

MINUTES

PRIVATE INVESTIGATORS LICENSING BOARD

DECEMBER 5, 2007

**MEMBERS PRESENT:**

DANIEL CRATE: BOARD MEMBER

JAMES NADEAU: BOARD MEMBER

LOIS WILLIS: BOARD MEMBER

DAVID SPENCER: BOARD MEMBER, ACTING CHAIRMAN

**OTHERS:**

MECHELE RAY: EXECUTIVE DIRECTOR

JEFF MENICUCCI: BOARD COUNSEL

RENE BOTELLO: SENIOR INVESTIGATOR

ELAINE TRENT: ASSISTANT

Acting Chairman Spencer called the meeting to order. He introduced Lois Willis, a newly-appointed Board member. Board Member Crate was tardy. Acting Chairman Spencer said Richard Putnam was also a new Board member who would represent the Polygraph industry at the March 2008 Board meeting. He said Mr. Ed Gonzalez would be missed by the Board.

**SWEARING IN:**

Acting Chairman Spencer asked Board Counsel Menicucci to swear in all those present who were to testify during the course of the meeting in both Las Vegas and Carson City.

Board Member Crate then joined the meeting.

Acting Chairman Spencer said the Board would discuss the election of a Chairman. Executive Director Ray said nominations would be opened for the Chairman, which would be put to a vote. Board Counsel

Menicucci said the Board had deferred the nomination process previously until the full Board, including new members, could be present. He said there was a quorum present, which would allow the Board to vote during the current meeting.

Acting Chairman Spencer asked for nominations. Board Member Crate asked about the status of the newest member, Richard Putnam. Executive Director Ray said he would be present at the March 2008 meeting. Board Member Willis moved to wait until the March 2008 meeting to elect a chairman when the full Board would be present. Board Member Nadeau seconded the motion, which carried. Board Member Nadeau then moved that Board Member Spencer act as chairman until such a time as a permanent chair was chosen. Board Member Crate seconded that motion, which carried.

#### **APPROVAL OF MINUTES:**

The September 19, 2007 minutes were approved with a motion by Board Member Crate and a second by Board Member Nadeau. Board Member Willis abstained from voting on the approval. The motion carried.

#### **FINANCIAL REPORT:**

Executive Director Ray said the financial report she provided to the Board was a non-action item. She said the report included year-to-date expenditures and the balance remaining for the rest of the fiscal year. Acting Chairman Spencer asked if there were any questions, but there were none.

#### **STAFF REPORT:**

Executive Director Ray reported that for the quarter beginning September 8, 2007 and ending November 7, 2007, there were 19 new complaints, 5 had been closed, 186 pending complaints, 7 of those complaints concerned licensees, with 77 assigned to Senior Investigator Botello and 88 assigned to Investigator Mautner. She reported that Senior Investigator Botello had written 6 citations for unlicensed activity and 5 cease and desist letters. She said he had completed a total of 32 background investigations in the last quarter, with 12 of those for corporate officers, 6 were for corporations, and 14 were for qualifying agents or individuals. Senior Investigator Botello attended 1 convention during the

period of time. Investigator Mautner issued 5 citations for unlicensed activity, and wrote 1 cease and desist letter. Investigator Mautner had not completed any background investigations. There were 2 rejected backgrounds. There were currently 24 pending backgrounds, with 6 for corporate officers, 5 corporations, 2 were for Process Servers, 1 Repossessor, and 1 Canine Handler. She said there were 7 Private Investigator applications and 2 Private Patrolman applications. There were 3 pending applications received for the quarter that would be continued until the next meeting. She stated that the final breakdown in applications was 7 Private Investigator, 11 Private Patrolman, 3 Process Server, and none for Repossessor, Canine Handler, or Polygraph Examiner. Executive Director Ray said she had not conducted any audits during the quarter, but had issued 52 violations, and issued 2 cease and desist letters for the quarter.

Senior Investigator Botello commented that, since Executive Director Ray's report, 7 pending citations had been issued, 6 in Las Vegas and 1 in Reno.

#### **CONSENT ITEMS:**

Acting Chairman Spencer explained that the consent items on the agenda involved presently licensed corporations and therefore did not require these companies to send representatives to the Board for its decisions on the items. He then asked if there were any Board or audience questions, but there were none.

7. Site Imaging Services LLC dba Capitol Guard & Patrol requested corporate officer approval for Karen Cooke.
8. Confidential Background Investigations, Inc. applied for a corporate Private Investigator license and a corporate Private Patrolman license, Paul Rothe requested qualifying agent status, and corporate officer approval was requested for Adam Kerbs and Gregory Valdez.
9. Kroll Background America, Inc. requested corporate officer approval for James Bucknam.
10. Rome Protective Services, Inc. applied for a corporate Private Patrolman license, Calvin Ginyard requested qualifying agent status and to put his individual Private Patrolman license into abeyance upon approval, and requested corporate officer approval for Rome Seagull and Joseph Spada.
11. Desert Eagle Intelligence dba Desert Eagle Security requested corporate officer approval for Kimberly Grinde.

Board Member Nadeau moved to approve Consent Items 7-11, subject to all statutory and regulatory requirements. Board Member Crate seconded the motions, which passed.

**PRESENTLY LICENSED CORPORATIONS REQUESTING NEW QUALIFYING AGENT:**

Acting Chairman Spencer noted that these agenda items differed from the Consent items. He said a new individual was being added to an existing company and a new background had been conducted for each person seeking qualifying agent status.

NATIONAL DATA RETRIEVAL LLC, #1409, requested qualifying agent status for FREDERICK MORRIS.

Mr. Morris said National Data Retrieval LLC was an entity owned by ChoicePoint. He said he had been affiliated with the companies for a little over 8 years. He said he was involved in pre-employment background searches and due diligence for banking institutions to check their collateral positions.

Board Member Nadeau asked for Mr. Morris's own background.

Mr. Morris said he had earned a degree in Business Administration from LaSalle University. He said he had spent several years in financial positions. In October of 1999, he joined ChoicePoint as a regional operations manager in the northeast part of the country. He said they performed public record searches. He transferred to Atlanta in February 2003 as the Assistant Vice-President of Records Operations.

Board Member Crate asked what work National Data Retrieval LLC would perform that other divisions of ChoicePoint would not.

Mr. Morris said National Data Retrieval LLC was an entity that was acquired about 5 years ago. He said the company collected lien and judgment data that was sold to credit reporting agencies. He said the legal entity was retained, but sold the 3 contracts for the credit reporting agencies (Equifax, Experion, and TransUnion).

Board Member Crate again asked what National Data Retrieval LLC would do that other divisions of ChoicePoint were not currently doing.

Mr. Morris said National Data Retrieval LLC was in charge of the public records search engine to perform due diligence work, as well as workplace pre-employment screening.

Board Member Crate asked if information was exchanged between National Data Retrieval LLC and other ChoicePoint companies.

Mr. Morris said that was correct.

Board Member Crate asked how many licenses were held by ChoicePoint and Executive Director Ray said there were 4 licenses. She noted that National Data Retrieval LLC was already licensed. The licenses were held by ChoicePoint Government Services, Inc., ChoicePoint Workplace Solutions, Inc., ChoicePoint Services, Inc., and National Data Retrieval LLC.

Acting Chairman Spencer asked for a motion.

Board Member Crate moved to grant FREDERICK MORRIS qualifying agent status for NATIONAL DATA RETRIEVAL LLC, #1409 and to grant him an individual Private Investigator license to be placed into abeyance, and for a written statement from Mr. Morris, National Data Retrieval LLC, or ChoicePoint delineating the different duties fulfilled by each company to justify the need for 4 separate licenses, subject to all statutory and regulatory requirements.

Mr. Morris said he believed the licenses were needed with respect to specific contracts with different agencies. Board Member Crate said Executive Director Ray would need to receive the requested documentation.

Board Member Willis seconded the motion, which carried.

AT SECURITY SYSTEMS, INC. (#466 and #466A) requested qualifying agent status for MICHAEL WOOD.

Mr. Wood said he had left the military in 1990 and had been involved in security since then. He said he had worked in many facets of security, from working as a security officer to acting as a branch manager. He said he also had experience in private investigation. He said he was fairly new to AT Security Systems, Inc. and had only worked there a little over 6 months. He said the company had an armored truck division and a security division that were totally separate. He said he was running the security branch and had to work through various issues to bring the company into compliance with state requirements.

Board Member Crate asked if any representatives from Garda were present, and Mr. Wood said there was not. Mr. Wood further stated that Vance was the current owner of the business.

Board Member Crate asked if Mr. Wood had been briefed on any of the concerns the Board had with the company, and he said he was aware of the concerns. Mr. Wood said he had voiced his concerns to

management since he had received correspondence from the Board. He said as of this day, the company was AT Security Systems, Inc.

Board Member Crate stressed that he had no problem with Mr. Wood's qualifications, but his concern was with the management of the company. He said it was not his intent to put Mr. Wood on the spot if he was unprepared to answer the Board's questions regarding Vance and/or Garda.

Mr. Wood said he was familiar with the Board's concerns with reference to Garda. He said at the current time the Articles of Incorporation had not been completed with reference to Garda or Vance. He said the articles remained the same with respect to AT Security Systems, Inc. He said the lawyers had not finished working through the articles yet.

Board Member Crate said AT Security Systems, Inc. had been representing itself as a Garda Company. Mr. Wood said he had given instructions to remove the reference to a Garda company from any form of advertising, business cards, licensing, and the like from the business in Nevada.

Board Member Crate asked Senior Investigator Botello if he agreed with that statement.

Senior Investigator Botello said the only consistency was in not using the name Garda. He said AT Security Systems, Inc. was acquired by Garda, which was the parent company of a number of armored car companies and other security companies. He said Garda had acquired a number of companies in the last 1 ½ years to 2 years. He said Vance was one of the subsidiaries and was the American parent company of the newly acquired companies. He said AT Security Systems, Inc. was owned by Garda. He said AT Security Systems, Inc. still must comply with Nevada statutes.

Board Member Crate noted that Board staff had been attempting to gather this information since April 2006.

Executive Director Ray said that was correct. She said she had spoken with an assistant to Mark Livingston, an attorney, just a few days ago. Mr. Livingston had called Executive Director Ray the previous evening, but she had been unable to return his call before the meeting began. She said the assistant had informed her that applications had been requested, 2 of the individuals had completed them, and they were hopeful the applications would be submitted soon.

Mr. Wood said he only dealt with Vance, but not with Garda. He said all his bosses were from Vance, International.

Acting Chairman Spencer asked if Mr. Wood considered AT Security Systems, Inc. a subsidiary of Garda, to which Mr. Wood said he did not, according to his superiors.

Board Member Crate asked for whom Mr. Wood's superiors worked, and he said they worked for Vance. Mr. Wood said AT Security Systems, Inc. had its own vice-president who reported to Vance. He said he didn't believe anyone reported to Garda from the company. He said the deal might not be completely finalized.

Board Member Nadeau asked for the names of the officers. Mr. Wood named Mr. Robert Brown was the vice-president to whom he reported. He said Mr. Brown was also a corporate officer for AT Systems Security. Board Member Nadeau then asked for the list of corporate officers as shown on Secretary of State documents. Mr. Wood said the name would appear as Vance, as far as he knew.

