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TRANSCRIPT OF A MEETING
OF THE
STATE OF NEVADA
PRIVATE INVESTIGATOR'S LICENSING BOARD

Wednesday, December 7, 2016
9:00 a.m.

Northern Nevada Location:
Western Nevada College
2201 W. College Parkway
Cedar Bldg., Room 307
Carson City, Nevada 89703

Southern Nevada Location (Videoconferenced):
College of Southern Nevada
Cheyenne Campus
3200 E. Cheyenne Ave.
Main Building, Room 2638
North Las Vegas, Nevada 89030

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A P P E A R A N C E S

Board Members Present:

Mark Zane, Chairman (Las Vegas)
Jim Colbert (Carson City)
Raymond Flynn (Las Vegas)
Charlotte Collins (Las Vegas)
Jim Nadeau (Las Vegas)

Also: Kevin Ingram (Las Vegas)
Executive Director

Raelene K. Palmer (Las Vegas)
Deputy Attorney General
Attorney for the Board

Sarah Bradley (Carson City)
Senior Deputy Attorney General
Board Counsel

Henna Rasul (Las Vegas)
Senior Deputy Attorney General
Board Counsel

Lori Irizarry (Las Vegas)
Chief of Operations

Jason Woodruff (Carson City)
Investigator

Mary Klemme (Carson City)
Investigative Assistant

Other Participants:

Richard G. Campbell, Jr., Esq. (Carson City)
Downey Brand LLP
100 W. Liberty St., Suite 900
Reno, Nevada 89501

Mahmoud Hendi (Carson City)
Amanda Hegdahl (Carson City)
Charles Magri (Carson City)

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I N D E X

ITEM	PAGE
1. Roll Call of Board members and establishment of quorum	7
2. Public Comment	8
3. Citation Appeal Continued, ESI Security Services, Mahmoud Hendi, Owner and Qualifying Agent, License Number 700, is appealing Citation number 1-071-16. "for possible action"	8
4. Disciplinary Hearing, PILB v. ESI Security Services, Mahmoud Hendi, Owner and Qualifying Agent, License Number 700. Formal Complaint Hearing to determine action against respondent based on alleged violation of settlement agreement dated March 10, 2016. "for possible action"	---
5. Public Comment	---
7. Adjournment "for possible action"	---

INDEX FOR AGENDA ITEM 3
ESI SECURITY, MAHMOUD HENDI
CITATION APPEAL CONTINUED

EXAMINATIONS

Witness	Page
Lori Irizarry:	
Cross-Examination Resumed by Mr. Campbell	21
Redirect Examination by Ms. Palmer	77
Recross-Examination by Mr. Campbell	96
Further Redirect Examination by Ms. Palmer	107
Further Recross-Examination by Mr. Campbell	108
Kevin Ingram:	
Direct Examination by Ms. Palmer	112
Cross-Examination by Mr. Campbell	152
Redirect Examination by Ms. Palmer	174
Recross-Examination by Mr. Campbell	179
Further Redirect Examination by Ms. Palmer	183
Mahmoud Hendi:	
Direct Examination by Mr. Campbell	188
Cross-Examination by Ms. Palmer	221
Redirect Examination by Mr. Campbell	238

EXHIBITS

State's Exhibit	Description	Mkd	Adm
1	Notice of Violation I-071-16	(9-1-16)	
2	Certified Mail Receipt	(9-1-16)	
3	Email communications	(9-1-16)	

(continued...)

State's Exhibit	Description	Mkd	Adm
4	Notice of Appeal	(9-1-16)	
5	Notice of Hearing	(9-1-16)	
6	Letter regarding hearing date	(9-1-16)	
7	Revised Notice of Hearing	(9-1-16)	
8	Email communications	(9-1-16)	
9	Amended Complaint	(9-1-16)	
10	Answer to Amended Complaint	(9-1-16)	
11	Email communications	(9-1-16)	
12	Email communications	(9-1-16)	
13	Email communications	(9-1-16)	
14	Email communications	(9-1-16)	
15	Email communications		141
16	Email communications		141
17	PILB Power Point	(9-1-16)	
18	Secretary of State documents	(9-1-16)	
19	Order re: Settlement	(9-1-16)	
20	Email communications		17
21	LiveScan Connection Request Form		---
22			
23			
24			
25	(continued...)		

1	Respondent's		Mkd	Adm
2	Exhibit	Description		
3	A	Notice of violation (Unlicensed Business Activity Citation)	(9-1-16)	
4	B	Email communications		63
5	C	Email communications		63
6	D	Email communications		63
7	E	Email communications		63
8	F	Email communications		29
9	G	Email communications		17
10	H	(Same as Exhibit 6, page 152)		---
11	I	(Same as Exhibit 6, page 153-155)		---
12	J	(Same as Exhibit 6, page 153-155)		---
13	K	Email communications		17
14	L	Email communication		17
15	M	Copy of checks		17
16	N	Copies of checks		17
17	O	Letter, July 18, 2016, to ESI Security Services, Mahmoud Hendi from Lori Irizarry		50
18				
19	P	Email communications		64
20				
21				
22				
23				
24				
25				

1 CARSON CITY, NEVADA, WEDNESDAY, DECEMBER 7, 2016,

2 9:07 A.M.

3 -oOo-

4 BOARD CHAIRMAN ZANE: Call the meeting to
5 order, please.

6 This is the meeting of the Private
7 Investigator's Licensing Board for December 7, 2016.

8 Can we have roll call of the Board members,
9 please.

10 MR. INGRAM: Yes, sir.

11 Board Member Colbert?

12 BOARD MEMBER COLBERT: Here.

13 MR. INGRAM: Board Member Nadeau?

14 BOARD MEMBER NADEAU: Here.

15 MR. INGRAM: Board Member Flynn?

16 BOARD MEMBER FLYNN: Here.

17 MR. INGRAM: Board Member Collins?

18 BOARD MEMBER COLLINS: Here.

19 MR. INGRAM: And Chairman Zane?

20 BOARD CHAIRMAN ZANE: Here.

21 MR. INGRAM: And, for the record, we have
22 Senior Deputy Attorney General Henna Rasul and Raelene
23 Palmer here today as well. And Board Counsel will be
24 Sarah Bradley, and she's located in the north.

25 BOARD CHAIRMAN ZANE: Okay. The next item on

1 the agenda is notification regarding public comment.

2 This is a period set aside so that the public can
3 comment about items of interest to the Board.

4 Is there anyone in the south with public
5 comment?

6 No one appearing. Is there anyone in the north
7 with public comment?

8 BOARD MEMBER COLBERT: No.

9 BOARD CHAIRMAN ZANE: Nobody appearing.

10 As an additional advisor, today, the items on
11 today's agenda specifically are adversarial in nature.
12 And, therefore, the public comment isn't appropriate
13 during the presentation of that portion of the agenda
14 item. Again, at the end of the meeting, we'll entertain
15 public comment, so that anything of interest to the
16 public and possibly to the Board. But public comment
17 won't be appropriate through the agendized adversarial
18 issues.

19 Anybody have any comment, questions?

20 Item number three is ESI Security Services,
21 Mahmoud Hendi, owner and qualifying agent, license
22 number 700, is appealing the citation number I-071-16.
23 For possible action.

24 We have witnesses in attendance that we would
25 need to swear. And, also, we have a couple of

1 preliminary disclosures that we'd like to make.

2 So can we go ahead and have any witnesses who
3 are present stand and be sworn, please.

4 (Potential witnesses stood.)

5 BOARD CHAIRMAN ZANE: Do you swear to tell the
6 truth, the whole truth, and nothing but the truth, so
7 help you God?

8 (Potential witnesses were sworn.)

9 BOARD CHAIRMAN ZANE: Thank you.

10 MS. PALMER: Chairman Zane, could the record
11 reflect who's been sworn, please?

12 BOARD CHAIRMAN ZANE: Would you call out by
13 name, your names, please.

14 MS. IRIZARRY: Lori Irizarry.

15 MR. INGRAM: Kevin Ingram.

16 MR. HENDI: Mahmoud Hendi.

17 MR. CAMPBELL: Chairman, this is Rick Campbell
18 on behalf of ESI Security. We have two witnesses,
19 although we have the rule of exclusion invoked. I've
20 got them out in the hall. I could bring them back in if
21 you want to swear them now, or swear them in when we
22 just call them.

23 BOARD CHAIRMAN ZANE: If they're ready and
24 available, if we could bring them in and have them
25 sworn, then excluded again, please.

1 MR. CAMPBELL: Okay. I can do that.

2 (Potential witnesses came into the room in
3 Carson City.)

4 BOARD CHAIRMAN ZANE: Thank you.

5 Ms. Bradley, could you swear them in, please.

6 MS. BRADLEY: Sure.

7 Will you raise your right hand. Do you swear
8 that the testimony that you will provide before the
9 Board today will be the truth, the whole truth, and
10 nothing but the truth, so help you God?

11 (Potential witnesses were sworn.)

12 MS. BRADLEY: And would you please state your
13 names for the record.

14 MS. HEGDAHL: Amanda Hegdahl.

15 MR. MAGRI: Charles Magri.

16 BOARD CHAIRMAN ZANE: Thank you.

17 With the exception of Mr. Ingram, I believe,
18 everyone else who is anticipated to be called as a
19 witness would need to leave the room.

20 MS. PALMER: I think, another question would
21 be, if Ms. Irizarry was on the stand, do we want her to
22 leave the room, to discuss the preliminary matters, and
23 have her return, or should she stay present?

24 BOARD CHAIRMAN ZANE: Mr. Campbell?

25 MR. CAMPBELL: I guess, it depends on what. I

1 don't know what preliminary matters we're going to
2 discuss.

3 MS. PALMER: The only thing would be your
4 exhibits. I would let you know which of them that I do
5 not have an objection to, that I would stipulate to.

6 MR. CAMPBELL: Okay. And then does the
7 stipulation that we talked about yesterday, do you want
8 to put that on the record now, preliminarily?

9 MS. PALMER: Yeah, we can do that as well.

10 MR. CAMPBELL: I'd prefer to have Ms. Irizarry,
11 then, leave the room.

12 MS. PALMER: Okay.

13 (Ms. Irizarry left the room in Las Vegas.)

14 BOARD CHAIRMAN ZANE: Okay. Let's see.

15 Mr. Nadeau has a disclosure he'd like to make.

16 BOARD MEMBER NADEAU: Thank you, Mr. Chairman.

17 Mr. Chair, NRS Chapter 281A requires me to make
18 a disclosure. In March of 2016, I spoke to Mr. Hendi at
19 a social function of an organization in which he and I
20 are members. During this conversation, Mr. Hendi
21 mentioned the pending matter, but there was not any
22 in-depth discussion of the matter.

23 I again ran into him at a similar social event
24 in December of this year. Though we engaged in brief
25 conversation at the event, no such conversation occurred

1 at the December event.

2 I do not think that these encounters preclude
3 me from deciding this matter in an unbiased manner, and
4 will not abstain from voting on the matter.

5 Thank you, Mr. Chair.

6 BOARD CHAIRMAN ZANE: Thank you, Mr. Nadeau.

7 Okay. We have a preliminary matter regarding
8 process?

9 MS. PALMER: Okay. This is Raelene Palmer. I
10 would just like to say that I've provided each of the
11 four Board members up here with our exhibits 1 through
12 15 and then 18 through 20 that were previously admitted,
13 as well as respondents' Exhibit A. That's what they
14 have in front of them. They do not have Exhibit Number
15 16, 17 or the new exhibit, which is number 21.

16 And then, in addition, I've been provided a new
17 exhibit list by respondent's counsel. We do not have
18 any objections to G, item number G as in George. And
19 then items number K through N, K as in kitten, N as in
20 Nancy.

21 Also, although I have no objection to items H
22 through J, they are a duplicate of an exhibit that's
23 already been admitted by the petitioner. And that is
24 Exhibit 15, numbered 117 through 121. So, I think, for
25 clarity of the record, we should just utilize the

1 Exhibit 15 that's already been admitted, so that the
2 items don't appear to be cumulative or repetitive. I've
3 confirmed that they are exact duplicates.

4 BOARD CHAIRMAN ZANE: Mr. Campbell, anything?

5 MR. CAMPBELL: I had talked with counsel about
6 a stipulation to kind of expedite some of the exhibits.
7 And the stipulation would be in -- with other counsel's
8 comment, but that Sarah Haslip, one of the named people
9 in this notice of violation, what we'd like to stipulate
10 is that she sent approximately 110 emails between
11 November, or excuse me, April 18th, 2015 to March 30th,
12 2016 to the PILB staff.

13 MS. PALMER: What were the dates again,
14 counsel?

15 MR. CAMPBELL: It was November 18th of 2015,
16 excuse me, April 18th of 2015 to March 30th of 2016.

17 MS. PALMER: And what was the number?

18 MR. CAMPBELL: Approximately 110.

19 MS. PALMER: So I will agree that there were
20 numerous communications, numbering over a hundred. I
21 think, they actually extended beyond March 30th. We
22 have several of them as exhibits. Most of them were
23 just submissions of individuals, here's their work card.
24 I'm sorry, not their work card. Here's their -- I can
25 get an example so that I'm not...

1 They were "Please find attached" and then their
2 documents of the driver's license, the Social Security
3 card of the applicant.

4 BOARD CHAIRMAN ZANE: So is there a clarity on
5 what's stipulated to?

6 MR. CAMPBELL: Raelene, did you want me to, do
7 you want to change that to over a hundred or -- and
8 extend the date range out?

9 MS. PALMER: Yeah, that's, that's fine.

10 MR. CAMPBELL: All right. Why don't I give it
11 another shot.

12 The stipulation would be that Sarah Haslip sent
13 over 100 emails to the PILB staff, starting on or about
14 April 18th of 2015 and then extending on probably
15 through, through July of 2016. I think, that covers all
16 of the different emails you have.

17 MS. PALMER: And then the nature of the
18 communications, primarily?

19 MR. CAMPBELL: And that those emails, yeah,
20 that those emails dealt with Ms. Haslip providing
21 information to the PILB staff, things such as driver's
22 license numbers, identification, things that related to
23 a person filing to get their registration statement from
24 the PILB.

25 MS. PALMER: And, counsel, am I correct in

1 presuming that Ms. Haslip is not going to be testifying
2 today?

3 MR. CAMPBELL: She is not going to be.

4 MS. PALMER: Are you going to stipulate to our
5 Exhibit 21?

6 MR. CAMPBELL: The answer to the complaint?

7 MS. PALMER: No. The answer to the complaint
8 is your exhibit. Our proposed Exhibit 21, which is
9 Bates number PILB 171 through 183. These were the
10 documents previously provided by you, as I read your
11 proposed exhibit, 49. They were the ones that we spoke
12 on the phone the day before yesterday.

13 MR. CAMPBELL: Okay. And those were the --
14 give me that, that date of the email again.

15 MS. PALMER: There are multiple emails. One of
16 them begins on July 21st, 2015, and those are pages 171
17 through 173. Then July 30th of 2015, that begins on
18 page 174 and extends through 178. And then October the
19 8th, 2015, and that is page number 179 through 181. And
20 then an attachment, 182. And then another on October
21 21st, 2015, and that's page 183.

22 MR. CAMPBELL: Yes, I would stipulate to those.

23 MS. PALMER: Can we pass that out to the Board
24 now, then?

25 MS. BRADLEY: Well, before we do that, I think,

1 based on the stipulation, then, Mr. Chair, you should
2 admit Exhibit 21.

3 And then it's my understanding, for the
4 respondent's exhibits, there's an agreement on G, K
5 through N.

6 And then I'm not sure how we want to handle H
7 through J. The state doesn't have an objection, but
8 they're concerned they're duplicates of other exhibits.

9 MR. CAMPBELL: Yeah, I'll just refer to
10 Exhibit 15 as it is a duplicate.

11 MS. BRADLEY: Okay. So then we would need to,
12 by agreement, admit 21, G, K through N, and then the
13 statement Sarah Haslip sent over 100 emails to the PILB
14 from April 18, 2015 to July 2016 concerning information
15 regarding registration applicants, like driver's license
16 numbers and other information.

17 Is that correct?

18 MR. CAMPBELL: That's correct.

19 MS. PALMER: Correct.

20 MS. BRADLEY: So, Mr. Chair, if you would, if
21 you would admit those things, then, I think, we can pass
22 the exhibits out.

23 BOARD CHAIRMAN ZANE: Okay. They'll be
24 admitted.

25 ///

1 (Exhibits 21, G, K through N, and the statement
2 above regarding Sarah Haslip sent over 100 emails to the
3 PILB, were admitted.)

4 MS. PALMER: And I would just like to clarify
5 that they were primarily communications of that nature,
6 and those dates are approximate dates.

7 MS. BRADLEY: Okay.

8 MR. CAMPBELL: I have no problem with that.

9 MS. BRADLEY: Okay. Is that okay,
10 Mr. President?

11 BOARD CHAIRMAN ZANE: Yes, ma'am.

12 MS. BRADLEY: Thank you.

13 BOARD CHAIRMAN ZANE: Okay. I believe that we
14 would be -- where we left off was Mr. Campbell, I
15 believe, was questioning Ms. Irizarry.

16 MS. PALMER: Yes. But should we now pass out
17 those exhibits?

18 MS. BRADLEY: Yeah, we were, because he said
19 they were admitted. so.

20 (Exhibits were being passed out.)

21 MS. BRADLEY: Oh, but H, I thought we were
22 withdrawing it.

23 MR. CAMPBELL: I'm sorry. G.

24 MS. BRADLEY: Yeah.

25 MR. CAMPBELL: I've got them marked. Okay.

1 I'm sorry. Here's G.

2 MS. BRADLEY: G. Okay.

3 MR. CAMPBELL: And it was K through N?

4 MS. BRADLEY: K through N, yeah.

5 (Exhibits were being passed out.)

6 MS. BRADLEY: I don't know if we got N. I
7 don't see it, unless --

8 MR. HENDI: Yes.

9 MS. BRADLEY: Oh. I don't see it, unless -- I
10 have this, an M, like Mary. I'm sorry. I don't know.

11 Do you see an N somewhere? Is it maybe part of
12 this one? Because there's several things in this one.

13 MR. CAMPBELL: N, here we go. N, you're
14 missing?

15 MS. BRADLEY: Yeah.

16 MR. CAMPBELL: Sorry about that.

17 MR. INGRAM: Sarah, where's that speaker
18 located? Because when Mr. Campbell's speaking, it is
19 kind of difficult to hear.

20 MS. BRADLEY: It looks like it's on the
21 ceiling.

22 MR. INGRAM: Oh, okay.

23 MS. BRADLEY: So maybe, Mr. Campbell, if you
24 look up. I don't know.

25 MR. CAMPBELL: I'll try to speak loud. Is that

1 better?

2 MR. INGRAM: That's better, yes, sir. Thank
3 you.

4 MS. BRADLEY: Okay.

5 MR. CAMPBELL: Okay. I don't think, it doesn't
6 have, quite have enough cord to bring it down to the
7 table.

8 MS. BRADLEY: Yeah. All right. So we have,
9 members of the -- I was just going to say, we have those
10 exhibits now. We have G like George, and then K through
11 N like Nancy.

12 MS. PALMER: As well as Exhibit A, which was
13 previously provided. And what I was going to say, the
14 Board members may want to take Exhibit A and put it in
15 their book, if it is, in fact, hole-punched, so that
16 it -- they can keep it separate, their exhibits numbers,
17 from petitioner's exhibits.

18 MS. BRADLEY: I don't have A in my book, that I
19 can tell.

20 MR. CAMPBELL: I have A. I have extra A's.

21 MS. BRADLEY: Okay. He's going to give us A's.
22 And I don't think these are hole-punched, so I don't
23 think we can. But we can stick them in a little pocket.

24 MR. CAMPBELL: Are we ready to proceed with
25 Ms. Irizarry?

1 BOARD CHAIRMAN ZANE: All right. Will you get
2 her, please.

3 (Ms. Irizarry came into the Las Vegas room.)

4 BOARD MEMBER NADEAU: Because of the confusion
5 from the meeting from our -- because of the confusion as
6 far as our last meeting, I want to make sure that
7 Mr. Campbell and Mr. Hendi were aware that I am not
8 going to be here tomorrow morning due to a conflict. We
9 originally thought, I originally thought that these
10 hearings were going to be on the 1st and 2nd. And so,
11 therefore, I have conflicting schedules here in
12 Las Vegas for tomorrow. So I will not be here in the
13 morning, if there is -- if this goes into tomorrow.

14 Could you hear that, Mr. Campbell, Mr. Hendi?

15 MR. CAMPBELL: Yes, I did.

16 MR. HENDI: Yes.

17 BOARD MEMBER NADEAU: All right. I didn't want
18 there to be any confusion.

19 BOARD CHAIRMAN ZANE: Okay. Mr. Campbell,
20 Ms. Irizarry is present.

21

22 L O R I I R I Z A R R Y,

23 having been duly sworn/affirmed,

24 was examined and testified as follows:

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CROSS-EXAMINATION RESUMED

BY MR. CAMPBELL:

Q. Good morning, Ms. Irizarry.

A. Good morning.

Q. When we left off last September, we had a little confusion with, or technical difficulty with the audio feed. So I'm going to go back just a little bit to make sure we're clear. Do you have Exhibit Number 3 in front of you?

A. Yes.

Q. Okay. And for the record, that was an email string between you and Ms. Hegdahl, right?

A. Yes.

Q. Okay. And you initially asked Ms. Hegdahl about Mr. Magri and Ms. Haslip. And on, I believe it was Ms. Hegdahl's response, at tab, at Bates stamp number 13 on this exhibit, she tells you "We do have them identify their email signatures under ESI to alleviate any confusion with potential candidates. Even though that is what we prefer to continue doing due to the competitive market, we can revise the logo to Events Services or have them obtain their PILB if that is something you would prefer." Do you see that?

A. Yes.

Q. Did you ever --

1 MS. PALMER: What page are you referring to,
2 counsel, is it 13?

3 MR. CAMPBELL: Page 13.

4 BY MR. CAMPBELL:

5 Q. Did you ever respond to Ms. Hegdahl regarding
6 this request to either have them change the email
7 address or to have them register with the PILB?

8 A. I responded to her, asking for additional
9 information.

10 Q. That would be your next, May 10th, email
11 response on page 12?

12 A. Correct.

13 Q. And that was your only response regarding
14 Ms. Haslip's request, I mean, excuse me, Ms. Hegdahl's
15 request for clarification on what they should do as far
16 as either registering these two personnel and/or
17 changing their email address?

18 A. Yes, I let her know I need to discuss it with
19 the director.

20 Q. So it would be fair to say you never told
21 Ms. Hegdahl, one way or another, or followed up on her
22 recommendation to either register these two people or
23 have them change the email address?

24 A. One moment. I'm looking at my last email I
25 sent to her and see what it said.

1 Correct, I did not.

2 Q. And then, approximately six weeks later, if you
3 look at page 10 of this exhibit, Ms. Hegdahl, on June
4 24th, replies to, or reaches out to you and says "I
5 haven't heard anything back regarding this inquiry so I
6 wanted to follow up. I want to ensure my department is
7 100 percent compliant. And if there's any action we
8 need to take, please let me know. If not, please let me
9 know as well."

10 Your response was "I apologize for the delay"
11 and, basically, you've reached a conclusion and you're
12 going to issue a notice of violation, right?

13 A. Correct.

14 Q. Now, are you familiar with the -- I think, it
15 was the April 24th meeting that the -- Mr. Ingram
16 attended at ESI Security?

17 A. I believe, it was the 26th. But, yes.

18 Q. 26th. Okay. And, in fact, I think, your
19 previous testimony was you actually prepared the Power
20 Point for that presentation, for Mr. Ingram's
21 presentation to the ESI Security staff?

22 A. A portion of it, correct.

23 Q. And did Mr. Ingram talk to you about what
24 transpired in that meeting?

25 A. When he got back, yes.

1 Q. And what were those, what did he tell you about
2 that meeting?

3 A. That he prepared the presentation. Well, that
4 Mr. Hendi gave a presentation initially.

5 I'm sorry. I got an echo.

6 He prepared, Mr. Hendi prepared a presentation
7 initially. And the director and one of our
8 investigators up north, Jason Woodruff, was given a
9 walk-through of the facility. And that we'd also, or
10 Kevin presented a presentation as well as Hendi.

11 Q. Did Mr. Ingram talk to you about this issue
12 from this notice of violation, Exhibit 1 in this case,
13 about Ms. Haslip and Mr. Magri sending these emails to
14 the PILB staff?

15 A. I'm sorry. Can you repeat that?

16 Q. Yeah. Did Mr. Ingram talk -- when he recounted
17 that meeting to you, did he tell you anything about any
18 discussions regarding Ms. Haslip and Ms. Magri sending
19 emails to the PILB staff?

20 A. No, Mr. Ingram did not mention that to me, and
21 this was not brought to our attention until after the
22 meeting in May.

23 Q. But do you know that for approximately a year
24 prior to this meeting, Ms. Haslip had been sending
25 emails to the PILB staff with the Events Services, with

1 the ESI Security email tagline on the email?

2 A. No, I wasn't familiar with her signature. I
3 know that I have spoken, or I had an email from
4 Ms. Haslip in the past, though, yes.

5 Q. Okay. So it was the knowledge of the PILB's
6 staff that, in fact, Ms. Haslip had been doing this, had
7 been sending these emails to the PILB for approximately
8 a year prior to this meeting?

9 A. Well, I know that we get emails frequently, if
10 not daily, from Mr. Hendi's company to our general
11 inbox, yes.

12 Q. Okay. And have you ever reviewed those emails?

13 A. Possibly, when I issued the previous violations
14 in '14 and '15. But I do not review that inbox daily,
15 no.

16 Q. Okay. Would you agree with me that all of
17 those emails had the -- that you reviewed or that were
18 sent to the PILB from Ms. Haslip had, in fact, the ESI
19 Security signature line or tagline on the email?

20 A. To have me recall every email she sent me, I'm
21 not sure. But I would say, for the most part, yes.

22 Q. Okay.

23 A. They look like the emails I had seen.

24 Q. Can you look at Exhibit Number 20 in your book?

25 A. Okay.

1 Q. And if you go to page 166, and it's paragraph
2 number 16.

3 A. Okay.

4 Q. I think, your previous testimony last September
5 was you knew there was some kind of an agreement, or a
6 stay, I think you'd called it, where that Mr. Ingram
7 would meet with ESI Security to kind of make sure that
8 everybody was on the same page as far as the policies
9 and procedures of the ESI staff and how they were
10 comporting with the PILB regulation. Is that correct?

11 A. Yes.

12 Q. Do you know, in light of this, in light of this
13 agreement and the stipulation, that this meeting was to
14 probably, was to make sure everybody was on board, why
15 you or Mr. Ingram -- let me just -- why you never told
16 Ms. Haslip or never responded to Ms. Haslip about her
17 inquiry about whether Mr. Magri and Ms. Haslip needed to
18 register or change their email address?

19 MS. PALMER: Objection. I don't believe that's
20 what the email says. I don't believe the email is a
21 communication of Ms. Haslip at all.

22 MR. CAMPBELL: Hegdahl. I'm sorry. Sorry,
23 counsel.

24 BY MR. CAMPBELL:

25 Q. The communication with Ms. Hegdahl?

1 A. I apologize. Can you repeat that?

2 Q. Yeah, the question was, do you know, in light
3 of the stipulation that I just read, Exhibit 20, in
4 paragraph 16, why you never responded to Ms. Hegdahl's
5 request for clarification on what she should do, as far
6 as Ms. Haslip and Mr. Magri, as to their using an ESI
7 Security email address or registering with the Board?

8 A. Because it was a new situation, and I had
9 expressed to her I needed to discuss it with the
10 director before I'd given her a response.

11 Q. Okay. And so that's why you waited six weeks
12 and didn't respond at all?

13 A. Well, I explained why I waited the six weeks.
14 But that is why I didn't respond initially.

15 Q. And your testimony is it's a new situation, in
16 that "new" meaning what?

17 A. Meaning the situation that we had had with ESI
18 in the past was individuals working without work cards,
19 this is something new, where it's similar but not
20 exactly the same, because it's email signatures. So I
21 didn't want to give an answer to her right away, before
22 talking to the director. And the reason for the six
23 weeks was because I was on medical leave at the time.

24 Q. Well, it's not new. Didn't you just agree with
25 me that Ms. Haslip had been, in fact, sending these

1 emails to the PILB staff for over a year?

2 A. Yes, but I had never looked into the fact,
3 there was no reason for me to look in to see if
4 Ms. Haslip had a work card or not, not until I had
5 received email from another investigator telling me that
6 she didn't have a work card at that time. So it was new
7 to me, those facts.

8 Q. Do you occasionally view the roster, for the
9 PILB, for people that have work cards, for Events
10 Services, I mean for ESI Security?

11 A. I'm sorry. Have I viewed their roster? Yes.

12 Q. Yes.

13 A. Yes.

14 MR. CAMPBELL: At this time, I'd like to mark
15 Exhibit Number F.

16 MS. PALMER: I'm going to object on relevance.

17 MR. CAMPBELL: Foundation. This is an email,
18 in fact, from the Attorney General's Office, looks like
19 Erlen Lima, to Ms. Irizarry on 12-4 of 2015, which has a
20 roster of ESI employees. So it goes directly to the
21 heart of the matter as to what, who knew what when about
22 these emails and whether Ms. Haslip was, in fact,
23 registered.

24 MS. PALMER: Okay. I'll withdraw the
25 objection.

1 MS. BRADLEY: Okay. So the objection is
2 withdrawn, so that, I think, Mr. President, then you
3 can, you can actually admit the exhibit, then.

4 BOARD CHAIRMAN ZANE: It'll be admitted.

5 (Exhibit F was admitted.)

6 BOARD CHAIRMAN ZANE: Do we have a copy here?

7 BY MR. CAMPBELL:

8 Q. Ms. Irizarry, do you have that exhibit in front
9 of you?

10 A. Yes.

11 Q. And this was an email sent to you, correct?

12 A. The Board doesn't have the exhibits here. I'm
13 sorry.

14 MR. CAMPBELL: Oh, I'm sorry.

15 (Exhibits were passed out in Las Vegas).

16 THE WITNESS: Okay. You can go ahead.

17 BY MR. CAMPBELL:

18 Q. Ms. Irizarry, do you have that exhibit in front
19 of you, Exhibit Number F?

20 A. Yes.

21 Q. And, I think, the question on the table was,
22 again, this was an email sent to you?

23 A. Yes. I had originally given it to Erlen, and
24 she's emailing it back to me.

25 Q. Okay. And do you see Ms. Haslip's name

1 anywhere on this document, on this roster?

2 A. Well, she would not be able to be listed on the
3 roster if she didn't have a work card, so that she
4 wouldn't be on here.

