer an exam which deals with updated/amended building codes/laws which applies to the current construction industry. All applicable amended/updated codes & laws shall be included in the recertification test after the fourth year. Aside from re-qualifying contractors, this will also generate additional revenues for the government.
- Amend the rules & regulations to legally raise the qualifications of a contractor's application. Four years minimum experience at least as a construction foreman or a project supervisor and must satisfy the interview process.
- Increase level of efficiency using web-based technology. This will enable the agency to update important issues in real-time. This will ensure efficiency and satisfied clients. Propose to convert website to a .com for self-sustaining web development.

OBJECTIVES:

- To protect the CLB Investigators when they encounter any risks on their jobsite investigative works such as sting joint operations with Immigration and Labor Enforcers.
- By upgrading the investigator's qualifications, it will improve CLB's enforcement because any technical issues will be properly addressed and remain legally enforceable from legal challenges. CLB Investigators will be well-versed in construction matters, with issues handled in a professional manner, raising the consumers and the contractors/RME's confidence in CLB.
- By funding trainings for CLB Investigators will enhance its enforcement and handle its cases professionally. To utilize the funds from citations for the improvement purposes of the Investigation department and also appropriate a portion to assist the Department of Education on its improvement projects.
- In the past, based on history of complaints, most cases resulted on workmanship issues due to the fact that licensees were irresponsible or cannot handle their title as a Responsible Management Employee (RME). By upgrading the applicant's qualifications/recertification of contractors will eliminate this kind of issues and will have responsible contractors to serve the consumers and gain more protection.
- By recertifying the CLB Investigators will assist them gain knowledge on reading and interpreting blueprints such as construction plans and specifications. Every Investigator will have confidence on handling and even defending any case assigned.
- By upgrading study guides and testing process, it would help our island have more competent licensees and improve the construction industry as well.
- Using web-based technology will enable the agency to closely monitor and update posted issues regarding contractors. This will also lessen, if not eliminate all complaints from the customers by utilizing technology into the current workflow.



Eddie Baza Calvo
Governor of Guam

Ray Tenorio
Lt. Governor of Guam

2012 HIGHLIGHTS

CONTRACTORS LICENSE BOARD

The Contractors License Board (CLB) exists to protect the public. Guamanians are welcome to verify the status of contractors with the CLB. Residents can visit our website, call us, or walk in to our office to check whether a contractor they are hiring is licensed and in good standing. Here is data regarding our major activities last year.

<i>Number of Walk-in Customers</i>	4038
<i>Number of Inquiries</i>	107
<i>Number of License</i>	3103
<i>Number of Permit Clearances</i>	838
<i>Number of Freedom of Information Act Request</i>	5

- The CLB received a total of 96 cases filed for Fiscal Year 2012: 43 complaints from consumers, 14 from contractors/subcontractors, and 39 cases filed by the CLB Investigation Team for different types of violations like workmanship, safety violations and unlicensed construction activities.
- The CLB also protects contractors from unfair dealings. The most common cases involve non payment between a prime contractor and a subcontractor.
- The CLB Investigation Team randomly conducts jobsite investigations to ensure that contractors performing construction activities are properly licensed, has a building permit posted on every jobsite, and is following safety precautions to protect both the public and the workers. Citations are strictly enforced to violators to ensure public safety.
- The CLB Investigation Team collected \$40,600 in violation penalty fines alone.
- As of January 14, 2013 – Forty two (42) cases have been closed, three (3) had been forwarded to Gov't of Guam agencies that is within their jurisdiction and one was forwarded to the Attorney General's Office for further legal action.
- The CLB Investigation Team conducts a thorough review of applications for RME licenses. Background checks on the certifiers is applied and the final screening is performed which is actual interview before they are scheduled for testing. Five applicants were denied due to lack of experience that resulted in failing the interview.