Board Member Crate asked how long he had been manager. Mr. Wood said Mr. Shetler left and Wyman Conn was briefly assigned. He said he personally began his duties in July 2007. Board Member Crate said his concern was that the company had been non-responsive to inquiries and directives from Board staff. He said he was not certain that AT Security Systems, Inc. was to be recognized as the licensed entity any longer.

Board Member Nadeau asked if AT Security Systems, Inc. was a licensed corporation at the present time. Mr. Wood said the company was licensed in Arizona, California, Utah, and Nevada.

Board Member Crate commented that if Mr. Wood was not appearing before the Board for approval today, that Executive Director Ray would not have received a call from an attorney the previous evening. Executive Director Ray said she had called an assistant for the company to learn the status of the various applications that had been requested and sent. She explained to Tamala Whittlely that the Board needed to know the parent corporation. Board Member Crate asked if the conversation between Executive Director Ray and the assistant was similar to ones that had already taken place with various people in the past. Executive Director Ray said that was true. She said Senior Investigator Botello had also spoken with Tamala in the past. She said several licenses were affected by the situation. She noted that perhaps it would be beneficial to have all parties involved meet with the Board and clarify all issues. Acting Chairman Spencer asked how long Executive Director Ray had been dealing with the companies, and she said she was not certain exactly what happened in April 2006. She said AT Systems was

licensed. She said Garda was not licensed and had been cited. Senior Investigator Botello said the citation was given a couple of months ago.

Board Member Crate said the companies should realize the immediacy of the Board's requirements. He commented that the attorney had only called the evening before and not during the past 20 months. He said he didn't have any confidence that the company wouldn't continue to avoid the issues for another 20 months.

Acting Chairman Spencer suggested the Board license Mr. Wood, but the companies needed to respond to the Board staff's questions or face losing the license(s).

Senior Investigator Botello said that Board staff initially contacted Garda approximately 20 months ago as a result of their acquisition of Security Armored Express. He said Stephen Cretier traveled to Carson City to meet with Executive Director Ray and Senior Investigator Botello. Mr. Cretier was told of the requirements as outlined in NRS 648. He said Mr. Wood was correct in stating the AT Systems was licensed in several states. Senior Investigator Botello said it was his understanding that Garda did acquire AT Security Systems, Inc. and they were answering the phones in Nevada by stating they were AT Systems, a Garda company. That was the reason the citation was issued. He said there was no written proof, but it was clear the company had been acquired by Garda.

Board Member Crate said the list of officers did not match up as shown in the background information. Senior Investigator Botello agreed with that statement. He said that Garda may have expanded a bit too quickly, but for whatever reason, the Board had been unable to receive clear answers from anyone at the company. He said the contact names changed frequently. He said Garda was obviously the parent company. He said the Board explained that the parent company must have background investigations for the top 3 corporate officers. He thought that requirement had been made clear to Mr. Cretier. He said Garda was a Canadian company, and Mr. Cretier did not have the right to work in the United States.

Board Member Crate clarified that Mr. Cretier had visited the Board because of their acquisition of SAE, and Senior Investigator Botello said that was correct. He said Garda then decided it must establish an American corporation with American ownership. He believed that was when Vance began to figure into the business plan.



Executive Director Ray said the licensees affected were AT Systems West, Asset Protection, and AT Security Systems, Inc., as all had been acquired by Garda.

Acting Chairman Spencer said counsel advised that the Board could approve Mr. Wood's license, but state that the Board questions and requirements must receive a response by the next quarterly meeting or face suspension.

Mr. Wood said he would stress the importance of the issue to his vice president.

Board Member Crate said a sanction could be placed stating that the companies could not advertise for new business until compliance was met.

Acting Chairman Spencer said an affidavit should be provided of the relationship that the Board had requested repeatedly.

Board Member Crate said restrictions from acquiring new business would not completely shut down operations, but would allow the companies to comply with the Board by the March 2008 meeting.

Paul Rothe said he had just been approved and was a former AT Systems employee. He recommended that Mr. Robert Brown should appear and should offer answers. He said corporate instructions had been to answer the phones stating the company was a Garda company.

Board Member Crate said acquisitions often put a burden on the local people to attempt to straighten out non-responsiveness on the part of the corporate powers.

Mr. Wood said Mr. Rothe was correct about the telephone issue. Mr. Wood said he had put a stop to that. He said his first loyalty was to the state of Nevada.

Executive Director Ray said the qualifying agents she had contacted have recognized they report to the Board and complied with her directives.

Board Member Crate said the Board was not asking Mr. Wood to put his career in jeopardy.

Senior Investigator Botello said Garda should answer to the Board in person. He said no one from Garda had attended today's meeting, but had left Mr. Wood on his own. He noted that he had spoken to Mr. Brown.

Acting Chairman Spencer said other licenses were also affected and perhaps those entities were functioning improperly.

Acting Chairman Spencer again stated that the problem was not local, but a larger issue with the corporate entity.

Board Member Crate moved to grant MICHAEL WOOD an individual Private Investigator license and an individual Private Patrolman license and to place those licenses in abeyance so he could be recognized as the qualifying agent for AT SECURITY SYSTEMS, INC (#466, 466a), and that AT SECURITY SYSTEMS and any affiliate ownership be restricted until the next quarterly meeting from any advertising, proposals, sales, or any representation that new business was currently being sought or accepted, and that at least one corporate member attend the March 2008 Board meeting to show cause in writing why the license should be extended, showing the delineation and need for separate licenses, subject to all statutory and regulatory requirements.

Board Member Nadeau seconded the motion.

Acting Chairman Spencer asked if the failure to respond to the Board in a timely fashion for the past 20 months should be included in the motion.

Board Member Crate added that predicated on all prior discussions held by the Board. He further stated that that action against AT Security Systems, Inc. that the officers were not in compliance. He said the other licenses were affected because of corporate ownership questions. He asked Executive Director Ray to advise all parties involved about the situation and its effect on them.

The motion then carried.

**PRIVATE INVESTIGATOR:**

PROBE INFORMATION SERVICES, INC. requested a corporate Private Investigator license and ROSS STEWART requested qualifying agent status.

Mr. Ross said he began working in the private investigations field in 1980. He said he obtained his California license in 1988 or 1989. He said he started Probe Information Services in 1992 and incorporated the company in 1998. He primarily worked in the insurance defense investigations, contested claims, and liability investigations.

Board Member Nadeau moved to grant PROBE INFORMATION SERVICES, INC. a corporate Private Investigator license, to grant ROSS STEWART an individual Private Investigator license, to place that

license into abeyance so he could be the qualifying agent, and to grant him corporate officer status, subject to all statutory and regulatory requirements.

Board Member Crate seconded the motion, which passed.

**PRIVATE INVESTIGATOR AND PROCESS SERVER:**

BERT LOTT requested an individual Private Investigator license and an individual Process Server license.

Mr. Lott said his background included 23 years with the IRS. He said he had been an auditor for over 10 years in personal business, small and large corporations, and international corporations. He became a special agent and investigated various financial crimes, including money laundering, gang activity, and prostitution. He also trained individuals to defend themselves and properly use firearms.

Acting Chairman Spencer asked for the time period in which Mr. Lott acted as an investigator, and he said it was since 1995. Acting Chairman Spencer asked if Mr. Lott was currently still employed with the IRS, and he said he was not.

Board Member Nadeau asked Mr. Lott about the burglary arrest as indicated in the background investigation.

Mr. Lott said he had not made many people happy in Las Vegas and someone falsely accused him of stealing comic books. He said the theft had never occurred and the case was dismissed.

Acting Chairman Spencer asked Mr. Lott if he had been charged, and he said that was correct. Mr. Lott said the case went to pre-trial and was dismissed with prejudice.

Senior Investigator Botello stated that both S.C.O.P.E. and Las Vegas Metropolitan Police Department showed the charges had been dismissed.

Board Member Crate asked for the circumstances that took place just before Mr. Lott left the IRS.

Mr. Lott said the matter of the false accusation was reported in the press and tainted his ability to work for the IRS.

Acting Chairman Spencer asked if Mr. Lott resigned or was terminated. Mr. Lott said the IRS followed steps to terminate his employment, but it was shown as a resignation. He said the process was still underway. He said the matter was supposed to have been finalized the previous week, but had not yet occurred.

Acting Chairman Spencer entertained a motion.

Board Member Nadeau said he was not comfortable in accepting the unknown disposition of his previous employment with the IRS. He asked if Mr. Lott would allow the request for licensure to be continued until the March 2008 meeting.

Senior Investigator Botello said he had contacted the IRS during the employment verification process during the background check.

Board Counsel Menicucci said the Board could decide it had insufficient information to grant a license at the present time.

Senior Investigator Botello said the disposition of Mr. Lott's termination of employment as a law enforcement official was not public record. He said the information must be subpoenaed in order for the Board to receive it.

Board Member Willis asked if the applicant could waive his rights to make the information public, but Senior Investigator Botello said that was inadvisable.

Board Member Crate said the Board could subpoena the information. Senior Investigator Botello said most law enforcement agencies will not provide that information.

Acting Chairman Spencer said the federal government was not likely, nor bound, to release such information.

Mr. Lott said he could provide the name of his attorney to Senior Investigator Botello. He further stated that there had been an error on the local level. He said all fingerprints and documentation should have been handled upon dismissal of the charges, but that had not taken place.

Senior Investigator Botello said he was comfortable with the information on hand that the charges had been dropped. He said he could not say for certain that the charges were or were not the reason for the termination.

Board Member Nadeau said he would not expect the IRS to tell the Board the reason for the termination. He said the applicant did say he was still in negotiations with the IRS on the final terms of the termination. He said the applicant was still, in essence, employed by the IRS in a law enforcement position.

Mr. Lott said he had not worked since September 2007 for the IRS. He said the IRS offered a termination letter. He did not want to accept that. He was disappointed over the lack of support he received for the false accusation, so he offered to resign. He said the agency felt they needed to follow the steps and provided the letter. Mr. Lott said his attorney explained to the Merits Board that Mr. Lott wished to resign his position. The attorney also said the matter should have been resolved the previous week. The attorney Mr. Lott said he did not want to leave the agency with a tainted reputation over something he had not done.

Acting Chairman Spencer said, from his experience, the likelihood of receiving further information from the federal government was almost none.

Board Member Crate asked if the status of the issue at the present time was that Mr. Lott was appealing the terms of his termination.

Mr. Lott said he did not wish to be terminated, as that would taint his reputation and he found it irritating. He said one man's accusation had been very harmful to him. He said he had worked for years with law enforcement and civil agencies for years to bring criminal activity to justice. He said he had built his reputation over the years and now the false accusation was terribly damaging.

Board Member Crate asked if Mr. Lott wished to have the records show that he had voluntarily quit the agency. Mr. Lott said he had already offered a resignation. He said he had worked hard for years and then the accusation had totally tainted his reputation. He said his attorney told him that the judge did not understand why the IRS had not accepted his resignation letter. He again noted the lack of support on the part of the IRS. He said he wanted the records to show that the fault lay on the local level that it was not shown that the charges had been dismissed. He had paid a fee to begin the process to clear his record, but evidently, that had not been done.

Acting Chairman Spencer asked if the order was to cleanse the record, and Mr. Lott said that was true.

Mr. Lott said he had in his possession a letter from Las Vegas Metropolitan Police Department stating that the process had begun. He said he saw a district court judge who was very upset and said the matter should be settled immediately.

