

**MINUTES OF THE
PRIVATE PROTECTIVE SERVICES BOARD MEETING
December 12, 2013
HOLIDAY INN CRABTREE VALECY
4100 Glenwood Avenue
RALEIGH, NC 27612**

BOARD MEMBER PRESENT

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

BOARD MEMBERS ABSENT

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

Walter Pylypiw
Jeff Cathcart
Kerry Core
Pam Mayfield
Francis Sancinato
Christopher Carcione
David C. Arndt
Harry House
Mark Wohlneck
Bill Dover

L. Alexander
Fred Stipe
Neil Mayzik
Randy Sawyer
Ryan Moran
David Bloomfield
Val Matthews
Suzanne Creech
Mark Zudell
Hollie Trivette

Robert McCrury
Frank Bianco
Anthony McCollum
Kenneth Lewis
Lee Alexander
Gary Hatten
Larry Flannery
Jollette Morrison
Gary Pastor
Dorian Dehnel

Robert Graham

CALL TO ORDER

Chairman Richard Allen called the December 12, 2013 Private Protective Services Board meeting to order at 9:18 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. Mr. Hatten reported that the NCAPI Fall Conference was a success with 148 attendees. He also stated that the Spring Conference is scheduled for March of 2014 and he requested that Staff be present.

MINUTES:

APPROVAL OF THE OCTOBER 21, 2013 MEETING MINUTES.

Attorney Gray stated that the motion to continue for page six (6) of the Final Agency Decisions will be left as is and will be addressed during the Final Agency Decisions.

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

SCREENING COMMITTEE REPORT:

Mr. Clark reported that the Screening Committee met on Wednesday, December 11, 2013 from 2:03 p.m. until 4:55 p.m. to review a total of 43 applications. (See report). The committee members were Mr. Clark, Mr. Benson, Mr. MacRae, Mr. Weaver, Mrs. Martin and Mr. Cobbler. Mr. Clark read the report for the record.

Mr. Clark also reported that Mr. Clarence Cox appeared before the Screening Committee to have his license reinstated. The committee recommended that his license be reinstated upon his completion of the required twelve (12) continuing education credit hours.

Mr. Clark presented the following registration report for the period of October 22, 2013 to December 9, 2013. Total registrations 3,425; armed totals were 414 of which 137 were new and 232 were renewals, 2 duplicate, and 43 reissue/dual. There were a total of 72 Armed Armored Car, 28 of which were new, 43 were renewals, 1 reissue/dual. There were a total of 7 armed

Private Investigators, 6 new Private Investigator and 1 renewal, and 2 armed Private Investigator Associate, 1 New, 1 Renewal. Unarmed totals were 2,921 which included 1,158 new, 1,329 renewals, 211 transfers, 15 duplicates and 208 reissue/dual. There were a total of 9 unarmed armored car, 5 of which were new. Total denials were 326 of which 70 were for cause and 316 for correctable reasons. There were 459 applications approved which were previously denied for a total of 845 denials reviewed.

Mr. Booth asked what “May Work” means in the Registration report. Mr. Wright explained that an applicant who is denied may be granted an extension to work at the discretion of the Director.

MOTION BY MR. STEVENS TO ACCEPT THE SCREENING COMMITTEE REPORT AND THE REGISTRATION REPORT; SECONDED BY MR. BENSON; MOTION CARRIED.

GRIEVANCE COMMITTEE REPORT:

Chairman Allen reported the Grievance Committee met on Wednesday, December 11, 2013 from 8:06 a.m. until 12:06 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. STEVENS TO ACCEPT THE GRIEVANCE COMMITTEE REPORT; SECONDED BY MR. BOOTH; MOTION CARRIED.

TRAINING & EDUCATION COMMITTEE:

Mr. Stevens advised that the Training & Education Committee met on Thursday, December 12, 2013 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 350 certified PPS unarmed guard trainers and 87 PPS certified armed guard trainers.

