

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

DATE: March 14, 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  
Jim Crabtree

**MEMBERS ABSENT**

Wayne Woodard

**STAFF PRESENT:**

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

**VISITORS**

Don Childers  
Phillip Love  
Darryl Bray  
John D. Sorrell  
R. Bradley Smith  
Gordon Gibb  
Jonathan Stallings  
Scott Stallcup  
Mary Wood  
Briquel C Williams  
Dennis Holzschuh  
Tommy Whisnant

Duncan Hubbard  
Jennifer Murphy  
Zach Stanley  
Jeff Brady  
Ryan Hedges  
Shawn McIlroy  
Franco Alzar  
Faisal Ahmad  
Chris Nobling  
David Sperber  
Willow Robbins  
Ken Henke

The March 14, 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.

**JIM CRABTREE MADE A MOTION TO APPROVE THE JANUARY 17, 2019 BOARD MEETING MINUTES. SECONDED BY LARRY PROCTOR. MOTION CARRIED.**

Ralph Gregory read the Grievance Committee report. Wayne Woodard and Courtney Brown met as the Grievance Committee on March 13, 2019 from 9:00 a.m. to 10:02 a.m. and heard a total of four cases.

**JIM CRABTREE MADE A MOTION TO APPROVE THE GRIEVANCE COMMITTEE REPORT AS PRESENTED. SECONDED BY LARRY PROCTOR. MOTION CARRIED.**

Stephen Wheeler read the Screening Committee report. Wayne 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.

**COURTNEY BROWN MADE A MOTION TO APPROVE THE SCREENING REPORT AS PRESENTED EXCEPT SCOTT STALLCUP'S MATTER ON THE SCREENING REPORT. SECONDED BY LARRY PROCTOR. MOTION CARRIED.**

**COURTNEY BROWN MADE A MOTION TO APPROVE SCOTT STALLCUP ON THE SCREENING REPORT. SECONDED BY LARRY PROCTOR. MOTION CARRIED. IT WAS NOTED THAT RALPH GREGORY RECUSED HIMSELF FROM VOTING IN THIS MATTER.**

FINAL AGENCY DECISIONS

None.

SPECIAL REPORTS AND PRESENTATIONS

Larry Proctor provided the continuing education report.

1. An Introduction to HDMI over IP and How to Implement AV Distribution Systems - the Committee recommends approval for one CEU for this course.

2. TrendNet make the right choice Network Switches for IP Security Applications- the Committee recommends **denial** because more information is needed.
3. Reinvent Your Business with Integrated Solutions- the Committee recommends approval for one CEU for this course.
4. Cyber Security: What you Need to Know - the Committee recommends approval for one CEU for this course.
5. Current Trends in the Security Industry- the Committee recommends approval for one CEU for this course.
6. Preparing for an ASLB Audit- the Committee recommends approval for three CEUs for this course.
7. Nuts and Bolts of CCTV- the Committee recommends approval for four CEUs for this course.
8. Basic Networking Demystified- the Committee recommends approval for one CEU for this course.
9. How to think like a Photographer to improve your CCTV installations- the Committee recommends approval for two CEUs for this course.
10. ZKTeco USA Dealer Training Class - the Committee recommends approval for three CEUs for this course.
11. Total Connect End User Experience - the Committee recommends approval for two CEUs for this course.
12. Alarm Systems-Interactive Solutions Offerings - the Committee recommends approval for three CEUs for this course.
13. Power Series NEO Installation Course (Short) - the Committee recommends approval for three CEUs for this course.
14. Advanced Access Control (On-line) - the Committee recommends approval for three CEUs for this course.
15. Introduction to Biometrics- the Committee recommends approval for three CEUs for this course.
16. Long Distance Video Solutions - the Committee recommends approval for two CEUs for this course. It is approved for one day only (July 25, 2019 ADI Expo Raleigh).
17. Save Installation Time & Be More Secure - the Committee recommends approval for one CEU for this course. It is approved for one day only (July 25, 2019 ADI Expo Raleigh).
18. Introduction to Surge Protection - the Committee recommends approval for one CEU for this course. It is approved for one day only (July 25, 2019 ADI Expo Raleigh).
19. Alarm Output Devices - the Committee recommends approval for one CEU for this course.
20. Functions of an Alarm System - the Committee recommends approval for one CEU for this course
21. 2000 ft. per hour, Using Existing Cables for IP and PoE Devices - the Committee recommends **denial** because it does not meet ASLB criteria.
22. Starlink SLE – GSM - the Committee recommends approval for two CEUs for this course.