5 Q. So as of December of 2015, Ms. Haslip was --
6 did not have a work card with the PILB?

7 A. Correct.

8 Q. Could you go back to Exhibit Number 20, which
9 is the stipulation.

10 A. Okay.

11 Q. Page 13 again, or excuse me, page 166, 13 on
12 the stipulation.

13 A. Okay.

14 Q. And it's at paragraph 14. "The parties agree
15 that counsel for each will make reasonable efforts to
16 communicate to the extent necessary to obtain
17 clarification or opinion on any matter within the scope
18 of this agreement"; do you see that?

19 A. Yes.

20 Q. Did you ever reach out to counsel, and I don't
21 want you to disclose any information in any
22 conversation, but did you ever reach out to counsel and
23 say, "What do I do with Haslip and Magri"?

24 A. Yes, after Amanda and I emailed in May, yes, I
25 did reach out to counsel.

1 Q. And did the PILB counsel ever contact ESI
2 Security's counsel, to your knowledge, to resolve this
3 issue as to what to do with Haslip and Magri?

4 A. I don't believe so.

5 MS. PALMER: Objection. She would have no way
6 of knowing.

7 MR. CAMPBELL: Well, she either knows or she
8 doesn't.

9 MS. PALMER: Then, okay, does she know?

10 MR. CAMPBELL: Okay.

11 BY MR. CAMPBELL:

12 Q. That was the --

13 A. No.

14 Q. Okay. So in light of the -- you not responding
15 to Ms. Hegdahl for over six weeks regarding her request
16 on what should she do with these clients, and, to your
17 knowledge, Board counsel, or I mean staff counsel never
18 contacting ESI Security's counsel, do you think this
19 would be an example of the staff bending over backwards
20 to help ESI Security?

21 MS. PALMER: I'm going to object because it
22 calls for a legal opinion about what this means.

23 MR. CAMPBELL: I don't think it calls for a
24 legal opinion. I'm just asking about whether she
25 thought that was an example of the staff bending over

1 backwards to help ESI staff.

2 MS. PALMER: It also misstates the paragraph.
3 There's nothing in there that says staff has to bend
4 over backwards. It says counselors should communicate.

5 MR. CAMPBELL: Well, counsel, I think, this was
6 your statement in the opening argument in the last
7 hearing, that staff had bended over backwards to help
8 ESI. So I'm just wondering whether this is an example
9 of how staff bends over backward to help ESI.

10 MS. BRADLEY: So --

11 MS. PALMER: Would you like to refer to the
12 particular page in the record that you're talking about,
13 so that we can get a context for the state?

14 MR. CAMPBELL: I don't have. I just want to
15 know whether she thinks this is bending over backwards.
16 It's not a legal conclusion.

17 MS. BRADLEY: So, Mr. Chair, there's been a
18 question asked, and then there's been an objection. So
19 you have to rule on whether or not the question is
20 proper. And he's asking her, essentially, for her
21 opinion on what this context, conduct would be described
22 as by staff. So it's whether or not you think it's
23 appropriate for her to answer.

24 I think, she can give her opinion, if she has
25 one, as to whether she would characterize, how she would

1 characterize what staff did.

2 MS. PALMER: But, counsel, I'm going to object
3 just on the basis that that's not what this paragraph
4 says. You're trying to construe language that has
5 nothing to do with the question that you're asking. If
6 you want to ask that question independent of this
7 clause, I have no objection to that. But trying to tie
8 your question to this clause, there is absolutely no
9 basis for that.

10 MR. CAMPBELL: Well, maybe there's some
11 confusion. I wasn't asking particularly whether it's
12 paragraph 14 or 16. I was just asking -- I'll rephrase
13 it.

14 BY MR. CAMPBELL:

15 Q. Do you think that waiting approximately six
16 weeks and not replying to Ms. Hegdahl's request as to
17 what to do, these two ESI, or these two Events
18 Securities employees, is an example of staff bending
19 over backwards to help ESI Security?

20 MS. PALMER: And I'm going to object again,
21 given that she said she was out on medical leave, so the
22 delay in time. Asked and answered.

23 BY MR. CAMPBELL:

24 Q. Well, let me follow up on this. Are you the
25 only person at the ESI, or at the PILB that was looking

1 into this matter?

2 A. At this time, it was myself and the director.
3 I was the assigned investigator, yes.

4 Q. Okay. To your knowledge, did the director ever
5 reach out to ESI Security in this six-week time period?

6 MS. PALMER: Objection. How would she know?
7 You can ask the director when he's being examined.

8 MR. CAMPBELL: If she knows or she doesn't,
9 counsel.

10 MS. BRADLEY: Yeah, his question was phrased
11 "to your knowledge, did he." I mean, I think, she can
12 answer if she has knowledge. She may not have
13 knowledge, and then she would say, "No, I don't have
14 knowledge." If she has knowledge, I think she can
15 answer.

16 THE WITNESS: So I'm sorry. What was that
17 question? I apologize.

18 MS. BRADLEY: I think, the question was, to
19 your knowledge, did the director, Mr. Ingram, reach out
20 to ESI?

21 MR. CAMPBELL: (Nodded head affirmatively.)

22 MS. BRADLEY: Okay. That was the question.

23 THE WITNESS: Regarding this particular, in
24 regards to this particular email, to my knowledge, he
25 did not reach out to the director, no.

1 BY MR. CAMPBELL:

2 Q. Okay. So to your knowledge, no one at the PILB
3 ever followed up on Ms. Hegdahl's request for
4 clarification?

5 A. Not until my email response back to her,
6 correct.

7 Q. But, again, that response was not a specific
8 reply to the request for clarification, it was that we
9 are going to issue a notice of violation, right?

10 A. Correct.

11 Q. So do you think not answering Ms. Hegdahl's
12 request is an example of the PILB staff bending over
13 backwards to help ESI Security?

14 MS. PALMER: Asked and answered.

15 MR. CAMPBELL: I don't think she has answered.

16 MS. BRADLEY: I don't think she answered that
17 question, I mean that I recall. We've talked about the
18 time frame. I mean maybe the record reflects something
19 else. But I don't think that specific question about
20 whether she would characterize, or, you know, her answer
21 to bending over backwards has been answered.

22 BOARD CHAIRMAN ZANE: I'll allow the question.

23 THE WITNESS: So I wouldn't use the words
24 bending over backwards, but by me not issuing a
25 violation right off the bat and getting an opinion

1 first, I believe, was being, I mean, I guess, being
2 fair.

3 BY MR. CAMPBELL:

4 Q. Did you ever consider Ms. Hegdahl's request to
5 either do one of those two things?

6 A. Consideration, yes. That's why I needed to
7 discuss it with someone else to see if that was
8 something that we could consider.

9 Q. Did you have discussion with Mr. Ingram about
10 that, whether you could consider that issue?

11 A. Yes, we discussed it with legal counsel.

12 Q. So the three of you were in the room, it wasn't
13 just you and Mr. Ingram?

14 A. Well, myself, Mr. Ingram, and then before we
15 made a decision as well, because we weren't -- we're not
16 lawyers, we wanted to go ahead and ask legal counsel
17 after that, so we called her and put her on speaker
18 phone at that time.

19 Q. Okay. Before you called legal counsel, tell me
20 about your discussion with Mr. Ingram.

21 A. I just gave him the facts, this is what I have
22 noticed. I'm sorry. This is what I was noticing. This
23 was Amanda's response. And how should I move forward.

24 Q. Did you discuss any of those two options and
25 whether that was a viable option for ESI Security to do?

1 A. Yes. Well, her response would have been me
2 discussing this is what they had recommended, but.

3 Q. Okay. But did you and Mr. Ingram say, "Should
4 we let them change the email address, or should we have
5 them register?"

6 A. Correct, we had a discussion amongst ourselves.
7 We were kind of dreading it. It was something new. We
8 hadn't had a licensee in the past, well, as long as I
9 had been there, a little over three years, where this
10 has come up. So we had discussed it as an option, is
11 that something, that just by changing her email
12 signature, does that change the facts? So we had
13 discussed that.

14 Q. And what was your conclusion?

15 A. That we needed to call legal counsel. And
16 then, obviously, I issued a violation.

17 Q. Okay. So your discussion ended up in no
18 response and, in fact, just issuing a notice of
19 violation?

20 A. No. My -- our discussion ended up being
21 calling legal counsel and the three of us discussing it.

22 Q. Did you ever ask legal counsel to reach out to
23 ESI Security's counsel?

24 A. I -- it's not my position to tell legal counsel
25 what to do. So, no.

1 Q. Let's move to Exhibit Number 1, the notice of
2 violation.

3 BOARD CHAIRMAN ZANE: Mr. Campbell, can I
4 interject something --

5 MR. CAMPBELL: Sure.

6 BOARD CHAIRMAN ZANE: -- without breaking your
7 chain there?

8 MR. CAMPBELL: Go ahead.

9 BOARD CHAIRMAN ZANE: I'd like to, for the
10 record, issue a protective order over the contents of
11 Exhibit F, because it contains personal information for
12 a number of other people that doesn't need to be
13 disclosed publicly, without an appropriate order from
14 some other court or some other entity.

15 MS. BRADLEY: Yeah.

16 MR. CAMPBELL: Okay.

17 MS. BRADLEY: It would, it would be redacted if
18 anybody asked for it. And I think that's wise to remind
19 everybody who has a copy of Exhibit F that once the
20 hearing is over, it should be shredded and not just
21 thrown away. So perhaps give it back to Mr. Campbell or
22 Board staff so that can occur.

23 MR. CAMPBELL: Thank you, Mr. Chair.

24 BOARD CHAIRMAN ZANE: Thank you.

25 ///

1 BY MR. CAMPBELL:

2 Q. Do you have Exhibit 1 in front of you,
3 Ms. Irizarry?

4 A. Yes.

5 Q. Now, Exhibit 1 is a notice of violation dated
6 6-29-2016, right?

7 A. Correct.

8 Q. And this was a notice you issued after your
9 email exchange with Ms. Hegdahl?

10 A. Correct.

11 Q. Okay. And that's your signature on the bottom
12 there?

13 A. Yes.

14 Q. And it looks like under the first box, number
15 two, it says "A violation is being issued for the below
16 individuals because they were found to not be properly
17 registered with the PILB but have been recruiting for
18 ESI Security Services." And then it says, for -- let's
19 just use Ms. Haslip, "Was hired on 4-6-2015 as a senior
20 recruiter for both ESI Security and Events Services
21 without a PILB work card." Right?

22 A. Yes.

23 Q. Okay. So if you go to the second page of that
24 exhibit, it's the NRS 648.060?

25 A. Yes.

1 Q. Is number two under 060 the provision that
2 you're claiming that ESI Security violated?

3 A. Yes.

4 Q. So it's your, it was your conclusion that
5 Ms. Haslip and Mr. Magri were, in fact, employed by ESI
6 Security Services?

7 A. There is two provisions I used, but that's one
8 of them, yes.

9 Q. Okay. Well, let's go to the next one. We'll
10 go to the next one in a minute, but. So that was one of
11 your provisions. You assumed or made the conclusion
12 that they were actually employed by ESI Security?

13 A. Yes.

14 Q. Now, Ms. Hegdahl had told you that they were
15 not employed, they were employed by Events Services.
16 Did you ever follow up and ask for any employment
17 records from Ms. Hegdahl as to confirm who, in fact,
18 they were employed by?

19 A. For the reason for the violation, who
20 physically pays them a paycheck is not relevant to me on
21 how they're -- or who they work for. So I would not
22 initially require the payroll records, because it's not
23 required, not part of our investigation.

24 Q. Well, the provision says no person may be
25 employed by a licensee. It doesn't say doing work for,

1 right?

2 A. Correct. And it also doesn't say who pays
3 them, either. So that's why we don't use the intent
4 that we use there.

5 Q. Yeah, that's your interpretation, that's your
6 legal interpretation of the statute, other than what it
7 says?

8 MS. PALMER: I'm going to object. And that's
9 exactly the problem. That requires a legal
10 interpretation as to what employed means. And so you're
11 asking her to make a conclusion about whether or not
12 they're employed.

13 MR. CAMPBELL: Well, she already made --

14 MS. PALMER: She answered your question as to
15 the relevance of the payroll records.

16 MR. CAMPBELL: She's already made the
17 conclusion by writing the notice of violation. And then
18 I asked her which statute she was using, and she said
19 one, one of the provisions was number two, that no
20 person may be employed by a licensee.

21 She's now saying employment doesn't mean who
22 actually writes their paycheck, it's some other nebulous
23 connection. And I'm just inquiring as to that
24 connection, what does she mean by doesn't matter who
25 they're employed by or doesn't matter who they get their

1 paycheck from.

2 MS. PALMER: She also testified that she
3 consulted legal counsel before writing her notice of
4 violation.

5 MR. CAMPBELL: There's an objection.

6 MS. BRADLEY: Yeah. So, Mr. Chair, there's
7 been an objection to the question. And the question --
8 What was your question, again? I'm sorry.

9 MR. CAMPBELL: I forget.

10 MS. BRADLEY: Okay. Well, I think, you were
11 asking --

12 BOARD CHAIRMAN ZANE: So I'm going to disallow
13 the question as it calls for a legal conclusion.

14 MR. CAMPBELL: Okay. I'll move on, then.

15 BY MR. CAMPBELL:

16 Q. What was your other provision, what was your
17 other provision that you were writing this notice of
18 violation on, Ms. Irizarry, under NRS 648.060?

19 A. I don't know the exact number. It says all
20 employees of a licensee.

21 Q. Let me help you. Is it number one under 060,
22 number 1(a)?

23 A. No. It says something like all employees,
24 including clerical, that violation, that NRS or NAC, but
25 I don't know the number.

1 Q. Well, if you've got a statute that says
2 clerical people have to be licensed, I'd like to know
3 that quote.

4 MS. BRADLEY: I think, it's the -- I might be
5 incorrect, but it looks like on page three there,
6 there's another statute listed. That's NRS 648.140.
7 And, I mean, I think, is that, essentially, excepts
8 clerical personnel there.

9 MR. CAMPBELL: Yeah.

10 MS. BRADLEY: I don't know if that's what she
11 was referring to.

12 THE WITNESS: No. One moment. I have it on my
13 desktop at work, but I don't know it off the top of my
14 head.

15 I'm pretty certain it's in the Power Point.

16 MS. PALMER: Counsel, would you like me to give
17 her a copy of Chapter 648 so that she can find it?

18 MR. CAMPBELL: Well, she's attached certain
19 provisions of it in this exhibit. If she thinks there's
20 a provision in there that expands 648.060(2), I'd like
21 to know what she was relying on.

22 MS. PALMER: And I'm asking you if you'd like
23 me to hand her a copy of the statute so that she can
24 find that provision for you.

25 MR. CAMPBELL: Sure. Because I'm just

1 referring to what she attached to the notice to ESI
2 Security as to her basis for the violation. She
3 attached two, two pages of the statutory provision. So
4 if it's something beyond that, I'd like to know that.

5 THE WITNESS: Okay. So I know of one NAC for
6 sure. But, I think, there's another one. Give me one
7 second.

8 Okay. The one that I was referring to would be
9 NAC 648.334.

10 BY MR. CAMPBELL:

11 Q. So just to be clear, your testimony is your
12 notice of violation is also based on NAC 648.334?

13 A. I'm sorry. Say that one more time. I
14 apologize.

15 Q. I just want to make sure that your notice of
16 violation was not -- was based, in addition, on NAC
17 684.334?

18 A. Well, yes, that is why. It doesn't mention
19 specifically, but it says any provisions of this
20 chapter.

21 Q. Okay. And doesn't 664, again, say that the --
22 relates to people that are employed by a licensee?

23 A. I'm sorry. What number?

24 Q. Doesn't NAC --

25 A. What was that, again?

1 Q. -- 648.334, the provision you just replied to,
2 doesn't that mean, doesn't that say that it applies to
3 people that are employed by a licensee?

4 A. Employed by a licensee on a temporary basis, or
5 perform clerical or administrative services as an
6 employee of a licensee.

7 Q. So it all relates to being an employee of a
8 licensee?

9 MS. PALMER: Counsel, I have to pose an
10 interjection, an objection just because I don't think we
11 have the right NAC cited. What she cited, I think, is
12 different from what you cited.

13 MR. CAMPBELL: Well, I thought she gave me
14 the -- 648.334 was the one she cited, I thought.

15 MS. PALMER: That's correct. But, I think, you
16 said something different.

17 MR. CAMPBELL: No, I just said doesn't six --
18 334 refer to employee.

19 MS. PALMER: Okay. Just so we're clear, I just
20 wanted to be certain that we were all referring to the
21 same NAC.

22 BY MR. CAMPBELL:

23 Q. Okay. Ms. Irizarry, are you alleging that
24 Ms. Haslip or Mr. Magri were doing work, that
25 specifically that work would be classified as a private

1 patrol officer duties under the Nevada Revised Statutes?

2 A. No, absolutely not, I never said they were
3 doing private patrol services.

4 Q. Okay. So they weren't doing any, any work that
5 would be classified as private patrol officer security
6 work?

7 A. Were their duties as a private patrolman? No.
8 That's not what I was told, no.

9 Q. So your basis, your basis of your notice of
10 violation is just that you believe them to be employees
11 of ESI Security regardless of who they got their
12 paycheck from?

13 A. Correct, regardless of who they got their
14 paycheck from, their duties that they were performing,
15 correct.

16 Q. Let me ask you this. If a janitor employed by
17 Events Services cleaned the offices of ESI Security,
18 would they have to be registered?

19 A. Kind of a generic example, but if a janitor was
20 employed by ESI Security Services --

21 Q. No, by --

22 A. -- and they were a janitor, yes, they would
23 need to have a work card.

24 Q. No. The question was if they were employed by
25 Events Services, and they cleaned ESI Security's

1 offices, would they have to have a work card?

2 A. In kind of a little bit more context, if they
3 were just cleaning, possibly not.

4 Q. Why do you say "just cleaning, possibly not"?

5 A. Because even -- because we consider certain
6 individuals, if you're doing accounting for a company,
7 or you're a third party, you may not require a work
8 card. But if you're under the care, custody and control
9 of a licensee, that may require you to have a work card,
10 yes. It would be we, essentially, use the IRS standard
11 of who, who has care, custody and control of them at the
12 time that they're working. Just because they put on a
13 different T-shirt doesn't mean they're not working for
14 that person.

15 Q. Did you delve down into who had the control,
16 custody and -- of these two employees, who told them
17 what to do, who they reported to, any of those things
18 that you said the IRS would require as far as
19 classification of an employee?

20 MS. PALMER: Counsel, I'm going to object. She
21 said that she sought the advice of legal counsel.

22 MR. CAMPBELL: Well, she just volunteered that
23 she uses the IRS standard for how, how you can classify
24 an employee for her notice of this violation. Now, if
25 she relied on legal counsel for that, that's fine, she

1 can say that.

2 BOARD CHAIRMAN ZANE: Objection overruled. Go
3 ahead and answer.

4 THE WITNESS: Can you repeat the question one
5 more time?

6 BY MR. CAMPBELL:

7 Q. Yeah, the question was, did you dig down into
8 the IRS guidelines as to how you classify a person as
9 being in the control of another party so as to be
10 considered an employee?

11 A. Somewhat, when I had the email conversation
12 with Amanda, of their work duties, and looking at their
13 email signatures, the email addresses, noticing they
14 didn't have work cards, the type of work that they were
15 performing. And then, as she said, I contacted legal
16 counsel. That, that was the whole basis for me not
17 issuing the violation right off the bat, but discussing
18 it with the director and then going further and
19 discussing it with counsel.

20 Q. Just one more question here. So the work they
21 were doing, just to be clear, was forwarding licensees,
22 information related to potential licensees or people
23 that were applying for a work card, that was the extent
24 of what Mr. Magri and Ms. Haslip were doing?

25 A. They were recruiting for both companies.

1 Q. So you have some sort of a test as far as what
2 a janitor might do or -- let's take another example.
3 What if a receptionist that works for Events Services
4 answers the phone for all three companies, Mr. Hendi's
5 three companies, does that receptionist, that is
6 employed by Events Services and answers the phone for
7 ESI Security, have to have a work card?

8 MS. PALMER: Counsel, I'm going to object. It
9 calls for a legal conclusion. This, this entire
10 violation, the entire concern that the Private
11 Investigator's Licensing Board has with ESI is the way
12 that they conduct business and the fact that they do not
13 respect the corporate formalities of different entities,
14 that they are, in fact, all one entity under the care,
15 custody and control of --

16 MR. CAMPBELL: Counsel, that's argument. I'm
17 going to ask you to strike that.

18 MS. PALMER: But you're asking --

19 MR. CAMPBELL: That's not an objection. That's
20 argument.

21 MS. PALMER: Well, you're asking her a
22 question, and it cannot be isolated from the way that
23 this company conducts business. So you're asking her to
24 provide a legal conclusion for this particular company,
25 even though they uniquely operate without observing the

1 customs of formalities they're supposed to be
2 respecting.

3 MR. CAMPBELL: That's argument, counsel. I
4 asked her how she made the determination, in issuing a
5 notice of violation to this company, that an employee
6 that works for Events Services is, in fact, an employee
7 of ESI Security. That's the crux of this case.

8 MS. PALMER: Asked and answered. She consulted
9 with counsel.

10 MR. CAMPBELL: She is the one that wrote the
11 notice of violation. She should be able to answer that
12 question.

13 MS. PALMER: She has numerous times. She
14 consulted legal counsel.

15 MR. CAMPBELL: I don't think she did answer the
16 last question.

17 BOARD CHAIRMAN ZANE: Objection sustained.

18 MR. CAMPBELL: Sorry. Sorry, Chairman?

19 MS. BRADLEY: He said sustained.

20 BOARD CHAIRMAN ZANE: Anything further,
21 Mr. Campbell?

22 MR. CAMPBELL: Yeah, just a minute, Chairman.
23 I'm reviewing my notes here.

24 BOARD CHAIRMAN ZANE: Okay.

25 ///

1 BY MR. CAMPBELL:

2 Q. Ms. Irizarry, can you -- back in September, you
3 testified regarding Ms. Hegdahl and whether or not you
4 were going to potentially issue a violation for her for
5 not being registered. Do you remember that testimony?

6 A. Yes.

7 Q. Okay. And, I think, your testimony was that
8 you said you -- you exercised some discretion on that
9 because you wanted to see what result, what happened in
10 the meeting where Mr. Ingram came to the ESI Security
11 offices to talk about the dos and don'ts and what ESI
12 Security could and could not do, right?

13 A. No, not to see how the meeting went, but to
14 give him the opportunity to, essentially, not issue the
15 violation until -- the situation from March was to give
16 them a fresh start. So in March, when that came about,
17 that Amanda Hegdahl didn't have the work card, was right
18 after the stay of revocation. Instead of automatically
19 issue a violation, the director recommended instead he
20 wanted to go do the presentation for them, explain
21 the -- explain, once again, what our expectations are of
22 Chapter 648.

23 So he used discretion in not issuing the
24 violation, not because we wanted to see how the
25 presentation would go, but to, essentially, be lenient

1 at that time and not give them a violation.

2 Because our statutes say we may issue, but it
3 doesn't say we have to.

4 Q. But you didn't exercise that same discretion
5 for Ms. Haslip and Mr. Magri, because why?

6 A. The presentation has -- had already commenced.
7 He already gave his presentation of what was expected.
8 And a violation came after that time, a month and a half
9 after that.

10 Q. But within a week or so over, or two weeks of
11 that presentation, when you were discussing what should
12 and shouldn't be done, Ms. Hegdahl specifically
13 requested to you what should and shouldn't be done,
14 right?

15 A. I'm sorry. You cut out. About two weeks after
16 that, what was that?

17 Q. Ms. Hegdahl sent you a request saying "What
18 should we do, what should I do with Ms. Haslip and
19 Mr. Magri? I want to be on the same page," basically
20 the same thing that was discussed in the April meeting
21 with Mr. Ingram, right?

22 A. Absolutely. And since I didn't attend the
23 presentation, which is another reason why I needed to
24 refer to the director at that time, what did he suggest
25 I do.

1 Q. So you decided not to give, not to exercise
2 discretion, even though Ms. Hegdahl had asked as far as
3 Mr. Magri and Ms. Haslip?

4 A. No, because if I didn't exercise discretion,
5 then that same day I would have issued the violation.
6 But I didn't. I referred to my superiors, my director,
7 counsel and their opinion, their legal opinion of what I
8 should do. They said I don't have to issue a violation
9 in May. So I asked for an additional opinion.

10 Q. And then I want to move to your testimony on
11 Exhibit Number 11, which talked about Mr. Moran.

12 A. Okay.

13 Q. I just want to be clear on your testimony
14 regarding Mr. Moran and Exhibit Number 11. Were you
15 testifying before that Mr. Moran was working as a
16 security officer for ESI Security without a work card?

17 A. Yes, that it was indicated on the roster that
18 he was still employed at ESI Security, but I found him
19 not to have a work card at that time.

20 Q. Okay. Did you know, do you know what dates he
21 didn't have a work card; did you delve into that?

22 A. Yes. Now, this was two years ago. And, I
23 believe, I received -- I'm not certain, but, I believe,
24 I received a Washoe County card from them that had
25 expired a year or so before that, and he wasn't issued a

1 card with us until around this time that I'm issuing the
2 violation. So there was a lapse there, but I'm not
3 certain of the exact dates.

4 Q. Are you absolutely certain, though, that he was
5 working as a security officer at ESI Security without a
6 work card?

7 A. Well, as I sit here today, reading what I have
8 in front of me, yes. It says, if you read on page 87,
9 at the bottom, it says "Kevin Moran." What ESI
10 indicated to me was that they attached his Washoe County
11 card, which expired 12-22 of '13. And on his roster,
12 below that, it says my statement. It's saying that I'm
13 telling them that I looked at their roster that they
14 maintain, that they tell us when someone is employed,
15 the dates of hire, that they had worked from 2008
16 without any lapses.

17 So, essentially, when his card expired in '13,
18 December of '13, and when I'm emailing them or going
19 back and forth in '14, like I said, I don't have the
20 card in front of me, but for those couple of months, he
21 didn't have a work card. And, otherwise, they should
22 have listed that on their roster that they maintained.

23 Q. When he said he'd been working continuously,
24 did you ask if it was for Events Services or ESI
25 Security or Shred-it?

1 A. Verbally ask him, no. That's the purpose of
2 the roster. If someone adds or leaves or whatever, that
3 they have, per our statute, they're required, I believe
4 it's three business days, to add that to their roster.
5 And that, that's a requirement of our Chapter 648.

6 Q. And this, this matter, this Mr. Moran issue,
7 that was resolved through the stipulation, right?

8 A. Through the stipulation, yes, this violation,
9 yes.

10 Q. Okay. And in that stipulation, there was no
11 admission of any wrongdoing or admission of the facts,
12 it was just a settlement to resolve all the different
13 matters?

14 A. I don't know.

15 Q. Next, you testified about Mr. Folkers, and it
16 was your Exhibit Number 12 that his name came up.

17 A. Okay.

18 Q. And, I think, your testimony was that he's
19 working without a work card even though he says as a
20 supervisor at ESI since 2013. Was that your belief,
21 that he was, in fact, working without a work card for
22 ESI Security?

23 A. Reading the email here on page 95 from another
24 investigator to Mr. Hendi, yes, that's what she wrote to
25 Mr. Hendi and myself, that she spoke to Mr. Folkers and

1 that he indicated that he had been working as a
2 supervisor since 2013. At that time, he did not have a
3 work card, correct.

4 Q. Okay. Did you ask if Mr. Folkers did work,
5 security work in Nevada?

6 A. I did not speak to him.

7 Q. Okay. And do you know if ESI Security actually
8 has security work they do in the state of California?

9 A. I know that they are licensed there, yes.

10 Q. Okay. So you don't know if Mr. Folkers was
11 working for ESI Security in California exclusively
12 during this same time frame, do you?

13 A. No, and that's why we give our licensees an
14 opportunity to appeal if they have any question
15 regarding violations or issue.

16 Q. But you didn't ask that question, right?

17 A. No. Mr. Hendi responded back, right above
18 that, that he did a great job for them, so they offered
19 him more responsibilities as a security officer. He's a
20 supervisor for their sister company.

21 Q. Okay. In your testimony last September, I
22 asked you about what I marked as our Exhibit A, which
23 was the notice of violation dated 7-18-16.

24 A. Yes.

25 MR. CAMPBELL: I'd like to have marked Exhibit

1 Number O.

2 MS. PALMER: I'm going to object. Because that
3 is potentially a contested matter. That's a pending
4 violation. And I'm concerned that the Board would be
5 precluded from hearing this matter if and when it comes
6 before the Board. I believe that it's scheduled to come
7 before the Board at the March meeting.

8 So unless Mr. Hendi would like to waive any
9 objection to the Board hearing testimony regarding this
10 document, I don't believe that the Board should hear or
11 review this document.

12 MR. CAMPBELL: Yeah, we had this discussion
13 last September. We'll waive it. This is a letter. I'm
14 just going to inquire about the letter language
15 regarding Ms. Balter and the notice of violation. So
16 we'll waive. We don't -- we're not going to contest it
17 because of discussion at this point.

18 MS. PALMER: Okay. That's my only objection.

19 MR. INGRAM: Does the Board have this exhibit?

20 MS. PALMER: No, they don't.

21 MR. INGRAM: In just a couple minutes, we'll
22 get these passed out.

23 MS. BRADLEY: Okay. And, Mr. Chair, O would
24 then be admitted?

25 BOARD CHAIRMAN ZANE: O will be admitted.

1 (Exhibit O was admitted.)

2 MR. INGRAM: Okay. The Board does have
3 Exhibit O.

4 BY MR. CAMPBELL:

5 Q. Ms. Irizarry, if you go to the second page of
6 that exhibit, under number six, which is Sierra Balter,
7 who's the same person that's referenced in the notice of
8 violation which is Exhibit Number A.

9 A. Yes, I see it. I'm sorry. I didn't hear the
10 question.

11 Q. Okay. At the bottom of that page, or the
12 bottom of paragraph six, it says "ESI Security provided
13 documentation showing that she was paid by ESI
14 Services." Do you see that?

15 A. Oh, yes, correct.

16 Q. And there is no ESI Services, right?

17 A. Correct.

18 Q. And that was a mistake, it should read Events
19 Services?

20 A. Yes.

21 Q. Okay. And then you go on to say "Due to the
22 lack of conclusive evidence that Balter was an
23 unregistered employee working for ESI Security, that
24 violation will be for Balter, and an unlicensed activity
25 citation will be issued to ESI Services." And, again, I

1 assume you meant Events Services?

2 A. Correct.

3 Q. So in this case, ESI Security provided
4 documentation that Balter was not an employee of ESI
5 Security, so you decided to write the violation for
6 Events Services instead?

7 A. Well, that's the case that we're hearing in
8 March, so those facts will come out then. But, yes.

9 Q. I'm just wondering, in light of the fact that
10 you were provided the documentation that Ms. Balter did
11 not, in fact, work for ESI Security, but Events
12 Services, why you didn't write a notice of violation in
13 this particular case, that we're in front of, to Events
14 Services, who are the employees of Ms. Haslip and
15 Mr. Magri?

