

MINUTES

PRIVATE INVESTIGATORS LICENSING BOARD

DECEMBER 7, 2005

MEMBERS PRESENT:

DAVE SPENCER: BOARD MEMBER (ACTING CHAIRMAN)

EDWARD GONZALEZ: BOARD MEMBER

JAMES NADEAU: BOARD MEMBER

DANIEL CRATE: BOARD MEMBER

OTHERS:

MECHELE RAY: EXECUTIVE DIRECTOR

RENE BOTELLO: SENIOR INVESTIGATOR

ELAINE TRENT: ASSISTANT

KEITH MARCHER: BOARD COUNSEL (Carson City)

BRANDI KING: ASSISTANT (Carson City)

APPROVAL OF MINUTES:

Board Member Spencer called the meeting to order. He asked if there were any comments on the September 20, 2005 minutes.

As there were none, the chair accepted a motion. Board Member Nadeau moved to accept the minutes.

Board Member Crate seconded the motion, which carried.

FINANCIAL REPORT: Acting Chairman Spencer stated that the certified accounting firm of Kafoury, Armstrong and Company audited the Private

Investigators Licensing Board and found the books to be in order. Executive Director Ray provided copies of the financial report to the Board for their review. There were no further comments on the financial report.

SWEARING IN: Keith Marcher swore in all those present who were to testify during the course of the meeting.

STAFF REPORT: Senior Investigator Botello reported that in the final quarter of 2005 there were 111 pending complaints, 22 new complaints (110 year-to date), 12 closed complaints (158 year-to-date), 12 citations issued (28 year-to-date), and 6 cease and desist letters sent (64 year-to-date). He stated that Ms. Ray conducted 6 audits (22 year-to-date). There were also 14 year-to-date notices of violation issued.

Senior Investigator Botello then reported that the Board is current on completed backgrounds at this time. He reported that 22 backgrounds were received during the 4th quarter, 19 backgrounds had been completed, and 1 was on hold. There were no backgrounds rejected, 1 was withdrawn, and 1 was postponed. He said there were 15 applications pending.

Senior Investigator Botello stated that the first special order had been initiated with reference to CSEQ's and the ability to confirm the statutory requirements for licensure categories. He said that IRS Forms 8821 and 4506T were going to be used to provide information for the previous 10 years for applicants and would be useful to show financial and employment records beyond the usual 3-year time span. He noted that using the forms would give a true picture of the applicants' work and financial history.

Executive Director Ray stated that GL Suite had started the implementation of converting the software from the current set-up to their programs. Weekly training of the Board staff for the new program was on-going. She said the expected “go live” date was January 24, 2006. She reported that the IDenticard system was in place and most of the ID cards had been issued for the licensees. She said the process of converting the data from the system to the IDenticard system had been time consuming, but worth the effort. She said the Biennium Report was called Perspectives and was a compilation of reports from various state agencies. She said the Budget Division produced the publication. Each state agency reported its goals and accomplishments that had been met during the past two years and to be undertaken during the next two years. Executive Director Ray said she would supply the Board with copies of the report when it was available. She said that the first biennial audit had been performed pursuant to NRS 218.825. Fiscal Years 2004 and 2005 were audited. She said it appeared that the internal controls in place by the Board were working properly as shown by the outcome of the audit. The first post-audit review of the Board was also performed by the Attorney General’s Office. The state’s Integrated Financial System allowed bills to be paid by the Board through the state accounting system, while at the same time eliminating the need for paper that had to be handled by pre-audit agencies. The post-audit review pulled random documents for review. The only item found was that Senior Investigator Botello had been shorted \$2.00. Executive Director Ray also mentioned that since the last Board meeting, one subcommittee meeting had taken place. She concluded

by saying that interviews for the southern Investigator position had been conducted, with 3 candidates to continue with the process.

Acting Chairman Spencer asked if there were any questions or comments on the staff report and there were none.

CONSENT ITEMS:

Acting Chairman Spencer noted that Items 6, 7, 9, 10, and 11 were included in the Consent Items portion of the agenda. He also noted that Item 8 was to be removed from the Consent Item agenda and to be heard later in the meeting.

CENTER FOR INFORMATION ACCESS INC. dba Honor Guard Security, License #985 from Ringwood, New Jersey applied for a corporate name change in the category of Private Investigator to Security Resources Inc dba Honor Guard Security dba SRI Group. ROBERT BOND requested qualifying agent status and that, if approved, that the Board allow him to keep his license in abeyance. Corporate officers to be approved were ROBERT BOND and CURT KEGLER, subject to all statutory and regulatory requirements.

INTEL GROUP INC, License #1260, from Orlando, Florida applied for a corporate name change in the category of Private Investigator to Hyperion Risk, Inc. FRANKLIN PINDER III requested qualifying agent status and to keep his license in abeyance. Corporate officers to be approved were FRANKLIN PINDER and JOHN FREDERICK PAUL TAYLOR, subject to all statutory and regulatory requirements.

PROUDFOOT REPORTS INCORPORATED from East Northport, New York requested a corporate Private Investigator license. MICHAEL FERNANDEZ asked that the Board grant him an individual Private Investigator license so he could become the qualifying agent for Proudfoot Reports Incorporated.

Corporate officers to be approved were JOHN LONG, JOHN LAMSEN, and KEN JUN CHIN. The parent corporation, First Advantage Corporation, requested corporate officer approval for JOHN LONG, JOHN LAMSEN, and KEN JUN CHIN, subject to all statutory and regulatory requirements.

FIRST ADVANTAGE BACKGROUND SERVICES CORP from Crawford, New Jersey requested a corporate Private Investigator license. RUSSELL HARVEY asked the Board to grant him in individual Private Investigator license so he could become the qualifying agent for FIRST ADVANTAGE BACKGROUND SERVICES CORP. Corporate officers to be approved were JOHN LONG, JOHN LAMSEN, and KEN JUN CHIN. The parent corporation, FIRST ADVANTAGE CORPORATION, also requested corporate officer approval for JOHN LONG, JOHN LAMSEN, and KEN JUN CHIN, subject to all statutory and regulatory requirements.