Acting Chairman Spencer said the arresting agency must write a letter to the identification division of the FBI stating that the records should be cleansed. Mr. Lott said the letter from Las Vegas Metropolitan

Police Department stated that the process should be underway on the state and local levels, but that had not happened.

Senior Investigator Botello said that, once an individual had been charged and fingerprints had been processed and entered, that information can never be omitted. He said that information would always be available. He said the dismissal should also be shown, but the actual record would never be omitted. He said the information should not be revealed as public record.

Acting Chairman Spencer said a letter from the courts should remove that information. He said to have the information continually brought up on NCIC checks did not accomplish the clearing of the record.

Senior Investigator Botello said the order to seal is either a state or federal code. He said the code appeared on the record, but the record itself would not disappear.

Mr. Lott said in his experience, he had seen many NCIC printouts and he understood what Senior Investigator Botello was saying. He said the records should actually be expunged.

Acting Chairman Spencer said, in his experience, when court orders caused records to be sealed at the FBI level, and there was a determination that no crime had occurred, then there should be no reason the fingerprints and record should still be on file.

Mr. Lott said he did not have the letter with him.

Peter Maheu said he agreed with Acting Chairman Spencer. He said the matter should be expunged by the process Acting Chairman Spencer had just explained.

Board Member Crate said there would be a point when the record would be totally expunged, which would satisfy Board Member Nadeau's concern.

Acting Chairman Spencer said, as he understood it, Mr. Lott had been terminated and was taking action to change the record to show he had resigned, and he was no longer a law enforcement officer. Mr. Lott agreed with Acting Chairman Spencer's assessment.

Mr. Lott said the government was very slow in providing any documentation and the wait could be quite lengthy.

Board Member Crate said the only benefit for waiting for information provided by the government would be to learn if their cause of termination matched that offered by Mr. Lott.

Acting Chairman Spencer said the likelihood of receiving such information from the IRS was very slim.

Mike Kirkman said that Mr. Lott had the power to allow the reason for termination to be provided to the Board and it was incumbent on him to do so.

Acting Chairman Spencer said the applicant could request the information, but could take years to receive. Mr. Kirkman said the Board should still wait for the government's information.

Mr. Lott said he could wait a very long time for the government to respond. He said he wished to move on.

Acting Chairman Spencer asked if Mr. Lott was represented by counsel, and he said it was customary. Acting Chairman Spencer then recommended putting the agenda request on hold, allowing Mr. Lott to contact his attorney, determine whether he thought the disclosure could be made short of the Freedom of Information act, and Mr. Lott could appear again later in the meeting to inform the Board of his findings. Mr. Lott asked if the Board needed to talk directly to his attorney, but Acting Chairman Spencer said he was not the final authority.

Acting Chairman Spencer said the request was tabled until later in the meeting.

Board Member Crate asked if he could withdraw his previous motion made during the meeting to defer the election of a chair to the next meeting, if the second concurred. Board Member Willis agreed to withdraw her second to the motion. Board Member Crate then moved to nominate Acting Chairman Spencer as Board Chairman. Board Member Willis seconded the new motion. The motion passed.

Agenda Item #27 was taken out of order. Board Counsel Menicucci said he had spoken to Mr. Rezvani concerning the citation. Mr. Rezvani of Compex Legal Services, Inc. wished to obtain legal counsel concerning the citation and appeal. Board Counsel Menicucci recommended granting a continuance on the matter until the next meeting. Board Member Nadeau moved to continue the matter and Board Member Willis seconded the motion, which carried.

#### **PRIVATE INVESTIGATOR AND PRIVATE PATROLMAN:**

CHARLES W. COX, III applied for a Private Investigator and Private Patrolman license.

Mr. Cox said he had been was in the military for 27 ½ years. He was a military policeman and had supervised all aspects of law enforcement. He said he retired in January 2000. He said he began working for Wackenhut in Albuquerque, New Mexico in March 2002 regarding a contract with the

Department of Energy. In January 2007, he transferred to the Nevada test site on another contract with the Department of Energy.

Board Member Crate noted that the agenda showed Mr. Cox asked to place his licenses in abeyance. He asked if Mr. Cox was still employed with Wackenhut. Mr. Cox said that was correct.

Board Member Nadeau moved to grant CHARLES COX, III an individual Private Investigator license and an individual Private Patrolman license to be placed in abeyance, subject to all statutory and regulatory requirements. Board Member Crate seconded the motion, which passed.

ROBERT TANNER applied for an individual Private Investigator license and an individual Private Patrolman license.

Mr. Tanner said he had lived in Las Vegas for 56 years and had been a police officer for North Las Vegas 36 years. He had much experience in crime reduction, narcotics, and in the detective bureau before his retirement.

Board Member Crate moved to grant ROBERT TANNER 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 carried.

FALCON SECURITY GROUP LLC applied for a corporate Private Investigator license and a corporate Private Patrolman license with SCOTT FERGUSON as the qualifying agent.

Mr. Ferguson said he had retired after serving on the Las Vegas Metropolitan Police Department for 20 years. He had worked patrol for 2 years and the S.W.A.T. team for 6 years. He said he had the pleasure of working with David Groover, who was present at the meeting. He said he had been a part of the academy staff and had worked in the narcotics division. He had also worked as a sergeant, had returned to uniformed patrol for a time, and then returned to the narcotics division before retirement. He then worked as security director for United Coin Machine. He was promoted to the parent company to work for Bally's for 2 years and oversaw 300 employees for United Coin Machine.

Board Member Willis said she would abstain from voting on this agenda item.



Senior Investigator Botello said he was not certain he understood the significance of establishing 2 separate corporations.

Mr. Ferguson said he had met with a corporate solution company to establish an LLC. He was given advice that an LLC for the security side of the business and an S corporation should both be established as a way to protect him from liability issues.

Board Member Crate remarked that the certificate of liability insurance would be provided for the LLC, and Mr. Ferguson agreed.

Board Member Nadeau moved to grant FALCON SECURITY GROUP LLC a corporate Private Investigator license and a corporate Private Patrolman license, to grant SCOTT FERGUSON an individual Private Investigator license and an individual Private Patrolman license, to place those licenses in abeyance so he could become the qualifying agent, and to approve SCOTT FERGUSON as a corporate officer for FALCON SECURITY GROUP LLC and FALCON SECURITY SERVICES, INC., subject to all statutory and regulatory requirements. Board Member Crate seconded the motion. He then asked Executive Director Ray if 2 licenses had been issued, and she said that had not occurred. He then asked if the motion was acknowledging the parent corporation, and she said that was the case. The motion then carried.

SOUTHWEST TACTICAL INC. applied for a corporate Private Investigator license and a corporate Private Patrolman license, with GREG RENTCHLER as the qualifying agent.

Mr. Rentchler said he had a criminology degree from Long Beach State University. He also had earned a teaching credential from Rio Hondo Community College. He had attended the Rio Hondo Police Academy as an investigator on behalf of the Los Angeles District Attorney's office. In 1979 he became chief investigator for the Sixth Judicial District in Durango, Colorado and also acted as a deputy sheriff. He received a private investigator license in California and maintained that license for the past 19 years. He also worked for Hughes Aircraft as a personnel investigator. He also worked for other companies. He worked for those 23 years in investigations. He said he was also a Certified Firearms Instructor for the state of Nevada.

Board Member Nadeau moved to grant SOUTHWEST TACTICAL INC. a corporate Private Investigator license and a corporate Private Patrolman license, to grant GREG RENTCHLER an individual Private

Investigator license and an individual Private Patrolman license to be placed in abeyance so he could be the qualifying agent, and to approve GREG RENTCHLER as a corporate officer, subject to all statutory and regulatory requirements. Board Member Crate seconded the motion, which carried.

**PRIVATE PATROLMAN:**

WILLIAM FREED dba WORLDBFREED ENTERPRISES applied for an individual Private Patrolman license.

Mr. Freed said he had just relocated to Las Vegas earlier in 2007. He said he had worked in sales directly after high school. After 20 years in sales, he wanted a career change and began working in the law enforcement field. He began working for a small city in the security department at a marina in the Seattle area. He then applied at the police department and worked there 14 years. He retired and moved to Las Vegas.

Board Member Crate asked about an IRS 2003 tax lien and no disposition was given in the background information. Mr. Freed said that lien had been satisfied.

Board Member Crate moved to grant WILLIAM T. FREED dba WORLDBFREED ENTERPRISES an individual Private Patrolman license, subject to all statutory and regulatory requirements. Board Member Willis seconded the motion, which carried.

GREGORY BARBERIS requested an individual Private Patrolman license

Mr. Barberis said he had retired from the United States Marine Corps and was a Viet Nam veteran. He had a degree in criminal justice and had worked for the sheriff's department in New York. He then moved to Nevada 22 or 23 years ago. He worked in the prison system for approximately 2 years. He had also been an intern with U.N.L.V. He also worked for about 2 years of part-time education with that university. He worked at Terrible's in Las Vegas for 10 years, primarily collecting cash on their slot route. He also had worked for about 5 years in a hostile environment in North Las Vegas.

Chairman Spencer asked if Mr. Barberis was also applying for a private investigator license.

Mr. Barberis said he understood that the private investigator license was covered under the same classification as private patrolman. He said he was applying for a private patrolman license.

Chairman Spencer said the agenda showed Mr. Barberis was only applying for a private patrol license. He said the 2 licenses were not synonymous and asked if Mr. Barberis wanted only the private patrolman license. Mr. Barberis said that was the license he wished to obtain.

Board Member Nadeau asked about the business card issue.

Mr. Barberis said 15 or 20 years ago, he wished to find extra work and showed either "Inc." or "Company" on business cards. He said a licensee called the Board about the business cards. Bill Bertram, the investigator at that time, visited with Mr. Barberis and told him he was out of bounds, so the mistake was corrected.

Board Member Nadeau asked Mr. Barberis what type of business he intended to provide. Mr. Barberis said it was bodyguard/security work.

Board Member Nadeau asked Mr. Barberis if he was fully aware of the work entailed in the Private Patrolman license and the fact that it was not a Private Investigator license, and he said he knew.

Board Member Crate moved to grant GREGORY BARBERIS an individual Private Patrolman license, subject to all statutory and regulatory requirements. Board Member Willis seconded the motion, which carried.

Executive Director Ray said Mr. Sterling Magann asked to continue Agenda Item 22 until the next meeting, as he would not be in attendance. Board Member Crate moved to continue Strategic Service Protection, Inc. and Sterling Magann's request until the next Board meeting. Board Member Nadeau seconded the motion, which carried.

TNT EVENT SERVICES, INC. applied for a corporate Private Patrolman license and TIMOTHY WIMBLEY asked for qualifying agent status.

Mr. Wimbley said he began working in the security field in 1997 in Florida. He said he worked for Argenbright Security from 1997 to 2002. He was in charge of many accounts in central Florida. He also was a certified ATA security/screening trainer. In 2002, he left Argenbright and began to act as a free-lance security consultant. He also worked for CSC. He worked as an event security manager for large events. In 2005 he started TNT Event Services with another gentleman, Anthony Vergara. They performed security consulting work and management services. He said he had received 2 citations from the Board in Nevada. The first citation by TNT Event Services, Inc. was received February 2006 for

providing security consultation in Las Vegas without a license. He was then instructed on the steps needed to acquire a license. The second citation was received September 2007, just prior to the Board meeting. He said he should have applied the knowledge needed to pass the private patrol exam given by the Board to his business. He said the Board had advised him of that at the previous meeting in September 2007. He said he had submitted an RFP to bid for an October 2007 show. He said that was a violation. He said he had since taken steps to study the laws, codes, and statutes since that time. Board Member Willis asked Senior Investigator Botello about one place of employment in the background material that had not been verified.

