



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
DECEMBER 15, 2016
HOLIDAY INN NORTH
2805 HIGHWOODS BLVD
RALEIGH, NC 27604**

BOARD MEMBERS PRESENT

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

BOARD MEMBERS ABSENT

David Arndt
Brian Lowman

STAFF PRESENT

Barry Echols – Director
Donald Foster – Deputy Director
Phillip Stephenson - Field Services Supervisor
Jeff Gray - Attorney
Melvin Turner – Training Officer/Investigator
George Daniels – Investigator
Ronald Broadwell - Investigator
Garcia Graham – PPS Board Secretary
Deborah Martin-Johnson – Licensing Assistant

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GUESTS PRESENT

Bill Johnson
Pamela Hensley
James Gilchrist
George Lisi
Larry Flannery
Suzanne Creech
Mark Greenfield
Forrest Galyear
Scott Siano

Jon Brewer
John Taylor
Clarence Cox
Harry House
Jeff Kiker
Greg Hatten
Tommy Drum
Tamara Rabenold
Carson Bolton

Tim Jayne
Jerry Pitman
Dorian Dehnel
Hansel Bumgarner
Lucius McMillon
Bill Dover
Laura Lee
James Oldenburg
Robert Dunn

CALL TO ORDER

Chairman Eric Weaver called the December 15, 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 that the NCAPI annual meeting will be held on January 14, 2017 at the Carriage House restaurant in Winston-Salem, NC. He stated that they are currently working on the conference that will be in Cherokee, NC, November 5-7. He also stated that there are two Board members that will be leaving the Association Bill Dover and Jerry Pitman and new officers in January. Mr. Hatten let everyone know that there was donuts in the back complimentary of the NCAPI.

MINUTES:

APPROVAL OF THE OCTOBER 20, 2016 BOARD MEETING MINUTES

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

SCREENING COMMITTEE REPORT:

Mr. Benson stated that the Screening Committee met on Wednesday, December 14, 2016, from 1:35 p.m. to 5:42 p.m. to review a total of 49 applications. (See report). The committee members included Mr. Benson, Mr. MacRae, Mr. Cobbler, Mr. Cesena, Mr. Arndt, and Mr. Proctor. Mr. Benson turned this report over to Mr. Cesena to read for the record. (See attachment)

Mr. Cesena recused himself from #30 of the Screening report.

MOTION BY MR. MACRAE TO ACCEPT THE SCREENING REPORT; SECONDED BY MR. COBBLER; MOTION CARRIED.

Mr. MacRae presented the following registration report for the period of October 18, 2016 to December 13, 2016. Total registrations 3162; armed totals were 487 of which 143 were new and 290 were renewals, 1 duplicate and 53 reissue/dual. There was a total of 82 Armed Armored Car, 49 of which were new, and 33 renewals. There was a total of 25 Armed Private Investigators, 10 of which were new and 17 renewals. There was a total of 3 Armed Private Investigator Associates, 1 of which was new, 1 renewal and 1 reissue/dual. Unarmed totals were 2547 which included 1126 new, 1271 renewals, 142 transfers, 8 duplicates. There was a total of 16 unarmed armored cars, 12 of which were new, 4 renewals. Total denials were 812 of which 193 were for cause and 619 for correctable reasons. There were 426 applications approved which were previously denied for a total of 1238 denials reviewed.

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

GRIEVANCE COMMITTEE REPORT:

Mr. Greene reported that the Grievance Committee met on Wednesday, December 14, 2016 from 9:33 a.m. to 11:37 a.m. and heard a total of eight cases. The committee members were Mr. Greene, Mr. Cook, Mr. Fletcher, Mr. Johnson, Ms. Lawrimore and Mr. Epley. Mr. Greene read the report for the record. (See attachment)

Mr. MacRae recused himself from voting on 2016-PPS-019 of the Grievance report.

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

TRAINING & EDUCATION COMMITTEE:

Mr. MacRae reported that the Training & Education Committee met on Thursday, December 15, 2016 from 8:04 a.m. until 9:10 a.m. The committee members were Mr. MacRae, Mr. Johnson, Mr. Epley, Mr. Cook, Mr. Arndt, Mr. Cesena and Mr. Cobbler.