16 A. Because these --

17 MS. PALMER: I'm going to object on the basis
18 of attorney-client privilege.

19 BOARD CHAIRMAN ZANE: Any response,
20 Mr. Campbell?

21 MR. CAMPBELL: I mean I've never heard this
22 before, but are we saying that the entire decision to
23 issue a notice of violation in this case was to ESI
24 Services, or excuse me, ESI Security was based on an
25 attorney-client communications and not Ms. Irizarry's

1 decision?

2 MS. PALMER: That's correct, she consulted
3 legal counsel on this matter. And I spoke with
4 Mr. Hendi's counsel on this matter. This was actually
5 done at the urging of Mr. Hendi's former counsel.

6 BOARD CHAIRMAN ZANE: Objection sustained.

7 MR. CAMPBELL: Okay. So just for the record,
8 you say you had a discussion with Mr. Smith on this
9 matter?

10 MS. PALMER: Yes.

11 BY MR. CAMPBELL:

12 Q. Okay. Ms. Irizarry, did you have input into
13 the decision to issue this notice of violation against
14 ESI Security so that you could use it as a tool to
15 somehow take away Mr. Hendi's license for ESI Security
16 Company?

17 MS. PALMER: Counsel, I'm going to object as to
18 vague as to "this violation." We've been discussing a
19 number of violations. Which violation are you referring
20 to?

21 MR. CAMPBELL: That's fair. The violation in
22 front of the Board right now, the Haslip and Magri
23 violation.

24 THE WITNESS: Okay. So I'm sorry. Regarding
25 this violation, what was the question?

1 BY MR. CAMPBELL:

2 Q. Did you issue -- your input into issuing the
3 notice of violation for Haslip and Magri, was that
4 driven by your desire to try to put Mr. Hendi out of
5 business by using this violation as a breach of the
6 stipulation and settlement agreement?

7 A. No.

8 Q. Isn't it a long-standing goal of yours to try
9 to get Mr. Hendi, so to speak?

10 A. It's pretty presumptuous. But, no.

11 Q. Okay. If you could look at Exhibit Number B.
12 I'd like to have that marked. These have not
13 been admitted, counsel.

14 MR. INGRAM: Is this in the exhibit list?

15 MS. PALMER: It is. He's -- and my only
16 objection would be relevance.

17 But, I think, I know where you're going. And
18 if that's the purpose for which you're utilizing it, is
19 to show that you want to show that she has some
20 animosity against ESI, I have no objection to it being
21 used to elicit testimony in that regard. But if you're
22 trying to utilize it for any other purpose, I may have
23 an objection.

24 MR. CAMPBELL: No, that's, basically, the
25 purpose.

1 MR. INGRAM: What exhibit is that?

2 MS. PALMER: This is Exhibit B. So it will be
3 used for the limited purpose of the questions that he's
4 about to ask her and not for any other purpose that
5 should be obtained from the email itself.

6 MR. CAMPBELL: And, counsel, since we're at it,
7 that's -- C, D and E are going to be offered for the
8 same proof, for the same reason.

9 BOARD CHAIRMAN ZANE: We'll accept them for the
10 limited purpose which you stipulated to.

11 MS. PALMER: Well, let me review them, in case
12 I have any other objections.

13 BOARD CHAIRMAN ZANE: Okay.

14 MS. PALMER: We have no other objection.

15 MR. CAMPBELL: I'm going to hand them out up
16 here.

17 MS. BRADLEY: So it sounds like we have a
18 stipulation for B, C and D. Are those admitted,
19 Mr. Chair?

20 MR. CAMPBELL: And E.

21 MS. BRADLEY: Oh, and E.

22 BOARD CHAIRMAN ZANE: With the limitations.

23 MS. BRADLEY: Okay.

24 BOARD CHAIRMAN ZANE: Admitted with the
25 limitations that were described.

1 (Exhibits B, C, D and E were admitted.)

2 MS. BRADLEY: Okay. Well, I think, I mean, I
3 think, they're admitted for the Board to look at, and
4 then Ms. Palmer may raise an objection, if she wants to,
5 when questions are asked.

6 MR. INGRAM: So can you give me those exhibit
7 letters one more time, please?

8 MS. PALMER: Essentially, the Board will have
9 everything accept Exhibit O in front of them.

10 MS. BRADLEY: Okay. It's B like boy, C like
11 Carley, D like David, and E like echo.

12 MS. PALMER: I meant P. I misspoke when I said
13 O. They have everything except Exhibit P.

14 MR. CAMPBELL: And, actually, yeah, P would
15 probably be in that same grouping.

16 MS. PALMER: Grouping of being included,
17 correct?

18 MR. CAMPBELL: Yeah, on this particular line of
19 questioning, Exhibit P will be asked with that limited
20 purpose.

21 BOARD CHAIRMAN ZANE: Is that P as in Paul?

22 MS. BRADLEY: Yes.

23 MS. PALMER: And I have no objection to that.
24 So now they have everything and it's been admitted.

25 MR. INGRAM: So we'll just go ahead and give

1 them as well.

2 MS. BRADLEY: So, Mr. Chair, Exhibit P would be
3 admitted, then?

4 BOARD CHAIRMAN ZANE: Yes, please.

5 MS. BRADLEY: Okay. Thank you.

6 (Exhibit P was admitted.)

7 BY MR. CAMPBELL:

8 Q. Ms. Irizarry, do you have Exhibit Number --
9 excuse me, letter B in front of you?

10 A. Yes.

11 Q. Okay. And the first page of that looks like,
12 and the last in the string is from a Shelly Donald. Who
13 is that?

14 A. She is -- well, now she's an investigator. At
15 this time, she was a fingerprinting specialist, I
16 believe.

17 Q. Okay. It says in this email she was an
18 assistant to the director?

19 A. I -- that may have been her former formal
20 title. This was two years ago.

21 Q. Okay. And so this email string is you and
22 Ms. Donald communicating and Mr. Hendi communicating
23 regarding a certain number of employees and their
24 registration status?

25 A. Yes.

1 MS. PALMER: Well, objection. Are you
2 referring to the 9-24 communication?

3 MR. CAMPBELL: Yeah, if you go back to --
4 there's an October 7th. And then, back in the string,
5 it's September 25th. And then if you go back in the
6 string further, it's September 24th.

7 MS. PALMER: So the September 24th
8 communication is what you're referring to?

9 MR. CAMPBELL: No, I'm just referring to the
10 entire string.

11 MS. PALMER: Okay.

12 BY MR. CAMPBELL:

13 Q. So, Ms. Irizarry, if you look at the second
14 page of this, of this exhibit, your email of October
15 7th, 2014, from yourself to Shelly Donald. And the
16 bottom says "These four guys" and then, quote, in caps,
17 "have been working for ESI." Why do you use caps there?

18 A. To accentuate those words. They have been
19 working. It's not that may have possibly or are. They
20 have been working for ESI.

21 Q. And then you used four exclamation points after
22 ESI. What was the purpose of that?

23 A. It was an exclamation point to show -- for it
24 to stand out. It's not just a period statement.

25 Q. Okay. And then you go "Oooohhhhhh" -- four

1 O's, six H's -- and "I love it" and about 15 exclamation
2 points. I mean what was that comment intended to convey
3 to Ms. Donald?

4 A. Two years ago, when this came about, this was,
5 at the time, one after another, after another, after
6 another. It was right at the end of the summer where
7 violations were constantly coming in, or situations were
8 constantly coming in on behalf of ESI. But I don't work
9 in the north. So I physically can't go out and do an
10 on-site audit. So a lot of what I was getting was from
11 other investigators, applications.

12 This was coming directly from Mr. Hendi
13 himself, giving us a list of names. And this
14 information wasn't how I was getting other type of
15 evidence. This was something different. So, yes, this
16 was just showing that, what I had suspected to be true
17 at the time, with the employees and not having work
18 cards, was, in fact, true.

19 Q. So the caps and the "Oooohhhhhh I love it"
20 exclamation, is that -- are you trying to convey some
21 kind of excitement about getting Mr. Hendi?

22 A. No, just that my case is coming together.

23 Q. Okay. And then, if you go to Exhibit Number --
24 excuse me, letter C.

25 A. Yes.

1 Q. And it looks like this was from Mr. Schmelzer
2 to you, and then somewhere Kevin Ingram had been in the
3 mix, and you were looking to get the ESI licenses with
4 the Secretary of State's office; is that correct?

5 A. I'm sorry. Can you repeat that? I apologize.

6 Q. Yeah, in this email, were you -- it looks like
7 the precursor to this email was you had asked to get
8 some information regarding ESI's Secretary of State
9 licenses?

10 A. No, that's not correct.

11 Q. Okay. Why did you want information regarding
12 ESI Security's Secretary of State's licenses?

13 A. Well, this email chain doesn't say that I'm
14 asking for any information. What it is, is an
15 investigator up north giving me the information, because
16 the director had asked him to.

17 Q. Why did you want, why did you want this
18 information, or why was this provided to you?

19 MS. PALMER: Objection. There's no foundation
20 that she wanted the information.

21 BY MR. CAMPBELL:

22 Q. Okay. Why was this information provided to
23 you?

24 A. What had happened at this time was, when I came
25 on board, my previous investigation experience was from

1 audit investigations. So, essentially, I'm more of an
2 auditor. So the director felt it necessary at this time
3 to give the investigation from an investigator up north
4 to myself to do an internal audit. I had more
5 experience in internal auditing at that time than he
6 did. So he was just providing what he had already
7 found.

8 Q. And then Exhibit Number D.

9 A. Yes.

10 Q. This looks like an email string, looks like you
11 and Kevin Ingram and then a Lacey Hix. Who is Lacey
12 Hix?

13 A. At the time, I don't know what her title was,
14 but she is in our northern office. She is on admin
15 staff. She's one of the individuals who deals a lot in
16 our general inbox and handles a lot of the work cards.

17 Q. Okay. And then it looks like, on the -- if you
18 go to the second page of that exhibit. And just to be
19 clear, that's your follow-on email from Lori -- from
20 yourself to Mr. Ingram on November 4th. You go to the
21 second page. And you finish the paragraph saying "as
22 soon as ESI gets my most recent violation, I have a
23 feeling they're going to start structuring their roster
24 and instructing employees on what to say when I call."
25 What did you mean by that?

1 A. So at this time, that is what I was hearing.
2 When I would call applicants, or when we run a
3 background on individuals, and we ask about their
4 previous employment history, they were telling me, on
5 the phone, "They told me you were going to call," or,
6 "Yeah, I knew you guys were going to call. I've been
7 waiting for your call."

8 So it was nothing that I had fathomed on my
9 own. I was verbally being told that from their
10 potential employees who were applying for work cards.

11 So this, like I said, this came at a time at
12 the end of 2014, the middle of 2014 to the end, where I
13 was doing an investigation on ESI Security Services, and
14 that was brought to my attention. So I was letting the
15 director know, I have a feeling this isn't going to be
16 an isolated incident where two, three or four people had
17 told me this, this is going to be something occurring.

18 That's why Mr. Ingram, I reached out to him,
19 what does he want to do. And he suggested we were going
20 to call Mr. Hendi directly. It was a conversation we
21 had on the phone with him after that.

22 Q. Well, when you were calling these people, what
23 were you calling them for?

24 A. So it's one of our standard processes. If
25 someone lists a licensee, or if they're working for a

1 government, federal, state agency, something that's in
2 our provisions, that we would have to call them on
3 arrest history, but especially employment history. If
4 they're listing a license on their application, but
5 they're initially just applying, it's standard operating
6 procedure for us, as an investigator, to call that
7 individual and ask about their employment history. Or
8 if they don't list any employment history, we would
9 call.

10 Because that's something that we would normally
11 do in the regular course of business. So we were
12 calling saying, "You listed that you worked for ESI
13 Security Services as security," or dispatch, or whatever
14 the case may be. And we'd ask them our questions, "How
15 long have you been working there?"

16 And that's not just for ESI Security Service,
17 that's for any licensee, for any individual that lists a
18 licensee on their application before they were given a
19 work card.

20 Q. Okay.

21 A. Or if they're a government employee, or if they
22 have law enforcement background that came up on their
23 employment background.

24 Q. Did some of those people say they had been
25 working for ESI when you called them?

1 A. To recall what happened two years ago,
2 possibly.

3 Q. Okay. And did you follow up with them and say,
4 "Do you mean ESI Security Services, or do you mean
5 Events Services, Inc.?" Because as we can see from some
6 previous exhibits, you've confused those names in the
7 past.

8 A. The typos, yes, that we confused the names.
9 But my follow-up question to that would be I would ask
10 for -- because at that time as well, as I had testified
11 back in September, there was -- ESI Security Services
12 would issue them an employee card, like a work badge
13 with their picture on it. And right below the picture,
14 it would have their title.

15 So to alleviate a lot of that confusion, I
16 would ask them, as one of my follow-up questions, and
17 I'm sure that other staff did as well, to kind of get
18 some clarity, "Did you -- have you received an employee
19 badge?" "Yes." "And what does your title say?"

20 And those employee badges don't say Events
21 Services on them. The employee badges only say ESI
22 Security Services as the company name and give their
23 title right below. So that would also help alleviate
24 some of the confusion of what company and what their
25 actual title was.

1 Q. So you're saying you got employee badges from
2 every one of these people and double-checked them?

3 A. Not from every single one. I got them from
4 some. And the ones that I didn't get them, I would ask
5 them over the phone, "Do you have an employee badge?
6 What does it say?"

7 Q. And then, when you --

8 A. That was my follow-up question.

9 Q. At the bottom of it, you said, I think, you
10 intimate that you're saying that you think Mr. Hendi is
11 going to instruct his employees on not answering
12 honestly. Is that what you're implicating to
13 Mr. Ingram?

14 A. Not Mr. Hendi directly, no. That as soon as
15 ESI gets my most recent violation, I have a feeling,
16 which is my investigative background, my previous
17 history with any type of work I'm doing, that they were
18 going to start structuring their roster and instructing
19 all employees on what to say, especially being whenever
20 I'm speaking to them, they're already telling me, "I
21 knew you were going to call." So that was my feeling at
22 that time, yes.

23 Q. Okay. And then, if we go to Exhibit E.

24 A. Okay.

25 Q. Again, you use -- this is an email from you to

1 Rebekah Jenkins and Shelly Donald. You say "ESI has
2 already received a violation for Mr. Watts." And then,
3 capital letters, "Thank you" three exclamation points.
4 Why, again, are you using these capitalizations in your
5 normal job duties?

6 A. This was not necessarily referenced to ESI
7 Security Services. Rebekah and I -- I guess, the best
8 way to put it is she wasn't always -- if she noticed
9 something, she wouldn't be the first one, or she wasn't
10 very willing to give me the information after that. I'd
11 have to call in, what type of information was sitting in
12 the inbox. Because I don't check the inbox. So this is
13 me thanking her, because she was doing her due
14 diligence, as a PILB staff member, to actually give me
15 the information. So I was thanking her at that time.

16 But when I say that that's to my case, because
17 this was a pending case. He still had not paid for
18 Mr. Watson's violation, which I had issued him months
19 prior. He never paid, something I had sent second,
20 third notices on. So this added to my case that this
21 gentleman was still working for him, I think it was a
22 year later, and came up again.

23 Q. And then Exhibit Number P.

24 A. I'm sorry. P?

25 MS. PALMER: P. Yes.

1 THE WITNESS: Yes.

2 BY MR. CAMPBELL:

3 Q. Okay. This is a July 20th email from you to
4 Jennafer Jenkins. And I assume that she's at the Labor
5 Commission?

6 A. Yes.

7 Q. Why were you asking Ms. Jenkins in this email,
8 it says, "It's been a few months since I reached you
9 regarding ESI Security. I was just following up to see
10 if any other labor disputes have been filed, because we
11 intend on having another ESI hearing in September of
12 2016." Why did you ask her about --

13 A. This is --

14 Q. -- labor disputes?

15 A. I'm sorry. This was the direction of our
16 counsel at the time. Because Mr. Hendi's company, we
17 had just, essentially, settled. He had just paid a
18 large amount in December of '15. I believe, it was like
19 around \$25,000, with labor disputes. So since we were
20 having another hearing in September, we wanted to see if
21 there was something out that was pending or lingering,
22 just like we had done previously. So instead of counsel
23 emailing her, she had just asked that I send the email
24 instead, which I did.

25 Q. Okay. And so all the labor disputes, though,

1 were settled in the stipulation, right?

2 A. I believe, all the ones up until March were, I
3 believe, March of 2016. I don't know if he's had a new
4 one since.

5 Q. Well, and all of the --

6 A. I believe, in July, just has, I believe, she
7 responded in the negative that, no, there were no
8 pending labor disputes. So July of '16, I don't believe
9 there are any labor disputes.

10 Q. And then all of the previous emails that we
11 just went over, those matters were pre the stipulation
12 and were resolved by the stipulation, right?

13 A. I believe so, yes. I don't -- well, just those
14 two that we had talked about that are coming up in
15 March. But, yes.

16 Q. So after the stipulation, all the previous
17 investigation you had done had been settled, right?

18 A. Yes.

19 Q. And the Haslip/Magri one was the next one that
20 you were -- was on your plate as far as going after
21 Mr. Hendi and ESI Security, right?

22 A. Not going after, but the next one on my plate,
23 yes.

24 Q. Okay. And that one, without discussing with
25 Mr. Hendi or Ms. Haslip about a request for

1 clarification, you just went ahead and gave this notice
2 of violation, right?

3 MS. PALMER: Objection. Asked and answered.

4 BY MR. CAMPBELL:

5 Q. And, Ms. Irizarry, do you know that this
6 violation could be, in fact, used for revocation of
7 Mr. Hendi's license under the stipulation?

8 A. Yes. That's why I asked legal counsel from the
9 start.

10 MR. CAMPBELL: That's all I have.

11 BOARD CHAIRMAN ZANE: Thank you.

12 Before proceeding with redirect, could we take
13 a break, please.

14 MS. PALMER: Absolutely.

15 BOARD CHAIRMAN ZANE: And so 10 minutes,
16 please. Thank you.

17 * * * * *

18 (A break was taken, 10:59 to 11:13 a.m.)

19 * * * * *

20 BOARD CHAIRMAN ZANE: Is everybody ready in the
21 north?

22 MS. BRADLEY: Yes.

23 BOARD MEMBER COLBERT: Yes.

24 BOARD CHAIRMAN ZANE: Okay. We'll go back on
25 the record.

1 And we were looking for redirect from
2 Ms. Palmer.

3 MS. PALMER: Yes, Mr. Chairman.

4

5 REDIRECT EXAMINATION

6 BY MS. PALMER:

7 Q. Ms. Irizarry, if you know, when did you
8 generally become aware that Sarah Haslip was working for
9 one of Mr. Hendi's companies?

10 A. Probably about a year and a half ago.

11 Q. And do you recall how you became aware?

12 A. I don't know which violation it was, but, I
13 believe, there was a violation in the past where I had
14 sent them an email, and she responded to it.

15 Q. And did you have a feeling, yourself, when
16 you -- of which company it is that she worked for?

17 A. At that time?

18 Q. Yes.

19 A. ESI Security Services.

20 Q. Why did you think that?

21 A. I saw her email signature, her email address
22 was this.

23 Q. And did you check to see if she had a work card
24 at that time?

25 A. No.

1 Q. Why not?

2 A. It's not normal course of business for me to
3 check every person that I had a contact with if they
4 have a work card.

5 Q. When did you first become aware that she did
6 not have a work card?

7 A. It wasn't brought to my attention until a new
8 investigator in the north came on board earlier this
9 year, Jason Woodruff, sent me an email saying that he
10 looked into it and noticed that she didn't have a work
11 card. He notified me knowing that I was the
12 investigator assigned.

13 Q. And were you happy when you found out that she
14 didn't have a work card?

15 A. Not happy, no.

16 Q. If we could turn to that particular exhibit
17 where they're communicating with Ms. Haslip, I'm sorry,
18 where you're communicating with Amanda. And I don't
19 know which. It's Exhibit 3.

20 A. Okay.

21 Q. On May the 9th, so this is at the bottom of
22 page 13 of Exhibit 3, and then extending into page 14.
23 When you reached out to Amanda, and you asked how long
24 Ms. Haslip and Mr. Magri had been employed by --

25 (The Reporter interrupted to indicate

1 difficulty hearing Ms. Palmer due to other noises in
2 Las Vegas.)

3 BY MS. PALMER:

4 Q. At that time, on May the 9th, when you
5 discovered that you had been receiving communications
6 with their signatures indicating ESI Security Services,
7 if, in fact, you determined that there was a violation,
8 was it, was it complete at that point in time?

9 A. No.

10 Q. No, no, I don't mean later on. When you issued
11 the violation.

12 A. Oh.

13 Q. I mean if, in fact, you later determined that
14 there was a violation, after you consulted with counsel
15 and consulted with the director, had their actions
16 already been complete at that date and time?

17 A. Yes, at this time, correct.

18 Q. So if, in fact, you had determined that there
19 was a violation, it was already complete?

20 A. Yes.

21 Q. So in that six-week period of time, did they
22 get an additional violation; was there any additional
23 conduct by not getting any information that caused them
24 to incur a further violation?

25 A. No.

1 Q. So when she asked you, on page...

2 I apologize.

3 Okay. I apologize for the delay. On page 13,
4 on that May 10th communication, where Ms. Hegdahl asks
5 you if they're responsible for recruiting for both
6 companies, and she asks you whether or not they should
7 revise the logo or have them obtain, and what do you
8 understand her to mean by "their PILB"?

9 A. Their registered work card issued by the PILB.

10 Q. Okay. So when she asks you whether they should
11 do one of those two things, do they need your permission
12 to register --

13 A. No.

14 Q. -- Ms. Haslip or Mr. Magri?

15 A. No.

16 Q. Did they make any effort, at any time, or even
17 to this day, to register those two individuals?

18 A. No, they're currently not registered.

19 Q. Do you know whether their legal counsel ever
20 reached out to you or to the director or even to your
21 legal counsel, in regards to Ms. Haslip or Mr. Magri, to
22 see what they should do?

23 A. Not that -- not to any knowledge, no.

24 Q. And by the time this violation had occurred,
25 when you reached out to them on May the 9th, had

1 Mr. Ingram already been out there to do his
2 presentation, to clarify for them exactly what the
3 expectations were for the Private Investigator's
4 Licensing Board?

5 A. Yes, I believe that that's when he went out.

6 Q. That he went out there?

7 A. He went out there, yes.

8 Q. And was it your testimony that you exercised
9 discretion for Ms. Hegdahl because Mr. Ingram had not
10 yet gone out there?

11 A. Correct.

12 Q. And was the expectation that after Mr. Ingram
13 had gone out there, that they would, in fact, go through
14 their own employee, their payroll, their -- whatever
15 functions these individuals were doing, and ensure that
16 every one of the individuals that hadn't been registered
17 in the past were, in fact, registered?

18 A. Absolutely. After he went out there, from then
19 going forward, they were going to give them time to do
20 that.

21 Q. And did that happen with Ms. Hegdahl?

22 A. No. Oh, I'm sorry. Remove it. I saw it.

23 Q. Did she eventually get registered?

24 A. She got registered right before they got out
25 there.

1 Q. Before they went out there?

2 A. Yes.

3 Q. Okay. So you saw it. And how long had she
4 been employed?

5 A. I'm not sure how long she had been employed,
6 but, I believe, I tried to communicate with her a year
7 and a half before that.

8 Q. And did you reach out to them and tell them
9 that she wasn't registered?

10 A. No.

11 Q. Do you have any idea why they registered her?

12 A. No. She was just registered. She had applied
13 and registered after this date in March, sometime
14 between March and when he went out and visited them.

15 Q. So did you believe that they were doing the
16 cleanup of their payroll and their roster that was
17 expected of them following the stipulation, with
18 Ms. Hegdahl getting registered?

19 A. Yes, especially since she's the employment
20 resources manager.

21 Q. And did you expect that they would have done
22 the same thing with all of their employees?

23 A. That was the expectation, yes, I thought they
24 were going to do, correct.

25 Q. And Mr. Magri was, in fact, hired after

1 Mr. Ingram went out there and gave his presentation,
2 after what the Board's expectation; is that correct?

3 A. I think, his employment date -- well, his
4 employment date that she stated to me was the 25th.
5 Mr. Ingram was out there on the 26th. So it was one day
6 before.

7 Q. And you testified that Mr. Magri is still not
8 registered to this date; is that correct?

9 A. Correct.

10 Q. I want to turn your attention to page -- it's
11 the -- let me get the exhibit number first. I believe,
12 it's Exhibit 12, page 95.

13 A. Okay.

14 Q. Counsel asked you whether or not Mr. Folkers
15 could have been working in California. And you
16 testified that Mr. Hendi responded to your inquiry of
17 July 16, 2014 on the same day, July 16, 2014?

18 A. July 8th actually.

19 Q. I'm sorry. I'm on the wrong page. So this is
20 page 95. I was on page 94. And in his response, does
21 he at any time indicate that Mr. Folkers was an employee
22 in California?

23 A. No, he does not.

24 Q. In fact, he says that he was given more
25 responsibility as a security officer; is that correct?

1 A. Yes.

2 Q. And in your initial -- I'm sorry, not yours,
3 but you're copied on this inquiry from Ms. Donald. And
4 she indicates that Mr. Folkers says he's a supervisor
5 for ESI?

6 A. Yes.

7 Q. So in your experience, even if he had been
8 working in California as a supervisor, wouldn't he in
9 some way be touching Nevada as a supervising employee of
10 ESI Security?

11 MR. CAMPBELL: Objection. That's without a
12 foundation, and it calls for a legal conclusion.

13 MS. PALMER: I'm asking for her experience as
14 far as what his duties would be as a supervisor working,
15 supervising employees. If she knows. Maybe she doesn't
16 know.

17 MR. CAMPBELL: No, I'm going to -- the
18 objection, I want --

19 BOARD CHAIRMAN ZANE: I'll sustain the
20 objection.

21 BY MS. PALMER:

22 Q. Okay. We'll move on to Exhibit B. And, I
23 believe, it was page two of Exhibit B.

24 A. Okay.

25 Q. What was happening in October of 2014 in

1 regards to ESI? Could you please explain what your
2 communications had been. What kinds of things were
3 happening in 2014?

4 A. Okay. So about a little over two years ago --
5 ESI Security, they do a lot of large events in northern
6 Nevada. So. And a lot of large events had just passed,
7 a lot of events, and at different casinos. So we were
8 getting a lot of work card applications from them.
9 Which is why a lot of investigators and our staff and
10 our agency were noticing we were getting an influx of
11 applications from them.

12 And at the time, the Nevada investigator -- oh,
13 sorry. And at that time as well, we had received
14 numerous complaints from the general public, some
15 previous employees of theirs and some other licensees
16 telling us that they were possibly working individuals
17 without work cards at that time. Which initiated an
18 investigation on our behalf. Which is why I was the
19 investigator assigned.

20 So around this time, I was noticing a lot of
21 individuals, in fact, like the complaints were saying,
22 they were employed before they were even given a work
23 card. They were -- Mr. Hendi has another entity, a
24 fingerprint entity, that they were getting
25 fingerprinted, given an ESI Security work badge and

1 being put on post before having a work card. So he was
2 putting the cart before the horse, essentially.

3 And that was a lot of the problem, all the
4 violations I was issuing. I would say maybe once a
5 month, if not every other month, for the majority of
6 2014, was I issuing a violation, which had gone
7 unresponsive or not appealed or -- from the violations
8 that I was issuing at this time.

9 Q. Do you have any idea what percentage of your
10 time was being spent in responding to ESI inquiries,
11 concerns, compared to the rest of the licensees that you
12 do?

13 A. It's not just a busy time of year for ESI
14 Security, but here in southern Nevada we have huge
15 events during the summer as well. But I would say --
16 you asked for a percentage? Majority. More than 60
17 percent of my time was I'm needing to focus there. We
18 had a lot of applicants that was coming in, a lot of
19 applications that were coming in at that time. So 60
20 percent of my time probably from the summer of 2014 to
21 the end of 2014 was devoted to email communications,
22 violations, follow-up conversations with the director of
23 things that I was noticing, a very particular trend that
24 kept occurring over and over again.

25 Q. And did you have communications, whether by

1 email or telephone, directly with Mr. Hendi regarding
2 these problems?

3 A. Yes.

4 Q. And now did he respond?

5 A. He would respond, usually within a week or so,
6 if not the same day, saying that he understood and that
7 they were looking to rectify the situation. And a few
8 of the emails, I believe, he said that he understood it
9 to be a different way. Whereas I would clarify, well,
10 I'm sorry, I don't know where that information came
11 from, but this is how NRS 648 or NAC 648 is, and this is
12 what needs to be going forward.

13 So there was always a continual, he would have
14 a question that I answered. But it was constant
15 communication for the majority of 2014.

16 Q. And did he ever -- so did he make promises to
17 fix things?

18 A. Yes. He never once, after we would
19 communicate, say, "I still don't understand," or, "It
20 doesn't make any sense." It was always clarified in the
21 email chains that we had or over the phone.

22 Q. And did he, did he, in fact, correct any of
23 your -- the concerns that you noted?

24 A. Well, no, because in 2015 the violations just
25 kept being issued, kept coming up. And then now we're

1 mid to late 2015 going before the Board because the
2 situation had not cleared up. It was not fixing itself,
3 regardless of what avenue we took. So that's when we
4 were seeking to go before the Board for them to make a
5 decision.

6 Q. And so how were you feeling about that at the
7 time?

8 A. Frustrated. I guess, I could say that, all my
9 licensees, I don't have this habitual noncompliance like
10 I do with ESI Security Services, not all licensees in
11 general, just the ones that I have my cases with. And
12 I'm an internal -- I do a lot of internal audits.
13 They're out of compliance. They rectify the situation.
14 This, I would say, would be the only licensee I have a
15 problem with habitually not following up or not fixing
16 this problem.

17 Q. And is your training and experience in the
18 internal audit different than other investigators in the
19 office?

20 A. Yes.

21 Q. Do you perhaps see things or notice things,
22 have specialized training that maybe somebody else
23 wouldn't observe, because of that training?

24 A. For the investigators that are currently
25 employed with us, yes. My investigations isn't so much

1 my background as on-site physical. It's internal
2 audits, where I would get paperwork and be able to
3 conduct an audit internally. And my previous background
4 was, essentially, insurance audit. So huge companies I
5 was looking at.

6 MS. PALMER: I ask for the Court's indulgence
7 for just a moment.

8 BY MS. PALMER:

9 Q. If you would turn your attention to the first
10 page of Exhibit B. And you're receiving this
11 communication, you are not making this communication.
12 But what did you understand Ms. Donald to mean when she
13 said "He is going down, or not, if KI wusses out and
14 lets him get away with it"; what does that mean?

15 A. KI means Kevin Ingram, the director. Shelly,
16 at this time, was -- even though she's not classified as
17 an investigator, she was one of the individuals who
18 would run backgrounds for work cards. She's our
19 fingerprint specialist. She sees the trends. She would
20 be one of the individuals who would be reporting to me
21 that these are things that she's noticing.

