

**MINUTES OF THE
PRIVATE PROTECTIVE SERVICES BOARD MEETING
June 26, 2014
HOLIDAY INN NORTH
2805 Highwoods Blvd.
RALEIGH, NC 27604**

BOARD MEMBER PRESENT

Richard Allen
Bill Booth
Judge Burris
Denise Martin
Ed Cobbler
Bob Graham
Marcus Benson
William MacRae
Richard Epley
James Stevens
Eric Weaver Sr.
Robert Clark

BOARD MEMBERS ABSENT

Clyde Cook

STAFF PRESENT

Terry Wright - Director
Anthony Bonapart - Deputy Director
Phillip Stephenson – Field Services Supervisor
Jeff Gray – Attorney
Judy Pittman - Training Officer
Garcia Graham – PPSB Board Secretary
Maia Washington-Powell – PPSB Licensing Assistant

GUEST PRESENT

Bill Fletcher
William I. Brown
Audra Coleman
Gary Pastor
Hollie Trivette
Daphne Barringer
Johnny Mims
Chris Green
Marcus Benson
Frederick Rose
Radivaj Cvjetnicaniw

Warren Hall
Paul Schali
David Arndt
Matthew Malinski
Pam Mayfield
David Wall
Brandy Lee
Chris Hammye
Sandra Epley
Keith Hollen
James Miller

Joseph S. Henry
Warren Hall, II
Gregory Hatten
Larry Flannery
Jolette Morrison
Stephen Davis
John Taylor
Walt Pylypiw
Bill Dover
Kathy Broom
Jerry Pitman

Jeff Kiker
Dorian Dehnel

Anthony McCollum
Joe Welch

Mark Greenfield

CALL TO ORDER

Chairman Richard Allen called the June 26, 2014 Private Protective Services Board meeting to order at 8:59 a.m. Chairman Allen welcomed all guests.

GOOD OF THE ORDER:

Attorney Jeff Gray explained the State Ethics Act, which addresses the ethics of public officials. This Act states specifically that if any Board Member has any conflict of interest, potential conflict of interest, or the appearance of a conflict, he or she should remove themselves from deliberation and vote on that matter and so state on the record.

Mr. Gregory Hatten, president of the NCAPI greeted the Board and all of the guests. He reported that the 2014 Fall Conference will take place November 13th and 14th in Cherokee, NC. The conference has already been submitted for continuing education credit and registration numbers are high. He invited the PPS staff to the conference.

Ms. Kathy Broom from Eagle Eye Investigations reported on the success of the Charlotte Super Summit. They have received several requests for another conference. Ms. Broom reported that on September 27th Eagle Eye Investigations group will host "Internet Profiling & Intelligence Gathering" with guest speaker Michelle Stuart.

MINUTES:

Judge Burris asked staff for an update regarding the resolution for investigator Helen Parker. Mr. Gray reported that a draft resolution has been completed. Staff is working on formatting the resolution for approval by the Board. Once the Board approves the resolution it will be framed and presented to investigator Helen Parker's family.

APPROVAL OF THE APRIL 24, 2014 MEETING MINUTES

MOTION BY MR. GRAHAM TO ACCEPT THE MINUTES; SECONDED BY MR. MACRAE; MOTION CARRIED.

SCREENING COMMITTEE REPORT:

Mr. Clark reported that the Screening Committee met on Wednesday, June 25, 2014 from 2:00 p.m. to 6:00 p.m. to review a total of 49 applications. (See report). The committee members were Mr. Clark, Mr. Benson, Mrs. Martin Mr. Cobbler, Mr. MacRae and Mr. Weaver. Mr. Clark read the report for the record.

Mr. MacRae recused himself from #22 and Mr. Weaver recused himself from #10 and #22 of the screening report.

