

**MINUTES
OF THE
NORTH CAROLINA ALARM SYSTEMS LICENSING BOARD**

DATE: January 17, 2019
TIME: 9:00 A.M.
PLACE: Holiday Inn Raleigh North
Raleigh, North Carolina
SUBMITTED BY: Brian Jones
Director

MEMBERS PRESENT:

Ralph Gregory
Stephen Wheeler
Larry Proctor
Courtney Brown
Wayne Woodard

MEMBERS ABSENT

Jim Crabtree

STAFF PRESENT:

Director Brian Jones
Deputy Director Phillip Stephenson
Board Secretary Cynthia Anthony
Attorney Jeff Gray
Field Services Supervisor Kim Odom
Investigator Andrew Martino
Investigator Ray Bullard

VISITORS

Ted Chavis
Zach Bullard
Stephen Bullard
Tom Chandler
Darrell Keith Trent
David Howard
Jason Lindquist
Stephen Moore
Walter Curtis

Charlie Atkinson
Jay Stone
Robert Skinner
Anita Surratt
Don Childers
Eric Meyers
Chris Nobling
Dorian Dehnel

The January 17, 2019 meeting of the North Carolina Alarm Systems Licensing Board was called to order by Chairman Gregory at 9:00 a.m.

In accordance with the State Ethics Law, Attorney Gray 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.”

Chairman Gregory welcomed all guests.

Chairman Gregory informed the industry of the Board’s decision to” go green” and reduce costs by providing electronic versions of documents.

LARRY PROCTOR MADE A MOTION TO APPROVE THE NOVEMBER 15, 2018 BOARD MEETING MINUTES. SECONDED BY COURTNEY BROWN. MOTION CARRIED.

Larry Proctor read the Grievance Committee report. Stephen Wheeler and Mr. Proctor met as the Grievance Committee on January 16, 2019 from 9:00 a.m. to 9:32 a.m. and heard a total of two cases.

COURTNEY BROWN MADE A MOTION TO APPROVE THE GRIEVANCE COMMITTEE REPORT AS PRESENTED. SECONDED BY STEPHEN WHEELER. MOTION CARRIED.

Wayne Woodard read the Screening Committee report. Mr. Woodard served as chair of the Screening Committee. It was noted that Ralph Gregory recused himself from Scott Stallcup’s matter before the Screening Committee.

LARRY PROCTOR MADE A MOTION TO APPROVE THE SCREENING COMMITTEE REPORT AS PRESENTED. SECONDED BY COURTNEY BROWN. MOTION CARRIED.

Chairman Gregory stated that even though Matthew Pitt’s (Alliance Security) license was approved, he suggested the Board evaluate the practices of Alliance Security. He stated that any company that has been fined by the Federal Communications Commission (FCC) for fraud, defaming/harming the public, or by engaging in dereliction of duties raises concerns about potential violations of 74D-10 (1) (19) and (20). He suggested the Board may need to examine the company’s conduct in North Carolina. He also stated the Board’s job is to protect the citizens of North Carolina.

STEPHEN WHEELER MADE A MOTION TO INSTRUCT STAFF TO OPEN A CASE AND INVESTIGATE ALLIANCE SECURITY FOR DECEPTIVE PRACTICES AS IT RELATES TO 74D-10 (1) (19) AND (20) AND TO ALSO INCLUDE AN AUDIT FOR ANY REGISTRATION ISSUES. SECONDED BY LARRY PROCTOR. MOTION CARRIED.

FINAL AGENCY DECISIONS

None.

SPECIAL REPORTS AND PRESENTATIONS

Larry Proctor provided the continuing education report.