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

No further PPS Trainer courses are scheduled for 2016.

Presently we have 383 certified PPS unarmed guard trainers and 119 PPS certified armed guard trainers.

The following PPS Training Courses have been completed:

November 14, 2016 (1000-2300) FT Re-Certification & Pre-Qualification Course NCJA

November 28-30, 2016 (0800-1700) FT Long-Gun Qualification Course at Camp Butner

November 28 – December 2, 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

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

The 2017 certified trainer courses and PPS CEU Training dates have been posted on the PPS website and are listed as follows:

Unarmed Guard Trainer Courses (40hours):

January 23-27, 2017 at Wake Technical Community College

March 13-17, 2017 at Wake Technical Community College

May 1-5, 2017 at Wake Technical Community College

July 31-August 4, 2017 at Wake Technical Community College

September 25-29, 2017 at Wake Technical Community College

November 27-December 1, 2017 at Wake Technical Community College

Firearms Trainer Re-Qualification/Pre-Qualification and (32-hours) Firearms Trainer Courses:

March 20, 2017 at NCJA in Salemburg, NC
April 3-6, 2017 at NCJA in Salemburg, NC
May 22, 2017 at NCJA in Salemburg, NC
July 10, 2017 at NCJA in Salemburg, NC
September 6, 2017 at NCJA in Salemburg, NC
September 18-21, 2017 at NCJA in Salemburg, NC
November 13, 2017 at NCJA in Salemburg, NC

Long-gun Trainer (24-hour) Course:

TBA

PPS CEU Board Training Dates

February 23, 2017 at the Holiday Inn North in Raleigh, NC
April 20, 2017 at the Holiday Inn North in Raleigh, NC
August 24, 2017 at the Holiday Inn North in Raleigh, NC
December 21, 2017 at the Holiday Inn North in Raleigh, NC

Weapon discharge:

None

The Unarmed Guard Training powerpoint presentation and trainer manual are still in the process of being updated and there will be a subcommittee appointed that will be tasked with updating the entire Unarmed Guard Trainer manual.

Mr. Turner reported that in reference to the new Long-gun(shotgun) course, the first course was instructed by Steve Johnson at Camp Butner, NC from November 28-30, 2016. Ten students participated in this course and other current PPS Firearms Instructors have also expressed interest in attending. The cost to attend this 24-hours course is \$175.00.

Mr. Turner reported he conducted one training audit and no violations were found.

Mr. Turner also stated that he will notify Board members from the T & E Committee (Bud Cesena, Steve Johnson and David Arndt) of future armed guard training dates submitted by current PPS Firearms Trainers to allow them to assist in conducting those audits in the future.

Mr. MacRae stated that the request submitted by Chris Newton with Duke Energy regarding the exemption from the PPS standard training is still under consideration and will require a

legislative change. He also stated that the committee received a request from Allied Universal Security Services, as well, requesting exemption from the requirement of 14B NCAC 16.0707 (c)(d)(1-10), the rules that relate to the training of unarmed guards. Mr. Gray reminded the committee that they do not have the authority to provide a specific exemption for each individual entity. Mr. MacRae encourage industry to continue a dialog with the Board. He also stated that if anyone have a better idea please feel free to share it with the Board.

Mr. MacRae reported that the committee received a request from Pam Shaw, Director of the National Polygraph Academy, to be listed as an approved polygraph school and for Cory Kramer, Captain with the High Point Police Department to be able to maintain updates of the approved polygraph schools list. Mr. MacRae stated that the committee asked Director Echols to assist Mr. Kramer in updating the polygraph schools list.

Mr. Johnson stated that he is currently looking at three different dates to conduct the rifle/shotgun training in January or February of 2017. Mr. Johnson stated that in order to accommodate everyone who wants to attend he is asking if Mr. Cesena can assist with the training and if the Board can pay his expense.

MOTION BY MR. JOHNSON TO REQUEST THE BOARD TO PAY THE EXPENSE OF MR. CESENA FOR ASSISTING WITH THE RIFLE/SHOT GUN COURSE TO BE HELD IN JANUARY/FEBRUARY; SECONDED BY MR. BENSON; MOTION CARRIED.