Eduardo Ordonez
Executive Director



★ ★ ★ ★ ★ ★ ★
Eddie Baza Calvo
Governor of Guam

★ ★ ★ ★ ★ ★ ★
Ray Tenorio
L. Governor of Guam

GCLB Economic Activity Weekly Data

The Guam Contractors License Board reports the following data indicating economic activity on the island. This data is from last week and was compiled from our office:

1. Clearances for building permits - Total: 12
(January 07 -11, 2013)
2. Monthly data on new license applications -
Total: 20 (December 2012)


Eduardo Ordonez
Executive Director



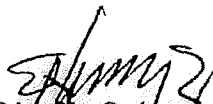
Eddie Baza Calvo
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2013 GOALS

CONTRACTORS LICENSE BOARD

- Increase ratio of work for field regulation enforcement; to add more time conducting jobsite investigation to be more effective on statutory enforcement. The Board authorized the Investigation Team to use a 24-hour official vehicle to catch most of these unlicensed contracting activities which are mostly performed after working hours and also on the weekends. This would generate more violation penalty fines as well as lessen unlicensed construction activities. This will discourage unlicensed activity, encourage compliance, and promote licensure. As a result, we will be adding more protections to consumers because in most cases, unlicensed contractors usually commit theft by deception. After receiving advance payment, they tend to abandon the project unfinished.
- Upgrade minimum qualifications for CLB Contractors License Investigators. Applicants must have at least two years of construction jobsite supervision work and at least two years of technical experience and knowledge on reading blueprints and specifications. This will legitimize and raise confidence in CLB's investigative arm to its consumers and contractors.
- Increase level of efficiency using web-based technology. This will enable the agency to update important issues in real-time.


Eduardo Ordonez
Executive Director



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Guahan Manlisenaiyen Kontratista
Government of Guam**

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**Regular Board Meeting
CLB Conference Room, Upper Tumon
Minutes of: October 17, 2012**

I. CALL TO ORDER

The regular Board meeting for Board of Directors of Guam Contractors License Board was called to order at 6:00 p.m. by Board Chair, Richard Quiambao.

II. ROLL CALL

Present for the meeting, constituting a quorum were:

Richard Quiambao, Chair (RQ)

Marian Pizarro, Vice-Chair (MP)

Reilly Ridgell, Member (RR)

Vince Won Pat, Representative for DPW (VW)

Board Member Absent

Christopher Camacho, Member

CLB Staff Present

Elizabeth Mafnas (Private Secretary)

Maria Perez (Administrative Officer)

Margaret Guerrero (WPS II)

Mae Arile (Administrative Aide)

CLB Staff Excused

Eduardo Ordonez, Executive Director

Eduardo Zapanta, Investigator Supervisor

III. Approval of minutes for September 19, 2012

A Motion to approve meeting minutes of September 19, 2012 pending changes to be submitted by 5:00 p.m. Friday, October 19, 2012.

Motion was made by Reilly Ridgell, seconded by Marian Pizzaro, and approved by all Board members. Motion Carried.

IV. Public Comment – None

V. Executive Director's Report – None

VI. Investigators Report – Tabled.

VII. Old Business

A. Case #2009-05-07 (CLB vs. DCK Pacific, LLC) – Tabled.

1. AG's Recommendation

No recommendation from AG's office as of this time. Board Chairman, Richard Quiambao asked that a follow-up be made on this matter.

B. Work Assignments – Matrix updated from administration and investigation section.

Administrative Officer, Maria Perez provided updates on Matrix Work Assignments regarding website, updating/outsourcing examinations, re-certification of contractors, unlicensed contractors and dividing renewal dates.

Investigation section – Tabled.

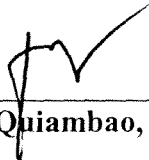
VIII. New Business – None

IX. Executive Session – None

X. Announcement – Next Regular Scheduled Meeting, November 21, 2012, 5:30p.m. CLB Conference Room.

XI. Adjournment – Meeting adjourned at 6:16 p.m.

NOTE: The following report is not intended to be a verbatim transcript of the discussions at the meeting, but is intended to record the significant features of those discussions.



Richard Quiambao, Board Chairman