

MINUTES
OF THE
NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD

DATE: September 26, 2013

TIME: 9:00 a.m.

PLACE: Holiday Inn-Crabtree Valley
Raleigh, North Carolina

SUBMITTED BY: Anthony B. Bonapart
Deputy Director

MEMBERS PRESENT:

Mack Donaldson
John Thompson
June Ray
Larry McClellan
Jack Ingle
James Taylor

MEMBERS ABSENT:

Brad Smith

STAFF PRESENT:

Director Terry Wright
Deputy Director Anthony Bonapart
Field Services Supervisor Phillip Stephenson

Board Secretary Nan Williams
Training Officer Judy Pittman
Attorney Charles McDarris

VISITORS:

James Taylor
Richard W. Crabtree
Luis A. Nina
Don Childers
Rodney Hall
Kevin Smith
Pamela McLean
Terry Hatley
Ben Powell

Dennis Barker
Jake Engle
Keith Pendleton
Barry M. Wells
Christopher Rosdhal
Ennis W. Law
Millie Archer
Elizabeth Rogers
William Peacock

Christopher Nobling
Johnnie A. McKoy
Chris Place
James E. Mills
John S. Otto

Zachary Skidmore
Mark Smith
Larry Hadnell
Ken Henke

The September 26, 2013 meeting of the North Carolina Alarm Systems Licensing Board was called to order by Ms. Ray at 9:00 a.m.

In accordance with the State Ethics Law, Attorney Charles McDarris read the following information. "It is the duty of every Board member to avoid both conflicts of interest and appearances of conflict. If any member has any known conflict of interest or appearance of conflict with respect to any matter coming before this Board today, please identify the conflict or appearance and refrain from the deliberation and vote in that matter.

Ms. Ray welcomed all guests.

MR. INGLE MADE A MOTION TO APPROVE THE MINUTES FROM THE JULY 25, 2013 BOARD MEETING. SECONDED BY MR. MCCLELLAN. MOTION CARRIED.

MR. INGLE MADE A MOTION TO APPROVE THE MINUTES FROM THE JULY 25, 2013 SPECIAL MEETING. SECONDED BY MR. THOMPSON. MOTION CARRIED.

Mr. Donaldson gave the Grievance Committee report.

Mr. Donaldson and Mr. McClellan met as the Grievance Committee on September 25, 2013. Mr. Taylor served on the committee as well to replace Mr. McClellan on case number 2013-ASL-026. Mr. McClellan recused himself from hearing this case.

MR. THOMPSON MADE A MOTION TO APPROVE THE GRIEVANCE COMMITTEE REPORT AS PRESENTED. SECONDED BY MR. INGLE. MOTION CARRIED.

Mr. Taylor gave the Screening Committee report.

MR. DONALDSON MADE A MOTION TO APPROVE THE SCREENING COMMITTEE REPORT AS PRESENTED. SECONDED BY MR. MCCLELLAN. MOTION CARRIED.

Mr. Bonapart gave the registration report. No motion was given.

Mr. McDarris removed himself as counsel to the Board to give the following final agency decisions.

13 DOJ 10891 - ZACHARY H. SKIDMORE - This contested case was heard before the Administrative Law Judge Melissa Owens

Lassiter on May 28, 2013 in Raleigh, North Carolina.

The issue was whether or not grounds exist to deny the application of Mr. Skidmore for an alarm systems registration permit based on lack of good moral character and temperate habits. Mr. Skidmore was present.

MR. DONALDSON MADE A MOTION TO APPROVE THE ALARM REGISTRATION PERMIT FOR MR. SKIDMORE. SECONDED BY MR. INGLE. MOTION CARRIED.

13 DOJ 13859 - CHRISTOPHER T. PLACE - This contested case was heard before the Senior Administrative Law Judge Fred. G. Morrison, Jr., on July 23, 2013 in Raleigh, North Carolina. The issue was whether or not grounds exist to deny the application of Mr. Place for an alarm systems registration permit based on lack of good moral character and temperate habits. Mr. Place was present.

MR. DONALDSON MADE A MOTION TO APPROVE THE ALARM REGISTRATION PERMIT FOR MR. PLACE. SECONDED BY MR. MCCLELLAN. MOTION CARRIED.

13 DOJ 11695 - JAKE C. ENGLE - This contested case was heard before the Administrative Law Judge Melissa Owens Lassiter on May 28, 2013 in Raleigh, North Carolina. The issue was whether or not grounds exist to deny the application of Mr. Engle for lack of good moral character and temperate habits. Mr. Engle was present.

MR. DONALDSON MADE A MOTION TO APPROVE THE ALARM REGISTRATION PERMIT FOR MR. ENGLE. SECONDED BY MR. MCCLELLAN. MOTION CARRIED.

12 DOJ 07161 - JOHN MACHOUIS - This contested case was heard before the Senior Administrative Law Judge Fred G. Morrison, Jr., on October 23, 2012 in Raleigh, North Carolina. The issue was whether or not this case should be dismissed for failure of Mr. Machouis to prosecute this contested case. Mr. Machouis was not present.

MR. DONALDSON MADE A MOTION TO ACCEPT THE DISMISSAL FOR FAILURE TO PROSECUTE THIS CASE. SECONDED BY MR. TAYLOR. MOTION CARRIED.