CONSTRUCTION PROTECTIVE SERVICES DBA CPS SECURITY, License #741 from Las Vegas, Nevada applied for a corporate name change in the category of Private Patrolman to CPS SECURITY INC DBA CPS SECURITY

SOLUTIONS. CHRISTOPHER COFFEY requested qualifying agent status and asked, upon approval, that the Board grant him an individual Private Patrolman license to be placed in abeyance. Corporate officer to be approved was CHRISTOPHER COFFEY, subject to all statutory and regulatory requirements.

Board Member Crate moved that Item 8 be moved from the Consent Item portion of the agenda and be heard with Item 24 and/or 25, as they were interrelated.

Board Member Nadeau seconded the motion, which carried.

Board Member Crate moved to approve Items 6, 7, 9, 10, and 11 as presented on the agenda, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion, which carried unanimously.

PRESENTLY LICENSED CORPORATIONS REQUESTING NEW QUALIFYING AGENT:

PARAGON INVESTIGATIONS LLC, License #1061, from Las Vegas, Nevada requested qualifying agent status for RICKIE GROSECLOSE, JR and, if approved, asked that the Board allow him to keep his individual license in abeyance, subject to all statutory and regulatory requirements.

Acting Chairman Spencer asked Mr. Groseclose for a brief background.

Mr. Groseclose said he was with Paragon for five years. He had been operating as chairman and CEO and had been involved in client contact as well as the case load.

Board Member Crate moved that Rickie Groseclose be granted an individual Private Investigator license to be placed into abeyance and the he become the

qualifying agent for Paragon Investigations LLC, License #1061, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion, which passed.

ADVANCED-TECH SECURITY INC, License #1261, from Las Vegas, Nevada, requested qualifying agent status for ROBERT COX.

Mr. Cox stated that he moved to Pahrump from Hawaii in 1981. He had 20 years of experience in law enforcement and security in Nevada. He had been involved with security in casinos and had been director of security at Desert Passage, a shopping area. He said that Dave Shelton had resigned from Advanced-Tech Security Inc. to work as an investigator with the Gaming Control Board.

Board Member Gonzalez moved that Robert Cox be approved as qualifying agent for Advanced-Tech Security Inc and that his license to be placed into abeyance (License #1261), subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which passed.

ALARMCO INC, License #608, from Las Vegas, Nevada requested qualifying agent status for IRA GREENBLOTT.

Mr. Greenblott said he began working at Alarmco in 1990 as a service technician and as an alarm responder for the past 15 years. He worked his way up in the company to become vice-president and treasurer.

Board Member Crate asked Mr. Greenblott to give a brief description of Alarmco's business. Mr. Greenblott said that Alarmco monitors burglar alarms, fire alarms and panic systems and do not use armed guards.

Board Member Crate moved that Ira Greenblott be granted an individual Private Patrolman license and that it be placed in abeyance so that he could assume qualifying agent status for Alarmco, Inc, License #608, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion, which passed.

PRIVATE INVESTIGATOR:

GARY LENSCHYN requested an individual Private Investigator license.

Mr. Lenschyn told the Board he was born in Canada and had become a United States citizen in 1979. He was a U.S. army veteran. He had been teaching for the past 20 years, first in California and then in Washoe County. He started performing public record searches in the early 1990's in California. He became aware in 2004 that he needed a license to perform public record searches and then applied to the Board for his Private Investigator license.

Board Member Gonzalez asked about the quality of the hours Mr. Lenschyn was claiming for his experience, which had been questioned at the previous Board meeting. Board Member Gonzalez stated that there was a concern that the hours were obtained while performing unlicensed activity.

Mr. Lenschyn said the entire time he was performing record searches in California was for Quality Business Information, which was owned by licensed Private Investigators. They had a presence in every county in California. He said he had at least 15,000 hours documented by the owner of QBI during a period of ten years, both in California and Nevada. He said he had performed 60,000 public record searches during that time.

Board Member Gonzalez asked about Mr. Lenshyn's status of employment at QBI. Mr. Lenshyn stated that the question was whether he was contracted or employed, and he said he was described as an employee by QBI.

Board Member Gonzalez asked Mr. Lenshyn about his previous statement during the last Board meeting that he had performed court searches for friends without pay. He asked Mr. Lenshyn if that work should be listed as qualifying hours.

Mr. Lenshyn said that he had performed a handful of searches after he applied for a Private Investigator license. He received a cease and desist order, was cited and fined \$2,500, which he paid. Mr. Lenshyn said obviously he would like to continue performing public searches and they fall under the umbrella of being a Private Investigator. He said the searches were public information. He stated that courthouses provide computers, which allow the public to perform searches.

Board Member Gonzalez asked Mr. Lenshyn if the searches private citizens were performing were for pay, to which Mr. Lenshyn said he would think so.

Board Member Crate said the Board required licensure of people who receive compensation for search work performed as an assurance to the public that there was liability insurance in place for their protection, but the Board did not presume to regulate private citizens who took advantage of public access of records. He then asked if Mr. Lenshyn had ever become employed with S.A.F.E. Group and Mr. Lenshyn said he had not.

Board Member Crate said there was a question whether he had continued to provide record searches for QBI between the time he had been told to stop that

practice and the Board and its Investigator had been advised that Mr. Lenshyn was going to be employed by S.A.F.E. Group.

Mr. Lenshyn said he had introduced QBI to the S.A.F.E. Group. At no time did he work for S.A.F.E. Group or enter into a contract with them.

Board Member Gonzalez noted that Mr. Lenshyn's son, Gary, had been issued a cease and desist order and wanted to know if a fine had been issued and paid.

Mr. Lenshyn said his son performed a handful of record searches for him in 1998, 1999 and 2000 when Mr. Lenshyn was on vacation. He said his son lived in Germany and no longer performed searches.

Board Member Crate asked for clarification of the time period from May 2005 when QBI advised that they were using a licensed Private Investigator to July 2005 when S.A.F.E. Group stated that Mr. Lenshyn was not in their employ. He said that in July Mrs. Coy acknowledged that she was still sending requests for searches to Mr. Lenshyn.

Mr. Lenshyn said he did a few searches as a favor for QBI, which Mrs. Coy owned with her husband.