Senior Investigator Botello said the background investigation had been handled by Investigator Mautner. Mr. Wimbley asked if the employment concerned Argenbright Security. Board Member Willis said the employment was for Contemporary Services in Orlando, Florida from February 2002 to March 2003. Mr. Wimbley said he could not speak specifically to that matter, but the Board information given to him showed more than 15,000 hours of experience in security experience. He didn't know if the services at CSC were included in that total. He said the paperwork showed 15,680 verified hours.

Chairman Spencer asked Senior Investigator Botello about the breakdown of hours. He again stated that Investigator Mautner had performed the background and he did not have all the information.

Mr. Wimbley said Investigator Mautner was working on the Argenbright Security verification of hours, which were a major portion of the hours of experience.

Mike Hendi said he was concerned with the company name, TNT Event Services, Inc., could be confused with his company, Event Services.

Chairman Spencer asked if Mr. Wimbley could provide an alternate name.

Mr. Wimbley said he would use the DBA of TNT Event Services, Inc. dba TNT Convention Services. Mr. Hendi said that was agreeable to him.

Executive Director Ray said, in the past, the Board had licensed the corporation as is, and then the corporation filed for a DBA.

Mr. Wimbley said he already had a DBA as TNT Convention Services.

Executive Director Ray said the license would show TNT Event Services, Inc. DBA TNT Convention Services. Executive Director Ray further clarified the issue by stating that the companies could not

function independently of each other. Mr. Wimbley said he understood that. He then asked how he should advertise in Nevada. Executive Director Ray said in Nevada he should advertise as TNT Convention Services.

Board Member Crate moved to grant TNT EVENT SERVICES, INC. DBA TNT CONVENTION SERVICES a corporate Private Patrolman license, to grant TIMOTHY WIMBLEY an individual Private Patrolman license to be placed in abeyance so he could be the qualifying agent, and to approve TERRI HODGES-VERGARA, ANTHONY VERGARA, and TIMOTHY WIMBLEY as corporate officers, subject to all statutory and regulatory requirements. Board Member Nadeau seconded the motion, which passed. SECURIGUARD, INC. applied for a corporate Private Patrolman license with CHARLIE BORING as qualifying agent.

Charlie Boring said Securiguard, Inc. was founded in 1982 and provided armed and unarmed security guard services in 8 states. He said the company was licensed in 23 states. He said he was the qualified manager in Louisiana, Tennessee, and California. He said the company had approximately 1,400 employees and provided services for federal, state, and private security needs.

He said he had been with the company for 10 years. He was the current Director of Strategic Development and had held that job for 3 years. He was also a project manager for 4 ½ years. He was the director of operations for 1 ½ years before that. Prior to Securiguard, he had worked for another security company. He was in the U.S. Army for 26 ½ years prior to that. He had also commanded a battery in charge of security at nuclear weapon storage sites. He had also provided missile security.

Board Member Nadeau asked about the correspondence Securitas sent regarding possible name confusion.

Charlie Boring noted that Securitas was not in existence in 1982 when Securiguard was incorporated.

Chairman Spencer said Securitas was already licensed in Nevada.

Board Member Nadeau asked if Securitas was also present in the other states where Securiguard was present.

Charlie Boring said he was unaware of any name confusion present in other states.

Board Member Nadeau moved to grant SECURIGUARD, INC. a corporate Private Patrolman license, to grant CHARLIE BORING an individual Private Patrolman license to be placed in abeyance so he could

be the qualifying agent, and to approve PATRICIA MARVILE and DAVID MARVIL as corporate officers, subject to all statutory and regulatory requirements. Board Member Willis seconded the motion, which carried.

**PROCESS SERVER:**

VEGAS PRO-SERV LLC requested a corporate Process Server license with SUSAN KRUSE as the qualifying agent.

Ms. Kruse said she moved to Las Vegas in 1997 from Baltimore. She said she ran a process service there from 1992 to 1996 and performed all the work herself. She delivered process for the deputy constable's office when she moved to Las Vegas. She entered the dust control business and oversaw 28 employees. She said she wished to return to process serving and had opened a company in Baltimore that was quite active. She said she was quite familiar with the rules and regulations in Nevada. Board Member Crate asked Senior Investigator Botello about Baltimore Processing Service and the mention of a male who verified the hours of experience for Ms. Kruse. Senior Investigator Botello said he was satisfied with the hours.

Ms. Kruse added that the gentleman in question was Mr. Basinger, an attorney.

Board Member Crate moved to grant SUSAN KRUSE an individual Process Server license to be placed in abeyance so she could be the qualifying agent, to grant VEGAS PRO-SERV LLC a corporate Process Server license, and to approve SUSAN KRUSE as a corporate officer, subject to all statutory and regulatory requirements. Board Member Willis seconded the motion, which passed.

JULIE CONTI requested an individual Process Server license.

Ms. Conti said she was a native Nevadan and had lived in Las Vegas for many years. She had worked for the last 11 years in collections, skip tracing, repossession, and process serving. She had been working exclusively for the past 2 years for a Las Vegas law firm. She said she was working 15-16 hours a day.

Board Member Nadeau asked about a claim judgment in the investigative notes. Ms. Conti said all issues had been satisfied and had given the information to Senior Investigator Botello, who concurred. Executive Director Ray asked if Ms. Conti would be operating as an individual. She said she wished to start her own business, but had no idea how to do that. Executive Director Ray said Ms. Conti's current

application was for an individual Process Server license; therefore, Ms. Conti could not function as a corporation until her application was submitted and the Board approved that license. Executive Director Ray further explained that Ms. Conti could use a fictitious name and a DBA.

Board Member Nadeau moved to grant JULIE CONTI an individual Process Server license, subject to all statutory and regulatory requirements. Board Member Crate seconded the motion, which passed.

Chairman Spencer advised that Board Counsel Menicucci should be given any documentation regarding the forthcoming appeal hearing for his review.

#### **APPEAL HEARING:**

Chairman Spencer said the appeal hearing for Compex Legal Services, Inc. had been waived.

Mark Bowen appealed violation #08-1012.

Board Counsel Menicucci said he provided copies of documents he wished to introduce to Mr. Bowen. He called Executive Director Ray to speak. She said she was the executive director for the Private Investigators Licensing Board, which licensed several different categories. She said she also issued violations and citations to licensees and their employees as necessary. She identified the violation she had signed and issued to Mr. Bowen. She said during a compliance check performed by Senior Investigator Botello, he had asked Mr. Bowen for his Certified Firearm card, which he did not have on his person as required by statute. She noted the certified mail receipt was proof the violation had been sent, received by that state mailroom on July 18<sup>th</sup> and received on July 23<sup>rd</sup> by an individual whose signature she could not read. She then identified a letter she had received by Mr. Bowen. She said the letter requested a hearing. She identified the notice of hearing she had sent to Mr. Bowen by certified mail.

Board Counsel Menicucci asked if Executive Director Ray was authorized to issue violations on behalf of the Board, and she said that was correct.

Mr. Bowen said when he was employed by Dunbar and was working at the jewelry convention, he encountered Senior Investigator Botello. He said Senior Investigator Botello asked him for his cards. He said the cards were in his car, which was only 50 yards away. Mr. Bowen said, in haste, he had left the card in the vehicle. He said Senior Investigator Botello told him he would not “ding” him for not having the cards on his person. He said Senior Investigator Botello told him to go get the cards. Mr. Bowen said it looked to him as though Senior Investigator Botello had tried to change the “N” to a “Y” on his report

sheet. Mr. Bowen said he was very surprised to receive the violation after that. Mr. Bowen felt he was told one thing, but then received a violation at a later date.

Executive Director Ray said she had issued the violation based on Senior Investigator Botello's report. She said she had not had a conversation with Senior Investigator Botello regarding the matter.

Chairman Spencer asked Senior Investigator Botello if he encountered Mr. Bowen at the show.

Senior Investigator Botello said he spoke with many people at the JCK Show during his compliance checks. He said he could not say for certain, 100%, that he remembered Mr. Bowen specifically. He said he wrote the information down, so he most certainly must have spoken to him.

Board Counsel Menicucci said Senior Investigator Botello should testify.

Board Counsel Menicucci asked Senior Investigator Botello to explain his practice when conducting compliance checks.

Senior Investigator Botello said he had a form he used to record employee information, such as his or her name and whether or not a work card, CFI card, or proof of test card was shown upon request. He also sometimes included a short comment on the form. He said the JCK Show was quite large with many security employees present. He said it was his practice to try to be as unobtrusive as possible and to work quickly while collecting the information.

Board Counsel Menicucci asked if the form in the documentation was the same as the form Senior Investigator Botello used during compliance checks. He said it was the same and that it was part of his duties as Board investigator to perform compliance checks. Board Counsel Menicucci asked if Senior Investigator Botello recorded the information on each employee immediately during a check, or if he waited. Senior Investigator Botello said the information was recorded immediately, as was the case with Mr. Bowen. Board Counsel Menicucci asked about the issue of the "N" in the second column for CFI cards Mr. Bowen had mentioned regarding the form. Senior Investigator Botello explained that he was not completely certain about the notation. He said the checks were often performed at the dock areas with many employees present. He said he wrote quickly. He said he did record that Mr. Bowen did not have a proof of exam card, a CFI card, or a work card on his person. Board Counsel Menicucci asked if it appeared that the letter had been changed in the column, and Senior Investigator Botello said it did appear he had changed the letter from a "Y" to an "N" in the column. He said the star he had made by



Mr. Bowen's name and the circle around the "N" indicated that Mr. Bowen did not have a firearms card with him. Senior Investigator Botello said he had a brief discussion with Executive Director Ray concerning the number of people he carded/interviewed briefly and the number of people who did not have the required cards. He again said that Mr. Bowen did not have his CFI card with him at the show. Senior Investigator Botello said it was possible Mr. Bowen had said his cards were nearby, but he did not recall the conversation. Senior Investigator Botello said he did not have the opportunity that evening to check via the internet to learn if Mr. Bowen did in fact have a CFI card. He said he believed Executive Director Ray checked the fact later.

Mr. Bowen asked if it was conceivable that the "N" was changed to a "Y" and Senior Investigator Botello said that was possible. He said he had no cards in his possession, yet Senior Investigator Botello had marked "Y" to both armed card and work card. He asked if Senior Investigator Botello could have marked the boxes as "Yes" because he told Mr. Bowen he wasn't going to fine him, but that the work cards should be retrieved and carried as soon as possible. Senior Investigator Botello said he would not have marked a "Y" for the work card if Mr. Bowen did not have it with him. Mr. Bowen said he recollected that he did not have any of his cards with him. He said the conversation he had with Senior Investigator Botello was about 15 minutes. He said he remembered it because he had never been in trouble with the Board previously. Senior Investigator Botello said he did not recall that conversation.

Board Counsel Menicucci asked Executive Director Ray if Mr. Bowen did possess a Board-issued CFI card. Executive Director Ray said that was correct. She said she believed she sent notices of violations to the licensees as well. She said licensees could be fined if an employee had not taken the proper course. She said the licensee fine was rescinded because Mr. Bowen had taken the course, but Mr. Bowen's violation was not rescinded since he did not have the card with him when he was asked to produce it.