Mr. Clark presented the following registration report for the period of April 22, 2014 to June 24, 2014. Total registrations 4,407; armed totals were 614 of which 188 were new and 349 were renewals, 1 duplicate, and 76 reissue/dual. There were a total of 141 Armed Armored Car, 67 of which were new, 72 were renewals, 2 reissue/dual. There were a total of 9 Armed Private Investigators, 8 were renewals, 1 reissue/dual; 2 new Private Investigator Associates, 2 renewals and 1 reissue/dual. Unarmed totals were 3,612 which included 1460 new, 1,914 renewals, 66 transfers, 23 duplicates and 149 reissue/dual. There were a total of 26 unarmed armored car, 13 of which were new, 13 were renewals. Total denials were 998 of which 257 were for cause and 741 for correctable reasons. There were 556 applications approved which were previously denied for a total of 1,554 denials reviewed.

MOTION BY MR. COBBLER TO ACCEPT THE SCREENING COMMITTEE REPORT AND THE REGISTRATION REPORT; SECONDED BY MR. MACRAE; MOTION CARRIED.

GRIEVANCE COMMITTEE REPORT:

Judge Burris reported the Grievance Committee met on Wednesday, June 25, 2014 from 8:00 a.m. until 1:08 p.m. and heard a total of 8 cases. The committee members were Judge Burris, Mr. Booth, Mr. Cook, Mr. Epley, Mr. Graham and Mr. Stevens. Judge Burris presented the attached report. (See attachment).

MOTION BY MR. CLARK TO ACCEPT THE GRIEVANCE COMMITTEE REPORT; SECONDED BY MR. MACRAE; MOTION CARRIED.

TRAINING & EDUCATION COMMITTEE:

Mr. Stevens advised that the Training & Education Committee met on Thursday, June 26, 2014 from 8:00 a.m. until 9:00 a.m. The committee members were Mr. Stevens, Mr. Allen, Mr. Booth, Mr. Clark, Mr. Epley, Mr. MacRae and Mr. Weaver.

Presently we have 358 certified PPS unarmed guard trainers and 89 PPS certified armed guard trainers.

The following PPS Training Courses for CEU Credits have been scheduled:

July 30, 2014	9am – 1pm	Charlotte, NC
August 21, 2014	1pm – 5pm	Asheville, NC
December 11, 2014	1pm – 5pm	Raleigh, NC

The following PPS Training Courses have been completed:

May 19, 2014(1000-2300) FT Re-certification & Pre-Qualification Course NCJA
June 23, 2014(1000-2300) FT Re-certification & Pre-Qualification Course NCJA (date changed from June 30)

Mr. Epley reported that there were sixteen (16) continuing education courses submitted for approval and he recommended approval for all.

MOTION BY MR. EPLEY TO ACCEPT ALL COURSES SUBMITTED FOR CONTINUING EDUCATION APPROVAL; SECONDED BY MR. MACRAE; MOTION CARRIED.

Mr. Epley stated that the Grant Review Committee recommends the following organization be awarded a grant in the following amount for grant cycle PPSB 2014-1 under the Private Protective Services Board grant program:

Central Piedmont Community College – recommendation is \$5,000.00.

MOTION BY MR. EPLEY TO APPROVE THE GRANT AWARD TO CENTRAL PIEDMONT COMMUNITY COLLEGE; SECONDED BY MR. GRAHAM; MOTION CARRIED.

Mr. Clark addressed the Board regarding his concern of the approval of continuing education training courses submitted by Randy Searles. His concern is that Mr. Searles is no longer associated with the company under which the courses were submitted. The Board discussed the issue then requested Mr. Bonapart to have staff contact Mr. Searles to correct the company name. Ms. Graham will contact Mr. Searles to initiate the correction.

Mr. Stevens discussed course material received from Mr. Kevin Eugene Wetzel, SLC Security Services LLC, license #168-CI. Mr. Wetzel submitted a large amount of course material to the T & E Committee to review. He would like his course approved as one of the Electronic Countermeasures School approved by the Board. The Board currently approved two (2) Electronic Countermeasures schools. The committee will review the material and make a recommendation to the Board at a future meeting.

MOTION BY MR. WEAVER TO ACCEPT THE TRAINING AND EDUCATION COMMITTEE REPORT; SECONDED BY MR. MACRAE; MOTION CARRIED.

