



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
OCTOBER 20, 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
Larry Proctor

BOARD MEMBERS ABSENT

Marcus Benson

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

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GUESTS PRESENT

Bill Dover	Gregory Hatten	Jeff Kiker
Jerry Pitman	Roy J. Shipman	James Green
Dorian Dehnel	Scott Siano	Bill Fletcher
Suzanne Creech	Delmar Laury	Paul S
Audra Coleman	Larry Flannery	Robert Dunn
Tamara Rabenold	Denise Martin	Mack Donaldson
Beatrice Powers	Glenn Burrell	

CALL TO ORDER

Chairman Eric Weaver called the October 20, 2016 Private Protective Services Board meeting to order at 9:30 a.m. Brian Lowman led the group in the reciting of the Pledge of Allegiance followed by Chairman Weaver 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 conference is rapidly approaching that is scheduled for November 1-3 at the Hilton Hotel, Durham, NC. He announced the names of some keynote speakers that will be at conference are Audra Coleman, Chief Farrar, Brandon Perron, Dr. Frederic Whitehurst and Rick Hinson. Mr. Hatten also stated that there are anticipating well over 100 attendees and looking forward to seeing everyone there.

Commented [GG1]:

MINUTES:

APPROVAL OF THE AUGUST 25, 2016 BOARD MEETING MINUTES

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

SCREENING COMMITTEE REPORT:

Mr. MacRae reported that the Screening Committee met on Wednesday, October 19, 2016, from 8:00 a.m. to 12:47 p.m. to review a total of 54 applications. (See report). The committee members

included Mr. MacRae, Mr. Cobbler, Mr. Arndt, Mr. Proctor and Mr. Lowman. Mr. MacRae read the report for the record. (See attachment)

Mr. Arndt recused himself from the addendum report (Mark Johnson).
Mr. Greene recused himself from #31 of the screening report.
Mr. Fletcher recused himself from #46 of the screening report.

MOTION BY MR. COOK TO ACCEPT THE SCREENING REPORT; SECONDED BY MR. LOWMAN; MOTION CARRIED.

Mr. MacRae presented the following registration report for the period of August 24, 2016 to October 17, 2016. Total registrations 4088; armed totals were 583 of which 193 were new and 266 were renewals, 1 duplicate and 123 reissue/dual. There was a total of 147 Armed Armored Car, 57 of which were new, 89 renewals and 1 reissue/dual. There was a total of 5 Armed Private Investigators, 1 of which were new, 3 renewals and 1 reissue/dual. There was a total of 1 Armed Private Investigator Associates, 1 of which was renewal. Unarmed totals were 3333 which included 1250 new, 1873 renewals, 206 transfers, 4 duplicates. There was a total of 19 unarmed armored cars, 13 of which were new, 6 renewals. Total denials were 544 of which 151 were for cause and 393 for correctable reasons. There were 368 applications approved which were previously denied for a total of 912 denials reviewed.

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

GRIEVANCE COMMITTEE REPORT:

Mr. Greene reported that the Grievance Committee met on Tuesday, October 18, 2016 from 8:00 a.m. to 11:32 a.m. and heard a total of eight cases. The committee members were Mr. Greene, Mr. Cook, Mr. Fletcher, Mr. Johnson and Mr. Epley. Mr. Greene read the report for the record. (See attachment)

Mr. Arndt recused himself from voting on 2016-PPS-023 of the Grievance report.

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

TRAINING & EDUCATION COMMITTEE:

Mr. MacRae reported that the Training & Education Committee met on October 19, 2016 from 2:12 p.m. until 3:53 p.m. The committee members were Mr. MacRae, Mr. Johnson, Mr. Epley, Mr. Cook, Mr. Arndt and Mr. Cobbler.

Mr. Turner stated that the following PPS Trainer courses are scheduled:

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 383 certified PPS unarmed guard trainers and 119 PPS certified armed guard trainers.

The following PPS Training Courses have been completed:

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

The following PPS Training Courses for CEU Credits are scheduled:

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

Mr. Turner reported on two recent incidents involving security guards. In the first, the owner of Big Dawgs Sweepstakes in Concord, NC Ms. Patricia Newton, hired Sotharoth Sou to work for her business as an armed guard without obtaining a proprietary license or registering Mr. Sou. Mr. Sou shot and killed a suspect during an attempted robbery of the sweepstakes business. Mr. Sou and Ms. Newton were both issued a Cease & Desist letter for alleged violations of 74C.