Board Member Crate asked why Mrs. Coy did not indicate at the time that the service was performed free of charge.

Mr. Lenshyn said during that time that her father passed away and she was distraught. He said he had been performing searches for them since 1991. He stopped, but he did a few favors later by performing the searches. He thought since it was public information, he could perform the searches without compensation. He was then cited and paid his fine. He said the record showed

he performed 12 or 13 searches at that time, when he had been doing 100 searches per day prior to that time.

Board Member Crate said the record showed 20 searches had been done.

Mr. Lenshyn said he thought it was a dozen.

Board Member Crate asked if Mr. Lenshyn had been on vacation for part of that two-month period and Mr. Lenshyn said it was true.

Board Member Gonzalez asked if Mr. Lenshyn's son had performed searches while Mr. Lenshyn was vacationing. He said he thought Mr. Lenshyn had mentioned earlier that his son had performed searches in the 1990's, but this time period was for May 2005 to June 2005.

Mr. Lenshyn said his son had performed public searches for him while he was vacationing. He said he thought his son performed 3 or 4 searches for him.

Board Member Nadeau stated that the work experience Mr. Lenshyn was counting toward his 15,000 hours was gained while performing unlicensed activity.

Senior Investigator Botello stated that, except for a two-year period when Mr. Lenshyn was working in El Dorado County, the rest of the hours were gained while conducting unlicensed activity.

Board Member Nadeau then asked Senior Investigator Botello if a license was not required in California to perform public record searches.

Senior Investigator Botello said that was correct. He said it was very difficult to estimate the amount of time and how much time Mr. Lenshyn actually spent

performing the searches. He said Mr. Lenshyn should affiliate himself with a licensed Private Investigator and perform the work in that manner.

Board Member Spencer asked Senior Investigator Botello if Mr. Lenshyn had enough hours of experience that were not obtained improperly to qualify for a license. Senior Investigator Botello said Mr. Lenshyn did not have enough hours.

Board Member Gonzalez asked if Mr. Lenshyn had 2 years of experience as opposed to the 5 years/10,000 and Senior Investigator Botello said Mr. Lenshyn did have 2 years of experience.

Peter Maheu stated that he was opposed to issuing any licenses to anyone who gained qualifying hours while committing a misdemeanor in Nevada. He said he was opposed to the granting of licenses by the Board to a person who had accumulated hours while committing a crime.

Mr. Lenshyn said the work of public searches was clerical work and rather boring and tedious. He said he had performed thousands of hours of search work without a single complaint, 10 years of which were done in Nevada.

He said he only wanted to perform public searches and no other segment of private investigative work.

Board Member Gonzalez asked what reservation, if any, Mr. Lenshyn would have to working for a licensed private investigator so he could continue to perform searches.

Mr. Lenshyn said he was not going to work for wages. He said he had been approached by private investigators to work for them and he had refused.

Board Member Crate said that, even though Mr. Lenshyn had the opportunity to work for a licensed person, he had chosen to perform the work illegally. Board Member Crate asked Mr. Lenshyn if he chose not to work for someone else because the pay was better doing the work on his own.

Mr. Lenshyn said he did not know until late 2004 that he needed a license to do the work. He said there were notices on bulletin boards looking for public record searchers. He said as soon as he learned he needed a license, he began the application process. He said that he had performed a few searches after learning of the license requirement, but he paid his fine and would like to continue the work.

Board Member Gonzalez asked if Mr. Lenshyn had done any searches for no money after he paid his fine.

Mr. Lenshyn said absolutely not.

Board Member Gonzalez asked that after Mr. Lenshyn had been admonished concerning unlicensed activity if he had done searches for friends for no pay.

Mr. Lenshyn said he did do a handful of searches as favors. He said he didn't think the searches were a big deal, but they ended up costing him \$2,500.

Board Member Nadeau moved that Gary Lenshyn be denied a Private Investigator license.

Board Member Gonzalez seconded with comment. He said he had no reservation at all as to Mr. Lenshyn's ability to do the work. He said Mr. Lenshyn decided after being admonished to perform more searches. Board Member

Gonzalez said Mr. Lenshyn should not have done the searches, even though they were done without pay.

Board Member Nadeau stated that his intent behind the motion was that it was difficult to justify allowing hours gained while performing unlicensed activity to count toward experience. He also was concerned that the Private Investigator license was not limited to court searches only. He said Mr. Lenshyn could gain hours of experience under a licensed individual.

The motion passed unanimously.

PRIVATE INVESTIGATOR:

MITCH SEFLIN from Sherman Oaks, California, requested an individual Private Investigator license.

Mr. Seflin said he became a Private Investigator in California in 1998. He developed a successful practice there and was asked by clients to work in Nevada. He said he intended to move to Nevada and retire. He wanted to bring business to the state.

Board Member Crate asked if Mr. Seflin had any experience in Private Investigator work prior to 1998.

Mr. Seflin said he had gained skip-tracing experience during a period of 2 years.

Board Member Spencer asked if Mr. Seflin had performed any unlicensed work in Nevada, and he said he had not.

Board Member Crate moved to grant Mitch Seflin an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which passed.

DIGISTREAM NEVADA INC from Davis, California requested a corporate Private Investigator License, an individual Private Investigator license for WILLIAM AARONSON to become the qualifying agent, with corporate officers WILLIAM AARONSON, MARK LEAR, and WILLIAM M. AARONSON.

Mr. Aaronson said he performed surveillance work on the East Coast during 1996 and 1997. He said he received his California Private Investigator license in 2001 and formed Digistream Investigations. He said he also was licensed in Washington and New Jersey. Mr. Aaronson stated he was 28 years old.

Acting Chairman Spencer asked if there were any questions from the Board. Board Member Nadeau made a motion, but left some verbiage out. Acting Chairman Spencer asked for the full motion to be made again.

Board Member Nadeau moved that Digistream Nevada Inc be granted a corporate Private Investigator license, that William Aaronson be granted an individual Private Investigator license to be placed into abeyance so he could become the qualifying agent, and that William Aaronson, Mark Lear, and William M. Aaronson be approved as corporate officers, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion and it passed.