1. Sole Path Fire Solutions -the committee recommends **denial** because it does not meet ASLB criteria. It is geared toward fire alarm systems.
2. The Internet of Things and HomeControl Flex- the committee recommends approval for 2 CEU's for this course.
3. Electronic Theory Refresher- the committee recommends approval for 3 CEU's for this course.
4. Math Refresher- the committee recommends approval for 3 CEU's for this course.
5. Residential Networking Basics- the committee recommends approval for 4 CEU's for this course.
6. Hiring for Attitude- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
7. How Great Managers Retain Employees- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
8. Guiding the Customer Journey -the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
9. Becoming the Charismatic and Focused Leader: Lead yourself- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
10. Mission Critical: The Leader's Performance Review -the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
11. Lead People (Individuals and Teams) to Win- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
12. Communicate to Win, Every Day, all the Time- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
13. Lead Programs and Projects: How to Deliver ahead of Schedule without Wasted Resources- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
14. The Profit Specialist -the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
15. Six Key Elements for Developing Workplace Leaders- the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
16. Promoting Success Through a Culture of Trust and Belief -the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit).
17. Optimize Your Sales and Organization with Existing Talent and by Winning the War for New Talent - the committee recommends approval for 1 CEU for this course. It is approved for 4 days only (Jan. 28-31, 2019 Leadership Summit)

WAYNE WOODARD MADE A MOTION TO APPROVE THE CONTINUING EDUCATION REPORT AS PRESENTED. SECONDED BY COURTNEY BROWN. MOTION CARRIED.

OLD BUSINESS

None.

NEW BUSINESS

None.

Larry Proctor informed the Board that the completion of the short online ethics training is due before April 15, 2019.

DIRECTOR'S REPORT

Mr. Brian Jones presented the written report and advised that the Board's fund balance was \$579,647.08 as of December 31, 2018. The Education Fund balance was \$64,560.77. As of December 31, 2018, the Board had 1,009 licensees and 9,210 registrants.

Mr. Jones announced Syconda Marrow, who began serving as a temporary employee in May 2018, accepted a permanent position as a processing assistant. He announced that PPS is in the process of reviewing candidates for the vacant investigator's position in Fayetteville.

Mr. Jones stated that the Registration Unit had made tremendous progress addressing the backlog. Specifically, as of January 14th, the employees had processed alarm registration applications submitted through October 16, 2018. Accordingly, Mr. Jones reduced the number of temporary employees from four to two.

Mr. Jones reported that Permitium representatives met with staff members on December 11th and 12th to discuss development progress and issue resolution. In particular, Permitium completed development for certifications (a component for the Private Protective Services Board) and intended to make a few minor changes based on feedback from PPS staff members. They were working on the remaining development phases, which included complaints, audits, and appeals.

Mr. Jones reported that Permitium was in the process of archiving records and intended to complete scanning by the end of the year. As of November 30th, they had scanned 257,887 pages (73 boxes) at a total cost of \$14,828.51. The Alarm Systems Licensing Board's total impact will be 25% of the total cost.

Also, Mr. Jones stated that Michael Blackwood, project management advisor with the North Carolina Department of Information Technology, has graciously offered to provide project management assistance as Permitium completes implementation. Mr. Blackwood provided guidance to Shere McClamb, the previous project manager, so he is very familiar with Permitium and he will be an invaluable partner as they complete this project. Mr. Jones stated that Permitium intends to complete all development by April 2019.

Lastly, Mr. Jones made the Board aware that future expenses would include new computer acquisition and statutory administrative fee paid to the Department of Public Safety.

WAYNE WOODARD MADE A MOTION TO ACCEPT THE DIRECTOR'S REPORT AS PRESENTED. SECONDED BY LARRY PROCTOR. MOTION CARRIED.

ATTORNEY'S REPORT

I. CONSENT AGREEMENTS & CIVIL PENALTIES

On November 14, 2018 Brian Lynn Buchanan/Integrated Network Services, Inc., d/b/a Integrated Networks, entered into a Consent Agreement with the Board in the amount of \$183.60 for registration violations and a \$1,000.00 civil penalty. The temporary agreement was signed by the Qualifying Agent on November 14, 2018. The original Consent Agreement was mailed by Certified Mail on November 30th and received for on December 14th. The signed original has not been returned and payment has not been received.