22 So, I guess, frustration. That was kind of the
23 vibe, was it's -- it's harder, I guess, is that when a
24 license is noncompliant, that creates a lot more work, a
25 lot more follow-up, a lot more due diligence on our

1 part. So it would just be easier if a licensee would
2 follow the rules, abide by 648.

3 So, at this time, she's, I guess, upset.
4 Because she knows that this has been going on for months
5 now, and still nothing is being done. Regardless of how
6 many, two or three, two or third-time notices that are
7 going out, they're still not fixing the problem at this
8 time.

9 Q. What does she mean specifically about if the
10 director wusses out?

11 A. Because it's discretionary. We may issue a
12 citation. We don't have to. So that she felt -- and I
13 feel like I can speak to it, because, you know, the
14 conversations we've had, that we were being over the top
15 lenient with this licensee, that it's not as -- this
16 situation of ESI Security does not come up with every
17 licensee, and that why must it here, because something's
18 still not been vetted by going before the Board. He was
19 being too lenient, too -- I guess, too nice in regards
20 to this.

21 Q. But citations had, in fact, been issued?

22 A. Yes. But --

23 Q. So -- I'm sorry. Go ahead.

24 A. But they had to come before the Board. They
25 weren't being forced to pay. They didn't go to the

1 controller's office. Just because the violations are
2 being issued, if they're not complying with the
3 violation, that, essentially, nothing is being done with
4 how she kind of helps.

5 Q. And, eventually, there was a complaint brought
6 forth; is that correct?

7 A. Yes.

8 Q. And there was a regulation, right, a stipulated
9 agreement?

10 A. Correct.

11 Q. At the conclusion of that, I guess, those
12 violations were acting up with that stipulation. Were
13 you satisfied that that past time, that had been
14 concluded?

15 A. Yes.

16 Q. Did you believe that ESI Security would be
17 compliant following that stipulation?

18 A. Correct, yes.

19 Q. Were you involved in some of the discussions on
20 how to achieve an agreement that would bring about the
21 results to ensure that they were compliant?

22 A. Yes.

23 Q. Were you hoping that they would violate the
24 agreement?

25 A. No.

1 Q. How did you feel when you learned that they had
2 violated the agreement?

3 MR. CAMPBELL: Objection. That assumes facts
4 not in evidence.

5 MS. PALMER: Correct. I'm sorry. I apologize.

6 BY MS. PALMER:

7 Q. When you believed that they had violated the
8 agreement?

9 A. Frustrated, kind of. Once again, regardless of
10 what avenue you took, they kind of snubbed their nose at
11 it. They weren't going to correct it, regardless of
12 what, what we had negotiated or agreed to.

13 Q. Okay. Turning your attention to Exhibit F, and
14 this is the -- the attachment to Exhibit F is the
15 employee roster, that will be redacted. And, I think,
16 you testified that you -- well, did you -- wait. No.
17 I'm sorry. I'm confusing this with another email. Do
18 you know why this was sent to you?

19 A. Yes. I originally sent this to Erlen, that she
20 responded back to me. Do you want me to go over what
21 this is?

22 Q. Yeah, that's what I asked you.

23 A. Oh. What this is, is if you look at the date,
24 December 7th, it was maybe two or three days before they
25 were going to take it for a hearing in December of last

1 year. And it was brought to our attention, from ESI
2 Security's counsel. I believe, his name is Mr. Smith.
3 He was saying if we were to revoke ESI's license at that
4 time, that 400-plus people would be without work around
5 Christmas.

6 So I did my due diligence, and I wanted to see,
7 is that accurate, how many people were actually listed
8 on their roster of accurate employees, versus, you know,
9 getting that down to like 400 people not having work
10 around Christmas. So I printed out the roster for her.
11 And I wanted her to go through, not to look at the
12 names -- I don't really care about the individuals
13 themselves -- but just to call in if they're active or
14 pending, how many of the employees on ESI's roster were
15 actually listed as active employees, that this is the
16 roster they maintain, they keep, and to give me a
17 number, was the 400 an accurate number. That was the
18 only intention of giving this to her.

19 So we weren't looking at individual names.
20 Except for, I believe, a few of them are highlighted,
21 because Mr. Hendi himself, even though he has a work
22 card, these are also licensees, and we would include
23 them in our number of active employees. So it was just
24 to see how many people they actually had on their roster
25 as active.

1 Q. Do you recall what that number was?

2 A. Well, from looking at -- I don't know the
3 number. But if you look at it, some people say
4 provisional, some say pending on the other roster to
5 begin with. But the last page says 403 people. But a
6 lot of those are already duplicates and not accurate.
7 So somewhere less than 400.

8 Q. And do you know whether or not, or did you know
9 whether or not those individuals were being paid by ESI
10 Security or Events Services or Quick Prints or Shred-it
11 or any one of the other companies that Mr. Hendi
12 operates?

13 A. How they actually receive a paycheck, I
14 wouldn't know. This is only telling me these are
15 employees employed by license number 700, ESI Security
16 Services, and these are the dates of their employment,
17 listed by the company, that they are required to
18 maintain.

19 Q. Okay. And then, lastly, when you were issuing
20 a violation or when you were having communications with
21 either the employees or the company itself or in-house,
22 when you refer to ESI Security or ESI Events Services,
23 even though you may not have had the correct name, was
24 it clear in your mind which company was which?

25 A. Yes.

1 Q. When you were speaking with people, was it
2 clear to you whether or not they were working for the
3 security company or they were working for the Events
4 Services company?

5 A. Yes.

6 Q. And when you referred to an entity with the
7 name Security in it, did that ever include Events
8 Services, or was that referring to ESI Security, when
9 you utilized the word Security?

10 A. I'm sorry. Repeat that again.

11 Q. Whenever you utilized the word Security in the
12 name, when you were referring to it, was that specific
13 to ESI Security, or is it possible that you could have
14 confused Security with Events Services?

15 A. When, do you mean with applicants about their
16 employment?

17 Q. Or in-house or with --

18 A. I mean, yes, because I had typos where I had
19 put the word ESI Services, because.

20 Q. But I asked you about Security.

21 A. Yes.

22 Q. If the word, if you used the word Security --

23 A. Yes.

24 Q. Were you ever referring to ESI, meaning Events
25 Services, Inc., when you utilized the word Security?

1 A. Oh, I'm sorry. No, I was not referring to
2 Events Services, Inc., no.

3 Q. And when you used the word Events, were you
4 ever referring to the security company, ESI Security?

5 A. No, Events was a separate.

6 Q. So it was clear to you that Security was ESI
7 Security, and Events was Events Services, Inc., even
8 though you may have referred to them as ESI Events
9 Services, Inc.?

10 A. Correct.

11 MS. PALMER: That's all I have.

12 BOARD CHAIRMAN ZANE: Mr. Campbell.

13

14 RE CROSS-EXAMINATION

15 BY MR. CAMPBELL:

16 Q. Ms. Irizarry, so it sounds like, from your
17 testimony on redirect, that you said you were aware of
18 Sarah Haslip sending emails to the PILB with an ESI
19 Security tagline in the summer or spring of 2015, you
20 said a year and a half ago?

21 A. Correct, about a year and a half before, yes.

22 Q. Okay. And if you look at Exhibit F, in
23 December of 2015, you had in your possession a roster of
24 ESI Security personnel that had been registered, and
25 Ms. Haslip's name was not on it; is that correct?

1 A. Correct.

2 Q. So your testimony on redirect, you said you
3 expected that Magri and Haslip would get registered on
4 their own initiative, right?

5 MS. PALMER: Objection. That misstates any
6 testimony that was said.

7 BY MR. CAMPBELL:

8 Q. Okay. Well, didn't you just testify that you
9 expected that Magri and Haslip would get registered,
10 after, after the stipulation was entered into?

11 MS. PALMER: Objection. She did not testify
12 that way.

13 MR. CAMPBELL: Okay. Well, I'll ask her.

14 BY MR. CAMPBELL:

15 Q. Did you expect that Magri and Haslip would get
16 registered after the stipulation?

17 A. I don't know if it would be their initiative,
18 but I'd expected the company to register those who
19 needed to register, yes.

20 Q. Why do you think Amanda Hegdahl asked you if
21 they needed to be registered?

22 A. Because I was questioning her first.

23 Q. So wouldn't that infer that she needed to know
24 whether or not the PILB wanted them registered?

25 A. Her being their manager and her having a work

1 card, she -- and being in attendance at the
2 presentation, she would know who was required to have a
3 work card.

4 Q. Well, does her email to you implicate that she
5 knew that they needed a work card, or did she ask you
6 whether they needed a work card?

7 A. She's asking if they needed a work card.

8 Q. Okay. Well, it sounds like you were frustrated
9 with Mr. Hendi in 2014 and 2015, and then you were
10 frustrated after the stipulation, because he hadn't done
11 what he had agreed to. Is that a correct summary of
12 your testimony on redirect?

13 A. I was frustrated that they were not in
14 compliance, that they refused to be compliant with any
15 of the violations I had sent. I'm talking eight or
16 more, and possibly even 10 or more. And I was
17 frustrated after the stipulation as well, because
18 nothing had been fixed.

19 Q. Okay. You're saying nothing had been fixed.
20 You were frustrated, then, with the Haslip and Magri
21 issue?

22 A. No. Other things have come up since then as
23 well.

24 Q. Well, let's specify that time frame, because I
25 thought counsel was asking you in that time frame. You

1 said you were frustrated right after the stipulation
2 when you found out about Magri and Haslip, because they
3 had, basically, not complied with the agreement?

4 A. Correct.

5 Q. Okay. And you knew that there was a
6 stipulation that said Mr. Hendi was going to get a clean
7 slate and that everything was going to be worked out
8 between ESI Security and the PILB Board as to what he
9 needed to do to have a clean slate, right?

10 A. Yes.

11 Q. Why in the world would you not, would you
12 refuse to respond to Ms. Hegdahl's request and tell her
13 what to do, when, in fact, the PILB Board was also
14 obligated to comply with that stipulation?

15 MS. PALMER: Objection. It misstates the
16 stipulation. It misstates her testimony about why there
17 was a six-week delay. And she's already answered why
18 she responded the way she did and when she did.

19 MR. CAMPBELL: I don't think she answered any
20 of those, this specific question. And I don't think it
21 misstates the tenor of that stipulation. She's already
22 testified that she understands it to be a clean slate
23 and that everybody was going to be on the same page, as
24 a part of the stipulation.

25 MS. PALMER: Do you want to, do you want to

1 specify which provision you're referring to, so that the
2 record could be clear?

3 MR. CAMPBELL: Sure. Let's look at Exhibit
4 Number 20. It would be paragraphs 14 and 16 at page
5 166. And then, also, at page 165, paragraph 12.

6 MS. PALMER: What's your question, counsel?

7 MR. CAMPBELL: May I have it read back.

8 (The Reporter read back the last question.)

9 MS. PALMER: So I'm going to say that that
10 question's vague. Which, which provision are you
11 referring to? Are you referring to all three of them
12 simultaneously?

13 MR. CAMPBELL: Yes. Conditions on the PILB to
14 what to do in the future as to the stipulation.

15 MS. PALMER: Well, then, I'm going to object on
16 the basis of being compound.

17 MR. CAMPBELL: I don't think it's compound.
18 There's specific duties under the stipulation. And I'm
19 asking her whether that didn't she think the PILB Board
20 had an obligation to comply with those duties under the
21 stipulation.

22 MS. PALMER: Well, then, why don't you take
23 them individually.

24 MR. CAMPBELL: Because they're -- collectively,
25 they have a certain amount of duties. I'm just asking

1 her generally whether she thought she complied with the
2 stipulation. If she wants to say "I don't think" --

3 MS. PALMER: Well, then, counsel -- sorry. Go
4 ahead.

5 MR. CAMPBELL: She testified earlier, I
6 believe, that it was her understanding that ESI was
7 supposed to get a clean slate and that there was
8 supposed to be a workout and a discussion regarding
9 policies and procedures. And I'm asking if her -- her
10 understanding, her understanding of the stipulation, as
11 to what the PILB was required to do, why in the world
12 she didn't respond to Ms. Hegdahl.

13 MS. PALMER: So my objection would be that
14 paragraph 14 does not refer to the PILB at all.
15 Paragraph 16 provides a very specific task that PILB was
16 supposed to do, and there has been testimony that it's
17 already been done. And paragraph 12 calls for a legal
18 conclusion.

19 MR. CAMPBELL: My offer of -- I'll put another
20 offer of proof for the record, because it's pretty
21 clear. The document speaks for itself. It says only
22 facts giving rise to a notice that occur after the
23 stipulation is entered into will be considered for
24 purpose of the agreement.

25 Fourteen, the parties agree -- the parties,

1 which means PILB -- that counsel for each will make
2 reasonable efforts to communicate to the extent
3 necessary to obtain clarification or opinion on any
4 matter within the scope of this agreement.

5 And 16, Executive Director Kevin Ingram agrees
6 to visit the headquarters at a mutually convenient time
7 following the effective date of the order to speak to
8 the ESI's management about the PILB policies and
9 procedures and to answer questions regarding them.

10 MS. PALMER: So my objection will be the same.

11 Paragraph 14 talks about what counsel needs to
12 do. The parties agree that counsel needs to do this,
13 not the PILB. Counsel.

14 Paragraph 16 refers to something that
15 Mr. Ingram was required to do, and there's already been
16 testimony that he did that. And Mr. Ingram will be up
17 next, and you could ask him all the questions about that
18 that you'd like to.

19 And paragraph 12, you cited only a portion of
20 it. It actually references two notices of violation,
21 and says that if the facts giving rise to those
22 violations are ultimately upheld, that they would not --
23 that would not be a basis for the revocation. But, in
24 fact, conduct that is a continuing violation, that is
25 not corrected, after the agreement, was to be included

1 in things that they absolutely -- that would trigger the
2 revocation provision. The idea was they were going to
3 clean up their act and --

4 MR. CAMPBELL: Well --

5 MS. PALMER: -- and go through their
6 procedures. There was tons of testimony about policies
7 that were being changed and things that they were doing
8 and that these kinds of violations that we saw in the
9 past were not going to occur. So the idea there was
10 that they would get a fresh start.

11 MR. CAMPBELL: Well, counsel, I think, you
12 missed that --

13 MS. PALMER: Continuing to engage in the same
14 conduct --

15 MR. CAMPBELL: Go ahead. I'm sorry. I
16 interrupted.

17 MS. PALMER: Just that facts that were a
18 continuation of the exact same conduct would not be
19 excluded.

20 MR. CAMPBELL: Well --

21 MS. PALMER: The idea was that they needed to
22 come into compliance where they had not been in
23 compliance in the past.

24 MR. CAMPBELL: Well, I think, you're misreading
25 12; 12 says any -- an act that would constitute grounds

1 for discipline, only those facts giving rise to the
2 notice that occurred after the stipulation. And then
3 the "thus" only defines two existing ones. It doesn't
4 say that that's the entire universe of it.

5 MS. PALMER: And Ms. Irizarry has testified
6 that it's a fact that they were unregistered after the
7 stipulated agreement and remain unregistered to this
8 day. That is a fact that has been testified to.

9 BOARD CHAIRMAN ZANE: The objection's
10 sustained.

11 Next question, please.

12 MR. CAMPBELL: Well, let me rephrase it.

13 BY MR. CAMPBELL:

14 Q. Ms. Irizarry, you testified that you had a
15 general knowledge of what you thought the stipulation
16 did, right?

17 A. Yes.

18 Q. And do you think your refusal to answer
19 Ms. Hegdahl's request for clarification on these two
20 employees comported with your general understanding of
21 the stipulation?

22 MS. PALMER: Object. Misstates testimony.

23 MR. CAMPBELL: She just said she had a general
24 understanding of it.

25 MS. PALMER: She never said she refused to

1 respond.

2 MR. CAMPBELL: Well, let me restate it, then.

3 BY MR. CAMPBELL:

4 Q. Your failure to respond to Ms. Hegdahl's
5 request, do you think that --

6 MS. PALMER: Objection.

7 BY MR. CAMPBELL:

8 Q. -- comports with your understanding of the
9 stipulation?

10 MS. PALMER: Objection. The document itself
11 shows that she did respond.

12 BY MR. CAMPBELL:

13 Q. Failure to respond to the specific inquiries of
14 Ms. Hegdahl?

15 THE WITNESS: Do --

16 BOARD CHAIRMAN ZANE: No, not yet.

17 MS. PALMER: I am not objecting to that
18 question.

19 BOARD CHAIRMAN ZANE: You have no objection to
20 that?

21 MS. PALMER: No.

22 BOARD CHAIRMAN ZANE: Okay. Go ahead. Sorry.

23 THE WITNESS: I apologize. What was the
24 question one more time?

25 ///

1 BY MR. CAMPBELL:

2 Q. Do you think your failure to respond to
3 Ms. Hegdahl's request in her May 10th email to you
4 comported with your understanding of the stipulation and
5 what PILB was supposed to do?

6 A. The only reason for failure to respond was I
7 was out of the office. I was out on medical leave. But
8 then I responded after that, that a violation would be
9 issued.

10 Q. No, you didn't respond to her specific request.
11 So listen to my question again. Do you think your
12 failure to respond to Ms. Hegdahl's request on
13 clarification about these two employees comported with
14 your understanding of the stipulation and the PILB
15 requirements under the stipulation?

16 A. My failure to respond was because I wasn't in
17 the office.

18 Q. Could you answer the question, ma'am.

19 Could she be instructed. It's a pretty simple
20 question, yes or no, does she think it comports with
21 the -- it's your understanding --

22 A. Yes, I think it does comport. Yes.

23 MR. CAMPBELL: I have nothing further.

24 MS. BRADLEY: So, Mr. Chair, it's almost noon.
25 If -- I was going to suggest --

1 MS. PALMER: Sarah, may I follow up with just a
2 couple questions?

3 MS. BRADLEY: Yeah. I was just going to
4 suggest that we finish with this witness and then
5 perhaps call a lunch break.

6 BOARD CHAIRMAN ZANE: Thank you.

7

8 FURTHER REDIRECT EXAMINATION

9 BY MS. PALMER:

10 Q. By the time that Ms. Hegdahl asked you how she
11 should respond to your inquiry about Mr. Magri not being
12 registered and Ms. Haslip not being registered, had the
13 violation already been complete, the acts giving rise to
14 the violation already been complete?

15 A. Yes.

16 Q. So if, in fact, you failed to respond to her
17 specific question, did that create any additional
18 hardship that would trigger the revocation; based on
19 your failure to respond to her specific inquiry, if, in
20 fact, you did, did that give rise to an additional
21 violation or further the violation?

22 A. No.

23 Q. Did they have the ability to read the statute
24 and register the employee if they believed that the
25 employee needed to be registered?

1 A. Yes.

2 Q. Did they have to ask the permission of the
3 Board in order to do that?

4 A. No.

5 MS. PALMER: That's my only questions. Thank
6 you.

7 MR. CAMPBELL: One follow-up.

8

9 FURTHER RECROSS-EXAMINATION

10 BY MR. CAMPBELL:

11 Q. Ms. Irizarry, does the statute say that only
12 employees of a licensee have to be registered?

13 A. It doesn't say it like that, no.

14 Q. Excuse me?

15 A. It doesn't say it, that only employees of --
16 however you worded it, it doesn't say that, no.

17 Q. You don't believe that the statute says
18 employees of a licensee have to be registered?

19 A. Yes. So all -- I believe, it says all
20 employees of a licensee are required to be registered,
21 yes.

22 Q. Okay. And you know that the position of
23 Ms. Hegdahl -- in fact, she told you -- was that
24 Mr. Magri and Ms. Haslip were not employees of ESI
25 Security Services, Inc.?

1 MS. PALMER: Objection. Calls for a legal
2 conclusion.

3 BY MR. CAMPBELL:

4 Q. No, I'm saying that Ms. Haslip told you that,
5 that they were not employees of ESI Security, Inc.?
6 Excuse me. Ms. Hegdahl told you that?

7 A. I believe, this is the word she said, they're
8 employed under, and she said they recruit for both
9 companies, is what she stated.

10 MR. CAMPBELL: Okay. That's all I have.

11 BOARD CHAIRMAN ZANE: Okay. Thank you.

12 MS. PALMER: I would like to reserve her as a
13 rebuttal witness, potentially.

14 BOARD CHAIRMAN ZANE: Okay. All right.

15 MS. PALMER: And, Ms. Bradley?

16 MS. BRADLEY: Uh-huh (affirmative).

17 MS. PALMER: Could the Board members ask
18 questions of this witness at this time?

19 MS. BRADLEY: Yes, let's finish with this
20 witness. So if the Board members have questions for
21 her, let's ask those.

22 BOARD CHAIRMAN ZANE: Any Board questions?

23 Okay. And, Jim Colbert, did you have
24 questions?

25 BOARD MEMBER COLBERT: No, sir.

1 BOARD CHAIRMAN ZANE: Okay. Looks like we're
2 done.

3 MS. BRADLEY: So I would propose we take a
4 lunch break at this time. And then, I think, the state
5 has one more witness.

6 Is that correct?

7 MS. PALMER: Yes.

8 BOARD CHAIRMAN ZANE: Okay. The state, what
9 are the means of the local area; how much time do we
10 need?

11 MS. BRADLEY: It's up to you. I think, there's
12 not -- I mean there's things, I think, close to where
13 we're at on College Parkway to eat at.

14 BOARD CHAIRMAN ZANE: So we need to do an hour
15 or an hour and a half. What's your pleasure?

16 MR. CAMPBELL: Doesn't matter to me.

17 MS. BRADLEY: I'm not seeing a preference up
18 here.

19 BOARD CHAIRMAN ZANE: Well, the Board, this
20 site of the Board's preference is 45 minutes, if we can
21 get a table.

22 MR. WOODRUFF: There's a cafe on campus.

23 MS. KLEMME: Right behind us.

24 MS. BRADLEY: Well, I'm going to go back to my
25 office, but. I think, we think 45 minutes will work.

1 BOARD CHAIRMAN ZANE: All right. We'll resume
2 at 12:45.

3 * * * * *

4 (A lunch break was taken, 11:58 a.m. to 12:54 p.m.)

5 * * * * *

6 BOARD CHAIRMAN ZANE: Is everybody ready in the
7 north?

8 BOARD MEMBER COLBERT: Yes.

9 BOARD CHAIRMAN ZANE: Any, anybody ready in the
10 north?

11 BOARD MEMBER COLBERT: Yes.

12 BOARD CHAIRMAN ZANE: Okay.

13 MR. INGRAM: For the record, Lori Irizarry is
14 no longer in the room.

15 BOARD CHAIRMAN ZANE: All right. Ms. Palmer,
16 call your next witness.

17 MS. PALMER: I would like to call Kevin
18 Ingram, please.

19

20 K E V I N I N G R A M,

21 having been duly sworn/affirmed,

22 was examined and testified as follows:

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DIRECT EXAMINATION

BY MS. PALMER:

Q. Mr. Ingram, where are you employed, and what is your job title?

A. I'm the Executive Director of the Nevada Private Investigator's Licensing Board.

Q. How long have you been employed by the Private Investigator's?

A. Since September of 2012.

Q. And what are your job duties?

A. I oversee the operation of both offices, located in Carson City and Las Vegas. I am responsible for creating the budgets, receiving revenue, paying expenses, hiring and training personnel, and all other duties that the Board asks me to do.

Q. Does that include making decisions about whether or not violations are issued to particular licensees?

A. That's correct.

Q. I would like to turn your attention to Exhibit 20, page 166.

A. Okay.

Q. Well, first, before we go to page 166, this Exhibit 20 generally, are you familiar with what this document is?

1 A. Yes, I am. It's the Order Approving
2 Stipulation for Settlement of Disciplinary Action.

3 Q. And what does that relate to?

4 A. That relates to a stipulation for settlement
5 that was agreed upon by Mr. Hendi and legal counsel, his
6 legal counsel, along with the Private Investigator's
7 Licensing Board and our legal counsel.

8 Q. And are you generally familiar with the
9 provisions in the agreement?

10 A. Yes, I am.

11 Q. Okay. I'd like to turn your attention to page
12 166. Paragraph 16.

13 A. Yes.

14 Q. Would you read that provision to yourself.

15 A. Okay.

16 Q. Are you familiar with that provision?

17 A. Yes, I am.

18 Q. And did you actually go out to ESI's
19 headquarters and visit with them?

20 A. Yes, I did. I visited ESI headquarters on
21 April 26, 2016.

22 Q. And what happened when you arrived there?

23 A. When I originally arrived in the office?

24 Q. Yes.

25 A. Well, first of all, I had had a brand-new

1 investigator that had started with us, Jason Woodruff.
2 And I had asked him to accompany me, just so that he
3 could introduce himself and kind of get used to things
4 that we do as a Board.

5 And please excuse my sniffles. I came down
6 with a cold yesterday, and I apologize.

7 So when we arrived at the location, we entered
8 through the entrance there where they have a gated area.
9 And the parking in the front had -- the security gate
10 was there. So we went down the side and parked in the
11 parking lot. Then we went in through the front door,
12 and Mr. Hendi greeted us there at the front reception
13 area.

14 Do you want me to continue?

15 Q. Did you observe anything when you were there?

16 A. Well, I observed the security people in front
17 of the parking lot and then, also, observed towards the
18 back of the office -- it's a beautiful office building.
19 It's very large. And at the very back, I noticed there
20 was some Shred-it trucks back there. Which I knew that
21 Mr. Hendi also owned Shred-it at that time.

22 Q. When you came through the door, do you recall
23 anything in particular that was on the door?

24 A. I believe, on the front door it said ESI
25 Security Service. I don't recall if there was another

1 name on there as well, but I don't believe so.

2 Q. And you said you met Mr. Hendi at the front?

3 A. Yes, he met us at the front reception area.

4 Q. And then what happened?

5 A. He asked, if we'd like, he'd take us on a tour.

6 We thought that was great. So we went ahead and he gave

7 us a tour of the facility.

8 Q. And what did you see when you went out?

9 A. Well, directly off of the reception area was a
10 small office set up with some computers. And Mr. Hendi
11 informed us that that's where the new applicants came in
12 and processed their employee applications and that they
13 would assist them with the application process.

14 Then he took us down the hallway. We went to
15 the left in the facility and walked down the hallway a
16 little ways. And he had pointed to a hallway where
17 Quick Print was located, which is the fingerprinting,
18 which Mr. Hendi also owns and operates.

19 He took us past -- and forgive me if I misspeak
20 this. I believe, he called it the war room or the
21 muscle room. They have a large area set up just as a
22 conference room where they can meet and talk about
23 different things that are going on, and sharing of
24 information with staff and the supervisors.

25 And then he took us down a little bit further.

1 And there was -- I mean the building's huge. It's a
2 beautiful building. There are office after office after
3 office. He explained that, you know, they had staff
4 there from Events Services, ESI Security Services, Quick
5 Print. And Shred-it was in the back. He couldn't take
6 us back there for confidential reasons, because it's the
7 Shred-it company, shredding company. And he just took
8 us around to different offices and introduced us to
9 different personnel.

10 After we were done, we came up the other side
11 of the building. He showed us where dispatch was and
12 introduced us to those staff in there.

13 And then, I believe, on the second or maybe
14 even -- I can't remember if there was more than two
15 floors. But he took us to an area that was unfinished,
16 and he said that was the area he was currently building
17 out, which there was a lot of construction being done in
18 there, that he wanted to eventually open up his private
19 investigator's section, also, once he got licensed to do
20 that. And that was upstairs.

21 Once we were done with the tour, he took us to
22 his office. And he's got a nice little area out there,
23 with plants and stuff. And it's a real nice area.

24 And then he took us into the training room
25 where they had overhead projectors and classroom-style

1 seating. And that's where the presentation was done.

2 Q. Okay. If I can stop you for a moment and turn
3 your attention to Exhibit 19.

4 A. Okay.

5 Q. Are you familiar with what this particular
6 exhibit contains; have you seen this type, have you seen
7 that before?

8 A. Oh, yes. This is a printout from the Nevada
9 Secretary of State. We utilize this, this website quite
10 frequently to ensure that people have their corporate
11 licenses, and what names and everything.

12 Q. So I'm going to have you look at page number
13 142.

14 A. Okay.

15 Q. And it's listed at the top. What does it say?

16 A. Shred-it Reno, Inc.

17 Q. And is this the entity of the vehicle that you
18 observed in the parking lot?

19 A. Yes, I believe so.

20 Q. And I didn't get a chance to ask you, but the
21 address that's noted on here, is this the address where
22 you were present on that day, at 8670 Technology Way?

23 A. Yes, it is.

24 Q. Did you see, when you went inside, did you see
25 anything that indicated Shred-it was operating there?

1 A. I don't remember seeing anything like that,
2 indicating that.

3 Q. Okay. Turning your attention to page 145,
4 where it says "Quick Print"?

5 A. Yes.

6 Q. Is this the business that you referenced that
7 you were able to observe while you were inside?

8 A. This is the name of the business that we
9 observed. Just a hallway, there -- from the hallway,
10 has to be fingerprinting done. So he could not take us
11 into that area. We had to respect that. We respected
12 that.

13 Q. So did you see anything on the door, or did you
14 see a notation, or you were just told that Quick Print
15 was --

16 A. Didn't go down the hallway far enough to see
17 that, or if anything was on the doorway, so.

18 Q. Okay. And then, turning your attention to page
19 147.

20 A. Okay.

21 Q. ESI Security Services?

22 A. Yes.

23 Q. You saw those operations?

24 A. Absolutely.

25 Q. And then, lastly, at the beginning of that

1 document, at page 138. Events Services, Inc.?

2 A. Yes.

3 Q. Did you see evidence of Events Services, Inc.
4 business being conducted there at that location, at
5 8670 Technology?

6 A. I don't recall seeing anything. He didn't
7 explain, introduce me to some of the staff with Events
8 Services tech.

9 Q. Do you recall where they were or what they
10 might have been doing?

11 A. What I specifically remember was -- it's kind
12 of a little office area outside his office on the second
13 floor, and there were people sitting there. I believe,
14 he told me, told me that they were Events Services
15 employees there.

16 Q. Okay. And would you turn your attention to
17 page 110 for just a moment, of Exhibit 15.

18 A. 15.

19 Q. Do you see that signature block right there?

20 A. Yes.

21 Q. And what is it noting?

22 A. C.A. Magri, Recruiting Specialist, Events
23 Services, Inc.

24 Q. And what is the telephone number?

25 A. 775-786-1122.

1 Q. And if you'll turn your attention to page 121
2 at that same exhibit. What does it reflect in that
3 signature block?

4 A. C.A. Magri, Recruiting Specialist, ESI Security
5 Services, quotes, maintaining the gold standards, end
6 quote, phone number 775-786-1122, and then the website
7 for ESI Security Services, and their PILB license number
8 and their California license number.

9 Q. Is the telephone number on page 110 of
10 Exhibit 15 the same as the telephone number on page 121
11 of Exhibit 15?

12 A. Yes, it is.

13 Q. And, in fact, they're indicating two different
14 businesses on each of those pages, one single business
15 on each of those pages, that are different?