23. GEMC-Integrated System - the Committee recommends approval for four CEUs for this course.
24. GEMC-Programming and Operation - the Committee recommends approval for four CEU's for this course.
25. Integrated Commercial Fire & Alarm Systems - the Committee recommends approval for two CEUs for this course.
26. Firelink Control - the Committee recommends **denial** because it does not meet ASLB criteria. In particular, it is related to fire alarm systems.
27. Napco Ibridge Video - the Committee recommends approval for two CEUs for this course.
28. IP Video Management Simplified - the Committee recommends approval for two CEUs for this course.
29. Elk -M1 Essentials - the Committee recommends approval for two CEUs for this course.

**JIM CRABTREE MADE A MOTION TO APPROVE THE CONTINUING EDUCATION REPORT AS PRESENTED. SECONDED BY COURTNEY BROWN. MOTION CARRIED.**

#### OLD BUSINESS

None.

#### NEW BUSINESS

Jeff Gray brought to the Board's attention a memorandum that had been posted on the PPS website regarding independent contractors and employees. He stated that there were previously twenty factors that the IRS considered to determine if someone was a 1099 or W-2 employee and the number of criteria had been reduced to three. He stated the Board does not have to agree with the IRS guidelines and they can choose to do nothing and continue as they always have done. He reiterated to the industry that no matter how the employee is compensated, the employee must be registered.

Chairman Gregory reminded all Board members that the Statement of Economic Interest is due by April 15, 2019.

#### DIRECTOR'S REPORT

Mr. Brian Jones presented the report and advised that the Board's fund balance was \$559,488.22 as of February 28, 2019. The Education Fund balance was \$65,178.59. As of February 28, 2019, the Board had 1,010 licensees and 9,411 registrants.

Mr. Jones announced that Scott Moller was hired to serve as the investigator assigned to Fayetteville effective January 28<sup>th</sup>. Scott last served as a special agent in the U.S. Air Force, where he oversaw investigative efforts of numerous personnel. Scott had also been responsible for counterintelligence, cybercrime, and fraud investigations.

Mr. Jones reported that the Registration Unit had made tremendous progress addressing the backlog. As of March 11<sup>th</sup>, 2019, the employees had processed alarm registration applications submitted through January 28<sup>nd</sup>, 2019.

Mr. Jones stated pursuant to NCGS 74D-4(h) and in accordance with the MOU between the Department of Public Safety (DPS) and the Board, DPS transferred the annual administrative services fee of \$12,500 in January 2019.

As Mr. Jones reported at the Board's August 2018 meeting, the PPS computers reached the end of their life cycle and they are no longer under warranty. The tablets were deployed to several staff members during the week of February 14<sup>th</sup>. Due to the Permitium transition, the investigators will benefit from tablets with cellular service, which will allow them to complete reports in the field without having to return to the office. Based on the financial division between the two Boards, the ASL Board is responsible for \$3,095 of the total cost for the tablet acquisition. Mr. Jones stated he will continue to work with DPS staff to replace the remaining computers.

Mr. Jones stated that Permitium representatives met with staff members on February 4<sup>th</sup> and March 4<sup>th</sup> to discuss development progress and issue resolution. He announced Permitium recently completed development for certifications, appeals, and complaints and they were working on the audit phase. He stated that the Permitium representatives planned to return in April 2019 to discuss their progress. On February 15<sup>th</sup>, Permitium picked up an additional 36 boxes containing paper applications to scan and archive. As of January 31<sup>st</sup>, they had scanned 295,404 pages at a cost of \$16,985.74.