II. OFFICE OF ADMINISTRATIVE HEARINGS

The hearings list is attached to the Attorney's Report.

III. RULES

- a. At its November 15, 2018 meeting the Board voted to amend 14B NCAC 17 .0201 to increase the license fee from \$375.00 to the statutory maximum of \$500.00. The Notice of Text was filed December 11, 2018 and the Public Hearing for this rule change is January 30, 2019 at 2:00 p.m. at the Board's office.
- b. As previously mentioned to the Board during its creation and implementation, the new Permittum on-line licensing and registration system will require changes to the corresponding sections of the Board's administrative rules. With the assistance of Registration Supervisor Shannon Thongkheuang and Licensing Supervisor Cynthia Anthony, Mr. Gray has prepared draft rules for the necessary changes and amendments for the Board's review and approval. They are attached as Attachment 2 to the Attorney's Report.

IV. LEGISLATION

A new proposed bill rewriting Chapter 74D was approved at the Board's November 15, 2018 meeting. An electronic version has been forwarded to the Legislative Liaisons for the Department of Public Safety. It is awaiting sponsors and introduction in hopefully both the House and Senate.

STEPHEN WHEELER MADE A MOTION TO ACCEPT THE CHANGES AS PRESENTED TO ATTACHMENT 2 OF THE ATTORNEYS REPORT WITH TWO EXCEPTIONS - TO ELIMINATE 14B NCAC 17 .0302 (b) (1) AND TO ONLY ACCEPT ONLINE PAYMENTS THROUGH THE ONLINE SYSTEM AND TO CHANGE 14B NCAC 17 .0302 a (1) INCREASING THE REGISTRATION FEE FROM \$45.00 TO \$50.00. SECONDED BY COURTNEY BROWN. MOTION CARRIED.

WAYNE WOODARD MADE A MOTION TO ACCEPT THE ATTORNEY'S REPORT AS PRESENTED. SECONDED BY LARRY PROCTOR. MOTION CARRIED.

Chairman Gregory explained that due to loopholes and the new changes to 74D that there was an applicant that applied for his alarm license and he was never registered with AT&T Digital Life. Chairman Gregory suggested the Board instruct staff to conduct an audit of AT&T Digital Life Pursuant 14b NCAC 17 .0206 (b).

Larry Proctor gave an update on the 74D rewrite. He stated it did not successfully pass the Senate and with the adjournment of the legislature is now dead. Mr. Proctor advised that a new rewrite bill would have to be introduced this session. Mr. Proctor stated that he and Courtney Brown would do whatever it took to make this happen.

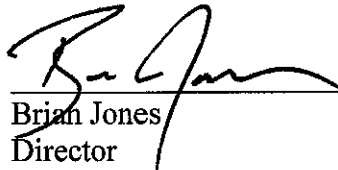
GOOD OF THE ORDER.

The NC Electronic Security Association meeting is today at 1:00pm.
The NC Electronic Security Association annual convention is May 2-4, 2019.

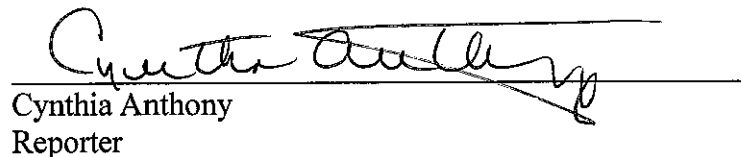
Wayne Woodard informed the industry and stated that there is a lot of work and attention behind the scenes that make these meetings run smoothly. He complimented the PPS staff, the Committee's and Attorney Gray for their hard work.

LARRY PROCTOR MADE A MOTION TO ADJOURN. SECONDED BY COURTNEY BROWN. MOTION CARRIED.

Meeting Adjourned: 10:04 a.m.



Brian Jones
Director



Cynthia Anthony
Reporter