CHARLES H. BARRY LLC from Las Vegas, Nevada applied for a corporate Private Investigator license.

Mr. Barry said his investigative experience began in the early 1970's. He was a detective for the Phoenix Police Department and a special agent for the FBI. He also worked in the gaming industry performing investigation work.

Board Counsel Marcher asked that Acting Chairman Spencer recuse himself from the action.

Board Member Gonzalez moved that Charles H. Barry LLC be granted a corporate Private Investigator license, that Charles Barry be granted an individual Private Investigator license to be placed into abeyance and that he be approved as the sole corporate officer, subject to all statutory and regulatory requirements. Board Member Nadeau seconded the motion, which carried.

DAX RAMOS from Las Vegas applied for an individual Private Investigator license.

Mr. Ramos said he attended private investigator school in Puerto Rico for 2 years and graduated in 1994. He worked at Fort Buchanan Army Air Force Base in loss prevention and then district investigator. He assisted the military police with fraud and theft matters. He then worked in surveillance and for two attorneys performing investigative work. He eventually moved to Las Vegas and worked in fraud prevention for various companies.

Acting Chairman Spencer asked if there were any questions, and there were none.

Board Member Gonzalez moved that Dax Ramos dba Eagle Eye Liability and Consultation be granted an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which carried.

JAMES WESTON from Verdi, Nevada applied for an individual Private Investigator license.

Mr. Weston said he was retired from the Reno Police Department and he had been the Chief of Police with a total of 32 years of experience at that department. He said he was currently with MCSS Limited in the area of polygraph examiner services. He said he was applying for a license in the event that Jim Colbert, the present qualifying agent, should leave the company.

Board Member Nadeau moved that James Weston be granted an individual Private Investigator license and that it be placed into abeyance, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which passed.

Board Member Nadeau said he knew Jim Weston personally, but that fact did not influence his vote.

DAWN RICCI from Manalapan, New Jersey, applied for an individual Private Investigator license.

Ms. Ricci said she had 15 years of experience and that she was currently the president of All State Investigations in New Jersey. She started performing surveillance in approximately 1990 and had performed research, clerical and client relations work.

Board Member Gonzalez asked if Ms. Ricci if she intended to relocate to Nevada.

Ms. Ricci said she planned to possibly buy either an office or a condo in Nevada.

Board Member Gonzalez moved to grant Dawn Ricci an individual Private Investigator license, subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which passed.

TRACKERS INC from Houston, Texas applied for a corporate Private Investigator license with JEFFREY GAINES to be the qualifying agent and corporate officers to be approved were ANGELA FREGOSO and JEFFREY GAINES.

Mr. Gaines said he co-founded Trackers Inc. in the spring of 1997. He was licensed in Texas. Angela Fregoso held the manager's license, equivalent to a qualifying agent in Nevada and he worked under her license.

Board Member Crate asked about the function of Trackers Inc.

Mr. Gaines said it was initially created to perform legal research and then primarily performed background screening for employment purposes.

He said they recognized a need to streamline the process and developed databases to help with internal operations. They then developed databases for use by their clients.

Board Member Crate asked if they sold access to their databases.

Mr. Gaines said they provided gateway access to clients to assimilate one report instead of numerous reports from different databases.

Board Member Crate asked about Mr. Gaines accumulation of 10,000 qualifying hours with regard to obtaining his personal Private Investigator license.

Mr. Gaines said he had a vast knowledge of the services and had been involved in every facet of the process of screening methods. He performed field interviews and investigated worker's compensation fraud.

Board Member Crate asked about experience that pre-dated 1997.

Mr. Gaines said he had approximately 2 years of experience.

Board Member Nadeau asked Senior Investigator Botello about the over-lapping nature of the 5 recommendations in reference to Mr. Gaines' work experience. He wanted to know how the 18,000 hours were accumulated. Board Member Crate said he also wondered about the total number of hours.

Senior Investigator Botello said the minimum time verified was 14,000 hours. He said 8,498 hours did overlap, but he obviously exceeded the 10,000 hours required by statute to obtain a license.

Acting Chairman Spencer asked if Senior Investigator Botello was comfortable with the amount of hours Mr. Gaines had achieved and he said he was certain that the data had been verified without discrepancy.

Board Member Gonzalez moved that Trackers Inc dba Trak - 1 be granted a corporate Private Investigator license, that Jeffrey Gaines be granted an individual Private Investigator license to be placed into abeyance so he could become the qualifying agent, and that Angela Fregoso and Jeffrey Gaines be approved as corporate officers, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion and it passed.

ADMINISTRATIVE BUSINESS:

There was a request from licensees for clarification of the 1992 Advisory Opinion issued by the Board on the use of Peace Officers working for licensees in the category of Private Patrolman.

JOHN THEEL of SOA SECURITY said he had sent a request to Executive Director Ray to clarify the statute with regard to hiring out-of-state Peace Officers. He said he received the Advisory Opinion of 1992 from Executive Director Ray regarding the statute.

He said that, in his opinion, the statute define Peace Officers in the NRS as Nevada state and local police officers. He said Peace Officers from other states were not recognized as Peace Officers once they come to Nevada. He said they had no arrest powers once they arrive in Nevada. He wanted to know whether or not out-of-state Peace Officers were considered Peace Officers within the statute.

Mr. Theel said workshops that had been held brought up the need to raise the standards of security companies with regard to training and he believed Peace Officers were very good candidates to work in the security field.

Board Member Spencer asked if the individuals Mr. Theel wanted to hire would be armed and he said they would.

Mr. Theel said his primary interest in hiring out-of-state Peace Officers was for the JCK Jewelry Show in Las Vegas, mostly in supervisory roles. He said their need to be armed was not an absolute necessity.

Board Member Crate stated that he thought the NRS did include out-of-state Peace Officers.

Mr. Theel stated that the world had changed since 1992, when the opinion was offered.

Board Member Crate said he did not understand why personnel were not available in Nevada to fill supervisory roles and needed to be hired from out-of-state.

Mr. Theel wanted to know if there was a possibility of changing the statute or if the 1992 opinion was still applicable.