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

December 12, 2013 1 pm – 5 pm Raleigh

The following PPS Training Courses have been completed:

November 18-22, 2013 8 am – 5 pm UGT Course and Workshop WTCC
November 25, 2013 10 am – 11 pm FT Re-Certification & Pre-Qualification course

Mr. Booth reported on the Firearms Trainers subcommittee meeting. The following recommendations were made:

- PPSB will contract with the Justice Academy to hold catch up classes. Tentatively in January and February in the western part of the state.
- PPSB will change the expenditure of the Education Fund. A maximum of \$5,000.00 will be used to offset the balance of scheduled classes so that there will be no need to cancel the class if not enough participants. The minimum number of participants will be lowered to three (3).
- PPSB Staff will contact the Justice Academy to inquire if the current fee can be changed to a non-refundable fee.
- Staff will notify the Board when funds will need to be used in order to offset the balance of a scheduled class.

MOTION BY MR. BOOTH TO ACCEPT THE SUBCOMMITTEES RECOMMENDATIONS; SECOND BY MR. MACRAE; MOTION CARRIED.

Mr. Stevens reported on an inquiry by licensee Peter Rubino in reference to a course he submitted for continuing education credit. Staff sent Mr. Rubin a letter informing him that the OSHA course he submitted was not pertinent to the private investigation field and therefore denied the course. The committee's recommendation is to uphold the decision of staff.

MOTION BY MR. BOOTH TO DENY THE CONTINUING EDUCATION COURSE; SECONDED BY MR. MACRAE; MOTION CARRIED.

Mr. Stevens reported that there was one course the subcommittee reviewed for approval: Legal Aspects and Techniques of Surveillance Investigation, six (6) credit hours.

MOTION BY MR. EPLEY TO ACCEPT THE CONTINUING EDUCATION COURSE; SECONDED BY MR. WEAVER; MOTION CARRIED.

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

GRIEVANCE COMMITTEE:

Judge Burris discussed a recent issue that was brought before the Grievance Committee. He discusses the possibility of additional sanction options as the structured punishment for violations may be too lenient or too harsh and how to use the twenty (20) day probation. Mr. Stevens stated that the amount of fines could quite possibly put smaller companies out of business and whether there should be flexibility in assessing fines. Judge Burris stated that a lot of the licensees/companies that are brought before the grievance committee use not understanding the statute 74C as an excuse.

Mr. Phillip Stevens stated that the statute is addressed in the licensee's face to face interview with the investigators. Mr. Clark suggested that the statute be divided into parts, for example

private investigator, security guard and patrol, etc. Mr. Booth also suggested that an index be added to the statute to make it easier for the licensee to reference.

Judge Burris suggested that this issue be given to Attorney Gray and staff for further discussion.

**MOTION BY MR. MACRAE TO ACCEPT THE COMMITTEE'S REPORT;
SECONDED BY MR. BOOTH; MOTION CARRIED.**

SCREENING COMMITTEE:

Mr. Gary Pastor wrote a letter to staff and board members asking whether Private Investigator Associates are allowed to distribute business cards with their names before they become licensed. The Board recommended that private investigator associates may hand out general business cards for the company they work for as long as it does not list their name.

Mr. Stephenson stated that asking applicants to submit their own Equifax Credit Reports has become cumbersome and costly for staff. He recommended that staff go back to running their own credit reports so that investigators only receive the information that is needed and money is not wasted on postage and making copies.

**MOTION BY MR. CLARK TO ACCEPT THE STAFF RECOMMENDATIONS ON
BUSINESS CARDS AND STAFF RUNNING THE APPLICANT CREDIT REPORT;
SECONDED BY MR. BENSON; MOTION CARRIED.**

**MOTION BY MR. BOOTH TO ACCEPT THE SCREENING COMMITTEE'S REPORT;
SECONDED BY MR. WEAVER; MOTION CARRIED.**

74C REWRITE COMMITTEE

Mr. Epley reported the Board is working to schedule more firearms training classes, one tentatively to be held in Charlotte, in order to alleviate the backlog of those waiting for training.

**MOTION BY MR. CLARK TO ACCEPT THE 74C REWRITE COMMITTEES
REPORT; SECONDED BY MR. COOK; MOTION CARRIED.**

FINANCE REPORT:

Mr. MacRae reported that he and Mr. Wright met and created a new format for the monthly reports that will show the revenues and expenditures for the fiscal years. Mr. MacRae will continue to work with Mr. Wright and Mr. Bonapart to create a predictive report to assist the board in appropriated funds. Mr. MacRae also stated that there will be another finance committee meeting at the next board meeting.

MOTION BY MR. BOOTH TO ACCEPT THE FINANCE REPORT; SECONDED BY MR. GRAHAM; MOTION CARRIED.