16 A. That's correct.

17 Q. Have you ever had reason to call that telephone
18 number?

19 A. I have in the past, yes.

20 Q. And what happens when you call that telephone
21 number?

22 A. Well, if you get the voicemail, the answering
23 machine that picks up, it says "ESI Security Services."
24 And if you have someone pick up the phone, they identify
25 on the phone ESI Security and Events Services.

1 Q. They identify both companies --

2 A. Correct.

3 Q. -- when you call? And have you called more
4 than one time and had the ability to hear that?

5 A. Yes.

6 Q. Okay. Turning your attention back to
7 Exhibit 20, on page 166, so this visit that you took,
8 that was required pursuant to the stipulated agreement,
9 as noted in paragraph 16, tell me what happened when you
10 arrived upstairs in the projection room?

11 A. And as I said, on the first floor, we went back
12 down to the first floor. And we went into a classroom.
13 And Mr. Hendi had catered the meeting. I had suggested
14 that he not only have ESI Security staff there, but also
15 the Events Services employees there, supervisors, so
16 that we could talk to both entities at the same time and
17 get, you know, the same information to both sides at the
18 same time.

19 Q. Why?

20 A. Because of the confusion on what I believe was
21 their part. I mean we were explaining over and over
22 again that anyone that was working for ESI Security
23 Services needed to have a work card. And we were
24 getting conflicting information when we were talking to
25 individuals that were applying for work cards, telling

1 us, "Well, I work for ESI Security Services." And we'd
2 say, "Do you work for ESI Security Services or Events
3 staffing?" And they would say, "Security Services." So
4 we'd ask them what their duties were, and they'd say,
5 "Security," and give us locations and times that they
6 were providing security duties.

7 We asked them their duties just to kind of help
8 clarify. And so we wanted to make sure that everybody
9 understood that they couldn't intermingle the two. And
10 so that's why we asked for both representation there.
11 Mr. Hendi agreed. I would say there was probably 30
12 people in attendance. It was a great attendance. And
13 he introduced myself and Jason Woodruff and walked in
14 with us and started the presentation for us.

15 Q. He started the presentation for you?

16 A. Yes. I had originally told him that I had a
17 Power Point presentation that I wanted to present to
18 them, in agreement with the stipulation agreement. And
19 then, when we showed up, he actually had a presentation
20 for us. And he was giving -- he had different members
21 of his staff giving portions of the overview, showing us
22 what they do and how they do it, and that due to a lot
23 of the inconsistencies that we were finding, that he was
24 implementing new policies and procedures. He had bought
25 some new software that he felt would help him keep a

1 reference of the different entities.

2 And once that was completed, he asked if we had
3 any questions, which I did not. And he thanked us for
4 coming, and I said, "Well, remember, I have a
5 presentation I need to make." And they weren't really
6 prepared for that. So it took them several minutes to
7 get my Power Point up and running on their laptop. And,
8 eventually, we got it, but.

9 Q. So you had the impression that Mr. Hendi
10 believed you were there to see his presentation, and not
11 for you to actually show him your own or clarify
12 questions that they might have had about the process and
13 procedure?

14 A. When we spoke prior to me going there, it was
15 my impression that he knew I was going to make a
16 presentation to them. When I actually arrived, the
17 perception I got was that he thought he was going to
18 give us a presentation of the things that he was going
19 to change and make better.

20 And at the conclusion, he thanked us for
21 coming. And I felt like he thought that was the end of
22 it. That's when I said, "Well, remember, I have a
23 presentation I need to make."

24 Q. So you did eventually make your presentation?

25 A. Yes, I did.

1 Q. Okay. Before we get to that, I would like to
2 turn your attention to Exhibit 21 for just a moment.
3 And there's an email. I believe, it begins on page 179.

4 A. Yes.

5 Q. And do you know who Sarah Haslip is?

6 A. Yes, I do.

7 Q. And who is Sarah Haslip?

8 A. She is an employee for Mr. Hendi.

9 Q. And "PILBINFO," what is that?

10 A. PILBINFO is our main email mailbox that
11 inquiries come into or complaints are submitted through.
12 And that's monitored by a couple of my staff, the ones
13 that are currently the PILB staff located in the
14 northern office.

15 Q. Okay. If you go back to the beginning of that
16 email string, which the tail end of it is on page 181,
17 but the first communication actually begins on page 180.
18 Do you see where it says "Hello. Please find attached
19 fingerprint for nursing state board"?

20 A. Yes, I do.

21 Q. Is there any reason why the Private
22 Investigator's Licensing Board should be receiving
23 something for the nursing board?

24 A. No.

25 Q. And, I believe, the communication which begins

1 on page 179 at the bottom from Ms. Hix -- who is that?

2 A. Lacey Hix is an employee of ours in the north,
3 and she definitely helps out with the PILBINFO.

4 Q. And she's responding to Sarah Haslip, and she
5 indicates that she thinks it was sent to the wrong
6 location?

7 A. Yes. It says, "Sarah, I believe you sent this
8 to the wrong location. Best regards, Lacey."

9 Q. Okay. And then there is one more communication
10 there where it looks like Sarah Haslip is responding
11 back, and she says that she's in the habit of sending
12 things, it was automatic?

13 A. Yes, correct.

14 Q. I'd like to turn your attention to the
15 attachment that comes with that email, on page 182.

16 A. Okay.

17 Q. Do you have an understanding of which companies
18 that Ms. Haslip works for?

19 A. I believe, Ms. Haslip works for ESI Security
20 Services.

21 Q. And Quick Print is another company that's owned
22 by Mr. Hendi; is that correct, in your understanding?

23 A. That's my understanding, yes.

24 Q. And on this, who does it indicate these
25 fingerprints from the nursing board are being done by?

1 A. Sarah Haslip.

2 Q. And do you know the reason why we're here
3 today?

4 A. Yes.

5 Q. And what is that?

6 A. For the appeal of a citation where they're
7 claiming that Sarah Haslip and C.A. Magri work for
8 Events Services and ESI Security Services.

9 Q. And you believe that they work for one company,
10 many companies; what is your belief, what is your
11 understanding?

12 A. Well, with everything that I've reviewed and
13 everything I've seen, it almost appears that they just
14 work for whoever they need to work for, for that day,
15 based on demands, based on the facts presented.

16 This Quick Print signed by Sarah Haslip, I went
17 ahead, and when I received this, I went ahead and
18 contacted the Department of Public Safety, as part of
19 our investigation, and asked them if, in fact, ESI
20 Security, or I'm sorry, if, in fact, Quick Print, Inc.
21 was set up with them to do fingerprints, to which they
22 replied no.

23 So I asked them who was actually set up with a
24 fingerprint company, with a fingerprint company through
25 them, and they sent me information that it was actually

1 ESI Security Services. But they did present them that
2 they were doing business under the name Quick Print.

3 So then I cross-referenced online with the
4 Secretary of State and saw Mr. Hendi does have Quick
5 Print, Inc. filed with the Secretary of State. However,
6 they're doing business with DPS as ESI Security
7 Services, dba Quick Print.

8 So, therefore, Ms. Haslip would have to be an
9 employee of ESI Security Services.

10 Q. In which case would she have to have a work
11 card?

12 A. Absolutely.

13 Q. Okay. Going back to your visit, and you said
14 that you eventually did your presentation, if you would
15 turn to Exhibit 18. If you would flip through that for
16 a moment and see if that is, in fact, the Power Point
17 presentation that you utilized on that day while you
18 were at their office?

19 A. Yes, it is.

20 Q. And I'd like to ask you some questions about
21 some particular slides. So beginning on page 130.

22 A. All right.

23 Q. Looking at the slide in the middle of the
24 left-hand column -- did you talk about each of these
25 slides as you went through them?

1 A. Yes, I did.

2 Q. Can you tell me what you talked to them about
3 regarding that middle slide, that says "Who needs a work
4 card?"

5 A. Well, it specifically reads "All" --
6 underlined -- "employees of a licensee are required to
7 have a work card" and then, in parenthesis, NRS 648.060
8 "regardless of their title or position." And then
9 there's bullet points: ushers, ticket takers, human
10 directionals, clerical, dispatchers, check-in station,
11 command post, etc.

12 Q. And so what did you tell them, did you -- what
13 did you say about this particular slide?

14 A. I just reiterated that anyone that was working
15 for ESI Security Services, regardless of their title,
16 had to have a work card with us. And, you know, earlier
17 testimony talked about a janitor. If a janitor is
18 employed by ESI Security Services as an employee, they
19 would, too, have to have a work card.

20 Q. And if I could turn your attention to page 135.
21 I'm sorry. Before I do, do you recall whether or not
22 you had any questions regarding that slide?

23 A. You know, there were a couple places in the
24 presentation I asked for questions. There was some
25 questions from the audience -- I can't tell you exactly

1 who, because there was so many in attendance --
2 clarifying who needed a work card and who did not. So
3 there were questions and answers to that, yes.

4 Q. Do you remember whether Mr. Hendi asked you any
5 questions specifically?

6 A. Not specifically, no. It was staff.

7 Q. Okay. Turning your attention to page 135,
8 focusing on the first two slides in the left-hand
9 column.

10 A. The top and the middle?

11 Q. Yes.

12 A. Okay.

13 Q. What did you talk about in regards to these two
14 slides? And if you want to take a moment to read them.

15 A. Well, actually, the top left slide is a
16 follow-up slide to the last lower right-hand column on
17 PILB Bates stamp 134. It's talking about violations and
18 citations. And then it went into the slide. And I
19 just -- let's clarify, because it's going to talk about
20 responsibilities of the licensee and citations and
21 fines.

22 This is a Power Point presentation that I
23 utilize in providing training for any licensee that's
24 requested training with us. We also provide training to
25 Las Vegas Convention Center, the chiefs meetings, and

1 I'm asked to do presentations, and they're in different
2 places.

3 So what I had asked Lori to do is to take our
4 regular slide presentation and make this one specific to
5 ESI, because it was an ESI-specific presentation. So
6 any of the slides in here that specifically talk about
7 ESI are not utilized in any other training that I
8 provide. And I just wanted to put that on the record.

9 The top left-hand slide here, it's talking
10 about the responsibility of the licensee to read and
11 review NRS Chapter 648 and Nevada Administrative Code
12 648 pertaining thereto to determine licensees' rights
13 and/or obligations, and the fee schedule for fines
14 imposed.

15 NAC 648.431 is expressly mentioned there. And
16 it says "Failure to comply with this notice of
17 violation," talking about if a licensee is given notice
18 of violation for whether it's a fine or citation, might
19 be that they failed to put somebody on a roster, it
20 might be that they were working for somebody without a
21 work card, that failure to comply with those violations
22 is grounds for suspension, revocation of your license,
23 or denial of the application for processing, under
24 Nevada Revised Statute 648.164.

25 The next one down below it -- at that time, I

1 asked for questions, as you can see on the slide to the
2 right. There were none.

3 The next slide talks about disciplinary
4 actions. Security violations or infractions,
5 substantial danger to the public health and safety,
6 abandoning a post, and excusable neglect of duty, or
7 sleeping on duty, alcohol or drug abuse while on duty,
8 embezzlement, violation of any provision of the chapter.

9 This is specifically talking about there are
10 oftentimes, when there's a large convention going on,
11 that I'll receive a trespass notice from like the
12 convention centers, and they'll say this employee, this
13 security guard was caught sleeping on the job, or was
14 caught stealing, and we have trespassed him, and he no
15 longer works at this facility.

16 If I receive the trespass notice, I notify the
17 licensees that I received the trespass notice and make
18 sure they have received theirs as well. We talk about
19 what's going to happen to them.

20 If it's determined that it's an employee of a
21 licensee, I mean the licensee can't control their staff
22 a hundred percent of the time. They don't know what
23 they're going to do. They're their own person. As long
24 as the licensee, once I notify them, takes some type of
25 action against that employee, and they and I feel that

1 it's a reasonable action against them, that they will do
2 that. And at that time, I'll decide whether or not it
3 was egregious enough for me to bring that work card
4 before the Board for possible suspension or revocation
5 of their work card.

6 Most of the time, the licensees handle those
7 situations with their employee in a way that I feel it's
8 not necessary to bring it before the Board. However, if
9 it becomes ongoing, I have that opportunity to bring it
10 before the Board.

11 All of that was explained during the
12 presentation.

13 Q. And how is that relevant to ESI in particular?

14 A. Because ESI does get a lot of violations based
15 on, you know, the employees that are working for them.
16 Most of their disciplinary situations, though, are just
17 failure to comply with the notice of violation. But
18 there are times that they have employees that do
19 something wrong, that they had to correct.

20 Q. And I apologize. There were a couple of slides
21 I looked at that I'd like to ask you about. And that's
22 on page 133, the two slides in the middle. What did you
23 talk about in regards to those slides?

24 A. Okay. These are slides of the licensee's
25 online roster. As Ms. Irizarry had testified earlier,

1 each licensee gets permission to have one or more
2 individuals to gain access to our database. And they
3 are responsible for keeping their online roster
4 up-to-date.

5 So these slides are kind of hard to see, but
6 some of the points that I made were that when an
7 employee is hired, first of all, that they should be --
8 their staff should be verified to make sure that they
9 can even find that employee in our system. If they had
10 failed to add somebody to their roster, that does not
11 have an active or valid work card, they will not be able
12 to add someone to the roster until they're registered
13 with us. So I was talking about verifying whether
14 everyone had a work card.

15 The dates are important, the date that they
16 hired them, the dates that they termed them.

17 They're responsible for adding an employee to
18 their roster within three days of the employee being
19 hired. Now, that doesn't mean that if they hire
20 somebody, and that person works for only one or two
21 days, and they don't make it to the third day, that they
22 don't have to have them on the roster. That's not what
23 the law states. They still have to add it to the
24 roster, showing that they were hired and showing they
25 were terminated. But they have three days to add them

1 to the roster.

2 Additionally, they have three days from the
3 date that an employee -- that they term an employee, or
4 the employee terminates employment with them, to
5 terminate them on the roster as well.

6 So I'm just covering the different areas that
7 they're looking at, the dates, how to verify if somebody
8 has a work card, and how to maintain their rosters
9 accurately.

10 Q. So other than the things that you've testified
11 about, was there anything in your presentation that led
12 you to pursue further action in regards to the violation
13 of what you're on appeal for today?

14 A. You mean on the slides themselves?

15 Q. Or in your discussion.

16 A. It's okay if I look through this, right?

17 Q. Absolutely.

18 A. On page 131, the work cards, the top right-hand
19 slide shows them a picture of what a provisional
20 registration looks like.

21 And along with that, I made sure that they
22 understood that if somebody has a provisional printout
23 that does not have a picture on it, because that's our
24 provisional approval prior to them -- prior to us
25 getting the criminal history back from the criminal

1 repository, that since there's not a picture on that,
2 that they're required to have a valid picture ID on
3 them, as long as they have that provisional, so we can
4 verify that that is who that provisional is for. That
5 was one thing that I spoke about.

6 The slide below is talking about how they can
7 tell if they're an active registered PILB work card
8 based on the dates.

9 Also, the only -- the bottom right-hand slide
10 talks about the only acceptable work cards are either
11 the provisional printout that we talked about above.
12 And, again, you'll see a little inset there to the
13 right. And then the PILB active work card.

14 Additionally, on page 132, the top two slides,
15 what is not acceptable. Or, actually, it says "Not
16 acceptable work cards." And these are cards that say
17 gaming or licensee or anything other than security on
18 them.

19 The Las Vegas Metropolitan Police Department,
20 so, yeah, the police departments still do sheriff's
21 cards for other areas that somebody might be working in.
22 However, we took over the sheriff's cards -- I believe,
23 it was in 2009 -- with the Private Investigator's
24 Licensing Board. So the PILB cards are the only ones
25 that are valid now for them to work in a security

1 environment, because all the sheriff's cards have since
2 expired.

3 On the right-hand side, we gave specific
4 pictures on the Power Point. This was in relation to a
5 conversation that Lori Irizarry and I had with Mr. Hendi
6 back several months, about a year ago, where ESI
7 Security Services was issuing -- and it's hard to see on
8 this slide here, but the two cards actually say "ESI
9 Security" on the top of them, on the left-hand side of
10 the slide. And then it has the picture and the person's
11 name. It also has their title on there.

12 And we had told them that those cards were not
13 valid work cards, and that was an internal ID card.
14 Mr. Hendi asked if it was okay if they had internal ID
15 cards. I said, "Absolutely. I mean it takes sense.
16 But please don't issue those until the employee either
17 has a provisional work card with us, at the least, or an
18 active work card."

19 It also shows the Washoe County cards there as
20 no longer acceptable.

21 Let's see.

22 Q. So my question was whether or not there was
23 anything else that led to your decision to move forward
24 on the violation. And these are the things that you're
25 relating. How did these things?

1 A. Well, again, that was an overview of the
2 expectations and how things work.

3 Following the presentation, I asked if
4 Mr. Hendi and Amanda Hegdahl can meet with me for a few
5 minutes. We went into the community room there, just
6 the three of us, and talked. And I made suggestions
7 that at that time, you know, for being human resources
8 and then trying to clean everything up, that it would
9 probably be in the best interest to go through the
10 roster and make sure the rosters were cleaned up.

11 And if they needed assistance with it, once
12 they found out, for example, if they didn't term
13 somebody at the right time, they wouldn't be able to
14 term them, if they'd let us know, and we'd help to term
15 it for them.

16 And just had a little more of a discussion
17 about, you know, we're here to help you, and, you know,
18 this is what you need to do, and looking forward to, you
19 know, moving on and getting you on the stipulated
20 agreement.

21 And I was under full impression that he was
22 going to make an effort to comply.

23 Q. Did you receive any communications, other than
24 the email communication that is Exhibit 3, that has been
25 discussed quite a bit here today and also back in

1 September, regarding Sarah Haslip or C.A. Magri and
2 whether or not they needed to be registered?

3 A. Any additional after that, no.

4 Q. At the time you were there in the meeting, was
5 there any questions about whether those two individuals
6 would need to be registered?

7 A. I don't recall speaking indirectly to those two
8 individuals. But I felt that with the presentation I
9 did, I gave them that all employees would have to have a
10 work card.

11 Q. Did they ask you about if they have employees
12 paid by one of the companies, and they're working, doing
13 work for another company, whether or not those
14 individuals would need to be registered?

15 A. There was some discussion about that. And I
16 told Mr. Hendi as long as those employees were not, were
17 not performing any of the duties associated with their
18 license, that they may or may not have to have a work
19 card, and it would be better to ask if we could help
20 them clarify that.

21 Q. And what did you mean by that?

22 A. Well, there's -- it's hard to explain. When
23 you walk into their office, everything is just
24 intermixed.

25 So if you've got somebody that -- and some of

1 the -- some of the investigation that we did, leading up
2 to the stipulation agreement, was we would say this
3 person has their security card issued by ESI Security.
4 They tell us where they work. They tell us the duties
5 were security. And then we ask them, his staff to
6 justify it or to confirm it, and we get a paycheck stub
7 from Events Services.

8 So they get paid by Events Services. And he
9 said, "Well, no, they're not an ESI Security employee.
10 They're being paid by Events Services." Or saying that
11 they're working for ESI Security. They have your ID.
12 And they are also performing the duties at these
13 locations at these times.

14 So giving us payroll records for somebody out
15 of one -- I feel like they were being paid out of Events
16 Services, just to say they were an employee of ESI, but
17 they were actually working as an ESI employee.

18 And we had time and time again that information
19 come into our office.

20 Q. And you had discussions with Mr. Hendi about
21 that?

22 A. Absolutely.

23 Q. Do you recall any in particular?

24 A. One was a telephones call that Lori Irizarry
25 and I made to Mr. Hendi. Lori had been following up. I

1 had put her totally in charge of the investigation. And
2 when she brought information to me, I said, "I think,
3 it's time for to us call Mr. Hendi, because they're not
4 getting it."

5 And I wanted to clarify one more time with him
6 directly, instead of going through the staff. Because
7 his staff would say, "Okay. We understand." But then
8 the same thing would happen.

9 When I spoke with Mr. Hendi, he assured me that
10 he was going to get it taken care of, get it
11 straightened out. And it continued to happen. So I
12 don't know whether he, you know, was entrusting staff to
13 take care of it, and they didn't, or what.

14 Q. Okay. Let me turn your attention to
15 Exhibit 16. This document has not been admitted yet.

16 Can you take a look at that, just briefly look
17 through it, see if it's familiar to you.

18 A. Yeah, this is an email that I sent to
19 Mr. Hendi.

20 Q. And do you keep this email in the regular
21 course and scope of business?

22 A. Yes, I do.

23 MS. PALMER: Counsel, are there any objections
24 to admitting this particular document?

25 MR. CAMPBELL: If I could have one minute,

1 counsel.

2 No problem. I'll stip. I'll stipulate.

3 MS. PALMER: And then just maybe if you'll just
4 take a quick look at 17, see if you're going to have any
5 concerns. Because, we'll get them both passed out at
6 the same time. Otherwise, I can wait, and.

7 MR. CAMPBELL: I'll stipulate.

8 MS. PALMER: Pardon?

9 MR. CAMPBELL: I'm fine with it. I'll
10 stipulate to it.

11 BOARD CHAIRMAN ZANE: He's fine.

12 MS. PALMER: He's fine. Okay. So can we have
13 those two documents admitted, Mr. Chairman?

14 BOARD CHAIRMAN ZANE: They will be admitted.
15 That's 16 and 17, right?

16 MR. PALMER: That's correct.

17 (Exhibits 16 and 17 were admitted.)

18 MS. PALMER: And, I believe, that makes
19 everything complete now, all of the exhibits have been
20 admitted that are proposed for both our side and the
21 respondent's side.

22 May I proceed?

23 BOARD CHAIRMAN ZANE: Yes, please.

24 MS. PALMER: Thank you.

25 ///

1 BY MS. PALMER:

2 Q. Mr. Ingram, looking at Exhibit 16, can you tell
3 us what this, these communications were?

4 A. It's an email that I received from Mr. Hendi.
5 And it says "Good morning, Kevin. Here's the IDs we
6 provide our staff and the slide we are showing during
7 our pre-hire orientation. Please let me know what you
8 think. Thank you."

9 And he provided me, on page 124, a picture of
10 the PILB card and an Events Services, Inc. ID card. And
11 ESI Security is cut off there, but it's the ESI Security
12 card that we used in our presentation as well.

13 My response was, following that, on the same
14 day. I said "Hi, Mike. Thanks for sending the slide
15 that shows copies of your internal ID cards. I just
16 want to make sure you are no longer issuing your
17 internal IDs until your prospective employees receive
18 provisional approvals. I have copied Lori on this
19 response so she is aware as well."

20 And I'm reminding him of some outstanding
21 citations he had.

22 MS. BRADLEY: Excuse me. Can we stop for just
23 one minute? I'm not sure we have that exhibit here.
24 What exhibit was this number?

25 MS. PALMER: 16 and 17. It would have been

1 present at the hearing in September.

2 MS. BRADLEY: Okay. It's not in my book.

3 MS. PALMER: But it wouldn't have been --

4 MS. BRADLEY: Yeah, it's not in my book, and
5 it's not in the other Board member's book. So maybe we
6 can have it provided to us?

7 MS. KLEMME: Okay. Raelene, do you want me to
8 provide those?

9 MS. PALMER: Yes. I'm sorry. I thought you
10 were doing that when we were passing out ours.

11 MS. KLEMME: No.

12 (Exhibits were passed out.)

13 MS. BRADLEY: All right. We have those now.
14 Thank you.

15 MS. PALMER: Do you need to look at them for a
16 minute, or can we proceed?

17 MS. BRADLEY: I think so. We're putting them
18 in our books now. And, I think, we can listen.

19 BY MS. PALMER:

20 Q. Mr. Ingram, on page 124, the badges that you
21 referred to, the Events Services badge and the ESI
22 Security badge that was partially cut off, are these the
23 badges that you were referring to in your Power Point
24 presentation?

25 A. I did not use the Events Services, because my

1 presentation was for ESI Security Services. As far as
2 their IDs, I didn't. You know, I don't really pay
3 attention to Events Services' IDs.

4 Q. But is this the internal ID cards, that one of
5 the cards was cut off, that you were suggesting that
6 they should provide to their employees?

7 A. That's correct. And you will notice in this
8 email from Mr. Hendi, it says that "Here are the IDs we
9 provide our staff and the slide we are showing during
10 our prehire orientation." Because we even told them
11 that without a PILB card, they couldn't go on with their
12 training.

13 But he's saying that they're providing those
14 IDs at prehire. They weren't even hired yet. And he's
15 giving them the ESI Security badges. That's why I went
16 back and said, "I just want to make sure, again,
17 pursuant to the previous conversation, that you're not
18 issuing the internal IDs until they have gotten at least
19 provisional approvals from us," because of the email
20 prior to this that we just spoke about.

21 Q. Prior to becoming the Executive Director of
22 this Board, the Private Investigator's Licensing Board,
23 do you have any experience in human resources?

24 A. Yes. Actually, I was a human resource manager
25 for the Department of Corrections for about 12 years. I

1 was also a retail store manager, general manager, for
2 seven years. So I have total of five years, though,
3 with the state.

4 Q. And do you have any experience with recruiting
5 agencies?

6 A. Yes.

7 Q. In your experience with recruiting agencies,
8 did you -- and that would be a third-party vendor; is
9 that correct?

10 A. M-hm (affirmative).

11 Q. Did you ever see where they would utilize the
12 company that they're actually serving in the vendor
13 forum, using their email signature identifying the
14 third-party vendor as a company itself, as is indicated
15 in, for example, Exhibit -- page number -- Exhibit 15,
16 page number 121, where C.A. Magri is using that
17 particular signature block?

18 A. No. And I when I've used third-party
19 recruiters, they've always listed their recruiting
20 agency, and in the body it says we're recruiting for a
21 position with, for example, the Nevada Department of
22 Corrections, or payless cash raise, or whatever. They
23 would represent themselves as the third party recruiting
24 for a company.

25 Q. Okay. And then, if you would turn your

1 attention to Exhibit 17. Do you remember seeing this
2 email?

3 A. I'm sorry. I'm trying to go through it real
4 quick. Yes, I do remember this.

5 Q. What is it?

6 A. It's an email from Sarah Haslip to Mary Klemme,
7 who's my office manager in the north. And Mary had
8 forwarded it to me to see if she wanted -- if I wanted
9 them to get involved in it, and please let her know how
10 to respond to this. And I replied that let's talk about
11 this Monday. You can see it was Friday at 6:25 p.m. So
12 I was trying to get out of the office, and she was
13 trying to get out of the office. So I felt that it
14 could wait until Monday.

15 It was an email from Sarah informing us that
16 they had had the applicant -- I'll do my best to
17 summarize. They had an applicant that came in, and
18 there were a couple of different employees helping them.
19 He -- the way that ESI Security Services helps their
20 applicants out is they go in that front room, that I
21 explained where the computers are. They will walk
22 through the process. And then they use a corporate
23 credit card to pay for the fees online, to kind of help
24 expedite the process. And then they take payment from
25 the individual. But that way, if the individual doesn't

1 have a credit card, they can just do it online for them.

2 And people were helping them, and they were
3 busy up front. They failed to get payment from the
4 individual. So they were asking our assistance, instead
5 of mailing out the registered work card to the actual
6 applicant, they wanted us to send it to their office, so
7 that they could hold onto it until they received payment
8 from the individual.

9 I informed them that we could not do that, that
10 that was an internal situation they were going to have
11 to deal with, the applicant as well as the card. They
12 paid for it. And that's the way they process it, that
13 we only issue the cards to the individual, not to the
14 licensee, and they would have to take it up with that
15 individual. Which they understood. And that's how it
16 was rectified. I don't know that they ever got the
17 money.

18 Q. At the time that you received this email, did
19 you have an opinion about who, or what company
20 Ms. Haslip was working for?

21 A. I felt, believed her to be working for ESI
22 Security Services. It says so in her email signature.
23 She's talking about ESI Security Services. She's
24 talking about the corporate credit card. She's talking
25 about "we." And there are several things in the email

1 that led me to believe she was an employee of theirs:
2 "We then scheduled him to take the exam in our office";
3 "called me to see if I had the corporate card," the ESI
4 corporate credit card.

5 So everything in here leads me to believe that
6 she's an employee of. And she's helping this person
7 through the application process and making sure he
8 completed all his new hire paperwork, received a uniform
9 and badge. So they even gave him a uniform and badge.
10 And that would have been prior to us approving the work
11 card.

12 Q. When you look at this, is there any doubt in
13 your mind about whether or not she was employed by ESI
14 Security Services?

15 A. There's no doubt in my mind that she was
16 employed by ESI Security Services, just from this
17 interaction.

18 Q. Okay. If you'll indulge me for just one more
19 moment, I'd like to have you turn your attention to the
20 other book. I believe, it was Exhibit B, if my memory
21 serves me correctly. It would be the first page of
22 Exhibit B.

23 A. Okay. Exhibit B.

24 Q. Have you seen this email before?

25 A. Yes, I have.

1 Q. How did this particular email come to your
2 attention? You're not copied on it; is that correct?

3 A. I'm not copied on it. Mr. Smith, who was ESI's
4 previous counsel, requested the public records of any
5 and all email correspondence on this having to do with
6 ESI, Mike Hendi, anything that was not confidential,
7 client-attorney privileges. So when I was reviewing all
8 of the emails to determine what was or was not allowed
9 to be released, I came across this.

10 Q. Were you surprised when you saw this?

11 A. A little bit, but not really.

12 Q. Can you explain it?

13 A. Well, we had been dealing with ESI since 20 --
14 they started to come on our radar in 2013, which would
15 have been the first year that I was here, starting in
16 September 2012. And there were citations being written.
17 Most of them at that time were being paid. They were
18 small amounts. And they would increase and increase.

19 And during this period of time, we had new
20 staff on board. We were able to, I was able to add some
21 positions to the Board, to free up some of our time to
22 actually do some more investigations. I actually
23 created employee positions and took a part-time and
24 immediate full-time. So we had a lot of time and
25 started looking into things.

1 And for a period of time, over a year, year and
2 a half, Ms. Donald, at the time, her internal title was
3 Assistant to the Director, but her main duties were that
4 of fingerprint reconciliation. So if people were -- if
5 somebody was going to find somebody that was working
6 without a work card, she was in that position, that
7 audit function, to find them.

8 And so she was providing information to myself
9 and Lori Irizarry, who was my lead investigator at the
10 time, to issue citations. And we were doing that on a
11 regular basis.

12 I had been working with Mike and his staff.
13 Because my belief is what we really want, as a board and
14 Board staff, is compliance. And so I was a little
15 lenient with them. And I would say, "Look, you've got
16 to get this fixed. Come on, you can't be doing this.
17 Let's get it fixed."

