



North Carolina Department of Public Safety

Private Protective Services Board

Pat McCrory, Governor
Frank L. Perry, Secretary

Gregory K. Baker, Commissioner
Barry S. Echols, Director

**MINUTES OF THE
PRIVATE PROTECTIVE SERVICES BOARD MEETING
AUGUST 25, 2016
HOLIDAY INN NORTH
2805 HIGHWOODS BLVD
RALEIGH, NC 27604**

BOARD MEMBER PRESENT

Eric Weaver Sr.
David Arndt
Ed Cobbler
Clyde Cook
Richard Epley
William Fletcher, Jr.
William MacRae
Steve Johnson
Brian Lowman
Nada Lawrimore
Bud Cesena
Dustin Greene
Marcus Benson

BOARD MEMBERS ABSENT

Larry Proctor

STAFF PRESENT

Barry Echols – Director
Donald Foster – Deputy Director
Phillip Stephenson - Field Services Supervisor
Jeff Gray - Attorney
Melvin Turner - Investigator
Garcia Graham – PPS Board Secretary
Deborah Martin-Johnson – Licensing Assistant
Shannon Thongkheuang – Registration Supervisor
Cynthia Anthony – Interim ASL Board Secretary
Lauren Scott – Registration Processing Assistant

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GUESTS PRESENT

Dane Wilder	Chris Newton	Ruth Reynolds
Audra Coleman	James Russell	Kathy Broom
Jeff Kiker	Gregory Hatten	Tina Gerrits
Bill Dover	Lawrence Jordan	Attorney C. Bruce Armstrong
Tobin Henry	Michael Walker	Kevin Hession
Frank Bianco	John Taylor	Don Williams
Robert Dunn	Larry Flannery	Chris Corcione
Alex Thompson	Thomas Lewin	Suzanne Creech
Tamara Rabenold	Roy Shipman	Ken Manoli
Bill Fletcher	Dorian Dehnel	Andrew Gentile
Michael Faust	Mark Greenfiled	Timothy Sauer
Pam Mayfield	Kenneth Sheffield	Jeff Huggins
Adam Warwick	Kenny Abbe	June Knowles
Rodney Knowles	Harlan Calhoun	Curt Moore
Derek Partee	Brandon Blucher	Aaron Rowe
Bea Kay Powers	Albert McKenzie	Charlotte Mendoza
Jeff Cathcart	Jerry Pittman	Richard Doherty
Paul Latorre	Harry House	Kevin Satterfield
David Kaiser		

CALL TO ORDER

Chairman Eric Weaver called the August 25, 2016 Private Protective Services Board meeting to order at 9:30 a.m. Chairman Weaver led the group in the reciting of the Pledge of Allegiance followed by him welcoming 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 of the NCAPI, greeted the Board and all of the guests. He said the association is currently working on the NCAPI 2016 Fall Conference that is scheduled for November 1-3 at the Hilton Hotel, Durham, NC. He advised everyone that the association is currently running a special for members and non-members. The cost for members who register before October 15th is \$50.00 and \$100.00 after October 15th. The cost for non- members \$100.00 before October 15th

and \$150.00 after that date. In order for a members to receive the \$50.00 rate the individual must be a member prior to August 31st, 2016.

MINUTES:

APPROVAL OF THE JUNE 23, 2016 BOARD MEETING MINUTES

MOTION BY MR. FLETCHER TO ACCEPT THE MINUTES; SECONDED BY MR. COBBLER; MOTION CARRIED.

SCREENING COMMITTEE REPORT:

Mr. Benson reported that the Screening Committee met on Wednesday, August 24, 2016, from 1:30 p.m. to 3:35 p.m. to review a total of 42 applications. (See report). The committee members included Mr. Benson, Mr. Cesena, Mr. MacRae, Mr. Cobbler, Mr. Arndt, Mr. Proctor and Mr. Lowman. Mr. Benson read the report for the record. (See attachment)

Mr. Arndt recused himself from #34 of the screening report.
Mr. Benson recused himself from #1 and #32 of the screening report.
Mr. Cesena recused himself from #37 of the screening report.

MOTION BY MR. FLETCHER TO ACCEPT THE SCREENING REPORT; SECONDED BY MR. CESENA; MOTION CARRIED.

