



Alabama Electronic Security Board of Licensure
Board Meeting
Tuesday, November 7, 2017, 9:30 a.m.
AIDT Training Center
15 Technology Court
Montgomery, Alabama

John Orr, Chairman, called the meeting to order at approximately 9:40 a.m. at the AIDT Training Center, Montgomery, Alabama, as posted on the Secretary of State's website. Mr. Orr asked Lynne Taunton, AESBL Executive Director, to call the roll. Members present: John Orr, Kristi Jennings, Joe Marsh, and Sheriff Derrick Cunningham. Stacia Robinson and Scott Hunter were not in attendance. Newly appointed member, Dottie K. Blair, was in attendance, but could not vote due to pending confirmation.

I. Quorum:

A quorum was present. Bettie Carmack, Assistant AG and Board's Legal Counsel certified the quorum.

II. Minutes of August 14, 2017, Board Meeting:

Mr. Orr asked members to review the minutes for the August 14, 2017, Board Meeting. Motion to approve the minutes was made by Mrs. Jennings. Second by Sheriff Cunningham. An individual vote was taken: Mrs. Jennings voted to approve, Sheriff Cunningham voted to approve, Mr. Marsh voted to approve, and Mr. Orr voted to approve. Ms. Blair abstained. Motion carried.

III. Discussion of Relevant Concerns:

Schuyler Ross of Alder Holdings LLC reported issues that they are having with other security companies taking over their customer accounts. He stated that other companies will switch out cellular chips from a customer's system, and when they are immediately alerted of this due to loss of signal, they make contact with the customer. He also stated that elderly customers are being taken advantage of by scams and that many of them are forced to close bank accounts.

Barbara McGowin with the Locksmith Association inquired about students under the age of 18 being allowed to work in the locksmith industry. The Board agreed that they could work but must obtain a work permit from their school and that parents must give permission for a CHRI background check to be run.

Ms. McGowin and Mr. Lee Schofield alerted the Board to a new kiosk, called "Locksmith in a Box" that makes keys. These kiosks are located at such stores as Walmart, Bed Bath & Beyond, and Kroger around the state. It includes cloud technology that stores pictures of keys and a code to cut the key. The Board agreed that the investigator should look into it.

Ms. McGowin and Mr. Schofield also reported that hardware stores and retail stores such as Home Depot and Lowes should not be programming car keys or installing locks on site.

Clarification was given on when the new CEU requirements would take effect. The new requirement of eight (8) CEUs per discipline would be effective beginning January 1, 2018, but would be required beginning with the 2019/2020 licensing period.

IV. Training:

Roy Pollack with Comcast University submitted a sales certification course for consideration of approval. The course will be offered online and in-class to Comcast/Xfinity employees only. After review, a motion was made by Mr. Marsh to approve the sales certification course. Second by Mrs. Jennings. Ms. Blair abstained. All others were in favor. None opposed. Motion carried.

V. Permitting of Licensing of Companies for 2017/2018 and 2018/2019:

For 2017/2018—Mr. Orr called for a motion on the fourteen (14) companies that had been licensed from July 1, 2017, to September 30, 2017. Of the 14 companies, six (6) were licensed for 2017 and eight (8) were licensed for 2017-2018. A motion to approve the licenses of the 14 companies was made by Mr. Orr. Second by Mr. Marsh. Ms. Blair abstained. All others were in favor. None opposed. Motion carried.

For 2018/2019—Mr. Orr called for a motion on the sixteen (16) companies that had been licensed for 2018/2019 renewal from July 1, 2017, to September 30, 2017. A motion to approve the licenses of the 16 companies that will be effective January 1,

2018, was made by Mr. Orr. Second by Sheriff Cunningham. Ms. Blair abstained. All others were in favor. None opposed. Motion carried.

Permitting of Licensing of Individuals for 2017/2018 and 2018/2019:

For 2017/2018—Mr. Orr called for a motion on the two hundred one (201) individuals licensed with background checks that completed the licensing process from July 1, 2017, to September 30, 2017. Of the 201 individuals, one hundred fourteen (114) were licensed for 2017 and eighty-seven (87) were licensed for 2017-2018. A motion to approve the licenses of the 201 individuals was made by Mr. Orr. Second by Mr. Marsh. Ms. Blair abstained. All others were in favor. None opposed. Motion carried.