Board Counsel Menicucci asked if Mr. Bowen had his card on his person at the time Senior Investigator Botello asked him for it. Mr. Bowen said he had the cards in his car, but not on his person.

Mr. Bowen said he was running late at the time of the show, traffic was heavy, and in his haste, he left his cards in his car. He said he had a brief conversation with Senior Investigator Botello and was told he would not be fined. He said it would only take him 30 seconds to retrieve the cards.

Chairman Spencer asked Senior Investigator Botello that he said it was possible that he said he would not fine Mr. Bowen. Senior Investigator Botello said that was correct, but he did not recall the conversation.

Board Member Nadeau asked if, at any time, Senior Investigator Botello returned to speak with Mr. Bowen to follow up on the information. Mr. Bowen said he never saw Senior Investigator Botello again during the course of his employment at the convention center.

Senior Investigator Botello said he did not recall the significance of the star shown on his report. He said he may have put the star as a reminder to try to return to the dock to check the cards again. He said there was more than one dock. He said there were many employees that he carded.

Board Member Willis asked if it was within Senior Investigator Botello's discretion to cite a person and if it was possible the conversation had occurred. Senior Investigator Botello said notices of violation were issued by Executive Director Ray. He said he made the reports and gave them to the executive director. He said it was his general practice to send employees home for not having the proper CFI cards and certification with them. He said he did not believe he would allow Mr. Bowen to work without the proper documentation.

Chairman Spencer asked if Mr. Bowen was allowed to continue work that evening, and he said he was allowed.

Board Member Crate asked if Mr. Bowen was still working as an armed security officer. He said he was currently employed at Norton Investigations. Board Member Crate asked how the \$500 amount was determined. Executive Director Ray said there were specific fine amounts outlined in the regulations. She then read the regulation.

Board Member Crate stated that Mr. Bowen acknowledged that he did not have his work card on his person as required by statute. He said he was concerned with the amount of the fine. Board Member Crate moved to uphold the citation, but reduce the amount of the fine to \$50.00. Board Member Willis seconded the motion.

Chairman Spencer said his concern was that Senior Investigator Botello's testimony stating that, if he was not shown a card, the employee would be sent home. Mr. Bowen was allowed to stay. Chairman

Spencer said Senior Investigator Botello also said he did not recall whether or not he told Mr. Bowen he would not be cited.

Board Member Crate said the intent of the fine was to enforce that the action would not be repeated in the future. He said Mr. Bowen admitted he did not have the proper cards on his person.

Chairman Spencer said if Senior Investigator Botello said he was not going to cite someone, which would be "gospel". Board Member Crate said Senior Investigator Botello could not attest to the conversation.

Senior Investigator Botello said he had sent others home that same day. Board Member Crate asked if any of those sent home claimed they did have cards, but not with them. Senior Investigator Botello said none of those people had cards.

Board Member Crate said it was the discretion of Executive Director Ray to levy the fine, regardless of any conversations held during the compliance checks.

Chairman Spencer said a representative of the Board said there would be no citation, then that should stand.

Board Member Willis said Senior Investigator Botello did not have time to allow people to go get their cards. She said the rules stated that the cards should be carried, so the violation should stand, though she thought the amount was excessive and should be lowered.

Chairman Spencer again said Mr. Bowen was not asked to leave the premises by Senior Investigator Botello. He said Mr. Bowen offered to retrieve the cards and said he understood he would not be cited.

Board Member Nadeau said there was a statutory violation. He thought the \$50.00 was appropriate for the current case, but was concerned the tone that amount would set in the future. He said people may feel the fine was low, so they would not be concerned whether or not they had the appropriate cards. He asked if counsel could advise whether or not the Board could fine the set amount at the present meeting, but levy the remainder of the fine if a subsequent violation should occur. He said he wanted all guards to know that the Board expected them to carry the proper cards at all times while working.

Board Member Crate asked if it was the Board's pleasure for him to amend his motion to uphold the citation and suspend \$450 of the fine for one year.

Board Member Nadeau said he was not sure the Board possessed that latitude.

Board Member Crate restated his motion. He moved to uphold the citation and the fine, that \$450 of the fine amount was suspended for one year, and, if there were no additional violations, the \$450 would be waived. Board Member Willis seconded the motion. Chairman Spencer voted against the motion, while the rest of the Board supported it. The motion carried.

Jeffery McCracken appealed Citation #08-1012. He noted that he had not been sworn in by the Board. Acting Board Counsel Melendrez swore in Mr. McCracken.

Board Counsel Menicucci said he had distributed exhibits to the Board. He called Executive Director Ray to speak.

Executive Director Ray said she had issued a violation to Mr. McCracken on July 16, 2007. She said the notice of violation had been issued because of information included in Senior Investigator Botello's compliance report. She said Senior Investigator Botello had noted that Mr. McCracken did not have his CFI card on his person when Senior Investigator Botello asked to see it. She said she had sent the notice by certified mail. Executive Director Ray identified a copy of the certified mail receipt showing the violation was mailed in July 2007. She identified the notice of violation with the return receipt and a letter from Mr. McCracken asking to appeal the notice of violation. She said he exercised Option 3 as stated in the notice. She notified Mr. McCracken that the hearing for his appeal would take place at today's meeting. Executive Director Ray said she was authorized to issue violations on behalf of the Board. Mr. McCracken had no questions for Executive Director Ray.

Board Counsel Menicucci then asked Senior Investigator Botello to speak. Senior Investigator Botello said he had the 2-page report written during a compliance check and part of the exhibits. He said he had performed the compliance check on May 29, 2007 at 1:00 A.M. at the Wynn property during the Couture Jewelry Show. He said Mr. McCracken was working security at the show and was armed. Senior Investigator Botello said Mr. McCracken did not have a firearms card on his person. Senior Investigator Botello said he recorded that fact on Page 2 of 2 of his report. He said he completed reports routinely as part of his investigative duties. He said he completed the reports at the time of his observations, or very soon thereafter. Board Counsel Menicucci asked if Senior Investigator Botello waited until the following day to complete his reports, and he said he did not. Senior Investigator Botello said he did remember speaking with Mr. McCracken for over 15 minutes. He said he remembered quite clearly that Mr.

McCracken had a firearm without a holster tucked into the top of his pants in the small of his back. Senior Investigator Botello said he was concerned that Mr. McCracken had no holster or certification card. He said he called James Leyde at home and awoke him. He told Mr. Leyde that Mr. McCracken could not work under the conditions and had to be removed. Board Counsel Menicucci asked if Mr. McCracken had any Board-issued cards with him. Senior Investigator Botello said Mr. McCracken had no cards on his person. Senior Investigator Botello did not recall that Mr. McCracken offered to go retrieve his cards. Board Counsel Menicucci asked if Senior Investigator Botello had asked Mr. Leyde about the certified firearm card for Mr. McCracken. Senior Investigator Botello said he did ask Mr. Leyde the issue. He said, as Mr. Leyde was at home, he could not recall if Mr. McCracken had a card or not. He said Mr. Leyde said he was immediately calling another staff member. Senior Investigator Botello said Mr. Leyde later called him and was not sure if Mr. Leyde told him Mr. McCracken had a certified firearm card or not. Senior Investigator Botello said he told Mr. Leyde that Mr. McCracken could not work without the card on his person. Senior Investigator Botello said he believed he told Mr. Leyde that Mr. McCracken must leave the floor.

Mr. McCracken had no questions for Senior Investigator Botello. He said he actually called Senior Investigator Botello, as Mr. Leyde told him to do so to ask if he could work unarmed. Mr. McCracken said he then worked unarmed for the show. He worked unarmed for the same company 2 more times. Mr. McCracken said he went to The Gun Store to obtain a firearm safety card. He said he worked for 2 years prior to the citation and had never received the card. He said he was unaware of the necessity until the night he spoke with Senior Investigator Botello at the jewelry show at the Wynn. He said he worked armed security for O & R Protective Services a year before the citation. He said Senior Investigator Botello checked his cards at that time. He said he showed Senior Investigator Botello all the cards he had in his possession. He said he did not have the white card in his possession at that time, but was never sent home. He said he was a law abiding citizen. He said he did not know he needed the firearm card before.

Board Counsel Menicucci asked if Mr. McCracken had any other questions for Senior Investigator Botello, but he did not.

Mr. McCracken said he had 10 years experience as a police officer. He said he had received a Bachelor's degree in Criminal Justice. He said he had been carded 3 or 4 times by Metro and had showed him all the cards in his possession. He said no one ever told him the firearm card was necessary.

Board Counsel Menicucci said Mr. McCracken could show all the cards he had in his possession.

Mr. McCracken said he never had any correspondence with the Board before the violation. He said he could not take the firearms course without a referral from an employer. He said Positive Protection never gave him a referral. He said he left Positive Protection and began working for a different employer, who had Mr. McCracken take the firearms course before he could begin to work. Mr. McCracken said he had also left that company to become a school bus driver. He said the other company was Silver State and Greg was a great guy. Mr. McCracken said Executive Director Ray explained the proper procedures to him and he was very surprised. He said ignorance was no excuse, but he didn't know he needed the card.

Board Member Crate asked what particular card Mr. McCracken was referencing. Mr. McCracken said it was the security safety course card. Board Member Crate asked if he had a state registration card. He said he did not.

Board Member Crate asked Executive Director Ray and Senior Investigator Botello if a card had ever been issued to Mr. McCracken. Executive Director Ray said the Board did have a registration form for him and would have to assume a card was generated for him, but had not been given to him. Executive Director Ray said she believed before she sent the notices of violation, she checked in the database to see if he was listed as armed and if he had a certification number. She said it was marked "No" in the database.

Board Member Crate asked if Mr. McCracken recalled taking the state exam for security officers.

Mr. McCracken said he had taken an exam for O & R Protective Services. Board Member Crate asked if the exam consisted of 22 questions. Mr. McCracken said he also remembered taking a test for Positive Protection. He said he did not think 100% was required. He said it was a simple test. Board Member Crate said a couple of the questions on the test dealt with the necessity of carrying firearm cards at all times while working in Nevada. Board Member Crate said if Mr. McCracken took the test and received a

100% score, Mr. McCracken would be aware of the statutory requirements for security guards. He then asked how many companies had employed Mr. McCracken as an armed guard in the past 3 years.

Mr. McCracken said he had worked armed for 2 companies, O & R Protective Services and Positive Protection of Nevada. He had also worked as an unarmed guard for Rome Security. He said he had also worked for Silver State.

Board Member Crate asked if Mr. McCracken had worked for Positive Protection when the violation was issued, and he said that was correct. Mr. McCracken said it was the first night he had worked for that company. Board Member Crate asked if Mr. McCracken was sent to the Wynn as an armed officer. Mr. McCracken said he was hired 6 weeks before the event, took the test, and was interviewed. He said he was called several times to remind him where he was to work. He said the position was armed.

Board Member Nadeau asked to see one of the cards. Board Member Crate asked if Mr. McCracken had a work card. He showed the Board a card. Board Member Crate noted that Mr. McCracken did not have a security work card, either. Mr. McCracken showed the Board a card. Board Member Crate said it was a non-gaming card and was not an acceptable card for the Board. Executive Director Ray concurred. Board Member Crate asked Mr. McCracken if he understood that, although he had worked for O & R Protective Services and Positive Protection of Nevada, he had not held the proper cards during the entire time of his employment with those companies. He said he now realized that fact. He again said no one had told him that until now.