BREAK: 10:45 a.m.
BACK IN SESSION: 11:08 a.m.

OLD BUSINESS:

NONE

NEW BUSINESS:

Mr. MacRae requested that the board meeting minutes be made available to the board members before the board meeting either by mail or email.

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 cases:

Myron Troy Davidson 13 DOJ 13379 (attachment 4). Mr. Davidson was present. This case was heard by Senior Administrative Law Judge Fred G. Morrison Jr. on July 23, 2013. This case involved the denial of Petitioner's private investigator license based on the lack of good moral character as evidenced by a conviction of misdemeanor possession of stolen goods, numerous convictions of traffic related offenses, and a lack of financial responsibility.

Administrative Law Judge Fred G. Morrison proposes that while the Board has grounds to deny Petitioner's application, it should consider granting a probationary license with conditions satisfactory to the Board.

MOTION BY MR. WEAVER TO UPHOLD THE BOARD'S DECISION; SECONDED BY MR. STEVENS; OPPOSED MRS. MARTIN; MOTION CARRIED.

Randy L. Sawyer, Sr. 13 DOJ 10980 (attachment 6). Mr. Sawyer was present. This case was heard by Administrative Law Judge Melissa Owens Lassiter on May 28, 2013. This case involved the denial of Petitioner's unarmed guard permit based on lack of good moral character and temperate habits as evidenced by a conviction of felony Assault With A Deadly Weapon Inflicting Serious Injury.

Administrative Law Judge Melissa Owens Lassiter proposed that the Board reverse its' decision and recommends that Petitioner be issued an unarmed guard registration.

EXECUTIVE SESSION:
BACK IN SESSION: 12:00 p.m.

MOTION BY MR. BENSON TO UPHOLD ORIGINAL DECISION; SECONDED BY MR. STEVENS; MOTION CARRIED.

MOTION BY MR. WEAVER TO FOR STAFF TO PERFORM AN AUDIT OF XPICOR SECURITY; SECONDED BY MR. COOK; MOTION CARRIED.

DIRECTOR'S REPORT:

Director Terry Wright read the report for the record. The current PPS budget as of October 31, 2013, has a balance of \$549,391.79; the Education Fund balance is \$63,643.48. As of October 21, 2013, the total registrations for PPS is 18,548, 1,823 licensees, and 591 certifications.

Mr. Wright noted that there have been a total of 2,465 various correspondences printed from the PPS database, 4,950 registration cards have been printed and a total of 5,771 applications received since the last Board meeting.

Mr. Wright also reported that staff met with GL Solutions from November 18th through November 21st to address all issues and concerns regarding the computer upgrade. The new projected go live date for the computer system will be announced at the next board meeting. Mr. Wright also announced that the Alarm Board will be hosting the IAFTA in 2015.

MOTION BY MR. MACRAE TO ACCEPT THE DIRECTOR'S REPORT; SECONDED BY MR. CLARK; 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. Payment has not been received.
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 for registration violations. Payment has not been received.
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 in six (6) monthly installments for 57 unarmed guard registration violations. Payment has not been received.

4. Wendy Sue Thomas/Thomas Protective Service, Inc. (Complaint #2013-PPS-028). On October 24, 2013 the Private Protective Services Board voted to enter into a consent agreement with Ms. Thomas in the amount of \$4,651.20 for registration violations. Paid in full.
5. Robert Gary Brockway (Screening) On October 24, 2013 the Private Protective Services Board voted to enter into a consent agreement with Mr. Brockway in the amount of \$408.00 for a branch office violation. Payment has not been received.
6. David Zachary Hubbard/Phoenix PSI (Screening) On August 22, 2013 the Private Protective Services Board voted to enter into a consent agreement with Mr. Hubbard in the amount of \$2, 040.00 for unlicensed activity to be paid within ninety (90) days. Paid in full.
7. JayJay Miller/Landmark Security, Inc. On June 20, 2013 the Private Protective Services Board voted to enter into a consent agreement with Mr. Miller in the amount of \$4, 096.32 in three (3) monthly installments for 42 unarmed guard registration violations. Paid in full.