18 So my leniency in trying to assist a licensee
19 in becoming compliant was frustrating to the staff. And
20 I understand that. Because they don't know of the
21 conversations I'm having with the licensee. So I was
22 being perceived as maybe I wasn't as strict as they
23 thought I should be. But I'm paid to be the Executive
24 Director to make decisions and to use my discretion to
25 eliminate, you know, any hardship on licensees and the

1 public. So I was working with their staff to try to get
2 it cleaned up.

3 So, no, it doesn't surprise me. Because they
4 didn't know what was going on behind the scene. But it
5 does express their frustration.

6 Q. So you said that you have discretion to decide
7 whether or not to issue a violation?

8 A. M-hm (affirmative).

9 Q. How did you do, like that discretion, in this
10 particular instance that you're here on, that they're
11 here on appeal of, where you decided that you were going
12 to issue the violation?

13 A. I think, it was just a strong, you know, when
14 we had done everything in our power to communicate,
15 recommunicate, recommunicate, we used our discretion in
16 agreeing to a stay of revocation. Because I really
17 thought, okay, now we're going to get him. You know, we
18 could have easily gone forward with the hearing. We
19 chose, again, to agree to a stipulation, because I fully
20 believed they were willing to change their ways and
21 comply.

22 And when that didn't happen, right afterwards,
23 it was kind of like, you know what, what more can I do.
24 And so, at that time, when Lori brought it to my
25 attention, we discussed it a little bit. I contacted

1 legal counsel, Raelene Palmer, at that time, for advice
2 on how we should proceed. And that's what brings us
3 here today.

4 MS. PALMER: That's all I have.

5

6

CROSS-EXAMINATION

7

BY MR. CAMPBELL:

8

Q. Good afternoon, Mr. Ingram.

9

A. Good afternoon.

10

Q. Let's look at Exhibit 21 again.

11

A. Okay.

12

Q. And the date on that exhibit is 7-30 of 2015,

13

right?

14

A. I'm sorry. Which page are you on, sir?

15

Q. The date on that email, 7-30-2015?

16

A. Which Bates stamp number on you are, sir?

17

Because I don't see that date on the first page.

18

Q. I believe, if you look, 174, the email string

19

started about 7-30 of 2015.

20

A. 174. Okay. 7-30-2015, yes.

21

Q. So in July of last year, Ms. Haslip had sent

22

this email with the signature line of ESI Security,

23

correct?

24

A. ESI Security Services, yes.

25

Q. And you saw that email at or about that time

1 frame?

2 A. No, I would not have seen this email at that
3 time frame. I would see this email after the public
4 records request.

5 Q. Okay.

6 A. I'm not listed in that thread.

7 Q. Okay. Let's move to Exhibit 17. And this
8 email, on the first page, is to you, and it's dated
9 May 1 of 2015, right?

10 A. That's correct.

11 Q. And your counsel asked you several questions
12 about the second page. And, I believe, your testimony
13 was, after reading that, there was no doubt in your mind
14 that Sarah Haslip was, in fact, working for ESI Security
15 Services. Is that an approximation of your testimony?

16 A. Yes.

17 Q. Did you ever bother to check the employee
18 roster of ESI to see if, in fact, she was listed on the
19 employee roster as a registered employee of ESI
20 Security?

21 A. No, that's not in my normal scope of business.
22 I receive hundreds of emails a day.

23 Q. Okay. But you could have easily checked to see
24 if not -- whether or not she was, in fact, employed, or
25 excuse me, registered as an employee of ESI, right?

1 A. I could have.

2 Q. Yeah. And we know from Exhibit Number F that
3 on 12-7 of 2015, Ms. Haslip was not --

4 A. I'm sorry, sir. Give me just a second to get
5 there.

6 Q. Sure. Exhibit F.

7 A. I apologize. Sorry to interrupt you.
8 Exhibit F?

9 Q. Yes.

10 A. Okay. I'm there.

11 Q. So we know that looking at that exhibit, that
12 she was not, Ms. Haslip was not listed on the roster as
13 being a registered employee for ESI Security as of last
14 December?

15 A. You're asking me if I reviewed this roster?

16 Q. No, I'm just asking you if you would confirm
17 that she was -- that the records of the PILB clearly
18 indicate that as of last November, or excuse me, last
19 December of 2015, about a year ago, she was not listed
20 on the registered employees?

21 A. It'll take me some time to go through there
22 because of the extensive list. Would you like me to do
23 so?

24 Q. Sure, you can look. And it's alphabetical, so
25 it should be pretty easy.

1 A. I do not see her listed on this.

2 Q. Ms. Palmer asked you some questions about the
3 notice of the violation, excuse me, about the March 3rd
4 stipulation, or the March stipulation. Do you remember
5 those questions?

6 A. Yes.

7 Q. And you signed the stipulation and read it
8 before it was submitted to the Board? It's Exhibit
9 Number 20 if you want to look.

10 A. Yes.

11 Q. And were you present at the hearing on
12 March 3rd of 2016, where they approved the stipulation?

13 A. Yes, I was.

14 Q. Or they discussed it and then voted on it?

15 A. That's correct.

16 Q. Okay. And did you hear, at that, at that
17 hearing, representations that in light of the
18 stipulation, Mr. Hendi would be given a fresh start to
19 comply with all rules and regulations?

20 A. Okay. Correct.

21 Q. Does that sound familiar, that there was a
22 statement, something to that effect, that he would be
23 given a fresh start?

24 A. Well, I think, that discussion took place with
25 Mr. Hendi when I was in the presentation. I don't

1 remember, I can't recall whether that was actually
2 discussed at that Board meeting. I'm sorry. Do you
3 have something I could refer to maybe?

4 Q. Well, it's not an exhibit at this point. But
5 subject to check, would you agree with me that there was
6 a statement in that hearing that the intent of this
7 stipulation was to give Mr. Hendi a fresh start?

8 A. Well, again, I can't, I can't agree with that,
9 because I don't remember those exact words, sir. But
10 there was something to that effect, yes.

11 Q. Okay. And you also remember something to the
12 effect that the meeting you were going to have with him
13 that was part of the stipulation there, I think, at
14 paragraph 16 of that stipulation, that at that meeting,
15 it was intended to make sure that everybody was on the
16 same page and to answer any questions related to the
17 issues with ESI?

18 A. Yes.

19 Q. I think, the actual words was everybody would
20 be on the -- everyone would be on the same page as to
21 what is expected. Does that sound more familiar?

22 A. Well, yes, but I had up to six months to
23 provide that training. They were supposed to correct
24 everything immediately following the order.

25 Q. Well, I asked that question, sir. I just

1 wondered. The question on the table was, do you
2 remember that discussion in the hearing to approve the
3 stipulation, that part of that meeting, that you agreed
4 to in the stipulation, would be that so everyone is on
5 the same page as to what is expected?

6 A. I would have to review the transcript, sir. I
7 don't know.

8 Q. Subject to check, would you agree with me
9 that's what was discussed?

10 A. Well, to specifically say, if you're asking me
11 to respond to paragraph 16, it says that I am going to
12 provide that training, mutually convenient time, within
13 the first six months following the effective date of the
14 PILB order approving this agreement to speak to ESI
15 management about PILB's policies and procedures and to
16 answer questions regarding them. That's what it states.

17 Q. Okay. So you don't remember the discussion in
18 the meeting particularly?

19 A. I'm sorry. I do not.

20 Q. If counsel could show you a copy of that
21 meeting, would that refresh your recollection?

22 A. Well, yes, if I have the transcripts to review,
23 absolutely.

24 MR. CAMPBELL: Counsel, I'd like to him to
25 review that. And we can mark it as an exhibit now. I

1 have extra copies. I had marked it in the complaint
2 hearing, but I do have copies of it right now, if you
3 want to either mark that or have him use it to refresh
4 his recollection. Either one is fine with me.

5 MS. PALMER: Yes, I'll allow him to use it
6 to -- I don't think we have to mark it as an exhibit. I
7 mean the transcript is part of the record.

8 MR. CAMPBELL: Yes, that's right. So we do
9 have it marked as an exhibit in the complaint hearing.
10 So whatever your preference is.

11 MS. BRADLEY: Yeah, I mean it needs to be
12 included in this matter, not the previous matter. So as
13 long as the transcript is included in this record.

14 MR. CAMPBELL: Yeah. Well, I think, the Board
15 could take official notice of it, too.

16 MS. BRADLEY: They could. But, I guess, I just
17 want to make sure, as far as the record for today and
18 for the citation appeal, it's somehow added in.

19 MS. PALMER: Yeah, but this is a continuation
20 of the start of that meeting. So that transcript plus
21 today's transcript is all part of the record.

22 MS. BRADLEY: I thought that Mr. Campbell's
23 asking about the March meeting where the stipulation was
24 approved.

25 MS. PALMER: Oh, I'm sorry.

1 MS. BRADLEY: He's not asking about the
2 continued meeting.

3 MS. PALMER: You're right. I apologize.

4 MR. CAMPBELL: If you have a copy, I can use it
5 just to refresh his recollection, or I can have it
6 marked as an exhibit. I have extra copies. You should
7 have extras copies, too.

8 MS. BRADLEY: I think, it's up to you.

9 MS. PALMER: We have it. But it will have to
10 be marked as an exhibit for this meeting, then. So do
11 you want to mark that as Exhibit Q?

12 MR. CAMPBELL: Yeah, let's do that.

13 MS. PALMER: The Board won't have this
14 document. Do they need it?

15 MR. CAMPBELL: Well, if we're going to mark it
16 as an exhibit, you should have it in my documents that I
17 supplied to you yesterday under the exhibits for the
18 complaint hearing.

19 MS. PALMER: But we don't have a copy of it for
20 this hearing.

21 MR. CAMPBELL: Do you have my complaint
22 exhibits from yesterday that I sent you?

23 MS. PALMER: Yes, but I don't recall the
24 transcript being a part of it.

25 I think, it might be a part of mine.

1 MR. CAMPBELL: I think, that's right. I'm
2 sorry. It is part of your exhibits.

3 MS. BRADLEY: So I don't know if it would be
4 acceptable to the parties, I mean if there's not enough
5 copies for the Board to have this minute, we could
6 probably make copies tonight.

7 MR. CAMPBELL: I'm fine with just using it to
8 refresh his recollection. I usually don't have to
9 introduce any documents to refresh recollection.

10 MS. BRADLEY: You don't, unless you want it for
11 all the questions.

12 MR. CAMPBELL: No, as long as he has it to
13 refresh his recollection.

14 MS. BRADLEY: Okay. Fine.

15 So it sounds like Mr. Campbell doesn't need it
16 admitted, as long as you don't have an objection for the
17 witness looking at it for his recollection.

18 MS. PALMER: That's fine.

19 MS. BRADLEY: Okay.

20 THE WITNESS: Okay. So I have that transcript
21 in front of me.

22 MR. CAMPBELL: The Chair's indulgence for one
23 minute while I find that cite to the record here.

24 I'm sorry. I'm missing my cite here. I've got
25 a lot of papers. I'll find it. Just one second.

1 MS. BRADLEY: Does anyone want to take a
2 comfort break for five minutes just while he looks for
3 that?

4 MS. PALMER: Yes.

5 BOARD CHAIRMAN ZANE: Okay. Take five.

6 * * * * *

7 (A break was taken, 2:03 to 2:13 p.m.)

8 * * * * *

9 BOARD CHAIRMAN ZANE: Are we ready up north?

10 MS. BRADLEY: Yes, we are.

11 BOARD CHAIRMAN ZANE: Okay.

12 BY MR. CAMPBELL:

13 Q. Mr. Ingram, do you have that, the -- I believe,
14 it was the March 3rd of 2016 hearing transcript in front
15 of you?

16 A. Yes, I do, sir.

17 Q. Can you look at --

18 A. And I'm really sorry. But my ears, being
19 plugged, I'm having a hard time hearing you. I think,
20 it's your tone of your voice.

21 Q. Well, the mic's a little far away from me,
22 also, so I'll try to speak louder.

23 A. Thank you, sir.

24 Q. Is that a little better?

25 A. Yes, much better. Thank you.

1 Q. Okay. Can you look at that transcript of that
2 March 3rd, 2016 meeting and go to what was PILB
3 Bates-stamped as 115? It's actually page 20 of the
4 stipulation, I mean of the transcript. Line --

5 A. I'm sorry, 115 of the transcript,
6 Bates-stamped?

7 Q. It's Bates-stamped 115. Page 20 is the actual
8 page of the transcript. And reading it --

9 A. Okay.

10 Q. And starting at line 15. Does that refresh
11 your recollection --

12 A. Okay.

13 Q. -- that the idea would be that giving ESI
14 Security and Mr. Hendi a fresh start to comply with all
15 the rules and regulations?

16 A. Yes, on the date that the order was filed, yes.

17 Q. Okay. And if you go to the next page, starting
18 at line 21, down to the end of that page and to the
19 first word on the next page, does that refresh your
20 recollection that the meeting that you were going to set
21 up at ESI was to try and ensure that everybody was on
22 the same page as to what is expected?

23 A. That's correct, that's what it states.

24 Q. Okay.

25 A. Yes, sir.

1 Q. And if you could look at Exhibit 18, the Power
2 Point presentation that you brought to ESI Security.

3 A. Okay. Yes, sir.

4 Q. Have you got that in front of you?

5 A. Yes, I do.

6 Q. Now, you've sat through this whole hearing,
7 right, and you've heard Ms. Irizarry's testimony and
8 cross-examination, everything that's been going on?

9 A. That's correct.

10 Q. Would you agree with me that Ms. Irizarry had
11 testified that she had a major concern that -- and I'll
12 paraphrase that a major concern of hers was that Events
13 Services personnel were doing work for ESI without being
14 registered, Events Services employees kind of crossing
15 over and doing ESI Security work without their
16 registration cards?

17 A. Yes.

18 Q. Would you agree that that was a big concern of
19 hers?

20 A. Yes.

21 Q. Okay. If you look at your slide show, I don't
22 see any slides in there that discuss that issue about
23 Events Services employees crossing over or moving into
24 the ESI realm of security services without a
25 registration card. Why wasn't that in your

1 presentation?

2 A. Because I give the presentation based on
3 Chapter 648 and not individuals that were not regulated
4 by our statutes and Board. However, I did utilize
5 their -- the work cards that were approved.

6 Q. I thought you said you customized -- excuse me.
7 I thought you said you customized this exhibit for this
8 presentation to ESI?

9 A. For ESI Security Services, yes, sir.

10 Q. Okay. And Mrs. Irizarry's concern, would you
11 agree with me, is that she was concerned that Events
12 Services employees were doing ESI work without
13 registration cards?

14 A. Okay.

15 Q. But there's no slide in there that I saw that
16 says, "Oh, and by the way, make sure that any Events
17 Services employees, if they're going to do regulated
18 work, they have to be registered"?

19 A. No, there wouldn't be one in there for that.

20 Q. Well, there isn't one, is there?

21 A. No, there's not.

22 Q. And then, I think, you said you did a breakout
23 with Mr. Hendi and Ms. Hegdahl, and you had some
24 discussions about Events Services?

25 A. Well, yes. Actually, it was prior to the

1 meeting.

2 Q. Okay.

3 A. The reason that I asked that, that I would like
4 Mike to have -- or I'm sorry, Mr. Hendi to have his
5 supervisors there, also, to know what was expected of
6 security staff.

7 Q. Okay. So you wanted to have Events Services
8 people at the hearing, also, I mean at the meeting,
9 also?

10 A. Absolutely, because Mr. Hendi kept saying that
11 some of the duties were being provided by Events
12 Services, and he didn't understand why they couldn't do
13 that.

14 Q. Okay. But there's no slide or recollection you
15 have of telling him that those Events Services
16 employees, if they're doing registered work, they also
17 have to be registered?

18 A. Well, I think, that's currently in the slide
19 that says all employees, that any employee employed by
20 ESI Security Services must be registered.

21 Q. Exactly, it says employees of ESI Security
22 Services, doesn't it? In fact, employees --

23 A. Yes.

24 Q. "Employees," I believe, is underlined in your
25 slide?

1 A. It is. No. "All" is underlined.

2 Q. All. Okay.

3 MS. PALMER: And that's page 130, just for
4 clarity of the record.

5 MR. CAMPBELL: Okay. Thank you, counsel.

6 BY MR. CAMPBELL:

7 Q. You also talked about, on direct examination
8 about third-party recruiting companies doing recruiting
9 work for, I guess, any of the HR functions you've done
10 over your history of your employment, right? Do you
11 remember that testimony?

12 A. Yes.

13 Q. Is it your testimony that a third-party
14 recruiter for a security company, a regulated security
15 company, by the PILB, has to be registered?

16 A. No.

17 Q. Okay. And is that because they're not an
18 employee of the company?

19 A. Well, if, if you are a third-party vendor doing
20 recruiting for a company, they would not be required to
21 be registered with us, that's correct.

22 Q. And a recruiting function is not something that
23 would be classified under the definition of private
24 patrol officer or something that's regulated, right?

25 A. That's correct.

1 MS. PALMER: I'm going to object to that
2 potentially being a legal determination.

3 MR. CAMPBELL: Well, it's already been asked
4 and answered.

5 MS. PALMER: Because when -- well.

6 MR. CAMPBELL: It's not a legal determination.
7 He's already talked about it, as to these recruiting
8 companies and what they need and need not do. So I'm
9 just asking him whether he would, in his role as the
10 Executive Director, responsible for enforcement of the
11 PILB rules and regulations, whether he would want a
12 third-party vendor that's doing recruiting to be
13 licensed.

14 THE WITNESS: It all depends on how they're
15 being paid. If they're being paid as a contractor,
16 then, no.

17 BY MR. CAMPBELL:

18 Q. But they're a third party. They'd always be
19 paid as a contractor, if they were a third party,
20 wouldn't they?

21 A. But we're not aware of that, because all the
22 emails say they're ESI Security.

23 Q. Okay. Are you aware of any other security
24 companies in the state that hired third-party vendors to
25 do their recruiting?

1 A. Yes, I am.

2 Q. Do you make them register?

3 A. No, I do not. But they also put in their
4 recruiting that their -- the name of the recruiting
5 company they work for and they're recruiting for a
6 licensee, as I testified earlier.

7 Q. Let's move to the Exhibit 1, which is the --
8 excuse me, Exhibit 3, which is the May 10th email from
9 Lori Irizarry. It's an email string with Lori and
10 Amanda Hegdahl.

11 A. Okay.

12 Q. So this string starts with a back-and-forth
13 between Ms. Hegdahl and Ms. Irizarry. And then go to
14 the May 10th, which is page Bates-stamped number 12.
15 Lori sends, Lori Irizarry sends an email to Amanda
16 Hegdahl saying "Thank you, Amanda, for clarifying their
17 duties. Could you please tell me Sarah and C.A.'s hire
18 dates? So I can discuss this with Kevin and will get
19 back to you regarding your suggested recommendations."
20 Do you see that?

21 A. Yes, I do.

22 Q. And the suggestions and recommendations, those
23 would be in the previous email, where Ms. Hegdahl says
24 "we can revise the logo or have them obtain their PILB
25 if that's something you would prefer"?

1 A. Yes.

2 Q. So did Ms. Irizarry go and talk to you about
3 Ms. Hegdahl's suggestion and/or recommendations?

4 A. Yes, she did.

5 Q. Okay. And tell me about those discussions.

6 A. Well, she told me the content of the emails and
7 was asking how she should pursue, proceed with that, at
8 which time I contacted legal counsel, along with
9 Ms. Irizarry, to discuss the issue ahead.

10 Q. Okay. Now, you had met with Ms. Hegdahl prior
11 to this, learning about this issue, right, at the time
12 you were at ESI Security, during your meeting to ESI?

13 A. During the meeting with ESI in April, yes.

14 Q. Yeah. And you met separately with Ms. Hegdahl
15 and Mr. Hendi?

16 A. Correct.

17 Q. And do you remember any discussion with
18 Ms. Hegdahl saying that if there's any issues, let me
19 know, and we can work through them, something to that
20 effect?

21 A. If they had any questions, yes.

22 Q. Okay. And isn't that what Ms. Hegdahl's doing
23 in this email, asking questions for clarification?

24 A. She's asking questions of Ms. Irizarry, yes.

25 Q. Okay. And then we see that there's no response

1 whatsoever by Ms. Irizarry or yourself until
2 Ms. Irizarry sends an email on -- actually, Amanda sends
3 an email some six weeks later, on June 24th, says "I
4 haven't heard anything back regarding this inquiry, so I
5 wanted to follow up if I'm compliant." So another
6 request to follow up after your meeting with Ms. Hegdahl
7 back on April 26?

8 A. Well, yes, it is already testified Ms. Irizarry
9 had an emergency medical leave.

10 Q. Okay.

11 A. During that period of time.

12 Q. Were you ever gone from the office from the
13 time you met with Ms. Irizarry up until the 24th, in
14 order to get back to Ms. Hegdahl?

15 A. No, but I don't recall the actual date that we
16 discussed this. We could have easily discussed this
17 after her return. I don't recall when we discussed it.

18 Q. Okay. And can you look at -- let me see here.
19 Exhibit K.

20 This is an email string between Ms. Hegdahl and
21 you, looks like, starting June 22 of 2016?

22 A. Okay.

23 Q. In reviewing that email, do you see anything in
24 there to Ms. Hegdahl that talks about her
25 recommendations to Ms. Irizarry about clearing up this

1 matter about these two employees?

2 A. No.

3 Q. Okay. So would this be an example, this not
4 responding to Ms. Hegdahl, either yourself or
5 Ms. Irizarry, for a six-week period, would that be an
6 example of that you're doing everything in your power to
7 help them out, that you earlier testified in your direct
8 testimony?

9 A. Well, this is in relation to an incorrect
10 address on a check that's mailed to me.

11 q. I'm just talking about the, generally, no
12 response to Ms. Hegdahl's request for clarification,
13 which I understand was a follow-up to your personal
14 meeting and while you were on-site, to make sure that
15 everything was properly handled, no response whatsoever
16 by you or Ms. Irizarry. And I'm just wondering, you had
17 earlier testified that you were doing everything
18 possible to help them. Would this be an example of you
19 do everything possible to help them?

20 A. Well --

21 MS. PALMER: Counsel, I'm going to object,
22 because Mr. Ingram is not included in this communication
23 until June the 24th. I believe, if you look through
24 that email, you will not see him copied prior to the
25 June 24th response.

1 MR. CAMPBELL: He did testify that they had --

2 MS. PALMER: So expecting him to respond to an
3 email that he did not receive is --

4 MR. CAMPBELL: He did testify that he had a
5 conversation with Ms. Irizarry about this. He did not
6 remember when it was, though.

7 MS. PALMER: But he's not -- how can he respond
8 to an email he does not have in his possession?

9 MR. CAMPBELL: I'm asking him about the request
10 from Ms. Hegdahl, that he said, he testified he was
11 aware of, that she was asking for clarification about
12 what to do with Magri and Haslip.

13 MS. PALMER: That misstates his testimony. He
14 did not say that.

15 MR. CAMPBELL: He did, he testified that he met
16 with these, with Ms. Irizarry about this issue.

17 MS. PALMER: This issue. Not her question.

18 MR. CAMPBELL: Yes, he -- he did testify to
19 that.

20 MS. BRADLEY: Well --

21 MR. CAMPBELL: I can go back and read back the
22 thing, but I asked him did he, in fact, follow up in a
23 meeting, from Ms. Irizarry's May 10th email saying I
24 will get, I will get with Kevin on this and get back to
25 you regarding your suggestions and recommendations. And

1 I asked him if those suggestions and recommendations
2 were, in fact, the request from Ms. Hegdahl. And he
3 said yes.

4 MS. BRADLEY: I heard it the same way. I
5 thought that he said he had a conversation with
6 Ms. Irizarry. And I'm probably mispronouncing her name.
7 I'm sorry. But I know that he said they talked about
8 it. And, I believe, I think, the answer was, is they
9 were talking about what she said to Ms. Hegdahl in the
10 email.

11 MR. CAMPBELL: That's what I heard. Why don't
12 we ask him.

13 BY MR. CAMPBELL:

14 q. Mr. Ingram, are you changing your sworn
15 testimony that you never talked about this?

16 A. No, no. No, it --

17 MS. PALMER: No. If I'm the only one who
18 misheard it or didn't hear it correctly, then I
19 apologize for objecting. And proceed.

20 BY MR. CAMPBELL:

21 Q. So the question is, is this lack of response to
22 Ms. Hegdahl, just a general lack of response to her
23 request, an example of what you testified earlier, that
24 you did everything in your power to help them out?

25 A. Well, as I stated, I don't remember when I had

1 the conversation with Ms. Irizarry. Most likely, it was
2 after her return. Because shortly after, we spoke with
3 legal counsel about it as well. At that time, it was
4 determined that the occurrence had already -- you know,
5 this is a question after the fact.

6 Q. You never reached out to Ms. Hegdahl at any
7 time before the notice of violation was issued?

8 A. No, I did not.

9 MR. CAMPBELL: Okay. That's all I have. Thank
10 you.

11 THE WITNESS: We discussed that at the meeting.

12 MR. CAMPBELL: That's all I have.

13 BOARD CHAIRMAN ZANE: Redirect?

14 MS. PALMER: Just a couple.

15

16 REDIRECT EXAMINATION

17 BY MS. PALMER:

18 Q. Mr. Ingram, counsel was asking you about
19 Exhibit 20, which is the stipulation. And he went --
20 had you review the testimony from the March 3rd hearing,
21 I believe, where the stipulation was approved, and he
22 asked you quite a few times about the fresh start?

23 A. Yes.

24 Q. He was asking you specifically about Sarah
25 Haslip; is that correct?

1 A. That was my belief, yes.

2 Q. What about Mr. Magri; when was he hired?

3 A. Do you have something I can look at?

4 Q. Well, you can look at the violation, which is
5 the one -- Exhibit 1, I believe.

6 A. It states here that Mr. Magri was hired on
7 4-25-2016.

8 Q. And do you recall when the stipulation was
9 entered into?

10 A. That would have been March 10th.

11 Q. So this would be the fresh start that he was
12 looking for, this April 25th employee that was hired
13 after the stipulation was signed and a day before you
14 went out and made your presentation?

15 A. Well, that wouldn't be part of the stipulation
16 agreement. That was after the date of the stipulation
17 agreement was signed.

18 Q. So would you expect compliance after that date?

19 A. Absolutely.

20 Q. And what about a continuing violation; I
21 believe, you testified that you told them they should go
22 through their roster, make sure all of their employees
23 were registered. He's -- counsel has asked both
24 Ms. Irizarry and you about whether or not you had gone
25 through the roster to make sure that Ms. Haslip's -- to

1 check to see if Ms. Haslip was on the roster. Didn't
2 you, in fact, instruct them, when you went out and did
3 your presentation, that they should go through the
4 roster and make sure that all of their employees were
5 registered?

6 A. Yeah, absolutely. I was giving them a -- you
7 know, a new start, that instead of us going through and
8 writing things, writing citations, give them an
9 opportunity to fix it.

10 Q. Isn't his line of questioning attempting to
11 shift the burden from the licensee to the Private
12 Investigator's Licensing Board to ensure that they're
13 compliant, rather than for them to ensure that they're
14 compliant with the laws?

15 MR. CAMPBELL: Objection. That calls for a
16 legal conclusion.

17 MS. PALMER: I'll withdraw it.

18 BY MS. PALMER:

19 Q. And in your Power Point presentation in
20 Exhibit 18, you won't need to look at it, but
21 Mr. Campbell questioned you on the fact that there's not
22 an Events Services slide included in your presentation.
23 Is Events Services a licensee?

24 A. Absolutely not.

25 Q. Okay. Thank you.

1 MR. CAMPBELL: Is that it, counsel?

2 MS. PALMER: No, that's not it.

3 MR. CAMPBELL: I'm sorry.

4 BY MS. PALMER:

5 Q. In regards to Ms. Hegdahl's question about
6 whether or not she should fix the logo, would fixing the
7 logo alleviate the concern if, in fact, you had an
8 Events Services employee doing work for ESI --

9 A. No.

10 Q. -- Security?

11 A. A different logo wouldn't have made a
12 difference.

13 Q. Is there anything that would have prevented
14 them from registering Ms. Haslip after it had come to
15 their attention that there was an unregistered employee
16 doing work on behalf of a licensee?

17 A. No.

18 Q. Did their counsel reach out to you to get
19 clarification?

20 A. No.

21 Q. Did Mr. Hendi reach out to you to get
22 clarification?

23 A. No.

24 Q. Was the violation, the facts giving rise to the
25 violation that brings us here today on this appeal,

1 already complete by the time that the communication
2 between Ms. Irizarry and Ms. Hegdahl had taken place?

3 A. Yes.

4 Q. Would answering her inquiry six weeks
5 earlier -- because there's a big deal being made about
6 this six weeks -- would that have changed the nature of
7 the violation?

8 A. No, it wouldn't.

9 Q. If they had answered her the very next day,
10 would that make the violation any less effective than it
11 is today?

12 A. No.

13 Q. Did Ms. Hegdahl reach out to inquire, did she
14 start the email communication, that is, this big deal
15 being made about the fact that there was no answer being
16 provided for her?

17 A. I'd have to refer to that.

18 Q. That's on Exhibit 3.

19 A. Thank you.

20 No, it started with Ms. Irizarry contacting
21 Ms. Hegdahl, inquiring about how long they'd been
22 working with ESI Security.

23 Q. So this was not a case where ESI identified
24 some employees what maybe weren't registered, and they
25 contacted you and said, "What should we do? We have

1 these employees. They're recruiting for both companies.
2 And we don't know whether to register them or change the
3 logo on our email addresses," was it?

4 A. No.

5 Q. And if you would turn to Exhibit 21. It's the
6 very last page in the book, marked 183. When was this
7 email dated?

8 A. It's dated October 21st, 2015.

9 Q. And do you see that logo there?

10 A. Yes.

11 Q. Would it appear to you that they did, in fact,
12 change their logo one time and make it a lot less
13 obscure?

14 A. Well, it's kind of blatant, and it says "ESI
15 Security Services." It's a large, a larger logo, with
16 Ms. Haslip's name on it.

17 MS. PALMER: That's all I have.

18 BOARD CHAIRMAN ZANE: Mr. Campbell?

19

20 RE CROSS-EXAMINATION

21 BY MR. CAMPBELL:

22 Q. Well, while you're at 183 there, is that a
23 logo, or is that a card that's attached to the email;
24 can you tell the difference?

25 A. Oh, I'm sorry, sir. I can't tell.

1 Q. Okay. I'm interested. You said earlier in
2 your testimony the change in the logo was not an issue.
3 I thought that was the entire issue, that that's why you
4 thought that Ms. Haslip was, in fact, an employee of
5 ESI, because she used the logo for ESI?

6 A. Well, not only the logo, but also the email
7 address.

8 Q. Okay. So you meant both?

9 A. So just changing one without the other would
10 not have made a difference.

11 Q. Do you know if Ms. Haslip meant that to change
12 the signature line would include both the email address
13 and the logo?