Acting Chairman Spencer mentioned that there was a bill before Congress which involved allowing Peace Officers to carry concealed weapons in any state under Peace Officer status.

Board Member Nadeau said that, while the bill allowed the carrying of firearms, it did not extend Peace Officer powers. He said Chapter 289 specifically defined who had Peace Officer powers in Nevada.

Acting Chairman Spencer asked Board Counsel Marcher for any insight.

Board Counsel Marcher said he didn't think another Attorney General Opinion was necessary. He said if the Board wanted to limit the regulation to Peace Officers in Nevada, the regulation would have stopped with A, but B and C were also included. He said the regulation could be amended, but he didn't think it was limited to Peace Officers in the state of Nevada. He said an amendment to the regulation would make the intent clear.

Acting Chairman Spencer said he was concerned about allowing Peace Officers from other states to work at different events, which might cause Peace Officers in Nevada to also request to work as security.

Board Counsel Marcher said an exemption could be granted if the person or persons requesting the exemption could show they met the requirements.

Board Counsel Marcher said one criterion could be that the people from out of state would only be hired to work at one event.

KEN McAVOY of REED EXHIBITIONS said Reed owned the JCK Show. He said the show started small and has become one of the biggest shows in the world. He said the requirements in 1995 were not the same as at present.

He said it was almost impossible to obtain 100 officers from Clark County.

He said he wanted to comply with the law due to insurance requirements.

He said the variance was being requested for only the JCK show. He said the sheriff of Clark County could only provide 90 officers, when they actually needed about 150 people. He said the show would double in size in 2008 to around \$45,000,000. He asked that the variance be worded to be only for the JCK Show, in accordance with Clark County officials. He said a major theft would injure the entire convention industry for Nevada.

Acting Chairman Spencer asked if the officers supplied by Clark County were paid by the Sheriff's Office. Mr. McAvoy said they were paid by the Sheriff's Office at an overtime rate.

Senior Investigator Botello said he worked extensively on the issue and the show had grown tremendously. He said he noted that the specific areas needing

attention were liability issues. He said he was not certain that POST allowed reciprocity from state to state. He stated that, at the minimum, the appropriate security should be provided for the JCK show.

Board Member Crate asked Senior Investigator Botello how the Board would have liability issues.

Senior Investigator Botello said that the 1992 stance of the Board would not cause the Board to assume liability, but if a variance were granted, the Board might have to assume some responsibility.

Board Member Spencer asked for Board Counsel Marcher to comment on whether or not a private corporation could indemnify the Board.

Board Counsel Marcher said it could not. He reiterated the changing of the regulation and possibly granting exemptions. He said he was not concerned about liability issues for the Board.

Acting Chairman Spencer asked where the Peace Officers would be obtained.

Mr. McAvoy said they would come from Orlando and New York because they were familiar with procedures. He said the JCK Show had become a target for every major jewel thief in the world. He said they would ask Clark County first for officers.

Board Member Crate asked what fact was relied upon that the number of officers was not available.

Mr. McAvoy said there had not been enough officers for 7 years. The war in Iraq and the growing population of Las Vegas had impacted the officers available.

The Clark County Sheriff wanted Reed to meet with him first with the request for officers, and then he would tell them how many he could provide. Mr. McAvoy said the Clark County Sheriff's Office could provide an adequate number of officers for smaller shows, but not for the JCK Show.

Acting Chairman Spencer said he believed a line of requirements was necessary and the proper person to do that would be the Clark County Sheriff.

Mr. McAvoy said the Sheriff should be involved in the process.

Acting Chairman Spencer said he thought the request had some merit.

Gina Crown said she didn't think it would be a good idea to put in the regulation an exemption for one show. She felt companies should apply for exemptions, which could be handled on a case-by-case basis. She said the Board should make sure there is not a conflict of interest. The state needed to approve anyone who wished to work in Nevada and the officers should meet all of Nevada's requirements to work.

Acting Chairman Spencer said it was his understanding the individuals would be employees of the licensee.

Board Member Crate asked Mr. McAvoy about the exemption following the show as opposed to individual licensed agency. He asked if the same group of people would be hired year after year, regardless of which company was doing the hiring. He then asked Mr. McAvoy what prevented his company from hiring the security people directly.

Mr. McAvoy said they were not licensed to do so. He said Reed Exhibitions would not take on the liability issues of making employees part of Reed's security division.

The question was asked how many armed security guards were available to work in Las Vegas. Executive Director Ray estimated about 200 were armed.

Mr. Theel said the people provided by Metro provided police functions. He said the people from out-of-state were worker bees and supervisors to actually run the show.

Acting Chairman Spencer asked if there was any attempt to reach out to local people who have armed capabilities.

Mr. Theel said they were looking for a small number (from 20-40) officers from other states to fulfill key supervisory roles.

Board Member Crate said there were a number of retired people who could fulfill the duties needed by Reed Exhibitions.

Mr. McAvoy said the reason out-of-state individuals were needed was because of the specialized training these people had received.

Gina Crown commented that if the Board allowed an exemption for Reed to allow off-duty sworn officers to come to Nevada, each one should obtain approval from the hiring agency, and also the security company in Nevada could hire them and register them as all companies do.

Mr. Theel said it was their intention to do everything legally.

Acting Chairman Spencer asked how many days ahead of time the out-of-state employees arrive and Mr. Theel said 4 to 5 days before the show. Acting

Chairman Spencer questioned Mr. Theel that some of the people had arrived the day before the show in past years, which he denied. Mr. Theel said the only people who may have arrived the day before were not necessarily law enforcement personnel.

WILLIAM CALLAGHAN asked the Board to put aside the 1992 ruling and issue a variance. He talked about bringing people in from other states because of their knowledge and experience. He said they attend a gun class and obtain sheriff's cards. He said once the \$25,000,000 worth of jewelry was delivered to the Sands, the security was then turned over to private security. He said the Clark County Sheriff had a policy that wouldn't allow officers to work off-duty. On-duty police officers were assigned to other jewelry shows at the same time, so there had been a strain on law enforcement during the time of the JCK Show. He said he would provide the Board in advance with a list of names of the people from other states who would be brought in to work at the JCK Show.