Board Member Nadeau asked if the position required a uniform. Mr. McCracken said he was merely required to wear a suit.

Chairman Spencer asked if the time when Mr. McCracken received the citation was the first time he had worked as armed security in Nevada. Mr. McCracken again explained that he had worked as an armed guard for 2 years before receiving the violation. He said he was not cited that night. Chairman Spencer asked if he had taken a training course or a firearms test at any of the companies for which he worked as armed security. Mr. McCracken said he had received the white proof of test course before he could be put to work. Chairman Spencer asked him when he received the card and he said in October 2007.

Chairman Spencer said he was referring to previous employers. Mr. McCracken said he had not received the classes or training. He said he was unaware of the requirements. He said he was P.O.S.T. certified.

Board Counsel Menicucci said the violation was clear. He said the Board did have discretion as to the amount of the fine, or a suspension of the fine.

Board Member Crate moved to uphold the citation in the amount of \$500, \$450 of which would be suspended for a year, pending no further work card violations, at which time the amount would be waived, and under NRS 648.160(1)(a) that staff investigate the prior employment history of Mr. McCracken, solicit documentation as to the statutory requirements of work cards, testing, and why these mandates were not done, if in fact they were not done, and if evidence was produced, that Mr. McCracken would be solicited to re-validate that information for the 3 years prior to today's date and violations and citations should be issued if appropriate, subject to all statutory and regulatory requirements. Board Member Nadeau seconded the motion and asked to make an addition. He asked Mr. McCracken to contact Board staff to be educated as to the necessary requirements in order to work as an armed security guard.

Board Member Crate amended his motion to indicate that a condition of the waiver of the balance of the fine was Mr. McCracken's cooperation in pursuing the past history. He said Mr. McCracken survived regularly from job to job and not encountering Board requirements for armed guards. He said a reduced monetary fine was necessary to acknowledge the requirements had not been met. He said the purpose of the state test was designed to place the burden on each individual security officer to understand the statutory requirements.

Mr. McCracken said he had probably taken the security guard test. He said he did not know what cards he was lacking.

Board Member Crate said Mr. McCracken needed a firearm card, an armed security card, and a proof of test card before beginning work as an armed guard.

Mr. McCracken again said he was not aware he needed those cards.

Board Member Crate said the fact that Mr. McCracken had none of the cards would indicate that he was never made aware of the need.

Chairman Spencer said it appeared to him that there was a serious let-down on the part of the employers concerning the cards Mr. McCracken should have in his possession in order to work armed security.



Board Member Crate said the prior employers were not in attendance, and he was reluctant to place too much of the responsibility on them for Mr. McCracken's lack of proper cards. He noted he believed the current case was the first fines issued to non-licensed registered employees. He said he thought the \$50.00 fine was a fair amount.

Executive Director Ray clarified that the agenda item was the first appeal of a fine levied against an employee. Board Member Crate said he stood corrected.

Chairman Spencer asked for a vote. The motion carried.

#### **ADMINISTRATIVE BUSINESS:**

Sunset Detectives, #133 and #133A did not have a qualified person as required by statute.

Executive Director Ray said Ms. Kathie Eaves, the qualifying agent, passed away in April 2007. She sent the company a letter which explained that the company had a set period of time to obtain an acting qualified person, submit an application, and follow the process for approval of a new qualifying agent. She said the company had named an individual and an application had been submitted. However, the person did not possess the necessary hours of experience required by statute. She said the company was still at present without a qualifying agent. She said the topic was placed on the agenda for Board action. She said past history had shown that other companies had not obtained an acting qualifying agent or a permanent qualifying agent in a timely fashion, the process had taken far too long, and the Board had not taken any action to grant extensions or address the problems. She placed the topic on that agenda for that reason. Executive Director Ray said once an application was received, the standard background procedure would take place. She said there were other issues that needed to be addressed. She said it was not clear to her who actually owned the corporation and it was in probate. She said there was a question as to who was actually involved with the company, such as attorneys and family members.

Chairman Spencer asked Mary Torrance for clarification on the issues Executive Director Ray had just discussed.

Ms. Torrance stated that she was the officer manager for Sunset Detectives. She said the company was currently in probate. She said Ms. Eaves had willed her entire estate to a trust. She said there were several amendments to the trust. She said the final amendment named Robert Brooks as her

successor/trustee. In the event that he could not fulfill those duties, Ms. Torrance said she was the secondary trustee. She said, as the estate was still in probate, the judge ordered that Robert Brooks act as the successor/trustee, but anything pertaining to major decisions for the company and her personal property required court approval. She said the day-to-day operation of the company remained under the control of Robert Brooks. She said if the 4<sup>th</sup> amendment of the trust was determined to be valid, which Ms. Eaves' family was contesting, Robert Brooks would become the owner of Sunset Detectives. She said the family was disputing that amendment. She said negotiations were currently underway for a settlement. She said it appeared the family wanted the property and anything concerned with Ms. Eaves' home. She said the family was willing at one point to turn the business over to Mr. Brooks.

Senior Investigator Botello said the concern was that nothing had been provided to Board staff to confirm what Ms. Torrance had just stated. He also stated it was critical to hear from Mr. Brooks, as he had not made himself available to staff for a very long time.

Executive Director Ray said she had not received his application.

Ms. Torrance said Mr. Brooks was not applying as qualifying agent. Executive Director Ray said he was an officer of the corporation, so an application was required.

Ms. Torrance said she did not recall with whom she spoke, but she specifically asked about the application, but was told it was not necessary. She said she would be happy to provide any documents pertaining to the will and trust of Ms. Eaves. She said an acceptance of successor/trustee had been signed by Mr. Brooks and her at an attorney's office. She said she had no documents showing the judge's orders from the court. She said she would hope she could obtain something in writing from the attorney.

Board Member Crate asked if Mr. Brooks was the designated inheritor of the business. Ms. Torrance said he was the successor/trustee of the business and the 100% beneficiary of the entire estate.

Board Member Crate asked if Mr. Brooks was currently employed by Sunset Detectives. Ms. Torrance said that was true. Board Member Crate asked to whom Mr. Brooks reported. Ms. Torrance answered by saying Mr. Brooks and the court. Board Member Crate asked who signed the checks. Ms. Torrance said Mr. Brooks did that. Board Member Crate asked why Mr. Brooks was not present at the meeting.

Ms. Torrance said she could not answer that. Board Member Crate asked when the last time staff had any contact with Mr. Brooks.

Executive Director Ray said she was not sure, but it had been a long time ago. Board Member Crate asked when the last time a certified document was sent to Mr. Brooks. Executive Director Ray said nothing had been sent to him. She said it was her understanding that Ms. Torrance had been working with Brandi King as far as an application for Mr. Brooks.

Ms. Torrance said she may have misunderstood the directions regarding a corporate officer application for Mr. Brooks and communicated that error in thinking to him. She said she is also an officer. Executive Director Ray noted that Ms. Torrance had applied to become the acting qualifying agent, but did not have adequate hours of experience. She said she was still waiting for someone to be named as acting qualifying agent and for paperwork to be submitted that would allow Board staff to move forward with the background investigation for the corporate officers. Executive Director Ray said, as Ms. Torrance's application had been returned, she and Mr. Brooks were required to submit officer applications. She again stated that the item was placed on the agenda because, to date, no acting qualifying agent had been named and the Board would decide whether or not to allow the extra time for the necessary applications to be submitted.

Ms. Torrance said several people were currently under consideration to become the acting qualifying agent and hoped to have the issue resolved soon.

In answer to Board Member Crate, Executive Director Ray said no certified mail had been sent by staff to Mr. Brooks. She said she was waiting for the paperwork to be submitted.

Senior Investigator Botello said former Investigator Dean Pennock tried unsuccessfully on many occasions to discuss issues with Mr. Brooks. He said none of the attempts were successful to discuss issues concerning Sunset Detective's business practices. Senior Investigator Botello said staff was concerned that it was still not known who owned the business. He said the fact that the estate was in probate caused even more concern, as staff had no proof the person in control had a right to do so. Board Member Crate said Investigator Pennock's involvement pre-dated the death of Kathy Eaves. He asked why Investigator Pennock attempted to contact Mr. Brooks if the owner was still alive.

Senior Investigator Botello said Ms. Eaves was terminally ill. He said she was unavailable for contact as he believed she was bed-ridden. He said he was not there, so he could not speak directly to the situation. He said there were issues with Ms. Eaves' comprehension and speech problems.

Ms. Torrance said that Ms. Eaves was not terminally ill or bed-ridden. She said Ms. Eaves had a disease that affected her motor skills, such as speech and writing, but not her thought processes or comprehension. She said Ms. Eaves was able to communicate with her. She said Ms. Eaves could answer questions and form sentences until shortly before her death.

Board Member Crate said his question did not concern the competency of Ms. Eaves to run the business, but the role Mr. Brooks played and why the investigator attempted to contact him.

Ms. Torrance said she was present on at least one occasion when Investigator Pennock spoke with Mr. Brooks. Board Member Crate asked for his function at that time, and Ms. Torrance said he was a reposessor, but not an officer. She said he was not named an officer until the summer of 2007.

Executive Director Ray asked if there was a temporary change and that staff explained that Mr. Brooks had to be removed as officer because he had not received Board approval.

Ms. Torrance said there had never been any discussion on his becoming an officer.

Chairman Spencer asked if Mr. Brooks not only inherited the business, but the rest of the estate as well.

Ms. Torrance said that was correct. She again stated that the family was contesting the trust.

Board Member Crate asked who was currently in control of the trust. Ms. Torrance said the court had given Mr. Brooks the right to conduct day-to-day business. She said she had spoken to Mr. Brooks the previous evening. Board Member Crate asked if Ms. Torrance asked Mr. Brooks to attend the meeting. She said she had not asked him to be present, but he was aware of the meeting. She said she could not speak for Mr. Brooks. Board Member Crate said ownership and responsibility for Sunset Detectives was deferred to Mr. Brooks, but he had seemed to defer power to Ms. Torrance, as he was not present.

Ms. Torrance said the court ordered the control of the daily business operations. She said she had no control of that. She said she had no answer as to why Mr. Brooks was not present.

Board Member Crate noted that Ms. Torrance had no responsibility to be in attendance, other than curiosity as to what may occur. She said she was a corporate officer and the office manager. She said she was very knowledgeable about all that had taken place during the entire process.

Board Member Crate said the agenda item was concerned with naming an acting qualifying agent.

Ms. Torrance said she understood that the agenda item was to request a continuance until the next Board meeting to have a qualifying agent.

Chairman Spencer asked if the company had any possible qualifying agents. Ms. Torrance said there were 3 people under consideration and Mr. Brooks was involved in the process. She said she hoped a decision would be reached in 2-3 weeks, and certainly by year's end.

Executive Director Ray asked why Mr. Brooks was not interested in becoming the qualifying agent, and Ms. Torrance said she did not know. She said she did not think he had the adequate experience.

Chairman Spencer asked if Sunset Detectives was still a viable company, and Ms. Torrance said that was correct. She said 2 people worked in the office and 2 acted as repossessioners.

Senior Investigator Botello said it was staff's understanding that Mr. Brooks may be concerned with criminal issues. He said, given Mr. Brooks's actions over time, he was inclined to believe it was true. He said Mr. Brooks, and not Ms. Torrance, should be present to answer the questions from staff and the Board.