GRIEVANCE COMMITTEE:

Judge Burris discussed the issue brought before the grievance committee regarding Mr. Julien Duncan and falsifying records. He reported the Board's decision to have those individuals whose certification were found to be insufficient would be required to requalify at the firing range within sixty (60) days or have their certification revoked.

MOTION BY MR. EPLEY TO ACCEPT THE COMMITTEE'S REPORT; SECONDED BY MR. BENSON; MOTION CARRIED.

SCREENING COMMITTEE:

Mr. Clark reported the Screening Committee received a request from Mr. Jerry Spencer, Spencer Investigations, asking for a medical waiver. His Private Investigators license is up for renewal (expires 7/31/2014) and he has undergone several operations on his shoulder. He would like to be placed in an inactive status until he can return to work. He has been licensed for approximately five years. Mr. Spencer believes he can return to work in January 2015.

Mr. Wright reminded the Board that in accordance with 12 NCAC 07D .0203(b) if a licensee has maintained a license at least two years and then allows the license to expire, the license may be re-issued if application is made within three years of the expiration date.

Judge Burris suggested letting staff handle his renewal administratively when Mr. Spencer is able to return to work. The members agreed no action is required of the Board.

MOTION BY JUDGE BURRIS TO ACCEPT THE COMMITTEE'S REPORT; SECOND BY MR. COBBLER; MOTION CARRIED.

74C REWRITE COMMITTEE

Mr. Epley reported that Senate Bill 466 has not been discussed by the Senate. Because of the current schedule he does not believe the Senate will hear additional issues this year.

FINANCE REPORT:

Mr. MacRae reported that a bar graph of expenses from July 1, 2013 to June 30, 2014 was made available to all Board members. (Mr. Bonapart emailed the report to all Board members). There is also a spreadsheet available containing the same information. All members were made aware that the current House budget will impact the current computer upgrade.

MOTION BY MR. STEVENS TO ACCEPT THE COMMITTEE'S REPORT; SECOND BY MR. CLARK; MOTION CARRIED.

ETHICS COMMITTEE:

NONE

OLD BUSINESS:

NONE

NEW BUSINESS:

Mr. Wright presented the board meeting dates for 2015 for approval. The Board discussed moving the 2015 meeting, typically held in the Western part of the state, from Asheville to Charlotte. Mr. Benson suggested that all meetings be held in Raleigh. Mr. MacRae asked staff to provide the number of attendees for Board meetings over the past two (2) years. Judge Burris made the suggestion to hold the February 2015 meeting in Charlotte and to discuss where the remaining 2015 meetings should be held at the August meeting.

BREAK: 9:59 a.m.
BACK IN SESSION: 10:12 a.m.

Mr. Cobbler asked whether the rules about concealed carry endorsement while performing duties is necessary for private investigators. Mr. Gray advised that the statute and administrative rule require armed security guards and armed private investigators to obtain a Concealed Handgun Permit pursuant to Chapter 54B of the General Statutes if they carry a handgun concealed while performing duties defined by statute. To not enforce this law and rules both would have to be repealed. Chairman Allen suggested that the issue be referred to the 74C Rewrite Committee. Mr. Benson will work with a subcommittee on this particular issue.

MOTION BY JUDGE BURRIS TO ACCEPT THE REPORT; SECOND BY MR. MACRAE; MOTION CARRIED.

FINAL AGENCY DECISION

Attorney Jeff Gray removed himself as counsel to the Board to present the following cases.

The Board received the official record for the following case:

Alejandro Maurent 13 DOJ 17940(attachment 4 to Attorney's Report). Mr. Maurent was present. This case was heard by Administrative Law Judge Augustus B. Elkins II on December 9, 2013. This case involved the denial of Petitioner's armed guard registration renewal based on lack of good moral character and temperate habits as evidenced by a conviction of felony Possession of a Controlled Substance in the State of Florida in 1998.

Administrative Law Judge Augustus B. Elkins, II, proposes that Petitioner be granted an armed guard registration.

MOTION BY MR. CLARK TO UPHOLD JUDGE'S DECISION AND GRANT AN ARMED GUARD REGISTRATION; SECONDED BY MR. WEAVER; MOTION CARRIED.