Mr. Callaghan said he only wanted the variance for 5 or 6 days. He said just because an individual has a firearm card did not mean that person was an experienced person with regards to jewelry shows. He said the Sands looked like a soft target to criminals with 75-year-old and 80-year-old people with handguns acting as security guards.

Board Counsel Marcher said he would not recommend setting aside the 1992 Advisory Opinion. He said the regulation implied that a decision could be made on a case-by-case basis for exemptions.

Gina Crown asked if the employees from other states would be bona fide employees and have taxes withheld and was told that they would.

DARRELL CRONFELD was sworn in so he could make comments. He said guards do need more training than needed in the past. He said retired or off-duty police officers could be elderly people and also felons.

He asked who paid for the Las Vegas Metropolitan police officers to work the special event.

Mr. McAvoy said Reed paid the officers.

Mr. Cronfeld said the Sheriff's Office did not state that they could not provide the officers needed. He said the Special Events Department could provide up to 300 local officers per day. He also took exception to the statement that those officers were not properly trained to work at the jewelry show. He believed the revenue should stay in Nevada.

Mr. Callaghan said advertisement for available work at the JCK Show was done through John Theel's company, SOA, during March, April, and May and other law enforcement agencies to hire people interested in working at the JCK Show.

There was still not enough response to the advertising efforts to yield an adequate number of security people.

Board Member Crate asked if there was a need demonstrated to encourage the Board to make an exemption for the JCK Show. He commented that arguments had been made that people were unavailable to work locally at the Show, but also, Reed preferred to hire people from other states who had already been trained.

Mr. McAvoy said there had been a bomb scare at the show the previous year. He said that if they hadn't had the experienced people working at the show, vacating the building would not have gone so smoothly. He also said the show was a tremendous source of revenue for Las Vegas.

Board Member Crate stated that Mr. Cronfeld had made a plausible point that local people could be available.

Mr. McAvoy said local employees could not be brought up to speed in a span of six months.

Acting Chairman Spencer asked how many officers could be supplied by the Clark County Sheriff's Office.

Mr. McAvoy said the number varies from year to year, but he could establish it in a matter of ten days after meeting with the Clark County Sheriff.

Board Member Spencer said the number of officers seemed hard to pin down from Metro. He said the number could change from the beginning of the process to a few days before the show.

Acting Chairman Spencer asked for further comments from the Board.

Board Member Nadeau said he couldn't understand the logic. He said on one hand there were insufficient numbers of law enforcement people available in Clark County, but on the other hand, the employees from other states were not being brought in as law enforcement personnel. He further stated that there were no requirements to have police officer experience to be a security guard in Nevada.

Acting Chairman Spencer said he had experience in the importance of trained employees regarding jewel thieves.

Board Member Crate said he was hesitant to issue an exemption because of a lack of preparation and business planning on the part of the convention service industry. He also stated that, as a security officer, he resented the reference of senior citizens who couldn't properly handle a handgun.

William Callaghan apologized for his comment about elderly security guards.

Mr. McAvoy said it was not their intention to stereotype security guards, but to obtain an exemption only for the JCK Show.

Acting Chairman Spencer asked Mr. McAvoy if given the exemption, he would consider training the people available for another exemption.

Mr. McAvoy said he would be willing to set up a fund and that money was not the issue. He further said it would not be possible to train people in 6 months.

Mr. Cronfeld said Metro had 300 police officers available to use at the show. He wanted to know if Reed would put in writing that it was willing to open up the bidding to other security companies for security services for the show.

Mr. McAvoy said Mr. Cronfeld could not tell him how to run his business.

Mr. Cronfeld said Mr. McAvoy could not come and tell the State how to run its business.

Mr. McAvoy said he would take the show some place else.

Mr. Cronfeld said he should do so.

JOHN DELUCA said the problem had been on-going since 1992. He said that quality employees were available at a price.

Board Member Crate said he would like to defer the exemption and see what additional efforts the industry was willing to provide to obtain an additional 20 people for the JCK Show. He said the decision for an exemption could be made at the March 2006 meeting.

Acting Chairman Spencer said he would like for the Clark County Sheriff outlining what he would require in terms of additional employees, as well as backgrounds to be performed on employees from other states.

Mr. McAvoy said the suggestion was good, but the timing was unworkable. He said the employees needed more time to schedule working at the show.

Board Member Crate asked how involved Reed needed to become with hiring the employees.

Mr. McAvoy said if the employees were unarmed, a variance would be unnecessary. He said trained individuals were needed.

Mr. Callaghan said the short amount of days of work or the long hours of each day made it difficult to obtain employees.

Gina Crown inquired about 1099/contract employees and was told that was a separate issue from the matter at hand.

STEVE BAKER said that Mr. Callaghan and Mr. McAvoy had shown contempt for the security industry. He said they were not looking for security people, but were actually seeking law enforcement individuals. He said the pay was too poor to hire quality people.

Board Member Crate said he was concerned that Mr. Callaghan and Mr. McAvoy had the perception that the industry couldn't provide resources needed by them.

He said the request put the local security guard businesses in an awkward position.

William Callaghan asked to withdraw the request for an exemption and that no vote was necessary.

AL KAPLAN asked about 1099's and bringing in contracted employees.

Acting Chairman Spencer explained that the only time 1099 was allowed in Nevada was for a licensee, and Board Counsel Marcher said he believed that was correct.

Mr. Callaghan again stated that he wanted to withdraw the request.

Board Counsel Marcher said he recommended closing comment and not taking any further action at that time.

PRIVATE INVESTIGATOR AND PRIVATE PATROLMAN:

JAN MERSON dba MERSON & ASSOCIATES THREAT PROTECTION GROUP applied for an INDIVIDUAL PRIVATE INVESTIGATOR LICENSE and an INDIVIDUAL PRIVATE PATROLMAN LICENSE.

Mr. Merson said he was a retired police officer and retired from the California Department of Corrections, where he obtained his experience for hours needed to obtain his license. He said he was a licensed private investigator and private patrol operator in California. He said he had been in business from 1984 in another security business.