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

GRIEVANCE COMMITTEE:

NONE

SCREENING COMMITTEE:

NONE

LAW AND RULES COMMITTEE

Ms. Lawrimore reported that the Law and Rules Committee met on Wednesday, December 14, 2016 from 8:00 a.m. to 9:19 a.m. The committee members were Ms. Lawrimore, Mr. MacRae, Mr. Greene, Mr. Arndt, Mr. Fletcher, Mr. Cook, Mr. Cesena and Mr. Proctor.

Ms. Lawrimore reported that the main focus was on the new item that came up regarding personal protection. A Board member Mr. Benson did extensive research and made a presentation on rule change as opposed to a law change. This is not to add to but to simplify the matter for the industry. Ms. Lawrimore also set up a subcommittee that consisted of Mr. MacRae, Mr. Benson and herself along with three other industry members which is Gary Pastor, Greg Scott and Gregory Hanson. Also the committee continues working on a bill to be submitted to the legislature when they reconvene.

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

FINANCE REPORT:

Mr. Fletcher reported that the committee finally had the first official Finance meeting, Wednesday, December 14, 2017 from 5:47 p.m. to 6:21 p.m. The committee members were Mr. Fletcher and Mr. MacRae. Mr. Fletcher stated PPS has sufficient funds to operate and may have overage. The committee is looking at different ways the funds can be used. One of the ways is the Permitium fees that have been discussed in previous meetings and with the full Board. The finance committee have met with Permitium and is trying to iron out the fee structure regarding the additional cost for applicants. Example: If the cost is \$7.00 per application and an estimate of 50,000 applications per year, the total cost will be \$350,000.00. The Finance Committee is considering that the Board absorb the cost instead of passing it on to the industry. The committee feels that there are sufficient funds to cover that expense.

He also stated that Mr. MacRae is looking into using community college training centers that a licensee can receive a certificate for continue education credits and possible college credits as well.

Ms. Lawrimore reminded the Finance Committee to look into the possibility of setting up a memorial scholarship fund.

Mr. Fletcher stated that he hopes to have something in place by the February Board meeting.

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

ETHICS COMMITTEE

Mr. Weaver stated that in everyone's packet there is a copy of a SEI report form. Everyone is in compliance. He asked that each member please review the report and be mindful of the dates.

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

BREAK: 10:31 a.m.
RECONVENED: 10: 51 a.m.

OLD BUSINESS:

Mr. Foster presented a draft letter to the Board regarding background checks by using one vendor, Criminal Record Check.com, for all licensees, registrations and certifications. He would like the Board to approve this letter to be sent to the industry. Mr. Foster also stated that CriminalRecordCheck.com will be setting up a webinar to help industry understand the process.

After brief discussion on this matter Mr. Benson made a motion.

MOTION BY MR. BENSON TO ACCEPT THE DRAFT LETTER SUBMITTED BY MR. FOSTER WITH ANY CHANGES; SECONDED BY MR. FLETCHER; MOTION CARRIED.

NEW BUSINESS:

Mr. MacRae advised that the Finance committee had discussed the issue of additional fees that Perimitium may charge the industry and as reported, the committee does not feel that this is something that should be passed on to the industry. The industry has a set fee and the committee feels that the Board should not increase the fee at this time and he would like to put forth a motion.

MOTION BY MR. MACRAE FOR THE BOARD TO PAY OUT OF THE OPERATIVE EXPENSE FUND THE TRANSACTION FEE THAT WILL BE CHARGED BY PERIMITIUM ONCE THE NEW SYSTEM IS UP AND RUNNING; SECONDED BY MR. BENSON; MOTION CARRIED.

The Board also discussed the possibility of creating a memorial fund for guards who are killed in the line of duty and requested that Mr. Gray look into the State Budget office by February Board meeting. Also to set up a subcommittee to approve the amount of funds being distribute.

MOTION BY MR. BENSON THAT MR GRAY LOOK INTO THIS MATTER AND IF MR. GRAY FINDS THAT IT IS LEGAL TO SET UP A MEMORIAL FUND IT WILL BE RETROACTIVE TO INCLUDE THE SECURITY GUARD THAT WAS KILLED IN THE LINE OF DUTY AND FUTURE OCCURRENCES; SECONDED BY MR. CESENA; MOTION CARRIED.