For 2018/2019—Mr. Orr called for a motion on the twelve (12) individuals licensed with background checks for 2018/2019 renewal from July 1, 2017, to September 30, 2017. A motion to approve the licenses of the 12 individuals that will be effective January 1, 2018, was made by Mr. Orr. Second by Sheriff Cunningham. Ms. Blair abstained. All others were in favor. None opposed. Motion carried.

VI. Update on Fines for Late/Non-Renewal of Licensing:

An update was given on the twenty-seven (27) companies that were assessed an additional \$500 fine for late or non-renewal as of May 31, 2017. Of the 27 companies fined, three (3) had submitted for licensing and were pending while one (1) was complete and licensed as of September 22, 2017. The Board discussed that all currently unlicensed companies were to be turned over to the Compliance Auditor, Mrs. Deborah Speigner and that cease and desist orders were to be issued and that previous fine letter(s) would be included. A motion to issue cease and desist orders to all companies still unlicensed was made by Mr. Marsh. Second by Sheriff Cunningham. Ms. Blair abstained. All others were in favor. None opposed. Motion carried.

VII. Consumer Education Campaign:

Ms. Janet Robinson reported to the Board that the contract for the Consumer Education Campaign with Copperwing Design LLC had been approved by the Contract Review Permanent Legislative Oversight Committee and signed by Governor Kay Ivey. A copy of the contract was included in Board Members' packets. Ms. Robinson also reported that per Michael Jones, Director of State Purchasing, a Request for Proposals (RFP) should have been sent out for bids on the project. Therefore, an RFP was initiated and opened from September 6, 2017, until

September 21, 2017. Four responses were received, including one from Copperwing Design LLC. All proposals were of equal bid amount; none were below the original proposal of Copperwing Design LLC. Therefore, Mrs. Lynne Taunton, acting on her authority as Executive Director, accepted the proposal from Copperwing Design LLC, as previously voted on by the Board.

VIII. Committee Reports:

Investigative Committee:

The Committee met on October 11, 2017. Findings of the Committee were discussed in Executive Session.

IX. Unlicensed Companies Report:

Mrs. Deborah Speigner discussed this with Board during Executive Session.

X. Executive Session:

A motion was made by Mr. Marsh to enter Executive Session to discuss the good name and character of licensed companies and to discuss with the Board's attorney the legal ramifications of controversies not yet being litigated but may likely be litigated if a certain course of action is taken. Second by Sheriff Cunningham. A roll call vote was taken: Mr. Marsh voted to approve, Sheriff Cunningham voted to approve, Mr. Orr voted to approve, and Mrs. Jennings voted to approve. Ms. Blair abstained. Assistant Attorney General Bettie Carmack declared at 11:03 a.m. that the Board was in Executive Session until approximately 12:30 p.m.

A motion was made by Sheriff Cunningham to return to General Session. Second by Mr. Orr. A roll call vote was taken: Sheriff Cunningham voted to approve, Mr. Orr voted to approve, Mr. Marsh voted to approve, and Mrs. Jennings voted to approve. Ms. Blair left the meeting at 11:10 a.m. Assistant Attorney General Bettie Carmack declared that the Board was back in General Session at 1:13 p.m.

Regarding item **X.A.** on the Executive Session agenda, a motion was made by Mr. Marsh to approve the licensing application of Andrew Sullens with Eden Security. Second by Mrs. Jennings. All were in favor. None opposed. Motion carried.

Regarding item **X.B.** on the Executive Session agenda, a motion was made by Mr. Marsh to approve funds for Ms. Carmack to attend a FARB meeting in California in January. Second by Mrs. Jennings. All in favor. None opposed. Motion carried.

Regarding item **X.C.** on the Executive Session agenda, a motion was made by Mr. Marsh for an injunction to be filed against Audio Works LLC in Spanish Fort, Alabama. Second by Mrs. Jennings. All in favor. None opposed. Motion carried.

Regarding item **X.D.** on the Executive Session agenda, a motion was made by Mr. Marsh to approve a cease and desist order, which will be hand delivered by a third party, for Brown's Locksmith and for an injunction to be filed, which will name all of the Brown family members. Second by Sheriff Cunningham. All in favor. None opposed. Motion carried.