The second incident was a security guard who work for Guard-One Protective Services was fatally wounded while working an armed post at a Food Lion Store in Greensboro, NC. The suspect approached him from behind and shot the guard at close range and stole his service

weapon. Mr. Smith later died from his wound at the local hospital. There was no confrontation between the officer and the unknown assailant.

Mr. Cesena asked if he and other Board members can receive notification when something like this happen and PPS is aware of it. He would have like to attend the funeral on behalf of the Board members. Also he asked if an armed or unarmed guard is injured while working can PPS either visit the individual or send them a card to let them know that the Board is concerned about the industries.

Mr. MacRae reported that there was a number of items discussed in the meeting that will need action. The first item was the grant program. The Board offers grants to entities to provide educational seminars and training. They will be reimburse as long as they make it available to the entire industry. In the past the issuance of a grant has been restricted to 501(3)(c) non-profit organizations. It became evident at the last meeting that it was not a requirement by statue or administrative rule [refer to NC 74C-30(d) (2)]. The Education and Training Committee approved a new application form that Deputy Director Donald Foster created for the grant which will allow other entity other than the 501(c) to apply for the grant.

After long discussing Mr. Johnson recommended tabling this matter until the next Board meeting.

MOTION BY MR. JOHNSON TO TABLE THE ISSUE OF THE GRANT PROGRAM UNTIL THE NEXT BOARD MEETING TO ALLOW MR. GRAY TO LOOK INTO THE LEGAL DISBURSTMENT OF GRANT FUNDS; SECONDED BY MR. GREENE; MOTION CARRIED.

Mr. MacRae reported that Mr. Turner conducted four training audits and no violations were found.

Mr. Cesena asked Mr. Turner if those were firearm training or qualification sessions and was he able to view the instructor scoring the targets.

Mr. Turner stated that he was able to view one of the sessions while the instructor was scoring targets and in the future plans to attend more actual qualification sessions where he will be able to view both the class room and the scoring of targets.

Mr. Cesena reminded Mr. Turner that at the last Board meeting it was suggested that he notify the Board members of any audit being conducted to allow members who have an interest to be given the opportunity to sit in on some the audit.

Mr. MacRae stated the following twenty (20) continuing education training courses have been submitted for approval: Human Engineering Course (6 hours); Use of Surveillance in an Insurance (2 hours); Workers Compensation Fraud (3 hours); Subrogation and the Investigation (2 hours); Staged Automobile Accidents (2 hours); Understanding your Client's Objectives (1 hour); Transient Criminal Activity in Insurance (2 hours); Workers Compensation Premium Fraud (1 hours); (2 hours); Surveillance and Fraud (6 hours); Surveillance Basics 101 (6 hours); SurAn Introduction to the CARE Interviewing System (1.5 hours); Critical Thinking (6 hours); Interviewing Techniques (6); Debriefing a Witness (12 hours); Active Shooter Training Survival and Defense Tactics (12 hours); The Solo Protection Agent – Part 1 (12 hours); The Solo Protection Agent – Part 2 (12 hours); The Solo Protection Agent – Part 3 (12 hours); Basic Self Defense for PI (6 hours); Child Abuse Neglect for the PI (6 hours); How Pedophiles Prey on Children (4 hours); and Basic Intelligence Analysis for Private Investigators (8 hours). Also Introduction to Counter Intelligence (4 hours); Introduction to Offensive Counterintelligence (2 hours); Introduction to Defensive Counterintelligence (2 hours).

MOTION BY MR. LOWMAN TO ACCEPT ALL OF THE COURSES SUBMITTED FOR CONTINUING EDUCATION TRAINING APPROVAL EXCEPT THE COURSE ENTITLED ACTIVE SHOOTER TRAINING SURVIVAL AND DEFENSE TACTICS; SECONDED BY MR. FLETCHER; MOTION CARRIED.

Mr. MacRae stated that the other item was that the committee heard a presentation from representatives of Duke Power Energy requesting that their armed guards be exempt from the certification requirement of the PPSB. The committee suggested that they bring back their request before the December Board meeting with more detail regarding the requested exemption for review.

BREAK: 10:27 a.m.

RECONVENED: 10:47 a.m.