14 A. I'm talking about the email address that it
15 comes from, not the email address in the logo. For
16 example, on 183, that we're looking at right now, at the
17 very top, it says "From Sarah Haslip, mail, colon,
18 Haslip, underscore, S at ESI, hyphen, Security dot U.S."

19 Q. And Ms. Haslip, excuse me, Ms. Hegdahl had, in
20 fact, asked Ms. Irizarry, in that Exhibit 3, "We can
21 revise the logo" or have them get their thing, their
22 work card. So you think she was going to have them keep
23 doing the email address, that she didn't include the
24 logo when she meant the email address?

25 A. I can't speak for her.

1 Q. Okay. And then, finally, we talked about
2 the -- well, not finally. One, two other questions.
3 You said that you talked about them, the ESI Security
4 checking their roster of employees to make sure that
5 they were all registered, right?

6 A. Correct.

7 Q. You didn't say anything about checking the
8 Events Services roster of employees to make sure that if
9 they were doing security, private patrol security work,
10 they also needed to be registered?

11 A. I have no authority over that entity.

12 Q. Well, don't you have the authority to cite an
13 unlicensed entity for engaging in licensed activity?

14 A. Absolutely.

15 Q. Okay. So you do have authority over them?

16 A. In the sense of unlicensed activity, yes.

17 Q. Okay. And then, finally, we talked about the
18 fresh start. Isn't Mr. Magri's email the exact same
19 thing that Sarah Haslip would have been doing for at
20 least a year prior to that stipulation, sending an email
21 with an ESI Security tagline, logo and email address,
22 helping recruits get through the PILB process; isn't
23 that fact of the situation exactly the same as what
24 Mr. Haslip had been doing, what Mr. Magri did starting
25 April 25th?

1 A. Do you have something that I can compare?

2 Q. Take a look at one of his emails. Let me find
3 that exhibit. Exhibit 14.

4 A. I'm sorry?

5 Q. Exhibit 14.

6 A. Okay. That first page, sir?

7 Q. Yes, page 106.

8 A. Yes, it looks like it's the same.

9 Q. And if you look, actually went to the next
10 page, page 107, that's an email from Sarah Haslip?

11 A. That's correct. The only difference is on
12 Mr. Magri's, on 106, you can see his email address that
13 it comes from is Magri underscore C at Events Services
14 dot com. And then he uses the ESI signature. On the
15 next page, on 107, it's Haslip underscore S at ESI
16 hyphen Security dot U.S. with ESI Security Services'
17 signature.

18 Q. Other than that change, though, Mr. Magri was
19 doing the same thing that Ms. Haslip had been doing for
20 a year and a half or so, sending emails?

21 A. In essence, it's yes.

22 MR. CAMPBELL: Okay. That's all I have.

23 MS. PALMER: I have a couple more.

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FURTHER REDIRECT EXAMINATION

BY MS. PALMER:

Q. So, Mr. Ingram, in your opinion, if -- I'm sorry. And, I think, we can look at Exhibit 121. Exhibit 15, 121.

A. Okay.

Q. Where Mr. Magri is identifying his email address as Events Services, and in the body it says "ESI Security," if, instead, it said "Events Services" and in the body it said "Events Services," two questions. First is, when you're looking at the email, and these are typical emails that's been testified that come in through PILBINFO, is this recruiting work that you're seeing, or is this something more than recruiting?

A. Well, this specific example is not recruiting. It's a follow-up from the company, providing additional documents to our staff.

Q. So if you saw this with no identity to ESI Security and only Events Services, would you have a concern about that?

A. Yes, because one of the things that they supply us is a Social Security card, and that's privileged information from the company.

Q. Based on your visit out to ESI Security, do you believe that it's a series of independently functioning

1 companies all located at the same address, or are all of
2 these companies commingled and doing various cases of a
3 related party entity where it's just one big company?

4 MR. CAMPBELL: I'm going to object.

5 THE WITNESS: According to this --

6 MR. CAMPBELL: I'm going to object. Excuse me.
7 I'm going to interpose an objection on lack of
8 foundation. He's asking for -- plus, it's asking for a
9 legal opinion as to, walking through the front door,
10 whether or not he knew these companies were actually
11 commingled for legal purposes.

12 MS. PALMER: I recognize your objection, and
13 I'll lay the foundation for you.

14 BY MS. PALMER:

15 Q. Mr. Ingram, would you please turn to
16 Exhibit 21, page 171. Would you please read the very
17 first sentence aloud. And this is an email from
18 Ms. Haslip herself.

19 A. Yes, with our Events Services division, since
20 August of 2014. I spoke with --

21 Q. That's fine, just the first sentence.

22 A. Okay.

23 Q. Events Services division. Isn't Events
24 Services supposed to be a separate company?

25 A. Yes.

1 Q. Perhaps, I would say, she misspoke, except if
2 you turn to page 174, on July 30th, 2015. Please read
3 that first sentence.

4 A. He just started in our Events Services division
5 as a ticket taker.

6 Q. Utilizing that as a foundation, in addition to
7 your visit, what do you believe is the status of the
8 various companies, each with a separate corporate
9 license, in how they actually function?

10 MR. CAMPBELL: Same objection. The use of the
11 word "division" doesn't give him the grounds for a legal
12 opinion as to the legal structure of this company, based
13 on one word in two emails and a visit to the company.

14 MS. PALMER: I'm asking for a layperson's
15 opinion.

16 MR. CAMPBELL: No, you're asking for whether or
17 not these companies are intermingled. That's a legal
18 analysis based on multiple factors about books and
19 records, accounting.

20 MS. PALMER: I'm asking for his observation.
21 I'm asking for his observation, did he see separate
22 companies. Where we're housed right now, there's
23 different departments inside the building. I'm asking
24 what he saw.

25 ///

1 BY MS. PALMER:

2 Q. Did you see separate companies, or did you see
3 everybody commingled together?

4 MR. CAMPBELL: One, and I'm going to -- that's
5 leading. And, two, it's already been asked and
6 answered. He said, when he went into the company, he
7 saw three separate functioning parts of the company. He
8 saw a Shred-it back in the back. He saw an Events
9 Services area. And he saw ESI Security. And you're
10 leading, too.

11 BOARD CHAIRMAN ZANE: Objection sustained. The
12 objection is sustained.

13 MR. CAMPBELL: Okay.

14 MS. PALMER: I'm going to object that it
15 misstates the testimony.

16 MR. CAMPBELL: The objection's been sustained.
17 I don't know why he can't answer.

18 MS. PALMER: I'm fine.

19 THE WITNESS: Am I to answer?

20 Okay. When I went into the building, as I said
21 before, I saw no clear separation, other than Shred-it
22 in the back, which Mr. Hendi said I could not go into,
23 and Quick Prints at the front, which I could not go
24 into. There was absolutely no separation identified.
25 And as I stated, Mr. Hendi introduced several of the

1 staff. Some of them were Events Services. Some of them
2 were ESI Services. And there was no definitive
3 separation.

4 MS. PALMER: I'm finished with my questioning.

5 MR. CAMPBELL: I have no further cross-exam.

6 MS. BRADLEY: Does the Board --

7 BOARD CHAIRMAN ZANE: Thank you.

8 MS. BRADLEY: Does the Board have any questions
9 for Mr. Ingram?

10 BOARD CHAIRMAN ZANE: Board members?
11 Mr. Colbert?

12 BOARD MEMBER COLBERT: No, sir.

13 BOARD CHAIRMAN ZANE: Okay. No questions.
14 Subject to recall, or?

15 MS. PALMER: Yes, please. And we're finished
16 with our case in chief.

17 BOARD CHAIRMAN ZANE: Okay. Mr. Campbell?

18 MR. CAMPBELL: I'd like to call Mr. Hendi
19 first. I have a logistical issue, where the court
20 reporter wants him.

21 Over here, or?

22 (The Reporter stated that it would be okay for
23 Mr. Hendi to stay where he is, if it was all right with
24 everyone else.)

25 ///

1 M A H M O U D H E N D I,
2 having been duly sworn/affirmed,
3 was examined and testified as follows:
4

5 DIRECT EXAMINATION

6 BY MR. CAMPBELL:

7 Q. Mr. Hendi, can you please state your full name
8 and your current occupation?

9 A. Yes. M-A-H-M-O-U-D. Last name is Hendi,
10 H-E-N-D-I. I am the CEO for Events Services, CEO for
11 ESI Security Services, and the general manager for
12 Shred-it Reno.

13 Q. And where are your companies located?

14 A. They're at 8670 Technology Way in Reno.

15 Q. Okay. And if I walk into the front door of
16 your company, what do I see?

17 A. You're going to see three logos at the front
18 doors. Even going to the parking lot, you're going to
19 see the name of the building and the three companies
20 that occupy the building.

21 Q. And those three companies?

22 A. Shred-it Reno, ESI Security Services, and
23 Events Services.

24 Q. Okay. Now, tell me about Shred-it a little
25 bit. You said you were general manager. You don't own

1 that company still?

2 A. No.

3 Q. When did you sell that company?

4 A. August.

5 Q. Okay. And how was Shred-it structured?

6 A. As a corporation, its own entity that has its
7 own staff, has its own tax returns, has own structure.
8 It's a corporation.

9 Q. Okay. And did Shred-it actually -- how did
10 Shred-it occupy that building; did they pay rent?

11 A. Yes.

12 Q. And who do they pay rent to?

13 A. To Hope Holdings that owns the buildings.

14 Q. And who is Hope Holdings?

15 A. It's a company I own that owns our buildings.

16 Q. Okay. And then does Shred-it -- I assume it
17 had some personal property involved in the building,
18 some trucks or things like that?

19 A. Correct.

20 Q. And how were those, how was that property
21 titled?

22 A. As Shred-it Reno.

23 Q. And then who did you sell that company to?

24 A. To the franchisor, back to the franchisor.

25 Q. And in that franchise sale agreement, did you

1 provide them all with separate books and records?

2 A. Absolutely.

3 Q. And those were separate books and records of
4 Shred-it?

5 A. Yes.

6 Q. And there was no intermingling of any Shred-it
7 accounts with ESI Security or Events Services account?

8 A. No.

9 Q. And you closed that transaction, and the parent
10 of Shred-it got all the documents and closed it, no
11 problem?

12 A. Absolutely.

13 Q. Okay. And then tell me about Event -- tell me
14 about Events Services.

15 A. Events Services is our -- a company that
16 actually been the longest. And we do special events.
17 We do. And since it's been the longest, we actually
18 have our accounting through Events Services. We have
19 our receptionist through Events Services. So they do
20 some of the administrative function for us, our
21 recruiters, through Events Services.

22 Q. And a recruiter. So is that someone that --
23 what does a recruiter do?

24 A. Recruiter actually does the advertisements in
25 different place and different media and get potential

1 applicants and, you know, get them through the process
2 to the correct individuals for interviews and see what,
3 if they actually get picked and not get picked, and
4 then, towards the end of that process, do the paperwork.

5 Q. Okay. And generally tell me, when you started
6 the company, Events Services employees, what was their
7 function at, I imagine, certain events in town?

8 A. Yes, we do ushers, ticket takers. We do
9 traffic control. We do ticket sales. We do directional
10 people. So we have a lot of different things that we
11 do.

12 Q. Okay. And the structure of Events Services,
13 did it have its -- does it have its own tax ID number,
14 things like that?

15 A. Absolutely, it has its own tax ID. It files
16 separately with the IRS, has its own bank account. It's
17 completely separate.

18 Q. And who does Events Services pay their rent to?

19 A. To Hope Holdings.

20 Q. Okay. And you said that the administrative --
21 the staff, the administrative staff for your company is
22 employed by Events Services, right?

23 A. Correct.

24 Q. And why is that?

25 A. It's just out of convenience and, you know,

1 that it made more sense, since the company already had
2 those existing positions. And we just kind of like
3 added the other responsibilities.

4 Q. So would you need, do you need a separate -- a
5 receptionist, as far as for Events Services versus ESI
6 Security Company?

7 A. No. It doesn't make sense. That's why we
8 house everybody in one building, to make sure that we
9 can take advantage of those abilities that we -- one
10 receptionist can do it. One janitorial company can come
11 in and clean up, one recruitment division that we can
12 actually use.

13 Q. So if I called the number on -- any of the
14 numbers that were in these emails or your general
15 number, what does that receptionist do when she answers
16 that phone?

17 A. She identify as Events Services, ESI, how may I
18 help you.

19 Q. And it used to be Shred-it, also?

20 A. Absolutely.

21 Q. Now the Shred-it line doesn't ring there?

22 A. Correct.

23 Q. Okay. And you provide those administrative
24 functions, I assume you provided some of those to
25 Shred-it at one point before you sold it?

1 A. Yes.

2 Q. Okay. And you're providing administrative
3 functions to Events Services, accounting services,
4 things like that; I mean you're providing administrative
5 functions to ESI Security at the present time?

6 A. Yes.

7 Q. And tell me about those administrative
8 functions that you provide to ESI Security, when Events
9 Services provides to ESI Security?

10 A. We do accounting. We do the bookkeeping. We
11 do receptionist. We do the recruitments. That's kind
12 of like right off the top of my head. So we -- and we
13 do payroll actually through Events Services.

14 Q. Okay. And you have intercompany charges
15 between -- for provision of those services? As an
16 example, do you charge, does Events Services charge ESI
17 Security for payroll function?

18 A. Absolutely. For the services that Events
19 Services provide for ESI Security Services, they charge
20 them, and actually they pay for it, kind of like what
21 Events Services does with Hope Holdings, paying the
22 rent, and the same thing with Events Services, ESI as
23 well.

24 Q. So ESI Security doesn't get free services from
25 Events Services; they pay for them?

1 A. No. Absolutely.

2 Q. And your Events Services employees, do they do
3 any work that is regulated pursuant to Chapter 684, as a
4 private patrol officer?

5 A. No.

6 MS. BRADLEY: I think, you might mean 648.

7 MR. CAMPBELL: Excuse me?

8 MS. BRADLEY: You might mean 648.

9 MR. CAMPBELL: Oh, 648, yeah. That's 648. I'm
10 sorry. Thank you, counsel.

11 BY MR. CAMPBELL:

12 Q. Presently, do you have functions, events where
13 you have both Events Services employees doing the one
14 function and ESI Security employees doing another
15 function?

16 A. Yes. Some of our clients will actually specify
17 that I need five ticket takers, I need 20 ushers, I
18 need six parking attendants, I need 20 security.

19 Q. Okay.

20 A. So they specify according to their job duties.

21 Q. Can you give me an example of an event where
22 that happens?

23 A. Any concert, that's always for concerts, that's
24 is their requirement. They actually spell out exactly
25 what they're looking for.

1 Q. Okay. And so, in your negotiated contract with
2 them, they're negotiating we need a certain number of
3 nonsecurity-type people and a certain number of actual
4 security people?

5 A. Correct.

6 Q. Okay. And if I go to one of those events, if I
7 go to a concert, can I tell ESI Security personnel from
8 an Events Services personnel?

9 A. Absolutely. It can't be more distinguished.
10 The security officers have a black shirt, and it states
11 clearly on the back "ESI Security," very clearly, in
12 large block numbers. And for Events Services, they have
13 a blue shirt, and it says very clearly on the back with
14 block numbers "Events Services staff."

15 Q. Have you ever had occasion where an Events
16 Services employee at an event will run into a situation
17 that needs a security officer?

18 A. Yes.

19 Q. And what happens then?

20 A. They will summon either their supervisor or the
21 security officer close to them to deal with the issue.

22 Q. What would be an example of when an Events
23 Services employee might need assistance from a security
24 officer?

25 A. If they're actually checking tickets at the

1 front, and an individual came in, and when they scan the
2 ticket, actually it was rejected to the point we're
3 like, "No, this is somebody else already, is this
4 ticket, so you can't come in." So in order to provide
5 that access control, the security officer would have to
6 step in and deny the access for that individual.

7 Q. And how do you train your Events Services
8 employees to recognize that, the functional difference
9 between what they are doing and what a security officer
10 does?

11 A. Through the orientation, we make sure that they
12 understand the difference. The same, the slide that we
13 actually sent to Mr. Ingram, and it showed exactly how
14 we distinguish between them. We show them, we talk
15 about it, we reinforce it with the uniform, we reinforce
16 it even on-site right there when we work.

17 We actually separate them and do the
18 orientation separately. The supervisor for the ushers
19 will take the ushers and actually post them according to
20 the position chart. The security supervisor will take
21 his staff and do the same thing. And so the same thing
22 with the ticket takers.

23 Q. And do they go through pretty extensive
24 training, the Events Services people?

25 A. It's a simple job, so it's kind of we show them

1 what to do and how to do it, and there is quite a bit of
2 on-the-job training.

3 Q. Now, you've sat through the entire hearing
4 today and last September, right?

5 A. Correct.

6 Q. And have you heard testimony and argument in
7 the hearing that you interchange your ESI, or your
8 Events Services employees to ESI Security and have
9 Events Services employees do security functions; have
10 you heard that testimony?

11 A. Yes, I have.

12 Q. Is that -- does that happen?

13 A. No.

14 Q. And why not, why doesn't it happen?

15 A. Well, I mean there's several things in place
16 that we actually take care of, that part. First of all,
17 there's a different kind of a person that will do
18 security versus ushers, ticket takers, and whatever, the
19 other functions. Some of them, yes, as far as to be a
20 security officer. But they know the process, they know
21 how to reach from being Events Services person to become
22 a security officer. Actually, it's a pay raise. We
23 give them a lot of incentives to go from Events Services
24 person, go through the PILB process, go through the
25 training, become a security officer.

1 Q. Okay. And tell me a little bit more about
2 that. So they're actually on the payroll of Events
3 Services; do they then come to you and say, "I want to
4 become a security officer at ESI Security"?

5 A. Yeah, some of them will say, "Hey, I would like
6 to do security." And we actually go through the process
7 with them, what's required of them to become a security
8 officer.

9 Q. And do you let them become a security officer
10 until they've completed that process?

11 A. They have to complete the process before. We
12 have a very sophisticated software that actually keep
13 both companies completely separate. They have their own
14 scheduling staff, where an Events Services person can't
15 be mistakenly taken and put in as a security officer for
16 any open positions. It just does not go.

17 Q. And your supervisors actually control the staff
18 at an event and make sure they're doing the right thing?

19 A. Absolutely.

20 Q. Now, your events, do the PILB investigators
21 come to your events and check your employees in the
22 field?

23 A. Often.

24 Q. Okay. What do you mean by "often"?

25 A. Quite a bit. We feel that they check almost

1 all of our events.

2 Q. And has this oversight increased since March of
3 2016?

4 A. Absolutely. I would say every single event
5 been checked.

6 Q. Have you ever had the occasion where a PILB
7 investigator will mistake an Events Services employee
8 for an ESI Security employee?

9 A. It happened in the past, but it's really -- to
10 be honest, I don't understand. They received a uniform.
11 They receive what the job function is. But, yes, it
12 happened in the past.

13 Q. Are you familiar with any situations where your
14 employees have identified themselves as ESI employees?

15 A. Yes. We -- that was brought up to our
16 attention by the PILB Board, saying that, "We are
17 calling individuals, and they're saying they work for
18 ESI." Well, Events Services, Inc., that's what they're
19 probably referring to.

20 Q. Okay. And when you got those, when you got
21 those types of inquiries from the PILB, did you follow
22 up with those employees to see what they had said?

23 A. With some of them. And we kind of -- they
24 tried to make sure that they emphasize, say the full
25 word. Don't say "ESI." Say "Events Services" or "ESI

1 Security Services."

2 Q. Okay.

3 A. So to make sure that there is no confusion.

4 Q. And that's a recent change to make sure that
5 there's no confusion?

6 A. Exactly.

7 Q. So the problems that you've had in the past
8 with the employee identification, it was in the last few
9 years, not presently, in the last year?

10 A. Correct.

11 Q. Let's get the exhibit book in front of you
12 here.

13 Can you look at Exhibit Number 13, Mr. Hendi?

14 A. Okay.

15 Q. And did you receive Exhibit 13 when
16 Ms. Irizarry sent it to you back in October of 2014?

17 A. Yes.

18 Q. Okay. And what was your understanding of what
19 she was telling you?

20 A. She's saying that she had to verify to make
21 sure, with Mr. Ingram, that she's not going to give me
22 any wrong information regarding the registration of
23 Events -- well, ESI Security employees.

24 Q. Okay. And did that come from some other
25 recommendation, some other information you got from

1 someone else at the PILB?

2 A. Correct.

3 Q. And what did that other person tell you?

4 A. The investigator at that time, he actually
5 clarified some of the stuff, because that's, in the
6 north, that's who we had to talk to. And he told us
7 that some of the administrative functions, they don't
8 have to go through the PILB registration.

9 Q. But Ms. Irizarry told you that if they were an
10 employee of ESI Security, they had to be registered no
11 matter what they did, right?

12 A. Correct.

13 Q. But she said employee of ESI Security?

14 A. Absolutely.

15 Q. Okay. Let's move now to this visit that
16 Mr. Ingram made to your office last April, of this year.
17 What was your understanding of that meeting?

18 A. Well, we kind were excited about having them
19 there actually, because we really wanted to do the right
20 thing. We want to make sure we're in compliance.
21 That's why we actually gave our presentation first. We
22 showed them what we do and how we do it, to make sure,
23 if we have any holes, anything that we're doing wrong,
24 or he can give us some suggestions, to give us those
25 suggestions before his presentation.

1 Q. Did you tell him that Events Services employees
2 performed functions for ESI Security?

3 A. Yes. And we actually, in my tour, I actually
4 introduced them to the different companies and who works
5 in those companies. And as we went through different
6 sections of our building, it was, to me, very clearly
7 defined who works for what.

8 Q. But did you tell him that, for example, your
9 payroll function was handled by an Events Services
10 employee?

11 A. Yes.

12 Q. And tell me a little bit about the delineation
13 of the building. We know Shred-it's in the back. How
14 is ESI Security and Events Services physically located
15 in the building?

16 A. As you walk into the building, where the
17 receptionist is, on the right-hand side there is two
18 offices. And the two offices, one is our dispatch
19 center, and the other office is our scheduling, which
20 is -- that's where ESI Security Services is.

21 If you were to go to the right and enter
22 through that door on your -- on your left -- I'm
23 sorry -- and go through that door, there is the -- the
24 first door is an office for -- it goes from Events
25 Services, and then the section for the fingerprinting,

1 and continue with Events Services.

2 And towards the back of that hall, by our
3 training room, in that area, that's where ESI Security
4 Services is.

5 Q. Okay. And then your second floor?

6 A. The second floor predominantly is, besides me,
7 that I overlook all of the stuff, it's all Events
8 Services.

9 Q. Okay. So when he came to the office -- so just
10 to make sure, I want to see what happened that day,
11 because there's been extensive testimony on it. He came
12 to the office. You gave him the tour. And then what
13 happened next?

14 A. We took them to the training room. And myself
15 and a couple of my staff, we actually gave them
16 presentation on what we currently do. And we hope that
17 they'll give us pointers or, hey, maybe you need to do
18 this, maybe you need to do that.

19 And then, after that, Mr. Ingram handed us
20 the -- his flash drive. And that's when we set up his
21 presentation to go.

22 Q. Okay.

23 A. We knew all along that Mr. Ingram had a
24 presentation.

25 Q. Okay. Because he testified, you heard his

1 earlier testimony that he said you said, "Thanks for
2 coming," and it didn't look like you were thinking he
3 was going to give a presentation. Is that accurate?

4 A. Well, we always want to be a great host. And
5 we will always thank and welcome the people that come
6 to our offices. But we knew why he was coming, to start
7 out with. But he was holding onto his flash drive, and
8 he didn't want to give it up to our IT person till
9 towards the end.

10 Q. In your mind, though, you knew he was giving a
11 presentation?

12 A. Absolutely.

13 Q. And in that presentation, Mr. Ingram testified
14 that there were Events Services employees there?

15 A. Yes.

16 Q. And did he specifically request that they be
17 there?

18 A. Yes.

19 Q. And in that meeting, did he talk at all about
20 it to the Events Services employees, saying, "If you do
21 any work for ESI Security, you have to be registered"?

22 A. No.

23 Q. Now, you know this notice of violation is about
24 Ms. Haslip and Mr. Magri's email correspondence with the
25 PILB, right?

1 A. Correct.

2 Q. And how long has Ms. Haslip been doing that,
3 how long has she been employed there?

4 A. For about a year and a half or two years.

5 Q. And then prior to her, was there someone in
6 that job function that did recruiting?

7 A. Yes.

8 Q. And who was that?

9 A. Kylie Pardick. And before that, Deanna Hall.

10 Q. And how long did Kylie Pardick work for you in
11 that function?

12 A. Several months.

13 Q. And did she send emails to the PILB's staff or
14 the mailbox, I think, as they called it, with that same
15 type of information, here's the driver's license
16 numbers, things like that?

17 A. Yes.

18 Q. And then, prior to that, who was doing that
19 function?

20 A. Deanna Hall.

21 Q. And she was doing the same thing, sending
22 emails to PILB staff with that type of information?

23 A. Yes.

24 Q. And how long had Ms. Hall been doing that?

25 A. At least three to four years.

1 Q. Now, would there be any reason for you to put
2 an Events Services employee on the PILB roster?

3 A. They're not employees of ESI Security Services.

4 Q. And what was your understanding of who had to
5 be on that roster?

6 A. Any employees of ESI Security Services should
7 be on that roster.

8 Q. And you did your best to make sure that that
9 happened?

10 A. Absolutely.

11 Q. After the -- well, so Mr. Ingram gave his
12 presentation, the slide show presentation. Were there
13 any follow-up discussion after the slide show
14 presentation?

15 A. Myself and Ms. Hegdahl and Mr. Ingram actually,
16 we went to the meeting room, and we talked for awhile.

17 Q. Okay. And in that meeting room, was there some
18 type of discussion or agreement that if there were
19 existing problems, that you would try to work those out,
20 you and Ms. Hegdahl would try to work those out with
21 PILB staff?

22 A. Yes. It was very clear. He said, you know,
23 "If there is any issues or problems, we know mistakes
24 can happen, just let us know, and we'll work with you.
25 We want to work with you. We want to help you."

1 Q. And you saw Ms. Hegdahl's Exhibit 3 email when
2 Ms. Irizarry asked about Mr. Magri and Ms. Haslip?

3 A. Yes.

4 Q. And was Ms. Hegdahl following up on that
5 conversation, you think, that she had with Mr. Ingram?

6 A. Yes.

7 Q. You were here for Ms. Irizarry's direct
8 testimony. I think, this, some of this took place back
9 in the September time frame. And I asked her a little
10 bit about it more today. It involved a Mr. Moran?

11 A. Yes.

12 Q. Did you hear that testimony both in September
13 and today?

14 A. Yes.

15 Q. Okay. And are you familiar with Mr. Moran's
16 work history and situation regarding where he works and
17 whether or not he worked for ESI Security with
18 registration?

19 A. Yes. Mr. Moran worked as a warehouseman for
20 Shred-it. And to augment his income, he had his sheriff
21 card, and he was working on weekends and whenever he can
22 for ESI Security Services.

23 Q. We'll get back to that in a minute. So what
24 time frame would that have been in?

25 A. That's, I want to say, between 2009 and '13 or

1 '12, something like that.

2 Q. Okay. Now, when did this -- at some point,
3 sheriff's cards were permissible to do private patrol?

4 A. Yes.

5 Q. Private security?

6 A. Yes.

7 Q. Okay. And so do you know when he was doing
8 that type of work under his sheriff's card?

9 A. Yeah, it was an active sheriff card at that
10 time.

11 Q. Okay. And, so go ahead.

12 A. And at one point, Mr. Moran actually applied to
13 another position within Shred-it that actually gave him
14 a bump in the salary where he did not need to work extra
15 hours anywhere else, a second job. So, and that's when
16 he actually stopped working for ESI Security Services
17 and just worked for Shred-it.

18 Q. Okay. And did he continue to work for
19 Shred-it?

20 A. He continued to work for Shred-it until another
21 position was opened that -- with ESI Security Services.
22 He applied, interviewed and was selected for that
23 position. And when that happened, he went through the
24 renewal process with the PILB.

25 Q. Okay. To your knowledge, did Mr. Moran

1 actually work as an ESI Security patrol officer prior to
2 getting his registration card?

3 A. No.

4 Q. Ms. Irizarry also talked about a person named
5 Jeff Falker, Folker. Are you familiar with that?

6 A. Yes. Mr. Folkers used to be a supervisor for
7 Events Services. He actually, he's a teacher, so he
8 only can work at specific times, in the winter or in the
9 summer. And he was actually working for us as a
10 supervisor for Events Services, and he was doing like
11 concert like Snow Globe, which is in December. And so
12 these are the events that he was working either in
13 California or as an Events Services.

14 Q. I believe, that email exhibit, which is Exhibit
15 Number 12, that Ms. Irizarry was discussing, had a
16 response from you saying something like, along the lines
17 that he's working as an ESI Security supervisor?

18 A. Well, no. I -- maybe I miswrote it. But he
19 always been Events Services supervisor. And then we
20 offered him -- he did a great job. We offered him a
21 position in the security. And he actually went through
22 the process, and he got his PILB and start working as
23 security.

24 Q. Okay. And did he work exclusively in Nevada,
25 or did he work in California, or did he work in both?

1 A. Till he received his PILB, he never worked
2 security in Nevada.

3 Q. Okay. And in California, you can work was a
4 security officer without some type of state
5 registration?

6 A. Well, there's certain requirement that he met
7 for the state.

8 Q. Okay.

9 A. For State of California.

10 Q. So any, any ESI Security work that he did prior
11 to getting his PILB license was in California?

12 A. Correct.

13 Q. Let's look at Exhibit Number 10. I believe,
14 it's page 19 of the complaint, which is page 076 for the
15 Bates stamp.

16 Now, you were present last September when
17 Ms. Palmer talked to Ms. Irizarry about this complaint
18 and got the complaint introduced as some kind of an
19 admission against interest, that you admitted something
20 in this complaint. Were you here for that testimony?

21 A. Yes.

22 Q. Okay. And can you read that answer at --
23 starting at line -- was it 21, with Melissa Ramirez?
24 Just read it to yourself.

25 Okay. Is that an accurate statement where it

1 says Ms. Ramirez was not hired, nor did she work as a
2 private patrol officer or any other position to the NRS
3 Chapter 648. Instead, she worked as an usher in an
4 event and was employed by Events Services rather than by
5 respondent?

6 A. Correct.

7 Q. Is that correct? But then it goes on to say,
8 in addition, the certification verification for --

9 MS. PALMER: Objection.

10 MR. CAMPBELL: I'm just reading this, I'm
11 reading the document into the record.

12 MS. PALMER: Right. Mr. Campbell, could you
13 explain the relevance of referring to these items in the
14 answer?

15 MR. CAMPBELL: Because you got them in over my
16 objection, relevance objection, in order to prove that
17 Mr. Hendi made some kind of an admission through his
18 attorney in this complaint, in his answer to this
19 complaint.