Mr. Benson presented the following registration report for the period of May 25, 2016 to August 23, 2016. Total registrations 6064; armed totals were 765 of which 257 were new and 406 were renewals, and 102 reissue/dual. There was a total of 160 Armed Armored Car, 71 of which were new, 87 renewals and 2 reissue/dual. There was a total of 19 Armed Private Investigators, 2 of which were new, 16 renewals and 1 reissue/dual. There was a total of 4 Armed Private Investigator Associates, 2 of which was new, 1 renewal and 1 reissue/dual. Unarmed totals were 5,082 which included 2048 new, 2550 renewals, 470 transfers, 14 duplicates. There was a total of 34 unarmed armored cars, 8 of which were new, 26 renewals. Total denials were 665 of which 158 were for cause and 507 for correctable reasons. There were 481 applications approved which were previously denied for a total of 1146 denials reviewed.

MOTION BY MR. COBBLER TO ACCEPT THE REGISTRATION REPORT; SECONDED BY MR. FLETCHER; MOTION CARRIED.

GRIEVANCE COMMITTEE REPORT:

Mr. Greene reported that the Grievance Committee met on Wednesday, August 24, 2016 from 9:00 a.m. to 11:00 a.m. and heard a total of four cases. The committee members were Mr. Greene, Mr. Cook, Ms. Lawrimore, Mr. Fletcher, Mr. Proctor, Mr. Johnson and Mr. Epley. Mr. Greene read the report for the record. (See attachment)

**MOTION BY MR. LOWMAN TO ACCEPT THE GRIEVANCE COMMITTEE REPORT;
SECONDED BY MR. BENSON; MOTION CARRIED.**

TRAINING & EDUCATION COMMITTEE:

Mr. MacRae reported that the Training & Education Committee met on August 25, 2016 from 8:00 a.m. until 9:15 a.m. The committee members were Mr. MacRae, Mr. Johnson, Mr. Epley, Mr. Cook, Mr. Arndt, Mr. Cesena and Mr. Cobbler.

Mr. Turner read the following PPS Trainer courses are scheduled:

September 7, 2016	(1000-2300) FT Re-Certification & Pre-Qualification Course NCJA
September 12-16, 2016	(1000-2300) FT Course & Legal Class at Salemburg NCJA
September 26-30, 2016	(0800-1700) UAGT Course & Workshop at WTCC
November 14, 2016	(1000-2300) FT Re-Certification & Pre-Qualification Course NCJA
November 28 – December 2, 2016	(0800-1700) UAGT Course & Workshop at WTCC

Presently we have 381 certified PPS unarmed guard trainers and 119 PPS certified armed guard trainers.

The following PPS Training Courses have been completed:

May 2-6, 2016	(0800-1700) UAGT Course & Workshop at WTCC
June 6, 2016	(1000-2300) FT Re-Certification & Pre-Qualification Course NCJA
July 11, 2016	(1000-2300) FT Re-Certification & Pre-Qualification Course NCJA
August 1-5, 2016	(0800-1700) UAGT Course & Workshop at WTCC

The following PPS Training Courses for CEU Credits are scheduled:

August 25, 2016	1:00 p.m. - 5:00 p.m. Raleigh, NC
December 15, 2016	1:00 p.m. - 5:00 p.m. Raleigh, NC

The following PPS Training Courses for CEU credits have been completed:

February 18, 2016	1:00 p.m. - 5:00 p.m. Raleigh, NC
April 21, 2016	1:00 p.m. - 5:00 p.m. Raleigh, NC

Mr. Turner gave an update on the unarmed guard trainer Power Point presentation and firearm trainer shotgun and rifle course, both of which are expected to be completed by the next Board meeting.

Mr. MacRae reported that Mr. Turner conducted three training audits on two Firearms Instructor and no violations were found.

Mr. MacRae also stated that Mr. Cesena recommended that the Committee lower the number of mandatory firearms training hours for armed Private Investigators/Security Guards who are former law enforcement officer/military who already have numerous years of firearm training.

The Committee forward his request to the Law & Rules Committee.

Mr. MacRae stated the following eleven (14) continuing education training courses have been submitted for approval: Economic Espionage for Private Investigators (3 hours); Introduction to Counter Intelligence (3 hours); Introduction to Offensive Counterintelligence (3 hours); Introduction to Defensive Counterintelligence (3 hours); Skip tracing (4 hours); Surveillance (4 hour); Principles and Ethics (2 hours); Accident Investigation (2 hours); Report Writing (2 hours); Surveillance and Fraud (6 hours); Surveillance Basics 101 (6 hours); Surveillance Ethics (2 hours); Resource Guide to Division of Motor Vehicles (6 hours) and How to Understand Human Trafficking (4)

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

Mr. Cesena, after long discussion regarding amending the armed guard training requirement to allow current and retired law enforcement officers/military who have already received prior firearms training to be exempt from the 16 hours block course that is required by PPS. Mr. Cesena feel that this will help streamline the process and make it more economical for the industry.