Mr. MacRae states that the last items that was discussed at the Education & Training Committee meeting was the Unarmed Guard Training Manual and its effectiveness due to being so old. The committee decided to form a subcommittee that will consist of Board members, staff and the industry. Mr. MacRae states that they will begin to look at the tasks that are performed currently by unarmed guards and how best to prepare a training manual for new individuals entering into the profession. Mr. David Arndt will be the chairman of the subcommittee. In regards to the current Manual, it will be a new version, with the same course material, only updated. Mr. Cesena volunteer to help with the process.

Mr. Cesena thanked Mr. Johnson for all the hard work he put into the new rifle program and everyone else who participated in helping this program to be a success. He asked that staff be very selective on the first group trainers because the Board has established such a high standard.

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 stated that she would defer to Mr. MacRae since he chaired the meeting in her absence. Mr. MacRae reported that the Law and Rules Committee met on Tuesday, October 18, 2016 from 3:31 p.m. to 4:52 p.m. The committee members were Mr. MacRae, Mr. Greene, Mr. Arndt, Mr. Fletcher, Mr. Cook and Mr. Proctor.

Mr. MacRae reported that Mr. Gray provided the committee an updated version of a bill substantially similar to House Bill 299 to be reviewed and discussed how to submit the bill to the legislature when it convenes in January. The committee will need to determine the best possible way to present this bill, and if they should submit the bill with additional items discussed or submit those items separately. One of the items discussed is exemption of sworn law enforcement officer who wishes to register as armed guard.

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

FINANCE REPORT:

Mr. Fletcher reported that the committee finally had the first official Finance meeting this morning Thursday, October 20, 2016 from 8:00 a.m. to 9:04 p.m. The committee members were Mr. Fletcher, Mr. Lowman, Mr. Arndt, and Mr. MacRae. Mr. Fletcher thanked Mr. Foster for providing the committee a detailed report of the Budget and the report will be discussed at the next Board meeting. He also stated that the committee will be receiving these reports on a quarterly basis for review.

Mr. Echols advised the Board members that the Alarm Board members have voted to raise their travel expense from .25 cent to .54 cent and inquired if the PPS Board members would like to do same.

After further discussing the Board decide to increase their mileage rate.

MOTION BY MR. COOK TO RAISE THE MILEAGE TO THE HIGHEST AMOUNT AVAILABLE FOR THE BOARD MEMBERS; SECONDED BY MR. COBBLER; MOTION CARRIED. ONE OPPOSED

MOTION BY MR. COOK TO ACCEPT THE FINANCE COMMITTEE'S REPORT; SECONDED BY MR. ARDNT; MOTION CARRIED.

ETHICS COMMITTEE

Mr. Lowman reported that everyone is in 100% compliance and two Board members have the deadline for their ethics course that are coming up.

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

BREAK: 10:18 a.m.
RECONVENED: 10:40 a.m.

OLD BUSINESS:

Mr. Foster reminded the board members of their recommendation at the last Board meeting requesting Dorian Dehnel of CRC.com to put on a demonstration of the new background process. Mr. Dehnel provided the Board with a sample of his background process and he provided an overview of the current process and reviewed things that will be introduced this year and other things that will streamline the process and monitoring.

After a lengthy discussion Mr. Dehnel was able to address the Board members questions and concerns regarding the above matter.

Mr. Echols presented the quotes for a new speaker/recording system, which will be a portable wireless system with a total cost of \$12,000.00.

He also stated that the Alarm Board has approved DPS Polo shirts for staff to enhance a more uniform appearance in the office. The Alarm Board has approved \$4,000.00 and he asked the Board to consider that as well.

MOTION BY MR. CESENA TO ACCEPT DIRECTOR'S PROPOSAL OF A NEW SOUND SYSTEM AND FOR DPS POLO SHIRTS; BUT ALSO TO INCLUDE ID CARDS FOR BOARD MEMBERS; SECONDED BY MR. ARNDT; MOTION CARRIED.

NEW BUSINESS

Mr. Greene informed the Board that the committee would like to review the civil penalty which has a maximum amount of \$2,000.00. He would like for the committee to have a little more flexibility in the way the Board issues civil penalty. Mr. Greene also stated that he will be looking at options and will bring his proposal to the Law and Rules Committee for review of the possibility of restructuring the civil penalty.

Chairman Weaver suggested that the Minutes be e-mailed to the Board members within 2 weeks after the Board meets for correction and then the Board can vote on it by e-mail. He stated that this will allow the public to view the minutes on the web in a timely manner and would like to entertain a motion on that.