DIRECTOR'S REPORT:

Director Terry Wright read the report for the record. The current PPS budget as of May 31, 2014, has a balance of \$1,003,965.70; the Education Fund balance is \$66,736.90. As of June 23, 2014, the total registrations for PPS is 17,799, 1,731 licensees, and 600 certifications.

Mr. Wright reported that there have been a total of 3,089 various correspondences printed from the PPS database, 3,681 registration cards have been printed and a total of 5,663 applications received since the last Board meeting.

MOTION BY MR. MACRAE TO ACCEPT THE DIRECTOR'S REPORT; SECONDED BY MR. BENSON; MOTION CARRIED.

ATTORNEY'S REPORT:

Attorney Gray discussed the following:

I. CONSENT AGREEMENT, SETTLEMENT AGREEMENTS & CIVIL PENALTIES

1. Paul Manley Jr. /Show Pros Entertainment Services of Charlotte, Inc. On October 24, 2013 the Private Protective Services Board voted to enter into a consent agreement with Mr. Manley in the amount of \$15,586.40 in twelve monthly installments for registration violations with the first payment due January 1, 2014. The sixth payment was received on May 23, 2014. (\$1,298.86).
2. Brian T. Lassiter/B K Lass Enterprises, Inc. On October 24, 2013 the Private Protective Services Board voted to enter into a consent agreement with Mr. Lassiter in the amount of \$3,610.80 in six monthly installments of \$601.80 for registration violations. Paid in full.
3. Felicia Myers/Absolute Contracting Services, Inc. On October 24, 2013 the Private Protective Services Board voted to enter into a consent agreement with Ms. Myers in the amount of \$6,976.80 to be paid in six monthly installments of \$1,162.80 for fifty-seven unarmed guard registration violations with first payment due January 1, 2014. Paid in full.
4. Scott Smithers/Eye Spy Investigations. On December 12, 2013, the Private Protective Services Board voted to suspend Mr. Smithers' private investigator license for a period of ninety (90) days, but suspend the suspension if he provided his client a written report and then only assess a civil penalty in the amount of \$1,000.00 for failing to offer a written report to a client. The licensee rejected the offer of settlement and requested an

administrative hearing. A hearing was held in the Office of Administrative Hearings on February 25, 2014. The board is awaiting the Proposed Final Decision from the Administrative Law Judge.

5. Cynthia Louise Breeden/BCSi Security, Inc. On April 24, 2014 the Board voted to enter into a consent agreement with Ms. Breeden in the amount of \$938.40 for registration and branch office violations. Paid in full.

II. OFFICE OF ADMINISTRATIVE HEARINGS

October 29, 2013	PPSB	Jesse J. Williamson Alejandro Maurent	Denial of Unarmed Permit Denial of Armed Permit
January 28, 2014	PPSB	Kelsie Lamel Floyd	Denial of Unarmed Permit
June 24, 2014	PPSB	Kerry Allen Graves	Suspension of license for 90 days
	PPSB	Angel Ruberto Anderson	Summary suspension of firearms registration permit
February 25, 2014	PPSB	Alvin Thomas Bennett	Summary suspension of firearms registration permit
	PPSB	Scott Eric Smithers	Appeal of Civil Penalty
May 27, 2014	PPSB	Thomas Eliza Anderson	Denial of Unarmed Permit
July 29, 2014	PPSB	David R. Beatson	Denial of Unarmed Permit

III. RULES

1. The rule changes to 12 NCAC 07D.0106, .0501, .0502, .0503, .0504 and .1302 were approved by the Rules Review Commission at its April 17, 2014 meeting. They are effective May 1, 2014.
2. The rule change to 12 NCAC 07D.0901(e) to delete the provision allowing firearms instructors certified by the Criminal Justice Education and Training Commission to pay only one-half the course fee amount to attend the required portion of the firearms trainer course was approved by the Rules Review Commission at its June 18, 2014 meeting. It is effective July 1, 2014.
3. Board staff recently discovered that there are no rules governing “authorized firearms” or “uniforms and equipment” in the recently adopted Unarmed Armored Car Service Guards and Armed Armored Car Service Guard administrative rules (i.e. 12 NCAC 07D Section .1400 and 12 NCAC 07D Section .1500). The G.S.