MOTION BY MR. JOHNSON TO APPROVE THE CHANGES AND AUTHORIZE MR. GRAY TO DRAFT THE LANGUAGE TO SUBMIT TO LAW AND RULES COMMITTEE; SECONDED BY MR. BENSON; MOTION CARRIED.

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

GRIEVANCE COMMITTEE:

NONE

SCREENING COMMITTEE:

NONE

LAWS AND RULES COMMITTEE

Ms. Lawrimore reported that the Law and Rules Committee met on Wednesday, August 24, 2016 from 8:00 a.m. to 9:00 a.m. The committee members were Ms. Lawrimore, Mr. Greene, Mr. MacRae, Mr. Arndt, Mr. Fletcher, Mr. Cook and Mr. Proctor.

Ms. Lawrimore reported that House Bill 299 did not pass. Ms. Lawrimore also stated that the Law and Rules Committee is looking at the grant program regarding the restriction on how funds can be spent. The committee would like make a policy change to one that will allow funds to be used for Board approved training activity.

MOTION BY MR. FLETCHER TO ACCEPT THE LAW AND RULES COMMITTEE'S REPORT; SECONDED BY MR. COBBLER; MOTION CARRIED.

FINANCE REPORT:

Mr. Fletcher thanked Deputy Director Donald Foster for facilitating a meeting this past Tuesday, August 23, 2016 at the Private Protective Services' office. The meeting including members of the State Budget Department from DPS and Finance Chairman from the Alarm Board. The new system will have capability to manufacturer reports that will translate the budget for the Board members to more easily understand. The committee is asking Mr. Foster to do a detail report on a monthly basis that will show funds coming into PPS and expenditures. This will allow us to compare the previous year to the current. Mr. Fletcher also stated that hopefully by the October Board meeting he would have a report on the budget that would reflect the current year and previous years for comparison.

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

ETHICS COMMITTEE

Mr. Lowman reported that everyone is in 100% compliance and three members have upcoming course that are due before the end of the year.

Mr Epley stated that he attended his Ethic training at his local community college and encourage other Board members to attend the training at a community college instead.

**MOTION BY MR. FLETCHER TO ACCEPT THE ETHICS COMMITTEE'S REPORT;
SECONDED BY MR. COOK; MOTION CARRIED.**

BREAK: 10:18 a.m.

RECONVENED: 10: 40 a.m.

OLD BUSINESS:

None

NEW BUSINESS

Mr. Foster opened the discussion by explaining to the Board the benefits of using CriminalRecord Check.com as the vendor for all background checks for PPS. He advise the Board to review the proposal that is in front of them today and suggested that they make a motion to require all companies and individuals who submit an application to PPS also submit a universal background checks for licensing/certification and registration. He feel this will expedite the process for staff and industry.

Mrs. Shannon Thongkeuang addressed the Board why they should select CRC to conduct all the background checks on individual who submit their applications to PPS. She stated that this will help streamline the process and reduce the backlog.

Mr. Dorian Dehnel, a representative of CRC, explained his proposal to the Board and informed them that using his company as vendor for all background checks would be beneficial to both the PPS Board and the industry.

After a long discussion regarding the above matter the following motion was made.

MOTION BY MR. ARNDT TO MOVE FORWARD WITH THE RECOMMENDSTION TO USE CRIMINALRECORDCHECK.COM TO PROVIDE STATEWIDE CRIMINAL RECORDS FOR ALL APPLICANTS WITH A TOTAL COST OF \$12.00 PER APPLICANT AND TO INCLUDE THE MONITORING FEE THAT THE PPS/ASLB WILL ABSORB; SECONDED BY MR. BOOTH; THREE OPPOSED; MOTION CARRIED.

Mr. Epley expressed his concern with this matter. He feel that the Board should have received more time to review the documents that were presented to them for consideration.

Mr. Weaver requested that staff show a demo on this matter at the next Board meeting.

In other new business, Mr. MacRae read a Proclamation from Governor Pat McCrory marking September 19-23, 2016 as "Private Security Officer Memorial Week" in North Carolina.

Mr. Ecohls addressed the Board regarding the current sound system. He stated that the system is failing and asked if the Board will allow him to purchase a new system.

Mr. Benson requested that staff seek a new sound system to replace its current one and bring back to the Board a presentation package that include quotes for the Board to review.

Guest Mr. Jerry Pitman informed everyone in attendance that the Governor Pat McCrory also signed a Proclamation declaring July 24, 2016 as Private Investigator Day.

Attorney Jeff Gray conducted the election of the new Board officers.