Mr. Jones stated Permitium had not developed the functionality to send out renewal notices, but planned to develop the capability later in the year. He asked licensees to be aware of their license expiration dates.

Mr. Jones announced that the Alarm Systems Licensing Board would accept grant applications from March 15, 2019 until 5:00 p.m. on May 24, 2019. The guidelines and application were published on the ASLB website.

Chairman Gregory asked Mr. Jones if there were any remaining documents that would need to be scanned as part of the document archive project. Mr. Jones stated there were no more paper applications remaining. The only outstanding financial obligation would be forth coming invoices for the most recent services.

Chairman Gregory asked if there were any other significant expenditures that the Board should be made aware of. Mr. Jones stated that he did not know of anything else.

Chairman Gregory requested Mr. Jones conduct a financial analysis based on potential statutory changes to the Alarms Systems Licensing Act

**COURTNEY BROWN 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 30<sup>th</sup> and received for on December 14<sup>th</sup>. The signed original has not been returned and payment has not been received.

**COURTNEY BROWN MADE A MOTION TO INSTRUCT STAFF TO BRING BRIAN LYNN BUCHANAN/INTEGRATED NETWORK SERVICES, INC., BACK BEFORE THE GRIEVANCE COMMITTEE IF THE CONSENT IS NOT PAID ON OR BEFORE THE NEXT GRIEVANCE MEETING. SECONDED BY JIM CRABREE. MOTION CARRIED.**

### 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 .0203 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 was January 30, 2019 at 2:00 p.m. at the Board's office. There was no public comment. The public comment period ends on March 18, 2019.

Since a fee is being increased by this rule amendment the rule was submitted to the Joint Legislative Commission on Governmental Operations on December 11, 2018 for its approval.

- b. As previously mentioned to the Board during its creation and implementation, the new Permittum on-line licensing and registration system requires changes to the corresponding sections of the Board's administrative rules. With the assistance of Registration Supervisor Shannon Thongkheuang and Board Secretary Cynthia Anthony, Mr. Gray prepared the draft rules for the necessary changes and amendments for the Board's review and approval. They were attached as Attachment 2 to Mr. Gray's January 17, 2019 Attorney's Report and approved by the Board. The Notice of Text was filed February 15, 2019 and the Public

Hearing for these rule changes was March 5, 2019 at 2:00 p.m. at the Board's office. There was no public comment. The comment period ends April 16, 2019.

Additionally, since new "fees" (actually pass-through payments) are established in these changes and amendments, the rules were submitted to the Joint Legislative Commission on Governmental Operations on February 4, 2019 for its approval.

#### 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.

**LARRY PROCTOR MADE A MOTION TO ACCEPT THE ATTORNEY'S REPORT AS PRESENTED. SECONDED BY JIM CRABTREE. MOTION CARRIED.**

GOOD OF THE ORDER.

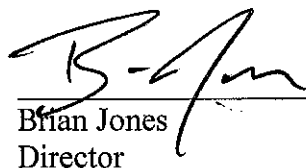
The NC Electronic Security Association meeting is at 1:00 pm.

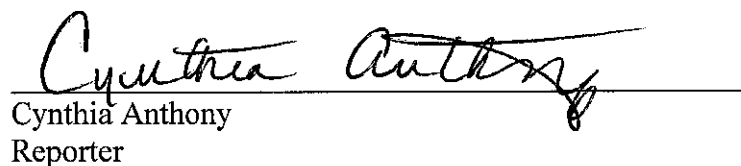
The NC Electronic Security Association annual convention is May 1<sup>st</sup>-3<sup>rd</sup>, 2019 in Greensboro, NC.

Chairman Gregory stated to the industry that the last time there was a fee increase was in 1993 and for a two year period it results in an increase of \$5.00 a month. Also, he stated the increase would help offset the Board's expenditures.

**LARRY PROCTOR MADE A MOTION TO ADJOURN. SECONDED BY JIM CRABTREE. MOTION CARRIED.**

Meeting Adjourned: 9:41 a.m.

  
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Brian Jones  
Director

  
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Cynthia Anthony  
Reporter