Board Member Crate moved that Jan Merson dba Merson & Associates Threat Protection Group be granted an individual Private Investigator license and an

individual Private Patrolman license, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion, which passed.

MAREK SALAMON from Phoenix, Arizona applied for an INDIVIDUAL PRIVATE PATROLMAN LICENSE.

Board Member Crate stated that he was under the impression that all of Alpha Security of Nevada LLC's agenda had been pulled from the agenda, but was told only Brian Cooper had pulled his application.

Mr. Salamon agreed that Brian Cooper had pulled his application.

Board Member Crate said there seemed to be a question as to the experience and qualification certificates that had been provided. He asked if Mr. Salamon had signed one of Mr. Cooper's certificates of experience, and he said he had. Board Member Crate then asked Senior Investigator Botello if more time was needed to explore the application.

Senior Investigator Botello said there was no reason to table Mr. Salamon's request until March.

Mr. Salamon said he had been involved in the security field for approximately 10 years. He stated that he had been the president of Alpha Security for the past 5 years.

Acting Chairman Spencer asked Senior Investigator Botello if he was satisfied with Mr. Salamon's experience, and he said he was.

Board Member Crate asked Senior Investigator Botello if there was concern with the integrity issue with regard to the fact that Mr. Salamon had vouched for hours that did not exist for Mr. Cooper.

Senior Investigator Botello said there was. He stated that Mr. Salamon did author a CSEQ document for Mr. Cooper attesting to one year of experience, but the financial records did not reflect that. He asked Mr. Salamon if Mr. Cooper had earned any compensation for the work he had done. Mr. Salamon said emphatically that he had.

Senior Investigator Botello said Mr. Cooper denied having received compensation for the work he had performed.

Mr. Salamon said Senior Investigator Botello was absolutely correct. He said he and Mr. Cooper had been friends for years. He had asked Mr. Cooper to join Alpha Security to gain experience. Mr. Cooper was not officially on the books, but Mr. Salamon did write personal checks to Mr. Cooper. There were no official tax forms.

Board Member Crate said the CSEQ really only impacted Mr. Cooper's application and the fact that Mr. Cooper did not file income taxes properly.

Mr. Salamon said it was decided to withdraw Mr. Cooper's application because of a lack of experience.

Senior Investigator Botello said his initial impression was that there was an attempt to mislead the Board about Mr. Cooper's experience, but now did not think so.

Senior Investigator Botello said Mr. Cooper had withdrawn his application until the March meeting.

Mr. Salamon said it was not his intent to misrepresent the facts.

Acting Chairman Spencer asked if Mr. Salamon was aware of his responsibility in recording wages in Nevada, and he said he was aware of that.

Board Member Nadeau asked about questions in Arizona regarding the hiring of security guards and if Mr. Salamon was under investigation by the Arizona Department of Public Safety.

Mr. Salamon said he was unaware of it until he read the background provided by Senior Investigator Botello. He did recall 2 years ago that an investigator from DPS had visited and looked through files, but had not received any follow-up from DPS after the visit.

Senior Investigator Botello said he had discussed the issue with Mr. Salamon because Arizona couldn't provide much information, so the issue had obviously been very benign.

Board Member Gonzalez asked if Mr. Salamon had performed any unlicensed activity in Nevada, and he stated that he had not.

Board Member Crate moved that Marek Salamon be granted an individual Private Patrolman license and that it be placed into abeyance, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which passed.

Board Member Nadeau clarified that the motion was for Item 24 specifically.

Mr. Salomon asked about Item 8, which was ALPHA SECURITY OF NEVADA LLC from Las Vegas, Nevada requested a CORPORATE PRIVATE PATROLMAN license with ELWOOD WILLIAMS as the qualifying agent, and BRIAN COOPER and MAREK SALAMON as the CORPORATE OFFICERS. Board Member Crate moved that Alpha Security of Nevada LLC from Las Vegas, Nevada be granted a corporate Private Patrolman license, that Elwood Williams become the qualifying agent that his individual license be placed into abeyance, and Brian Cooper and Marek Salamon be approved as the corporate officers, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion, which passed.

Board Member Gonzalez asked about Mr. Cooper's application. Executive Director Ray said he had pulled his individual application, but was still a corporate officer for Item 8.

ADT SECURITY SERVICES INC applied for a corporate Private Patrolman license with J CHAPIN applying for his license to be the qualifying agent.

Mr. Chapin said he began in 1992 in the private security industry. He also has contact with the Department of Defense, the Department of the Navy, and the Department of the Air Force and the aero-space industry. He was a contract security employee. He also had experience in money transport. He stated that he was now working for ADT Security Services.

Board Member Crate asked if there was a relationship between ADT Security Service and ADT Alarm.

Mr. Chapin said they were directly related.

Board Member Crate moved that ADT SECURITY SERVICES INC be granted a corporate PRIVATE PATROLMAN license, that J CHAPIN be granted an INDIVIDUAL PRIVATE PATROLMAN license to be placed in abeyance so he could become the qualifying agent, that MICHAEL SNYDER, MARSHALL MOROZE, and RICHARD ALBOMEIT be approved as corporate officers, subject to all statutory and regulatory requirements.

Board Member Gonzalez seconded the motion, which passed.

CALVIN GINYARD applied for an individual Private Patrolman license.

Mr. Ginyard said he joined the Air Force in 1967 and completed 26 years in the security police field. He provided security for presidents and ground launch cruise missiles. He came to Nevada in 1991. He became the superintendent of the Desert Warfare training center, where he taught survival courses. He retired from his supervisory position and then worked in juvenile detention and Probation & Parole.

Board Member Crate asked if Mr. Ginyard had solicited business in Nevada during the time he was waiting to obtain his license, to which Mr. Ginyard replied he had not.

Mr. Ginyard said he had not spoken to any clients at all.

John De Luca said that until 3 weeks ago, Mr. Ginyard had worked for him. He said he appreciated Mr. Ginyard, both as a friend and for his extensive background. He said Mr. Ginyard, along with two other people, had been working for a company which folded. The gentlemen had approached Mr.

De Luca to work for him. He said his account had been solicited by all three of them. He said he had only gotten back into the business to help the 3 men out. He felt that, since Mr. Ginyard had failed to mention working for him, he had falsified his application for license.