FINAL AGENCY DECISION

NONE

DIRECTOR'S REPORT:

Mr. Echols read the report for the record. The current PPS budget as of December 13, 2016, has a balance of \$1,498,418.01; the Education Fund balance is \$78,815.94. As of December 13, 2016, the total registrations for PPS is 19,535: 1,775 licensees and 599 certifications.

Mr. Echols reported that a total of 3,765 registration cards have been printed and a total of 4,438 applications received since the last Board meeting.

Mr. Echols gave an update on the scanning project and ID cards. Mr. Echols advised the Board that he needed photos of all the Board members in order to get the ID cards made. He stated that the scanning project is taking longer than he anticipated due to the volume of documents that are being scanned but once the system is in place it will be better than the system that we are currently using.

MOTION BY MR. BENSON 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. 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.

2. 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.

3. 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.

4. Scott Siano and Universal Protection Services LLC - - On October 20, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Siano in the amount of \$73,807.20 for registration violations. Paid in full

5. Lance Adrian Jones Sr. and Safe & Secure Worldwide Protection Group, LLP - - On October 20, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Jones in the amount of \$2,154.24 for registration violations and a civil penalty in the amount of \$2,000.00 for application alterations and weapon leasing violations. Payment has not been received.

6. Nicole Shawyne Cassady and Liberty Crime Prevention Services - - On October 20, 2016 the Private Protective Services Board voted to enter into a consent agreement with Ms. Cassady in the amount of \$2,386.80 for registration violations. Paid in full

7. James Warren Carroll and Champion National Security, Inc., - - On October 20, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Carroll in the amount of \$6,599.60 for registration violations. Paid in full

8. David Lee Pettingell and Carolina Security Patrol - - On October 20, 2016 the Private Protective Services Board voted to enter into a consent agreement with Mr. Pettingell in the amount of \$489.60 for registration violations. Payment has not been received.

Mr. Greene stated that the Grievance committee would like to recommend to the Board that if Licensees are more than 60 days past due in consent payment(s), they will need to be rescheduled to go back to the grievance committee.

MOTION BY MR. GREENE TO ADVISE STAFF NOT TO PROCESS A LICENSEES RENEWAL UNTIL THEY HAVE PAID THE CONSENT AND IF THEY ARE MORE THAN SIXTY DAYS PAST DUE STAFF IS REQUESTED TO RESCHEDULE THEM TO APPEAR BEFORE THE GRIEVANCE COMMITTEE; SECONDED BY MR. BENSON; MOTION CARRIED

After a lengthy discussion regarding payment(s) of consent agreement:

The Board asked Mr. Gray to draft a letter to give to licensees at the grievance committee meeting for them to sign in the interim until the full Board meets.

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 38 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. Member Justin Greene attended the arguments as the Board's representative.

In a very strange and sudden turn of events attorney Gray received the opinion of the court on November 11, 2016. The appeal was dismissed and the case remanded to the federal Magistrate Judge who heard the parties' motions for summary judgment.

In its simplest terms, the Court found that the Judge had failed to rule on two counts in the Plaintiff's Complaint and therefore only granted partial summary judgment; the granting if

only partial summary judgment is “interlocutory in nature,” which means it cannot be appealed until the entire case is concluded. (A copy of the Court’s opinion is attached.)

Mr. Gray reported that the Board had asked him to look into the education fund which he did confirm with the State Budget Office that there is nothing in the State budget manual that says the money had to go to a non-profit organization only. He also made several calls to the Chief Financial Officer at Department of Justice to inquire about the possible reason for the Board policy but never received and is waiting on a response.

Mr. Gray also reported that he received a letter from the North Carolina attorney representing GL Solutions, requesting the outstanding payments. He communicated with both ASLB and PPSB chairs, along with Director Echols and Deputy Director Foster. Mr. Gray will be meeting with DPS and State IT staff to discuss a response.

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

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

12:35 P.M. Adjourned

Barry Echols, Director

Garcia Graham, Board Secretary