II. OFFICE OF ADMINISTRATIVE HEARINGS

July 23, 2013	PPSB	Myron T. Davidson Marcus Fuller	Denial of PI License evoke the Firearm Trainer Certification
August 27, 2013	PPSB	Cathy Brown Torrain Benjamin	Denial of Unarmed Permit Denial of Armed Permit
September 24, 2013	PPSB	NONE	
October 29, 2013	PPSB	Jesse J. Williams Alejandro Maurent Cathy Brown	Denial of Unarmed Permit Denial of Armed Permit Denial of Unarmed Permit
November 26, 2013	PPSB	Kelsie Floyd (will need to reschedule)	Denial of Unarmed Permit

III. RULES

1. The Notice of Text for the following rule changes were filed on November 5, 2013.

- Amendment to 12 NCAC 07D .0106, .0501, .0502, .0503, .0504 and .1302

The Public Hearing will be held January 23, 2014 at 2:00 p.m. at the Board's office.

2. Board staff requested that a rule change be made 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. The board approved a proposed rule change at its October 24, 2013 meeting, The G.S. 150B-19.1 certification form for this rule changed has been filed and it will be considered the certification at the next Rules Review Commission meeting.

IV. REVIEW OF RULES

1. Section 57 of S.L. 2011-398 (SB781) required each State agency, board, commission or other body with rule making powers to submit a report listing all permanent rules adopted by the agency to include in each rule the following information:

- Whether the rule is mandated by a federal law or regulation.
- If the rule is not mandated by a federal law or regulation, whether there is a federal regulation that is analogous to the rule. For purposes of this provision, "analogous" means the federal regulation regulates the same conduct or activity as the State regulation.
- If there is federal law or regulation analogous to the rule, where the rule is more stringent than the federal law or regulation.

This required report was made to the Joint Select Regulatory Reform Committee in 2011.

S.L. 2011-398 also amended N.C.G.S § 150B to require the Board to conduct annual review of its administrative rules using statutory criteria analyzing the reasonableness and necessity of the rule and the burden on those that must comply with the rule. This task has been assigned to the 74C Re-write Committee and

staff. The requisite review has been conducted for 2013 and no rule has been identified for repeal. A motion so finding is recommended.

2. During the 2012 Session of the Legislature, the Joint Legislative Administrative Oversight Committee replaced the Joint Select Regulatory Reform Committee referenced above. This Committee again has oversight over the study by the Program Evaluation Division of the structure, organization and operation of all occupational licensing boards in the State as required by Section 10(a) of S.L. 2013-413 and reported to the Board at its August and October meetings.

Attorney Gray has been attending the meetings of this Committee as reported at the October 24th Board meeting. At its December 3, 2013 meeting the Director of the Program Evaluation Division reported to the Committee on the status of this study.

V. BOARD POLICY

Following a vote by the Board at its October 24th meeting to delete the requirement in the Board Affidavit Policy requiring an appearance before the Screening Committee prior to submitting an Affidavit in support of work experience. Attorney Gray was asked to re-visit the Policy accordingly. Adoption by the Board of this revised Policy is recommended.

VI. PENDING CASES

At the March 2013 Board meeting, you were informed by deputies with the Brunswick Co. 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 Attorney Gray filed a Complaint for Injunctive Relief on behalf of the Board in *NC PPSB v. William John Haglar*, 13 CVS 004090 – Wake Co. Mr. Haglar filed an Answer, *pro se*, to the Complaint.

In early June, Attorney Gray learned from the Sheriff's Office that Mr. Haglar had posted LinkedIn and other social network postings on-line holding him out as a PI after the lawsuit was filed. Attorney 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 a \$10,000 secured bond awaiting trial.

Attorney also informed the Board that Mr. Kelly is suing PPSB & Investigator Sarah Conner and the Charlotte-Mecklenburg County ABC.

**MOTION BY JUDGE BURRIS TO ACCEPT THE NEW AFFIDAVIT POLICY;
SECONDED BY MR. BOOTH; MOTION CARRIED.**

**MOTION BY MR. MACRAE TO ACCEPT ATTORNEY'S REPORT; SECONDED BY
MR. COBBLER; MOTION CARRIED.**

PUBLIC COMMENT:

NONE

**MOTION BY MR. BENSON TO ADJOURN; SECONDED BY MR. MACRAE; MOTION
CARRIED.**

12:27 p.m. Adjourned

Anthony B. Bonapart, Deputy Director

Maia Washington-Powell, Licensing Assistant