MR. CESENA MADE A MOTION TO NOMINATE MR. ERIC WEAVER AS CHAIRMAN; SECONDED BY MR. COBBLER. MOTION CARRIED. NONE OPPOSED.

MR. WEAVER MADE A MOTION TO NOMINATE MR. BUD CESENA AS VICE CHAIRMAN; SECONDED BY MR. FLETCHER. MOTION CARRIED. NONE OPPOSED.

MR. COBBLER MADE A MOTION TO NOMINATE MR. MACRAE AS CHAIRMAN OF THE TRAINING & EDUCATION COMMITTEE; SECONDED BY MR. GREENE; MOTION CARRIED. NONE OPPOSED.

MR. CESENA MADE A MOTION TO NOMINATE MR. DUSTIN GREEN AS CHAIRMAN OF THE GRIEVANCE COMMITTEE; SECONDED BY MR. COBBLER. MOTION CARRIED. NONE OPPOSED.

MR. WEAVER MADE A MOTION TO NOMINATE MR. MARCUS BENSON AS CHAIRMAN OF THE SCREENING COMMITTEE; SECONDED BY MR. FLETCHER. MOTION CARRIED. NONE OPPOSED.

MR. CESENA MADE A MOTION TO NOMINATE MS. NADA LAWRIK AS CHAIRMAN OF THE LAW AND RULES COMMITTEE; SECONDED BY MR. COBBLER. MOTION CARRIED. NONE OPPOSED.

MR. MACRAE MADE A MOTION TO NOMINATE MR. WILLIAM FLETCHER AS CHAIRMAN OF THE FINANCE COMMITTEE; SECONDED BY MR. COBBLER. MOTION CARRIED. NONE OPPOSED.

MR. WEAVER MADE A MOTION TO NOMINATE MR. BRIAN LOWMAN AS THE PPSB ETHICS LIASION; SECONDED BY MR. GREENE. MOTION CARRIED. NONE OPPOSED.

Mr. Gray then recused himself as Board counsel to present the Proposed Final Decisions.

FINAL AGENCY DECISION

Charlotte Worriax Mendoza - 16 DOJ00236. Ms. Mendoza was present. This case was heard by Administrative Law Judge Donald W. Overby on June 28, 2015. This case involved the denial of the petitioner's unarmed guard registration based on a lack of good moral character and demonstration of intemperate habits as evidenced by a conviction of misdemeanor Assault and Battery.

MOTION BY MR. JOHNSON TO ACCEPT THE ADMINISTRATIVE LAW JUDGE'S DECISION AND APPROVE MS. MENDOZA'S UNARMED GUARD REGISTRATION APPLICATION; SECONDED BY MR. MACRAE; MOTION CARRIED.

Aaron Arlington Rowe - 15 DOJ03472. Mr. Rowe was present. This case was heard by Administrative Law Judge Donald W. Overby on May 24, 2016. This case involved the denial of the petitioner's armed guard registration based on a lack of good moral character and demonstration of intemperate habits as evidenced by a conviction of misdemeanor Sale, Distribute Marijuana in Fairfax County, Commonwealth of Virginia and misdemeanor Trespassing in Arlington County, Virginia.

MOTION BY MR. CESENA TO UPHOLD THE BOARD'S INITIAL DECISION AND DENY MR. ROWE'S ARMED GUARD REGISTRATION APPLICATION; SECONDED BY MR. EPLEY; TWO OPPOSED; MOTION CARRIED.

Joshua Reid Lomax - 16 DOJ03788. Mr. Lomax was not present. This case was heard by Administrative Law Donald W. Overby on May 24, 2016. This case involved the denial of the petitioner's armed guard registration based on a lack of good moral character and demonstration of intemperate habits as evidenced by a conviction of misdemeanor Larceny.

MOTION BY MR. BENSON TO ACCEPT THE ADMINISTRATIVE LAW JUDGE'S DECISION AND GRANT MR. LOMAX'S ARMED GUARD REGISTRATION APPLICATION; SECONDED BY MR. COBBLER; ONE OPPOSED; MOTION CARRIED.

BREAK: 12:14 p.m.
RECONVENED: 12: 25 p.m.

DIRECTOR'S REPORT:

Mr. Echols read the report for the record. The current PPS budget as of August 15, 2016, has a balance of \$1,442,651.94; the Education Fund balance is \$79,276.23. As of August 22, 2016, the total registrations for PPS is 19,373: 1,739 licensees and 574 certifications.

Mr. Echols reported that there has been a total of 4,012 registration cards have been printed and a total of 5,775 applications received since the last Board meeting.