Mr. Gray reminded the Board that voting by e-mail violates the Open Meeting Act unless noticed. He stated the Minutes must be approved in a public meeting but suggested that the Board may review them as a draft.

MOTION BY MR. MACRAE FOR THE BOAD TO RECEIVE A DRAFT OF THE MINUTES WITHIN THREE WEEKS AFTER THE BOARD MEETING; SECONDED BY MR. CESENA; MOTION CARRIED.

Mr. Weaver stated that the Board has another proposal which is to examine the possibility of creating a new certification for executive protection and to grandfather the existing Private Investigator/Private Investigator Associate Licensees.

After long discussion Mr. Weaver suggested that this matter be deferred to Law & Rules Committee to set the standard for executive protection.

MOTION BY MR. MACRAE THAT A STUDY BE PERFORM BY THE LAW AND RULES COMMITTEE TO LOOK INTO THE NECESSARY STEPS TO CREATE A STANDARD FOR EXECUTIVE PROTECTION OR WHETHER OR NOT THERE SHOULD BE SUCH A STANDARD; SECONDED BY MR. COOK; MOTION CARRIED. ONE OPPOSED.

FINAL AGENCY DECISION

NONE

DIRECTOR'S REPORT:

Mr. Echols read the report for the record. The current PPS budget as of October 14, 2016, has a balance of \$1,448,870.04; the Education Fund balance is \$76,862.52. As of October 14, 2016, the total registrations for PPS is 20,013: 1,689 licensees and 579 certifications.

Mr. Echols reported that there has been a total of 7,048 registration cards have been printed and a total of 4,124 applications received since the last Board meeting.

Mr. Echols, gave an update on the Permitium/scanning project and the new office space. He stated that the on-line project dates have been set for October 25th, November 8, and 29th at 9:30 am. Mr. Echols stated that on November 2, Paul Blake will be at the office to address billing and stated that if any Board members who will like to attend are welcome. Mr. Echols also informed the Board members that he will be sending out an e-mail to remind them of the same.

Mr. Echols reported on the status of the office relocation. He stated that a building has been secured and we are waiting on lease. He said that we should have no issue and hope to get all of it done before December.

Mr. Echols asked that the Board consider the following: Cubicles for Registration and Investigative staff \$50,000.00, and Refrigerator & Microwave for Break room \$1,400.00, and new desks/chairs \$5,000.00 at a total cost of \$81,200.00. PPS cost will be \$60,900.00 and the Alarm Board will cover \$20,300.00. He also stated that the current lease would be \$15,000.00 less than an extended lease and will recoup the cost over a 4 years period.

MOTION BY MR. MACRAE TO PROVIDE THE NEEDED FUNDS THAT DIRECTOR'S ECHOLS REQUESTED FOR EXPENDATURES RELATED TO RELOCATION OF PPSB; SECONDED BY MR. CESENA; MOTION CARRIED.

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

PUBLIC COMMENT:

NONE

ATTORNEY'S REPORT:

Attorney Gray discussed the following:

I. CONSENT AGREEMENT, SETTLEMENT AGREEMENTS & CIVIL PENALTIES

1. 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. Paid in full
2. 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). Received second payment on October 10, 2016.
3. 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.
4. Amanda Anne Kendall and DSI Security Services - - On August 25 , 2016 the Private Protective Services Board voted to enter into a consent agreement with Ms. Kendall in the amount of \$6,303.60 for registration violations. Payment has not been received.
5. Donald Williams and Williams Guard & Patrol, LLC - - On August 25, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. William in the amount of \$367.20 for registration violations. Paid in full

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

- a. The Board currently has no pending legislation of interest.

- b. The Board has expressed an intent to seek introduction of a bill similar to House Bill 299 from the 2015-2016 Session. A draft of such a bill was considered in the October 18th Law and Rules Committee meeting.

V. PENDING CASES

For the past 36 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.

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. At the Board's August meeting, member Justin Greene volunteered to attend the arguments as the Board's representative and was so appointed by the chair.

MOTION BY MR. LOWMAN TO ACCEPT THE ATTORNEY'S REPORT; SECONDED BY MR. FLETCHER; MOTION CARRIED.

MOTION BY MR. COBBLER TO ADJOURN; SECONDED BY MR. FLETCHER; MOTION CARRIED.

12:35 P.M. Adjourned

Barry Echols, Director

Garcia Graham, Board Secretary