Chairman Spencer asked if the criminal issues may be why Mr. Brooks was not present, and Senior Investigator Botello said that was correct.

Board Member Crate asked when the most recent employee was hired. Ms. Torrance said she could not say for certain, but an employee was hired in 2007 after the death of Ms. Eaves. Ms. Torrance said she had registered the employee. She said he did not have his own repossessioner license. She said the employee reported to Mr. Brooks.

Chairman Spencer said Mr. Brooks was the responsible party to provide the name of an acting qualifying agent. Executive Director Ray said a name was needed and the application process needed to move forward. Chairman Spencer asked if Ms. Torrance believed a name would be chosen soon, and she said she had complete and total confidence that would occur. She said the last thing she wanted to happen, having known Ms. Eaves so well, was for the company to be dissolved after 27 years. She said she would do all she could to see that the company stayed in business.

Board Counsel Menicucci asked Ms. Torrance if the action were pending in Clark County District Court, and she said that was correct. He asked if Ms. Torrance had provided the Board with the case number

and other pertinent information. She said she had not done so, but would be happy to supply the Board with any information the Board requested. Board Counsel Menicucci said the case number and any court orders would be helpful. He said the Board would also like to learn if court action would be required before an acting qualifying agent could be named. Ms. Torrance said the court had ordered that Mr. Brooks handle the daily business. Board Counsel Menicucci asked Ms. Torrance to provide all court orders to the Board. She said she would provide a packet of information and asked Board Counsel Menicucci if he would suggest any documentation that also needed to be included. Executive Director Ray asked her to combine all her court documents. She said she could also supply a copy of the will and the trust. She said the trust did not state that the business would continue. She said Ms. Eaves had put the business from the will into the trust.

Chairman Spencer asked if Mr. Brooks succeeded as recipient of the trust, he would not necessarily need to continue Sunset Detectives. Ms. Torrance said there was a misconception that Ms. Eaves was a very wealthy woman. She said that was untrue. She said the estate was not worth very much and attorney fees were taking a large part of the value.

Chairman Spencer stressed to Ms. Torrance that a candidate was necessary, either with or without the help of Mr. Brooks. Executive Director Ray said eventually Mr. Brooks would need to become involved in the process.

Board Member Nadeau said there was not a licensed investigator or licensed reposessor at Sunset Detectives. Executive Director Ray said that was correct.

Board Member Crate said Mr. Brooks either may or may not be qualified, but was not putting his name forward as a qualifying agent. He said the mandate of the Board was to protect the welfare of the public. He said employees were being hired without a qualifying agent for the business.

Board Member Nadeau noted that no one within the company was responsible if a violation occurred. He said there was no accountability at the company.

Chairman Spencer recognized that Mark Zane wished to provide public comment. Mr. Zane asked if Ms. Torrance had been recognized as a corporate officer prior to the death of Ms. Eaves. Ms. Torrance said she would need to look at the paperwork to answer that question.

Executive Director Ray said that Ms. Eaves was the only officer of the company until her death. She said she did not know if the court had ordered changes, but now she believed Ms. Torrance and Mr. Brooks were listed with the Secretary of State as corporate officers. Ms. Torrance said she did not remember the exact dates.

Board Member Crate noted that there were no corporate officer applications, and Executive Director Ray agreed.

Mr. Zane asked when Ms. Eaves passed away. Ms. Torrance said she died in April 2007. Mr. Zane implored the Board to take emergency action, either by appointing an acting qualifying agent or immediately suspend operations. He said from experience that there was much liability associated with repossession work. He said an administrator or overseer should be named. He said the public deserved protection.

Ms. Torrance said the court had ordered Mr. Brooks to conduct daily business. Chairman Spencer said Mr. Brooks did not have the necessary qualifications to run the business.

Senior Investigator Botello said he wasn't sure if Mr. Brooks even had a work card or could qualify for one.

Board Member Crate asked when Executive Director Ray learned of the death of Ms. Eaves. She said it was either late April or early May. He asked if the issue of operating without a qualifying agent was addressed at that time. Executive Director Ray said the company thought Ms. Torrance would become the acting qualifying agent. Board Member Crate asked if Executive Director Ray had already granted a couple of extensions to Sunset Detectives. Executive Director Ray said a letter had been sent in May. She said Ms. Torrance requested an application, submitted it in July, was eligible to take the exam October 3, 2007 but did not appear, met with Senior Investigator Botello later that day, and was told she did not have the necessary hours of experience. Executive Director Ray said in the meantime, the Board had not received a name.

Chairman Spencer said he was not sure the court understood the statutory requirements and that Mr. Brooks may not meet those requirements. Board Member Crate said he believed the judge was considering the issue as a trust and not what was required by the Board. He then questioned if a judge could appoint an individual as an investigator outside of the Board's jurisdiction.

Board Counsel Menicucci said the court could appoint a receiver so the company does not lose all its value while separate parties fought over ownership.

Chairman Spencer asked if the Board should notify the court of the fact that, though Mr. Brooks was appointed, he did not have the requirements to continue the business. Board Member Crate noted that someone had added the new corporate officers to the company, someone had accepted billings and revenue, someone was hiring employees, yet there was no bona fide oversight.

Board Member Nadeau noted that in NRS 648.235 dealt with licensing without a qualifying agent. He said, as he read it, the company could not engage in business until a qualifying agent was named and an application submitted.

Chairman Spencer asked if Mr. Brooks was receiving pay from the business, but Ms. Torrance said he was not.

Curtis Acree, #987, said no one would want to be involved with Sunset Detectives. He said there was an issue between the brothers. He said Robert Brooks could not be licensed and could not obtain a work card, as he could not pass the background check. Mr. Acree said Ms. Eaves could not hold a conversation and was very ill for some time before her death. He recommended the business should be shut down. He said they were not following statutory requirements at all. He said Robert Brooks had called him to see if he would become the qualifying agent, but he had declined. He said Mike Brooks was suing the company. He said the entire company changed after Mike had been fired. He said Mr. Brooks was acting as a reposessor.

Ed Norton, #633, said he was the manager for Quality Towing and South Strip Towing at one time. He said he had seen Robert had been repossessing and towing vehicles for 2-3 years. He said Sunset Detectives had a lease agreement with South Strip Towing for a portion of the yard on Hacienda. He said he had sent a copy of a business card in 2005 to the Board showing Robert Brook's name as the manger of Sunset Detectives. He said he knew the difference between Mike and Robert, even though they were twins. He said he tried to run a background on Robert. He said the name returned with 2 social security numbers. He said Robert was using the social security number that belonged to Mike or their father. Executive Director Ray said Mr. Brooks obtained a work card, but there were allegations it had been obtained improperly.



Jason Porter, Director of Operations for Norton, said he had personally seen in 2005 and videotaped Robert Brooks driving a repo vehicle and submitted that tape to Investigator Pennock.

Board Member Crate asked if the license was also for Private Investigator as well as Repossessor.

He then moved to direct Sunset Detectives to suspend all activity on pain of license revocation until a qualifying agent could be provided and cooperation given with an ongoing investigation as to their suitability to conduct business, subject to all statutory and regulatory requirements. Board Member Nadeau seconded the motion for discussion. He noted in NAC 648.235 that the license automatically was forfeited to the Board if no qualifying agent was named within 6 months.

Ms. Torrance asked if the business could continue until the end of the day. Board Member Crate said the motion had not been made, but the suspension would begin when the vote was taken and enforced when the next client asked to do business with Sunset Detectives. Ms. Torrance also asked if the suspension of business pertained only to repossession. Board Member Crate said there was no qualifying agent for either license, so both were affected.

Chairman Spencer asked when the business could be re-established. Executive Director Ray said the qualifying agent application would need to be approved.

Board Member Nadeau said it was the Board's responsibility to protect the public.

Board Member Crate said there was a potential for the business to resurrect itself upon the approval of a qualifying agent.

Ms. Torrance asked if the phones had to be shut off. Board Member Crate said the company could not do business under license #133.

The motion carried.

John Theel, #525, SOA, asked for an exemption to use up to 15 out-of-state police officers at the Consumer Electronic Show scheduled from January 4, 2008 to January 13, 2008 in Las Vegas. He said the people were normally employed by SOA in other states who would be used to supplement the work force. He noted that the following agenda item was also for SOA to use approximately 60 out-of-state peace officers for the JCK Show from May 26, 2008 to June 8, 2008. He said the employees were aware that they were not peace officers in Nevada. He said the employees completed training and weapons qualifications and obtained the necessary cards prior to working at the shows. He said the employees

had worked in Nevada previously, and would receive the proper documentation again for the upcoming shows.

Chairman Spencer asked what percentage of the requested employees had worked before in Nevada. Mr. Theel said it was 100% for both requests. He said about 780 people would work at the JCK Show, and the 60 requested had all worked in Nevada before. He said additional people were also brought in, but were not peace officers.

Board Member Nadeau asked Executive Director Ray if there had been no incidents with the previous shows and the employees brought in to work in Nevada. Executive Director Ray said there were none.

Board Member Crate said he wanted to acknowledge his appreciation for the way Mr. Theel presented his requests for exemptions, the fact that he always provided exact numbers needed, and that the employees always behaved professionally while working in Nevada.

Board Member Nadeau moved to grant John Theel of SOA an exemption for 15 out-of-state peace officers to work at the Consumer Electronic Show and an exemption for 60 out-of-state peace officers to work at the JCK Show. Board Member Crate seconded the motion, which carried.

Gary McGeough, Malca Amit, #1414, requested an exemption to use approximately 60 out-of-state peace officers for the JCK Show May 23, 2008 to June 8, 2008. He said the individuals were part-time employees in other states. He said the individuals would not be used in security, but for labor. He said the employees were notified that they should not bring their firearms with them to Nevada. He said he had a separate group who would be brought in to perform security and he had already registered those people with the Board and obtained all other documents needed for them to work in Nevada. He said he also had 2 contracts with local security companies.

Board Member Nadeau asked if Mr. McGeough expected the number requested to be 60. He said the maximum number would be 70.

Board Member Crate moved to approve the exemption as requested for Malca Amit to use out-of-state peace officers for the JCK Show, subject to all statutory and regulatory requirements. Board Member Willis seconded the motion.

Board Member Nadeau asked about the 70 employees Mr. McGeough mentioned.

Board Member Crate amended the motion to not exceed 70 out-of-state peace officers for the request.

The motion carried.

Richard Ellington, Ferrari Express, #1432, requested an exemption for approximately 60 out-of-state peace officers for the JCK Show from May 23, 2008 to June 8, 2008. He said the employees would be used both for security and labor. He said the employees would follow all PILB rules and would obtain all the cards and training as required. He said last year the company had used local people, but the volume had increased. He said the need for more security had increased. He said the employees worked for Ferrari in different states. He said they were familiar with jewelry show work

Board Member Crate asked Mr. Ellington about the number of employees requested. He said he had requested up to 60 out-of-state peace officers. He said other people brought in from Ferrari would be 60-70. He said the exemption requested people who were supplemental only. He said the out-of-state peace officer employees could compose 50% of the volume of total employees, but would more likely make up 25-30%.

Board Member Crate asked what roles the remainder of the employees would fill. Mr. McGeough said they would perform labor, administrative work, and Ferrari's own armed guards.