Senior Investigator Botello said he was not aware of the fact that Mr. Ginyard had been working for Mr. DeLuca.

Mr. Ginyard said he did not believe that telling John DeLuca of his future plans constituted falsification of the facts. He said he didn't state that he had worked for Mr. DeLuca because he did not like working for him.

Board Member Crate asked if his co-workers had been soliciting business while Mr. Ginyard was waiting for his license to be approved.

Mr. Ginyard said there was talk amongst the 3 gentlemen that they could work on their own if they obtained a license, but no solicitations were made for clients at that time.

Executive Director Ray said the 3 men contacted her to learn how to go about obtaining a license and then Mr. Ginyard proceeded to apply for his own license.

Board Member Crate explained that his question was aimed at learning if Mr. Ginyard had been lining up clients at the same time he was applying for a license.

Board Member Crate then asked Senior Investigator Botello if he regularly performed an internal check for registered employees, to which he said he did.

Board Member Crate asked if Mr. Ginyard was registered with Mr. DeLuca.

Senior Investigator Botello said he did not recall seeing that information, nor had he received any information regarding the possible solicitation of clients. He said he hadn't seen any possible discrepancies until the material presented at this time.

Board Member Gonzalez asked if Mr. Ginyard had solicited potential clients, given price quotes, or advertised their services.

Mr. Ginyard said he had not done any of those things.

BILL MILLS stated that he had been a training manager when Mr. Ginyard was working at Parole & Probation. He said he had known Mr. Ginyard for a long time and knew him to be a man of character.

Senior Investigator Botello said he had received stellar recommendations for Mr. Ginyard with regard to the written employment verifications completed on his behalf.

Board Member Gonzalez moved that Calvin Ginyard be granted an individual Private Patrolman license, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded that motion, which passed.

DONALD BLAIR requested an INDIVIDUAL CANINE HANDLER license.

Mr. Blair said he began full-time canine work in 1984. He worked on a variety of police departments for 5 years. In 1989 he started with U.S. Customs as a handler, and then became an instructor. After working in Homeland Security, he went to the private sector.

Board Member Gonzalez asked if Mr. Blair had done any breeding or sale of dogs.

Mr. Blair said he had done so years ago in Texas and Arizona, but not in Nevada.

Board Member Gonzalez moved that Donald Blair dba Canine Associates International be granted an individual canine handler license, subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which passed.

ADMINISTRATIVE BUSINESS:

Board Counsel Marcher suggested Item 29, which was discussion and possible approval of language regarding a proposed regulation related to the scope of practice for licensees pursuant to NRS 648.030(2), be tabled at that point. He said Executive Director Ray had received correspondence from the Legislative Counsel Bureau concerning the topic. He wanted additional time to review and discuss that information with Executive Director Ray and then reconvene the subcommittee on the topic.

Acting Chairman Spencer asked if the issue could be discussed other than the language portion, but Board Counsel Marcher said it was premature to discuss the issue at all at the present time. The item was tabled until a future meeting. Acting Chairman Spencer addressed the report from the subcommittee on the issue of multiple corporations licensed in the same category holding multiple licenses, and/or corporations licensed in a category operating under a fictitious name.

Board Member Crate said there were a number of concerns regarding the topic.

He said the potential for abuse was discussed during the subcommittee meeting.

He said there was concern expressed at that meeting of fraudulent activity and misleading the public, which then led to a discussion of anti-trust activity.

He said Board Counsel Marcher was going to research the issue and give an opinion.

Board Counsel Marcher said he had not been able to research the anti-trust issue. He said he and Executive Director Ray planned to discuss the anti-trust aspect with a deputy attorney general who was well-versed on it, and then report back to the Board.

Executive Director Ray said the only individual she had conversed with had handled anti-trust issues in the past, but hadn't done so for quite some time.

She had talked to Marty Howard. He didn't believe there were any issues.

Board Counsel Marcher said he was fairly certain that there was a new deputy who was handling anti-trust issues.

Board Member Crate suggested that it would be better to wait to discuss the topic at a later time. He said Executive Director Ray might receive further information, which could warrant another subcommittee meeting.

Executive Director Ray said there was the option as applicants came before the Board, they could be questioned as to their business practices.

Jeffrey Gaines asked for clarification of the topic.

Executive Director Ray said there were a couple of scenarios to which the topic could apply. She stated that there could be 2 corporations that were both licensed as Private Investigators, but were owned by the same parent

corporation. She said there could also be a corporation licensed by the Board, who filed for multiple DBA's and then applied for one or more additional licenses. Executive Director Ray clarified that qualifying agents can be the same in another state at the same time as in Nevada. She said a person could not be a qualifying agent for more than one corporation in Nevada.

Michael Yepko wanted to know if the Board could disclose the names of finalists for the Investigator position for the Board in Las Vegas.

Board Counsel Marcher said the names should not be disclosed at the present time.

Frank Petrasich directed the discussion back to the current item. He wanted to know exactly what the issue was and the intent. He wanted to know if there would be a limit placed on the number of DBA's for each corporation.

Board Member Crate said the main concern was one parent company having multiple corporations. He said the corporations would be competing against one another for the benefit of the parent company and the public may not be aware of the fact. He said consistency of policy needed to be established. He said the licenses were privileged and the welfare of the public must be protected in Nevada.

Board Counsel Marcher said the basis to deny a license was listed in the statutes. He said the grounds for denial were clearly stated and the Board could not deny a license solely in the best interests of the public. He said there must be a specific rationale that was statutorily created in order to deny a license.

Michael Yepko brought up the scenario of a large bail bond company which bought phone numbers from other companies which had gone out of business. Board Member Crate said that a question he had would be if a corporation should be told by the Board it could only have one license, or if the public would be better served if the Board directed a corporation to have individual corporate licenses.

Frank Petrasich asked if the topic was going back to a subcommittee.

Executive Director Ray said that it would, and Mr. Petrasich said he would withhold his comments until the next Board meeting.

Acting Chairman Spencer asked for a motion.

Board Member Crate moved to adjourn and Board Member Gonzalez seconded the motion, which passed.