150B-19.1 Certification form for these rule changes were filed May 14, 2014 and the Rules Review Commission certified amended 12 NCAC 07D.0809 and 12 NCAC 07D and new 12 NCAC 07D.1408 and 12 NCAC 07D.1508 at its June 18, 2014 meeting. Mr. Gray was present for the filing of the Notice of Text.

4. During discussions regarding implementation of the Board's new on-line application and renewal program, staff also realized that there is no rule regulating the length of time between submission of an application for a license, registration for renewal of a license or registration and the completion of the application process.

The lack of a "cut-off" for the application process will prevent closure of the file in the new system and such applications will otherwise remain open indefinitely. G.S. 150B-19.1 Certification form for this rule change was filed on May 14, 2014 and the Rules Review Commission certified amended 12 NCAC 07D.0116 at its June 18, 2014 meeting.

5. At its April 24, 2014 meeting, the Board approved a change requested by staff to drop the use of the term "dual" and begin using the term "transfer" when referring to an unarmed security guard registered with more than one company. This change in designation will require a rule change. If acceptable, a motion to proceed with the rule making process is in order.
6. Mr. Gray has previously reported that during the 2012 Session of the Legislature, the Joint Legislative Administrative Oversight Committee replaced the Joint Select Regulatory Reform Committee. This Committee has oversight over the study by the Program Evaluation Division (PED) of the structure, organization and operation of all occupational licensing boards in the State and the feasibility of a single "umbrella" agency as required by Section 10(a) of S.L. 2013-413. Mr. Gray has attended the meetings of this Committee. At its June 23, 2014 meeting, the Principal Evaluator of the PED (in lieu of the Director) reported to the Committee on the status of this study.

The PED began the process of evaluation of boards in May, 2014. Only four (4) boards were visited and the staffs interviewed. The remainder will be evaluated through a "questionnaire" currently being developed. Its final report on all occupational and professional licensing boards is due to the Administrative Procedures Oversight committee by December 31, 2014.

7. During the 2013 Session of the legislature, the General Assembly passed S.L. 2013-413 (still commonly referred to as "House Bill 74") which amended Chapter 150B of the General Statutes to add a new section, N.C.G.S. § 150B-21.3A, requiring a periodic review and expiration of existing rules. (See, October 24, 2013 Attorney's Report.) The review of all rules for all State agencies is

anticipated to be a five (5) year process. Administrative rules governing the review process have been adopted by the Rules Review Commission and a chart of the review schedule has been released. The Board's rules are scheduled for review in August, 2018. A flow chart detailing the review process was attached in the April 24, 2014 Attorney's Report.

IV. PENDING CASES

1. At the March, 2013 Board meeting, the board was informed by deputies with the Brunswick County Sheriff's Office that Bill Haglar of Oak Island, NC was under criminal investigation for performing private investigation services and holding himself out as a private investigator without a license. Mr. Haglar has received five (5) C&D letters from the Board over a six (6) year period for the same activities. As a result, and upon motion of the Board, on March 25, 2013 Mr. Gray filed a Complaint for Injunctive Relief on behalf of the Board in *NC PPSB v. William John Haglar*, 13 CVS 004090 – Wake County Mr. Haglar file an Answer, *pro se*, to the Complaint.

In early June Mr. Gray learned from the Sheriff's Office that Mr. Haglar had posted LinkedIn and other social network postings online holding himself out as a PI after the lawsuit was filed. Mr. Gray filed a motion on June 13th and obtained an Order Granting Preliminary Injunction on June 24, 2013 in Wake County Superior Court to enjoin Mr. Haglar's activities.

The Brunswick County Sheriff's Office arrested and criminally charged Mr. Haglar for violation of the Board's law and rules as well as felony obtaining property by false pretenses. He is free on \$10,000 secured bond awaiting trial.