Mr. Echols, gave an update on the new computer/scanning project and the continued search for new office space. Mr. Echols advised the Board members that he is currently working with State Property Office relocation group on selecting a new office space and asked the Board to let him know if any of them would like to look at the building once it has been identified.

Mr. MacRae requested that if staff have items to be presented to Board for consideration that involve any policy changes or the expenditure of funds that those items are to be submitted to Board a month in advance.

Mr. Echols stated that he will notify the Board in advance of any policy changes or requests for funds in his monthly report that is emailed to Board members twice a month.

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

PUBLIC COMMENT:

Kathy Broom thanked the Board and staff for working with her and Mr. Bobby Hovis to resolve their issue. She also suggested that the Board form a committee to look at changes to 74C that can address companies who use names that are similar to another company.

Mr. Benson stated that he is willing to work the industry and staff on this matter in order to come up with a solution that may require a policy change. He also suggested that Ms. Broom send a list of companies who's names are similar to staff for review.

Guest Mr. Kevin Sheffield made a suggestion to the Board about of possibly using a sound system for teleconference training and meetings.

Mr. MacRae responded that there are some proposals in the works for online training with the new computer system, but in regards to the teleconference one must look at availability and cost which could be very expensive.

Guest Mr. Roy Shipman addressed the Board regarding the presentation by CRC. He feels that the Board has an obligation to provide the best quality of information and it's time to move forward.

ATTORNEY'S REPORT:

Attorney Gray discussed the following:

I. CONSENT AGREEMENT, SETTLEMENT AGREEMENTS & CIVIL PENALTIES

1. Mr. Mark Eric Zudell and ABM Security, Inc. - - On October 22, 2015 the Private Protective Services Board voted to enter into a consent agreement with Mr. Zudell in the amount of \$12,974.40 for registration violations. Payment has not been received.
2. Mr. John Callicutt and Walton Investigations, Inc. - - On April 21, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Callicutt in the amount of \$7,882.56, payable in three (3) monthly installments, for registration violations. Paid in full

3. Mr. Christopher Hammye Jr. and Job1 USA, Inc. - - On April 21, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Hammye in the amount of \$3,794.40 registration violations. Paid in full
4. Mr. Brian Thomas Lassiter and Strategic Protective Services, Inc.- - On June 23, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Lassiter in the amount of \$4,842.60 in three (3) monthly installments, for registration violations and 15 NSF checks(\$25.00 each). Payment has not been received.
5. Mr. Chad Allen Burke - - On June 23, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Burke in the amount of \$9,180.00 registration violations. Payment has not been received.

II. OFFICE OF ADMINISTRATIVE HEARINGS

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

III. RULES

The Board currently has no pending rule adoptions or amendments.

IV. LEGISLATION

The Board currently has no pending legislation of interest.

V. PENDING CASES

For the past 34 months Attorney Gray has been reporting to the Board the status of a civil action filed 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 as a security guard, but performing armed security guard and patrol services. He was arrested by the Charlotte-Mecklenburg Police Department and charged with violating Chapter 74C.) The Court granted the Board's Motion to Dismiss Pursuant to Fed.R.Civ.P. 12(b) (6) and Motion for Summary Judgment, as well as similar motions filed by the other Defendants, on May 27, 2015 and this action was dismissed with prejudice. The Plaintiff gave notice of appeal on June 24

2015, and the parties filed their respective Brief with the Fourth Circuit of Appeals on November 13, 2015.

The Plaintiff-Appellant has filed his Brief and Mr. Gray, along with the attorney's representing the Defendants, filed the Board's Brief with the Fourth Circuit Court of Appeals on November 13, 2015.

The attorneys recently received notification that the oral arguments in this matter would be held on Tuesday, October 25, 2016 in Richmond, Virginia and Robert M. McDonnell, the attorney for the Charlotte-Mecklenburg Police Department and Mr. Gray will be sharing the Appellees allotted time. Mr. Gray asked the Board if he could have a representative from the Board or staff to accompany him at this court appearance and Mr. Greene volunteered to attend.

Mr. Gray reminded the Board that the renewal of his employment contract was tabled by the Board at its June meeting.

MOTION BY MR. BENSON TO RENEW ATTORNEY GRAY'S CONTRACT FOR TWO CALENDAR YEARS; SECONDED BY MR. GREENE; MOTION CARRIED.

MOTION BY MR. BENSON TO ACCEPT THE ATTORNEY'S REPORT; SECONDED BY MR. GREENE; MOTION CARRIED.

MOTION BY MR. CESENA TO ADJOURN; SECONDED BY MR. ARNDT; MOTION CARRIED.

1:18 P.M. Adjourned

Barry Echols, Director

Garcia Graham, Board Secretary