20 MS. BRADLEY: It happened back in September.

21 MS. PALMER: I don't know that there was
22 specific testimony regarding Melissa Ramirez. There may
23 have been, but I'm not certain that there was. And we
24 were not using it for the purposes that you're
25 attempting to use it for. We were using it for the

1 purpose of showing that he was structuring these
2 companies, that he could move employees around from one
3 company to the other and use them however they wanted.

4 He's attempting to utilize this in a different
5 way.

6 MR. CAMPBELL: No, I think, he's explained --

7 MS. PALMER: Already, these violations have
8 already been established.

9 MR. CAMPBELL: Yeah.

10 MS. BRADLEY: Well, I mean it's an exhibit in
11 the record. I mean it's been admitted, if he wants to
12 ask him about it. And we know there was testimony in
13 September. I can't remember everything about it, but I
14 know that there was some contention about it.

15 MR. CAMPBELL: Well, for the record, Ms. Palmer
16 made specific reference to get this document and put it
17 into evidence, that this was some kind of admission
18 contrary to what he had previously told the PILB Board.
19 I just wanted Mr. Hendi to review what she referred to
20 specifically by line and exhibit number and to explain
21 what that document says.

22 MS. PALMER: Is it your contention there was
23 specific testimony surrounding Ms. Ramirez?

24 MR. CAMPBELL: Not Ms. Ramirez, but about
25 Exhibit Number 10 at page 76, line -- starting at line

1 21.

2 MS. PALMER: Well, then, the objection stands.
3 Relevance. How is this relevant?

4 MS. BRADLEY: Well --

5 MR. CAMPBELL: Because you brought it up and
6 made it, put it in the record.

7 MS. PALMER: You just said that there was no
8 testimony regarding Ms. Ramirez. We used this document
9 for a very specific purpose, and that was to show that
10 there was structuring. So tell me how this is relevant
11 to Ms. Haslip and Mr. Magri.

12 MR. CAMPBELL: Because he showed, because he's
13 showing that there was no cross-fertilization, or so to
14 speak, between the two companies.

15 I didn't think it was relevant when you brought
16 it up in the first place, but I was overruled. And so
17 it's become relevant now. And, I think, due process
18 requires him to be able to explain those, what was in
19 that answer.

20 MS. PALMER: Well, as it pertained to Mr. Watts
21 and Mr. Foster and the questions that you've asked, but
22 I do know that I asked questions, no objections were
23 made. But I do not believe that this is relevant, that
24 it shows anything other than this particular employee he
25 claims worked for Events Services.

1 MS. BRADLEY: I mean, Mr. Chair, I think, you
2 have to rule on the objection. I mean it's an admitted
3 exhibit. I think, if he wants to ask him about it, I
4 mean, I guess, I feel like I would allow it. But it's
5 up to you.

6 BOARD CHAIRMAN ZANE: Then, we're going to
7 allow it.

8 BY MR. CAMPBELL:

9 Q. So the second part of this paragraph there,
10 starting at line 21, in this Exhibit 10, it says: In
11 addition, the certification verification for Ms. Ramirez
12 shows she received her provisional registration on
13 December 1, 2014, the same day that she was hired.

14 Is that an accurate statement?

15 A. Yes.

16 Q. Okay. So she did not work for ESI Security
17 prior to the time that she got her registration card?

18 A. Correct.

19 Q. And before that, she worked for Events Services
20 and only did ushering services?

21 A. Yes.

22 Q. I want to move specifically to the Haslip and
23 Magri matter, this notice of violation that's in front
24 of us. Who do they work for in your company?

25 A. Events Services.

1 Q. And they get their paychecks from Events
2 Services?

3 A. Yes.

4 Q. Okay. And their overhead is on your tax return
5 for Events Services?

6 A. Correct.

7 Q. And your earlier testimony about your having
8 your administrative staff do functions for Events
9 Services, is that an example of this?

10 A. Yes.

11 Q. Okay. And were their, are their services for
12 Events -- for ESI Security doing this recruiting
13 function, is that something that they pay Events
14 Services for?

15 A. Yes.

16 Q. Okay. So they actually keep track of hours
17 that they're doing work, just like an independent
18 contractor would do, doing work for another company?

19 A. Yes.

20 Q. And then Events Services bills ESI Security,
21 and ESI Security pays for that?

22 A. Yes.

23 BOARD CHAIRMAN ZANE: Mr. Campbell, when you
24 get a chance, could we have a break?

25 MR. CAMPBELL: What was that?

1 MS. BRADLEY: He'd like a break when you have a
2 minute.

3 BOARD CHAIRMAN ZANE: When you have an
4 opportunity.

5 MR. CAMPBELL: This is as good as any.

6 BOARD CHAIRMAN ZANE: All right. Thank you.

7 All right. We'll take five.

8 * * * * *

9 (A break was taken, 3:28 to 3:35 p.m.)

10 * * * * *

11 BOARD CHAIRMAN ZANE: Ready to get going?

12 BOARD MEMBER COLBERT: Yes, sir, we're ready.

13 BOARD CHAIRMAN ZANE: Okay. Thank you.

14 Mr. Campbell.

15 BY MR. CAMPBELL:

16 Q. Okay. So, Mr. Hendi, we were discussing the
17 notice of violation for Ms. Haslip and Mr. Magri.

18 You've seen that notice of violation, and you've seen
19 the emails that are exhibits in this matter?

20 A. Yes.

21 Q. Why did your company have Ms. Haslip and, I
22 guess, before that, Ms. Pardick, and now Mr. Magri, use
23 the ESI Security -- I'll call it tagline at the bottom
24 of the email?

25 A. To be honest, we wanted -- it's for the benefit

1 of the PILB Board, the staff, so they'll know where
2 these emails are coming from and who they represent.

3 Q. But they're presenting a potential ESI Security
4 registration person?

5 A. Correct.

6 Q. And let's look at Exhibit Number G.

7 A. Yes.

8 Q. And why were you emailing Mr. Ingram on April
9 19th of 2016?

10 A. In anticipation of his visit on April 26th, I
11 wanted to reach out and make sure if he needs anything
12 from us to prepare, and telling him about the fact that
13 we prepared a Power Point presentation so they can
14 critique what we do and how we can do it better.

15 Q. Okay. After you gave that Power Point
16 presentation, did he ask you any questions about your
17 Power Point presentation?

18 A. No.

19 Q. Not a one?

20 A. No.

21 Q. Did he ask you any questions just generally
22 about your operation after your explanation and your
23 Power Point presentation?

24 A. No.

25 Q. The first time he spoke was to give his Power

1 Point presentation?

2 A. Correct.

3 Q. And then you've already testified about the --
4 you were at that meeting, and then Ms. Hegdahl and you
5 had a breakout meeting later, right?

6 A. Correct.

7 Q. That was the same day?

8 A. Yes.

9 Q. And then let's go to Exhibit Number L.

10 A. Okay.

11 Q. And why did you send this email on June 24th to
12 Mr. Ingram?

13 A. We noticed quite a bit of inspection, field
14 inspection on our staff. And we never heard anything
15 back. So I reached out to Mr. Ingram to find out, to
16 make sure, since Investigator Woodruff actually had been
17 checking all of our staff, if everything the way it
18 should be, is there any violation, any issues we need to
19 correct.

20 Q. And would this have been a follow-up to your
21 meeting with Mr. Ingram, the breakout meeting you had
22 with yourself, Mr. Ingram and Ms. Hegdahl, where there
23 was a conversation about if there's any issues, let's
24 work through it together?

25 A. Yes.

1 Q. It was a direct follow-up on that?

2 A. Yes.

3 Q. Did you receive any response from this
4 Exhibit L, this email on June 24th, 2014?

5 A. No.

6 Q. One other thing. Mr. Ingram testified that the
7 majority of your previous violations were related to the
8 violations, of not responding to the violations. Do you
9 remember that testimony?

10 A. Yes.

11 Q. Okay. He also testified that you had a few, I
12 think he said, field violations or violations that were
13 out in the field, against your security officers that
14 are actually in the field. Is that accurate?

15 A. I don't believe we had any violation in the
16 field of an officer not being registered.

17 Q. Have you ever had a violation in the field, of
18 officers, you know, not doing their job, or drunk on the
19 job, or anything like that?

20 A. Absolutely not.

21 Q. Do you try to maintain the highest level of
22 service that you can to your customers?

23 A. Absolutely.

24 Q. And you do almost a majority of all the work in
25 northern Nevada for security, right, so you're doing

1 large customers?

2 A. Yes.

3 Q. Like who?

4 A. We do all the casinos. We do the university.
5 We do the RCVA, the Reno-Sparks Convention and Visitors
6 Authority. We do the Reno Rodeo. We do the Hot August
7 Nights. We do, we have a lot of big clients.

8 Q. And have any of those customers ever complained
9 to you about your staff doing, not doing a professional
10 job?

11 A. No.

12 Q. And do you know if any of those customers have
13 made complaints to the PILB Board about you?

14 A. We have a very good open communication with our
15 clients. We actually have staff specialized. All what
16 they do is client care. They go and talk and solicit
17 those kind of conversations. But, no, nobody ever any
18 issues.

19 MR. CAMPBELL: Okay. That's all I have of this
20 witness.

21 BOARD CHAIRMAN ZANE: Ms. Palmer.

22 MS. PALMER: Yes.

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CROSS-EXAMINATION

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BY MS. PALMER:

Q. Mr. Hendi, are you the CEO of ESI Security?

A. Yes.

Q. And are you also the CEO of Events Services?

A. Correct.

Q. So you have control, control over all of the employees of both entities; is that correct?

A. Potentially, yes.

Q. What does that mean, "potentially"?

A. Yes.

Q. And when you were listing your companies, you mentioned Shred-it, you mentioned Events Services, you mentioned ESI. I didn't hear you mention Quick Prints. Is Quick Prints one of the companies that you own?

A. Yes.

Q. Why were they not included in the list of companies when you were asked which companies were located under that facility?

A. Must have been an oversight.

Q. And you said that Ms. Haslip works for --

A. Events Services.

Q. -- Events Services; is that correct?

A. Correct.

Q. Would you please turn your attention to

1 Exhibit 21, page 182.

2 A. Okay.

3 Q. Why is Ms. Haslip performing fingerprinting for
4 a nursing board application, if she works for Events
5 Services?

6 A. She also does administrative stuff for not only
7 ESI or Quick Print, also for Shred-it and for ESI. So
8 those are the administrative duties that she provide for
9 Quick Print.

10 Q. And that's because you can move your employees
11 around anywhere that you want to in order to have them
12 perform the functions that you need them to on a given
13 day; is that correct?

14 MR. CAMPBELL: Objection, counsel. You've got
15 to be a little more specific when you say "your
16 employees." Are you talking about -- employees of which
17 company?

18 MS. PALMER: Any of them. They are all
19 controlled by Mr. Hendi.

20 MR. CAMPBELL: I'm going to object, too, on
21 it's vague and ambiguous. What do you mean by move them
22 around? And, I think, you need to be a little more
23 clear on which employees.

24 MS. PALMER: He just testified -- sure, I can
25 do that.

1 He just testified that Ms. Haslip is under the
2 payroll of Events Services but that she can also do work
3 for Quick Prints if he needs her to. And then she can
4 also do work for ESI Security if he needs her to. And
5 so my question --

6 (There was a brief period off the record due to
7 an interruption in the videoconferencing with
8 Las Vegas.)

9 MS. PALMER: Shannon, can you read back where I
10 was in my questioning? I'm sorry.

11 (The Reporter read back as requested.)

12 BY MS. PALMER:

13 Q. Okay. What is her title, Mr. Hendi?

14 A. Recruiter.

15 Q. So is fingerprinting an employee,
16 fingerprinting somebody on behalf of the nursing board,
17 on behalf of Quick Print, is that the function of a
18 recruiter for Events Services?

19 A. The paperwork function, yes.

20 Q. Mr. Hendi, please read what it says
21 immediately -- in typed print immediately preceding
22 Sarah Haslip's name on page 182. Out loud.

23 A. I'm not sure what you're referring to. So
24 right where she had "Fingerprinted by"?

25 Q. Yes. Is that what you consider to be

1 paperwork, taking someone's fingerprints?

2 A. Taking -- filling the paperwork, yes.

3 Q. So where it says "Fingerprinted by" are you
4 telling us that she is not the individual who took your
5 prints?

6 A. She could. She's trained.

7 Q. Why would a recruiter be trained to take
8 fingerprints?

9 A. That's the job function that we decided it will
10 be good to have her know.

11 Q. Mr. Hendi, what is the relationship between ESI
12 Security Services and Quick Print as far as the
13 Department of Public Safety is concerned?

14 A. I remember Mr. Ingram's testimony, but I really
15 don't know that, details. Quick Print is its own
16 entity, its own corporation.

17 Q. So how are you registered with the Department
18 of Public Safety?

19 A. I don't know right off the top of my head.

20 Q. Do you have any reason to dispute Mr. Ingram's
21 testimony?

22 A. I don't know that information, so I can't take
23 his word for it.

24 Q. This is your company, right?

25 A. Correct.

1 Q. And you don't know which one of your companies
2 is registered with the Department of Public Safety?

3 A. I know that Quick Print is on the -- they allow
4 us to do fingerprinting, and it is an entity that's part
5 of the Public Safety. They know that Quick Print
6 provide the fingerprinting.

7 Q. So Quick Print is part of ESI Security?

8 A. No.

9 MS. PALMER: Excuse me for just one moment.

10 BY MS. PALMER:

11 Q. Okay. So what is the relationship between ESI
12 Security and Quick Prints?

13 A. Quick Print provide fingerprint services for
14 Event Services and for anybody that walks in through the
15 door.

16 Q. So is it your testimony that there's no
17 affiliation between ESI Security and Quick Print?

18 A. Well, of course, there is affiliation. I own
19 both of them.

20 Q. And so when you need Sarah Haslip, who is your
21 recruiter, to do fingerprinting, you can utilize her for
22 Quick Prints to do fingerprinting; is that correct?

23 A. We train people to function the best we can as
24 a company. And they have their duties or
25 responsibilities. So that's part of her job duties.

1 Yes, we expect her to know and perform that function.

2 MS. PALMER: Just a moment. I apologize. Your
3 indulgence.

4 BOARD CHAIRMAN ZANE: Just so everybody's
5 keeping track, we're going to try to wrap up here no
6 later than 4:45, since we want to be out of here before
7 the place gets locked up.

8 So as your flow or -- try to keep that in mind.
9 That is, of course, unless we're already done. But I
10 don't think we are.

11 MS. PALMER: I apologize for the delay. We
12 actually have an exhibit that I would like to use as a
13 rebuttal document. But we understand that we have a
14 geographic problem of getting the exhibit to you. So
15 perhaps what we can do is email this, this evening, to
16 you, Ms. Bradley, and to the private investigator up
17 north and to you, Mr. Campbell. I'll continue the line
18 of questioning as to ESI and Quick Prints at that time.

19 In the meantime, I'll move to a different area.

20 MR. CAMPBELL: Just for clarification, just
21 because you called it a rebuttal, are you talking about
22 just you want to mark a new exhibit for your case?

23 MS. PALMER: Yes.

24 MR. CAMPBELL: Okay.

25 MS. PALMER: Yes.

1 BY MS. PALMER:

2 Q. Okay. Would you please turn to Exhibit 10,
3 page 76.

4 I objected to testimony regarding Melissa
5 Ramirez. I don't believe that I asked any questions.
6 And I would like to renew my objection only because I
7 think that it may become relevant on judicial review or
8 any subsequent appeal thereof. And that is, I just want
9 to clearly state my objection. I understand it's
10 already been ruled on. But I would like this clear in
11 the record.

12 My objection is that when I was utilizing this
13 exhibit, I was utilizing it as a statement against
14 interests. Mr. Campbell was attempting to utilize this
15 as a statement for interests. In our stipulated
16 agreement, on page 163 of Exhibit 20, as part of the
17 stipulation, ESI did not concede that it committed the
18 violations, but recognized that it did not timely appeal
19 the notice of violation; and, therefore, the violations
20 became final and are grounds for disciplinary action.

21 I believe that your testimony was an attempt to
22 appeal that which you forwent when you didn't timely
23 appeal.

24 So, I think, it was improper testimony. But,
25 nevertheless, it's in and it's there. And I merely want

1 my objection to be clear for the record for any future
2 proceedings.

3 MR. CAMPBELL: And --

4 MS. PALMER: And my question is, again, a
5 statement against interest. That's the intent that I'm
6 going to utilize page 76 for. And that is --

7 MR. CAMPBELL: Before you do that, counsel, I'd
8 just like to make an offer of proof on that, since
9 you're making a continued objection.

10 MS. PALMER: Okay.

11 MR. CAMPBELL: Again --

12 MS. PALMER: Fair enough.

13 MR. CAMPBELL: -- you used a -- you said you
14 used this exhibit and a specific reference to this page
15 and line number to say Mr. Hendi -- somehow as an
16 admission against interests. All he did was explain the
17 contents of that statement in the answer to the
18 complaint and to what actually happened. That's not
19 trying to prove or disprove anything. It's to rebut
20 your argument and allegation that somehow this was a
21 statement against his interest.

22 MS. PALMER: Okay. Our objections are noted.

23 BY MS. PALMER:

24 Q. Mr. Hendi, I have a question for you. And that
25 is, on page 76, you state, beginning on line 22:

1 Ms. Ramirez was not hired, nor did she work as a private
2 patrol officer or any other position subject to NRS 678.
3 Instead, Ms. Ramirez worked as an usher at an event and
4 was employed by Events Services, Inc. rather than
5 respondent. In addition, the certification for
6 Ms. Ramirez showed that she received her provisional
7 registration on December 1t.

8 Don't those two statements contradict each
9 other, that she's employed by Events Services and yet
10 she received her provisional registration?

11 A. No, they don't contradict.

12 Q. Okay. Please explain that.

13 A. Ms. Ramirez worked for Events Services. And
14 while she was working for Events Services, she applied
15 for her PILB card. And when she received her PILB card,
16 she was hired as a security officer for ESI Security
17 Services.

18 Q. Would you agree that at no point in this
19 particular statement do you mention ESI Security
20 Services at all, and, in fact, you say "was employed by
21 Events Services rather than by respondent," respondent
22 being ESI Security?

23 MR. CAMPBELL: Counsel, that -- could you
24 rephrase that question. You said she didn't -- it
25 doesn't mention that she worked for ESI Security. Well,

1 isn't that who the respondent is?

2 MS. PALMER: Okay. Yes, exactly.

3 BY MS. PALMER:

4 Q. The statement says Ms. Ramirez worked as an
5 usher at an event and was employed by Events Services
6 rather than by respondent. Now it's your contention
7 that she was employed by respondent, but after. When,
8 in fact, you state right here she was employed by Events
9 Services rather than respondent. Isn't that correct?

10 A. Maybe bad choice of words, but she did not work
11 for ESI Security Services until she received her PILB
12 provision.

13 Q. So is it your testimony that you put people to
14 work in Events Services, and they work as an usher or
15 other capacity, position, and then you apply for a work
16 card, and then you move them over to ESI Security; is
17 that how you do business?

18 A. Anybody can apply to work for any company that
19 I own at any time. They have to get it on their own
20 merit. They have to go through the process of interview
21 and being selected. If somebody that happened to be at
22 Events Services and decided want to move up and do
23 something different, we welcome and encourage that.

24 Q. Or if it happens to be that you need their
25 services, even while they're employed by one company, as

1 in the case of Ms. Haslip, you can move them over
2 without them applying, just on any particular given day,
3 because you happen to need their help?

4 MR. CAMPBELL: Objection.

5 BY MS. PALMER:

6 Q. Isn't that true?

7 MR. CAMPBELL: There's a total lack of
8 foundation in that question. You're testifying,
9 counsel.

10 MS. PALMER: It's a question.

11 MR. CAMPBELL: It's not a question.

12 MS. PALMER: He can answer it.

13 MR. CAMPBELL: It's a lack of foundation, and
14 it's self-serving testimony by yourself.

15 MS. PALMER: There is no lack of foundation.
16 He testified that Ms. Haslip did fingerprinting when he
17 needed her to. So, I think, it's a fair question as it
18 applies to any other employee potentially. And that's
19 my question.

20 MS. BRADLEY: So --

21 BOARD CHAIRMAN ZANE: Objection overruled.

22 THE WITNESS: So the question one more time,
23 please.

24 BOARD CHAIRMAN ZANE: Please answer the
25 question.

1 MR. CAMPBELL: Can you read it back for him?

2 MS. BRADLEY: We're having it read back.

3 (The Reporter read back the question.)

4 MR. CAMPBELL: Do you understand that?

5 THE WITNESS: Yes. Not true.

6 BY MS. PALMER:

7 Q. So Ms. Haslip is the exception to the rule?

8 A. Ms. Haslip have specific duties or
9 responsibilities. And that's part of her
10 responsibilities from the day one that she was hired.

11 Q. Is to fingerprint and to recruit for various
12 companies that you own?

13 A. Ms. Palmer, any potential applicant for ESI
14 Security Services must get a fingerprint. So it's part
15 of recruitment process, that if you can't do the
16 fingerprinting or pass background, there is no
17 recruitment right there.

18 Q. So are you saying, then, that the lines are
19 rather blurred between Events Services and the functions
20 of Events Services, which includes recruiting and the
21 fingerprinting that Quick Print does?

22 A. Not at all. It's very clear.

23 Q. Well, please clarify.

24 A. Quick Print its own company. Events Services,
25 own company. And ESI's own company. Events Services

1 provide the functions of -- the administrative functions
2 for several companies. And that's part of her duties
3 and responsibilities, is to provide those functions.

4 Q. When you say that's part of her duties and
5 responsibilities, what is "that" referring to?

6 A. Her job responsibilities. Her job description,
7 if you will.

8 Q. Well, I think, we should stop mincing words.
9 Why don't you just tell us what her job description is.

10 A. Her job description, in one word, is a
11 recruiter. And a recruiter, for us, as I explained
12 earlier, they advertise, bring in the potential
13 applicants, screen for potential applicants, send them
14 to interviews, process their paperwork, including if
15 they needed to do fingerprinting and move them to the
16 next level.

17 Q. What about listing them on the employee roster
18 for the Private Investigator Licensing Board; would that
19 also be one of their functions?

20 A. It's a human resource function, yes.

21 Q. And is there any human resource function under
22 ESI Security, or is that all handled under Events
23 Services?

24 A. Events Services.

25 Q. And you control those companies?

1 MR. CAMPBELL: Asked and answered, several
2 times.

3 BY MS. PALMER:

4 Q. Who does Sarah Haslip report to?

5 A. Amanda Hegdahl.

6 Q. Which company does Amanda Hegdahl work for?

7 A. Events Services.

8 Q. Can nonlicensees get work cards with the
9 Private Investigator's Licensing Board?

10 A. I'm sorry. I didn't understand the question.

11 Q. Can a nonlicensee, employees of a nonlicensee
12 obtain work cards from the Private Investigator's
13 Licensing Board?

14 A. Not sure. Probably Mr. Ingram would be more
15 equipped to answer that.

16 Q. Does Ms. Hegdahl have a work card?

17 A. Yes.

18 Q. Why would she need a work card if she only
19 works for Events Services?

20 A. The realm of her responsibilities, that she
21 could, never happened, but she could be in the field and
22 check in on human resource issues. So we wanted to make
23 sure that, since she -- there was a possibility for her
24 to be in the field, she should have the PILB card.

25 Q. Who would she be checking on human resources

1 for, what, what issues for human resources, that would
2 implicate ESI Security?

3 A. I can't think of something off the top of my
4 head.

5 MS. PALMER: Pardon me. We need to have
6 indulgence for just a moment.

7 BY MS. PALMER:

8 Q. Mr. Hendi, is Amanda Hegdahl on the roster for
9 ESI Security?

10 A. I'm not sure, to be honest.

11 Q. But was it your testimony that she does have a
12 work card?

13 A. Yes.

14 Q. But you're not sure that she has a work card as
15 an employee of Events Services or ESI Security; is that
16 correct?

17 A. I'm sure she works for Events Services.

18 Q. No, no, that wasn't my question. My question
19 was whether or not she has a work card for ESI Security,
20 or are you saying, no, her work card would definitely be
21 for Events Services?

22 A. She has a PILB card. And Events Services is
23 not a licensed by the PILB Board, so they will not be
24 involved in that part.

25 Q. So I'm confused. You said she's an employee of

1 Events Services?

2 A. Correct.

3 Q. Is that correct? But she has a PILB card for
4 ESI Security?

5 MR. CAMPBELL: Objection. He didn't say that.

6 MS. PALMER: I thought that's what he just
7 said.

8 MR. CAMPBELL: He said she has a PILB work card
9 and she's an employee of Events Services.

10 MS. BRADLEY: Yeah.

11 MS. PALMER: And, I think, he also said Events
12 Services couldn't, isn't the licensee, so it couldn't be
13 Events Services.

14 MS. BRADLEY: No, he didn't answer that.

15 MR. CAMPBELL: He didn't answer that question.

16 MS. PALMER: Well, I'm not sure what his last
17 statement was, then.

18 BY MS. PALMER:

19 Q. How does Amanda -- which company pays Amanda
20 for her services?

21 A. Events Services.

22 MS. PALMER: Okay. We'll save those questions
23 for Amanda.

24 Indulgence for just one moment, please.

25 ///

1 BY MS. PALMER:

2 Q. Mr. Hendi, did you testify that it was ushers,
3 tickets takers and parking attendants who work for
4 Events Services, Inc.?

5 A. Correct.

6 Q. And do you have any ushers, ticket takers or
7 parking attendants working for ESI Security?

8 A. No.

9 Q. I'd like to turn your attention to page 78,
10 Exhibit 10, beginning with line four, Tyler Hinson. And
11 you say: Mr. Hinson did not work as a private patrol
12 officer or in any other position subject to NRS 648.
13 Instead, Mr. Hinson worked as an usher, ticket taker and
14 parking attendant.

15 Is that correct?

16 A. Maybe I should have asked you the timeline you
17 were referring to.

18 Q. You just got done -- oh, are you telling me
19 that at some point in time you had ushers, tickets
20 takers and parking attendants working for ESI Security?

21 A. At some point in time, yes, we did.

22 Q. At what point in time?

23 A. 2013, '14.

24 Q. And what changed?

25 A. We learned that every single employee must be

1 registered. So we separated completely.

2 Q. Mr. Hendi, do the supervisors for Events
3 Services also supervise employees of ESI Security?

4 A. No.

5 Q. Did you understand my question?

6 A. I answered, Ms. Palmer. I said no.

7 Q. Okay. I'm sorry. I didn't hear you.

8 Does supervisors for ESI Security ever
9 supervise event staffing employees?

10 A. Managers could oversee an event, yes.

11 MS. PALMER: Okay. I don't have any other
12 questions, except for those that we would like to
13 utilize the rebuttal exhibit, which we'll have to do
14 tomorrow.

15 MR. CAMPBELL: I just have a limited redirect
16 here.

17

18 REDIRECT EXAMINATION

19 BY MR. CAMPBELL:

20 Q. Mr. Hendi, Ms. Palmer asked you about ushers,
21 ticket takers, et cetera, actually working for Events
22 Services, excuse me, ESI Security. At first, you said
23 no. Were you referring to presently?

24 A. Correct.

25 Q. Okay. But then, in 2014, you said, or 2013,

1 they did work for ESI Security?

2 A. Correct.

3 Q. Okay. And you said you then made the
4 separation. Why did you make the separation?

5 A. We wanted to make sure we were in compliance.
6 We learned at that time that, and it's very clear, that
7 it has to be every single employee, period. So we made
8 the separation, and we separated them completely out.

9 Q. And those ushers, ticket takers that were moved
10 over to Events Services, when they were working at ESI
11 Security, they did not do security work that is
12 regulated by the statute, did they?

13 A. No.

14 Q. And that same job function doesn't need to
15 be -- it's not a regulated activity that they need to be
16 registered to work at Events Services, right?

17 A. Correct.

18 Q. Okay. So you were just trying to comply with
19 the statute once you found out that they needed to be
20 registered?

21 A. Absolutely.

22 MR. CAMPBELL: That's all I have.

23 BOARD CHAIRMAN ZANE: Thank you.

24 This may be a good point in time to recess.

25 MS. PALMER: Well, when would we --

1 (The Reporter interrupted and indicated she was
2 having difficulty hearing those in Las Vegas.)

3 MS. BRADLEY: She can't hear you.

4 MS. PALMER: I apologize to the court reporter.
5 I was just asking when we would call the rebuttal
6 witness.

7 MS. BRADLEY: I think, after they finish their
8 case.

9 MS. PALMER: Okay.

10 MS. BRADLEY: I mean, normally, you know, you
11 present yours, and then they present theirs. And then
12 if you have a rebuttal case, you would call your
13 rebuttal witnesses then, I think.

14 MS. PALMER: Okay. All right. Thank you.

15 MR. CAMPBELL: But you also have questions for
16 Mr. Hendi on an exhibit what you're going to bring
17 tomorrow, right?

18 MS. PALMER: That's true.

19 MR. CAMPBELL: Okay.

20 MS. BRADLEY: So, yeah, I think, it's really at
21 your pleasure, Mr. Campbell, how you want to handle
22 that, if you want to try to call one of the other
23 witnesses. In my understanding, we have the room until
24 5:00.

25 MR. CAMPBELL: 4:45.

1 MS. BRADLEY: Oh, 4:45. Excuse me. So I mean,
2 if you have a witness that you think you could finish in
3 a half hour, but, also, as far as definitely
4 interrupting him. So that's at your prerogative.

5 MR. CAMPBELL: Yeah. I'd just prefer we start
6 up again tomorrow.

7 MS. BRADLEY: Okay.

8 MR. CAMPBELL: Yeah.

9 MS. BRADLEY: So, I think, Mr. Campbell's
10 preference is that we stop for the day.

11 BOARD CHAIRMAN ZANE: And so we're recessed
12 until tomorrow?

13 MS. BRADLEY: Right.

14 BOARD CHAIRMAN ZANE: Until tomorrow morning.
15 See you all at 9:00 o'clock. Thank you.

16 * * * * *

17 (The meeting recessed at 4:17 p.m.)

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REPORTER'S CERTIFICATE

I, SHANNON L. TAYLOR, a Nevada Certified Court Reporter, Nevada CCR #322, do hereby certify:

That I was present at Western Nevada College, 2201 W. College Parkway, Cedar Bldg., Room 307, Carson City, Nevada, on Wednesday, December 7, 2016, at 9:00 a.m., and commencing at 9:07 a.m. took stenotype notes of a meeting of the State of Nevada Private Investigator's Licensing Board;

That I thereafter transcribed the aforementioned stenotype notes into typewriting as herein appears, and that the within transcript, consisting of pages 1 through 242, is a full, true, and correct transcription of said stenotype notes of said meeting;

I further certify that I am not an attorney or counsel for any of the parties, not a relative or employee of any attorney or counsel connected with the actions, nor financially interested in the actions.

DATED: At Carson City, Nevada, this 13th day of January, 2017.

SHANNON L. TAYLOR
Nevada CCR #322, RMR