On August 20, 2013, Mr. Haglar represented himself to Heather Howle, Assistant Director of the Brunswick County Senior Center, as a private investigator. He also gave Ms. Howle a business card with his name and "Investigative Services" under it and the logo of "Haglar Investigative Services." He admitted to the investigating officer he had done so and that he is unlicensed. I obtained an Affidavit from Ms. Howle and Sgt. M.L. Williams of the Southport Police Department, and then filed a Motion for Order to Show Cause on September 23, 2013. Mr. Haglar appeared, represented by counsel, and the Court allowed the matter to be continued since his attorney had not been retained except for that appearance.

The matter was re-calendared for hearing on Thursday, October 31st. The presiding Judge found Mr. Haglar in both civil and criminal contempt of the June 24th Order. He was jailed in the Wake County Detention Center for 48 hours.

This matter was called for trial (for the second time) for the June 9, 2014 Trial Calendar. The Defendant signed a Consent Order agreeing not to further engage in the private protective services business unless licensed by the Board. Mr. Gray is awaiting return of the signed Order from the presiding Judge.

2. As previously reported, the Plaintiff has refiled the civil action against Board Investigator Sarah Conner, the Board, the City of Charlotte, the Charlotte-Mecklenburg Police Department and various officers of the Charlotte-Mecklenburg PD in *Kelly v. Conner, et al.*, No.3:13-CV-636—WDNC. Mr. Kelly was unlicensed as a security guard business and unregistered, but performing security guard and patrol services. He is also a convicted felon. He was arrested and charged with, among other violations, violating Chapter 74C.

The Plaintiff's attorney had difficulty serving all parties, and one party failed to answer; this party has now been defaulted and there is "joinder of parties" under Federal Rules of Civil Procedure. The time for discovery and the filing of motions began to run on April 9, 2014. The Board received Plaintiff's First Set of Interrogatories and Request for Production of Documents on May 29, 2014. Mr. Gray and staff have begun preparing responses to Plaintiff's discovery requests but will not make the initial deadline of June 30th. The Plaintiff's attorney has stipulated to a 30-day extension of time. Once the discovery responses are served, Mr. Gray will then file a Motion to Dismiss on behalf of the Board. The Attorney General's Office is again representing Ms. Conner.

V. MISCELLANEOUS

At the Board's April 24, 2014 meeting, the Board requested that Mr. Gray prepare a Memorandum regarding the statute and rules governing armed private investigators. A copy of the memorandum was attached to the Attorney's Report.

MOTION BY MR. CLARK TO ACCEPT ATTORNEY'S REPORT; SECONDED BY MR. STEVENS; MOTION CARRIED.

The Board reviewed a draft of the resolution for Helen Parker.

MOTION BY MR. STEVENS TO ACCEPT THE RESOLUTION; SECONDED BY JUDGE BURRIS; MOTION CARRIED.

PUBLIC COMMENT:

Mr. John Taylor sent a memo to the Board requesting that they increase the number of reciprocal agreements for five (5) additional states, Maryland, New Jersey, Pennsylvania, Washington D.C. and West Virginia. Mr. Clark suggested that before the Board reviews his request that he check with these states about their reciprocal agreements. He also advised that if he needed further guidance to contact staff or Mr. Clark himself who would act as liaison for the Board.

Mr. Gary Pastor addressed the Board to ask if it was possible to change the firearms renewal period from one year to two years. Mr. Clark replied stating that anyone holding a firearms

certification should be required to requalify at the range as a matter of safety to the public. Chairman Allen asked staff to explore the pros and cons of Mr. Pastor's suggestion and report back to the Board.

Judge Burris recognized Chairman Allen and Mrs. Denise Martin who will not be returning as Board members.

Mr. Gray advised the Board that his contract was up for renewal.

MOTION BY JUDGE BURRIS TO DEFER DISCUSSION OF ATTORNEY GRAY'S CONTRACT TO THE NEXT MEETING; SECONDED BY MR. MACRAE; MOTION CARRIED.

MOTION BY MR. GRAHAM TO ADJOURN; SECONDED BY MR. MACRAE; MOTION CARRIED.

11:13 a.m. Adjourned

Anthony B. Bonapart, Deputy Director

Maia Washington-Powell, Licensing Assistant