SPECIAL REPORTS AND PRESENTATIONS

Mr. McClellan gave the following report from the Continuing Education Committee:

1. IP Network Video Solutions - The committee recommends approval for this course for 2 CEU's.
2. Technicians Guide Installation to Central Station (Short) - The committee recommends approval for renewal for this course for 2 CEU's.
3. Technicians Guide Installation to Central Station (Long) - The committee recommends approval for renewal for this course for 3 CEU's.
4. Understanding Alarm Transmission Formats (Long) - The committee recommends approval for renewal for this course for 3 CEU's.
5. VOIP and Burglar Alarms (Short) - The committee recommends approval for renewal for this course for 2 CEU's.

6. VOIP and Burglar Alarms (Long) - The committee recommends approval for renewal for this course for 3 CEU's.
7. Uploading/Downloading Software - The committee recommends approval for this course for 2 CEU's.
8. DSC Power Series Product Knowledge - The committee recommends approval for renewal for this course for 3 CEU's.
9. DSC Power Series Advanced Programming - The committee recommends approval for renewal for this course for 6 CEU's.
10. DSC Power Series Basic Programming - The committee recommends approval for renewal for 4 CEU's.
11. Alarm Systems Business Licensing & Registration - The committee recommends approval for renewal for 3 CEU's.

MR. THOMPSON MADE A MOTION TO APPROVE THESE COURSES AS PRESENTED. SECONDED BY MR. TAYLOR. MOTION CARRIED.

UNFINISHED BUSINESS

None

OLD BUSINESS

None

NEW BUSINESS

Mr. McClellan suggested that there be an increase in the number of members that serve on the Grievance Committee from two members to three members. This would help in cases that a member would have to recuse themselves from a case, then there would be an extra member to replace him and hear the case. Mr. McDarris stated that would not be a problem if the Board decided to do this. No further action taken.

DIRECTOR'S REPORT

Mr. Wright presented the written report and advised as of July 31, 2013, the Alarm Board's balance was \$427,116.58. The Education Fund balance was \$52,471.74. As of September 23, 2013, the Board has 942 licensees and 7510 registrants.

MR. THOMPSON MADE A MOTION TO ACCEPT THE DIRECTOR'S REPORT AS PRESENTED. SECONDED BY MR. DONALDSON. MOTION CARRIED.

Mr. Wright stated that the upgrades for the new computer system have begun. Once the new system is in place, the industry will be able to apply for a license or registration online. The Board needs to make a decision whether or not the staff will still accept applications in the current manual process. The system is being built to accommodate both methods. Mr. Wright would like everything online. Mr. Wright stated that reimbursements would be eliminated because the new system would not let a person put in the incorrect amount.

The projected date to complete system is around September, 2014. There will be growing pains for the staff and the industry during this time.

The Board decided that after one year, everybody will have to use the online system. This will give the industry plenty of time to get use to the new online system.

Mr. Wright stated that some of the Board's forms has to be notarized. He asked the Board if they would accept electronic signatures.

MR. DONALDSON MADE A MOTION TO ACCEPT ELECTRONIC SIGNATURES. SECONDED BY MR. THOMPSON. MOTION CARRIED.

Mr. Wright also stated that there are date sensitive matters that the Board would need to consider with the new system. Mr. McDarris will discuss this with Mr. Gray about rule changes with the computer changes.

ATTORNEY'S REPORT

Mr. McDarris reported on the following consent agreements:

1. Benjamin Billingsley/Northstar Alarm Services, LLC - Consent Agreement of \$2876.40 has been executed and paid in full.
2. Charles Bellia/The Security Shop, Inc. - Consent Agreement of \$2101.20 has been executed and the licensee has paid the first of three monthly installments of \$700.40.
3. George Bish/Secure Watch (now Secure Automation) - Consent Agreement of \$232,988.40 has been executed and the licensee is currently paying a monthly installment amount of \$19,415.70.

The schedule of hearings in the Office of Administrative Hearings is attached to the Attorney's Report.

There are no pending rules. At the July, 2013 Board meeting, the Board voted to amend 12 NCAC 11 .0105 to make it a violation to provide false information to the Board's approved third-party out of state criminal history record check provider. This rule amendment has been filed with the Rules Review Commission for NCGS 150B-19.1 Certification.

The status of the pending bills are as follows:

*SB 32, Periodic Review and Expiration of Rules - Re-referred to Committee on Program Evaluation 5-14-13.

*SB 33, Use of Criminal History Records by Licensing Boards - Signed by Governor on 4-19-13.

*SB 36, APA Technical/Clarifying Changes (This bill is identical to HB 165.) - SB 36 passed Senate, then House with amendments; failed to pass Senate; Conference Committee appointed 4-24-13; eligible for consideration in short session. (No action on HB 165).

*SB 37, SPED Study Occupational Licensing Board Agency (This bill is identical to HB 166.) No action on either bill, however, this study appeared in HB 74 below.

*HB 74, Improve and Streamline the Regulatory Process, passed the General Assembly and was signed by the Governor.

At the July Board meeting, a motion was made requesting that staff and the attorney review the Board's March, 2012 Policy Statement on Branch Office Requirement in light of the Time Warner Cable/Best Buy complaint and investigation and recommend any changes. Upon review of the policy, Mr. Gray has determined that nothing needs to be changed to clarify it.

In his opinion, any further changes or tightening of the wording would hamper the Board's intent to make allowances for static, unmanned non-permanent displays of available equipment and informational brochures.

MR. THOMPSON MADE A MOTION TO ACCEPT THE ATTORNEY'S REPORT AS PRESENTED. SECONDED BY MR. INGLE. MOTION CARRIED.

GOOD OF THE ORDER

MR. TAYLOR MADE A MOTION TO ADJOURN. SECONDED BY MR. THOMPSON. MOTION CARRIED.

Meeting Adjourned: 10:05 a.m.

Anthony Bonapart
Deputy Director

Nan Williams
Reporter