Board Member Crate asked when Mr. Ellington would have an actual number of employees needed. He said that would probably occur in March. Board Member Crate said there would be a March Board meeting. He said he was concerned with the over-all percentage and the necessity for using 60 out-of-state peace officers.

Mr. Ellington said the ceiling, if he was granted the entire 60 people, would be 50%. He said not all those people would be armed. He said they were only supplemental for labor.

Board Member Crate asked if Mr. Ellington was aware his employees needed to be registered, and he said he knew that.

Executive Director Ray stated that the employees did not need to be registered. Senior Investigator Botello agreed. Executive Director Ray said the employees fell within the Attorney General's opinion. Senior Investigator Botello said the only requirement was that the employees had proof with them that they were certified to carry firearms. Board Member Crate asked if the Board could still require registration of the employees. Senior Investigator Botello said as long as the people were bona fide employees of the armored car company, and were registered with the state of their employment, they

were not required to register in Nevada. Board Member Crate asked how the staff monitored if employees had background checks run or were properly registered in another state. He noted that there were no licensing requirements in Colorado, for instance. Senior Investigator Botello said there were a few problems in verification the previous year, as other states had different requirements. Executive Director Ray said the previous years, the company provided staff with lists of individuals who fell under the reciprocity act, those who were to be registered, and those who were labor only.

Jose Revilla asked if, as an armored car security guard, there was no requirement to register or obtain a work card, but his security people, many of whom were unarmed, were required to register. Executive Director Ray said Mr. Revilla's employees did not fall under the federal act. Mr. Revilla said the exemptions were allowing armed people to work in Nevada without registering, but the unarmed guards were required to register.

Senior Investigator Botello said that was not necessarily true. He said the people were employees of the armored car companies. He said there were specific guidelines laid out in the Federal Reciprocity Act. Executive Director Ray said the Board had tried to interpret the law differently.

Board Member Crate moved to approve the exemption request, subject to an update at the next scheduled Board meeting in March 2008, to further clarify the number of people required.

Executive Director Ray asked if Mr. Ellington needed to physically appear for the March meeting. Senior Investigator Botello noted that Mr. Ellington was based in New York. Board Member Crate said a written correspondence would suffice. Board Member Willis seconded the motion, which carried.

Paul Masto of Universal Security Specialists and David Spencer of Spencer Investigations requested an exemption to use approximately 46 out-of-state peace officers. Chairman Spencer asked Board Member Crate to chair the meeting for the request.

Mr. Spencer said Mr. Masto had been contacted regarding a private party that wished to be unnamed that was coming to Las Vegas and requested both armed and unarmed security. He said many of the positions had been filled since the item had been placed on the agenda request. He said he would ask the Board to allow an open number of out-of-state peace officers, since the Christmas season was fast approaching and some of the employees might not be able to work as planned. He said the number of

employees who would be armed was not yet determined, but they would be properly registered and trained.

Board Member Crate noted the request was for 46 out-of-state peace officers. He asked if that was the full number needed. Mr. Spencer said that he would be able to provide that total number from current employees in Nevada. He said he would lower the request to 20 out-of-state peace officers to allow for any employees who may need to "back out" at the last minute due to the holidays.

Board Member Nadeau moved to grant an exemption to Universal Security Specialists, #1436, and Spencer Investigations, #632 for 20 out-of-state peace officers for a security detail from December 26, 2007 to January 1, 2008. Board Member Willis seconded the motion, which carried.

Executive Director Ray opened the discussion regarding whether or not licensees can utilize military personnel as volunteers, with no compensation to the individuals, but could make a donation to the military unit/organization where the volunteers were based. She said the topic began several years before with Street Vibrations. She said a licensee requested to make a donation to a Christmas ball. She said she was under the impression that the donation only occurred once a year for one event. She said former Investigator Kreider who worked for the previous executive director, Carol Hanna, learned of the donation during a compliance check. She said Senior Investigator Botello had recently performed compliance checks during the VMA and the Latin Grammy award shows. She said additional concerns had arisen and needed a closer look.

Senior Investigator Botello said he performed the compliance checks for the Latin Grammy award show in October 2007. He said the issue arose again concerning We Serve and Mr. Overly. He said many employees were performing various functions at the show, mostly for security. He said he interviewed about 78 people at the Latin Grammy show. He said the majority were not registered, did not have work cards, and many were on-going employees for We Serve. He said many had been employed for a number of years. He said other licensees questioned why many of the employees were unregistered and without work cards. He said Carol Hanna and Ken Kreider had allowed We Serve to use the employees as volunteers and then contributed money to the military unit. He said the employees used by We Serve at the Latin Grammy awards were older, while the employees working for Mr. Overly at the

VMA award show were younger and mostly from nearby military bases. He said a majority of those people working for We Serve at the VMA show also were unregistered, but many of them did have work cards. He said these people were also volunteers. He said more licensees complained at the VMA awards, as it was a bigger show. He said the licensees felt it was unfair that We Serve was able to have people work without registrations or work cards. Senior Investigator Botello said staff believed the issue should be revisited. He said about 200 people were used for the Latin Grammy show by We Serve and about VMA used about the same amount of people.

Mr. Overly said there were two different issues. He said the Department of Labor identified positions within the United States. He said a very clear description of positions was given. He said the definitions in NRS 648 were very brief. He said there are very definite descriptions of work done by ticket-takers, ushers, and lobby attendants. He said his point was that those individuals were not in a security role, were uniformed differently, and had different responsibilities.

Chairman Spencer noted that the positions noted by Mr. Overly did not require licensing by the Board. He concurred with Chairman Spencer. He said that had been his contention for years.

Board Member Crate asked if Executive Director Ray had the opportunity to review the history of previous Board discussion on the topic. She said she had not. Executive Director Ray said Mr. Overly appeared years ago before the Board. Mr. Overly said he met with Carol Hanna and Bill Bertram. Executive Director Ray said there was also a letter. Mr. Overly said he had created a separate, distinct company. He said all the employees to whom Senior Investigator Botello had referred were not employed by his security company. He said the Board did not have oversight of ticket-takers, ushers, and similar directional employees. He said there was a clear definition between those people and security people.

Executive Director Ray said she thought there was a meeting held where the Board decided that ushers did fall under the role of security personnel.

Board Member Crate said that Mr. Overly's company was initially licensed because the Board felt that a portion of the work done was subject to statute. He said the topic should be revisited at a future time. He said his recollection that ushers and directional people would fall under crowd control, which was a function security.

Senior Investigator Botello said there was an opinion written on the matter.

Board Member Crate said Department of Labor definitions were subject to change.

Mr. Overly again referred to the Department of Labor definitions. He said he had a background with that department. He wanted to know if the Board would state it had oversight of ticket-takers, ushers, and the like. He said properties would hire his employees, but not to perform security functions. He said if the Board requested that he needed to register military people and obtain work cards for them, he would do so. He asked the Board to expand on the agenda item to go beyond the military personnel issue.

Chairman Spencer asked if Mr. Overly had a set of procedures the individuals must follow. Mr. Overly said he had clearly defined training manuals for each occupation. Mr. Overly again said ushers did not wear the same uniform as security guards.

Senior Investigator Botello said he could give in more detail his observations.

Board Member Crate said the Board should schedule a workshop on the topic.

Mike Hendi said the agenda topic concerned military personnel for security purposes, and not the issue of ushers and ticket-takers. Board Member Crate said these employees must be registered if compensation was received. He said volunteers who received no compensation would not be required to register, but if compensation was received, the employees must be registered.

Mr. Overly then asked if a host of an event wished to use 100 military people for an event, but asked him to oversee them, though they were employees of the host.

Board Member Crate said he could see both sides of the issue, but he could also see the potential of circumventing the issue. He said he was more concerned with the terms of the management relationship with the client.

Mike Hendi said he wanted the matter to be made very clear. He said licensees should know that the statutes were not to be circumvented by allowing people to perform security without proper registration by claiming volunteer status/donation to military unit.

Senior Investigator Botello said volunteers often performed security functions, such as using electronic wands to check for weapons.

Senior Investigator Botello said in both events Mr. Overly provided two groups of people. The Latin Grammy workers wore red shirts at the outer perimeter. There were also people who wore yellow jackets

who were performing more usher-type capacity jobs. He said that Mr. Overly had the people in the red shirts use the electronic wands to check for weapons and to check credentials. He said those were definitely security functions.

Board Member Crate said he believed Mr. Overly understood Senior Investigator Botello's concerns. Mr. Overly said he would show Senior Investigator Botello the training manuals and the fact that the usher/ticket-takers were not involved in crowd control or crowd management.

Senior Investigator Botello said he did not agree with the fact that employees were working the perimeter of the show. Mr. Overly said the people in yellow jackets were not performing crowd control. He said the employees held scanning devices to check tickets.

Executive Director Ray asked if Mr. Overly was referring to his military volunteers. She said the information he had provided to the Board for ushers showed they maintained order, refused admittance, and settled seating disputes. Mr. Overly said that was not a security function.

Senior Investigator Botello said the Latin Grammy awards and the VMA awards were not a theatre, but were large events. He said the workers who wore yellow jacket did control access to and from the event. Mr. Overly said that was not a control and not a security function.

Board Member Crate said, though a person may not be uniformed as security, he or she could still function in a security capacity. Mr. Overly disagreed.

There was no Board comment.

Mr. Lott asked for the hearing to be closed. Board Counsel Menicucci asked for the reason for the request. He said his life had been put on display for some time over an accusation. He said he would prefer to keep any discussion private with the Board regarding his personnel file. Board Member Crate asked if Mr. Lott anticipated that he would have more information to offer than previously discussed. Mr. Lott said there were documents he could produce that were case sensitive. He did not know how detailed the information would be as requested by the Board. Board Counsel Menicucci asked if the reason for the request to close the meeting for involved the Board's consideration of Mr. Lott's or someone else's character, alleged misconduct, professional competence, or physical or mental health. Mr. Lott said those were not his reasons. Board Counsel Menicucci said those were the usual reasons for requesting a closed meeting. Board Member Crate said the discussion of the alleged misconduct was a reason to



close the meeting. Board Counsel Menicucci said Mr. Lott was seeking to dispel the allegations. He agreed. Board Counsel Menicucci said the Board would take action in public, but could receive the information in a closed session. Mr. Lott said he did not know what questions the Board may ask. Board Counsel Menicucci said he needed to make clear that Mr. Lott was aware he was waiving his rights to an open meeting and that no one from the public objected to the closing of the meeting. He asked Mr. Lott to sign a waiver. Board Counsel Menicucci asked if there was any public objection to closing the meeting. There was none. The meeting was adjourned for the following hearing.

Chairman Spencer opened the meeting after the closed session.

Board Member Nadeau moved to continue the agenda item until the next scheduled meeting.

Board Member Crate seconded the motion, which carried.

Board Member Nadeau said, under Board comment, that he did not want Senior Investigator Botello to be confused. He said he was not asking Senior Investigator Botello or any investigator to seek any Internal Investigations not related to elements of the investigation. He said the particular case today involved a termination which could have an implication on licensure. He said he felt it was his responsibility to question the applicant, and it was up to the applicant to provide further information. Senior Investigator Botello then began to discuss an applicant whose license had been granted previously by the Board, but possible adverse information had since been released to the media. He asked if the Board wished to re-visit the issue.

Executive Director Ray said the topic could not be discussed today.

Board Member Nadeau moved to adjourn, and Board Member Willis seconded the motion.