Regarding item **X.E.** on the Executive Session agenda, a motion was made by Mr. Marsh to approve the consent decree from Mint Security. Second by Mr. Orr. All in favor. None opposed. Motion carried.

Regarding item **X.F.** on the Executive Session agenda, a motion was made by Mr. Marsh to approve the consent decree from Alliance Security, whose fine was paid in full. Second by Mr. Orr. All in favor. None opposed. Motion carried.

A motion was made by Mr. Marsh to form a subcommittee to discuss proposed legislation for an AESBL statute change during the 2018 legislative session. Members of the subcommittee will be: Mr. Orr, Mrs. Jennings, Lee Schofield, and Jerry Bowman. The motion also includes scheduling a special-called board meeting to vote on proposed legislation recommended by the committee. Second by Sheriff Cunningham. All in favor. None opposed. Motion carried. A subcommittee meeting was scheduled in Pell City, Alabama, on Monday, November 13, 2017, and a special-called board meeting was scheduled in Montgomery, Alabama, on Tuesday, November 28, 2017, as listed on the Secretary of State's website.

Opinions issued by the Board were as follows:

- Regarding the costs of collecting judgements on unlicensed companies, the Board agreed that court action should be taken on such companies.
- Regarding personal visits to unlicensed companies by AESBL staff, the Board agreed that there might be safety concerns involved. Ultimately, such visits were not recommended.
- Regarding CCTV that is not monitored by central station, the Board agreed that unmonitored cameras do fall under the jurisdiction of the AESBL.

XI. AESBL Budget for Fiscal Year 2017:

Ms. Janet Robinson presented a report reflecting deposits and payments made in the fourth quarter for FY2017. End-of-year numbers were also given, but a final report will be made at the next board meeting in February.

XII. AESBL Budget for Fiscal Year 2018:

Ms. Janet Robinson presented the budget that was submitted to the Executive Budget Office through STAARS for FY2018 and the projected budget for FY2019. The

budget reflects an increase in funding in order to accommodate the contract for Copperwing Design LLC.

XIII. Other Business:

A. Appointment of new Board Member:

Mrs. Taunton informed the Board that Ms. Dottie K. Blair was appointed by Governor Kay Ivey on September 22, 2017, to take the place of Stacia Robinson. Ms. Blair is expected to be confirmed by the State Senate during the 2018 Legislative Session. Until then, Mrs. Robinson is still recognized as a member of the Board.

B. Memorandum of Agreement with ALEA:

Ms. Janet Robinson presented to the Board a newly proposed agreement between the AESBL and ALEA that would replace the agreement on file, which is set to expire on January 13, 2018. The new agreement includes a provision which would allow ALEA to bill the AESBL directly for background checks run rather than to accept payment directly from the companies or individuals submitting for licensure. A motion was made by Sheriff Cunningham to accept the agreement with an amendment that would specify that ALEA bill AESBL for state/federal backgrounds for \$37.00 and state backgrounds only for \$25.00. Second by Mr. Orr. All in favor. None opposed. Motion carried.

C. Dates for 2018 Board Meetings:

Ms. Janet Robinson provided a list of the scheduled Board Meetings for 2018, which are listed on the Secretary of States website as well as the AESBL website.

Those dates are:

February 6, 2018

May 8, 2018

August 7, 2018

November 13, 2018

All meetings will take place at the AIDT Training Center.

D. Election of AESBL Chairman for 2018:

Sheriff Cunningham made a motion to nominate Mr. John Orr to serve as chairman for 2018. Second by Mr. Marsh. All were in favor. None opposed. Motion carried.

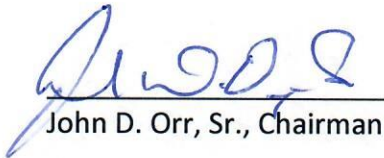
E. Next Scheduled Board Meeting:

Tuesday, February 6, 2018.

Adjourn:

Motion to adjourn was made by Mr. Marsh. Second by Sheriff Cunningham. Mr. Marsh voted to approve, Sheriff Cunningham voted to approve, Mr. Orr voted to approve, and Mrs. Jennings voted to approve. Motion carried. The Board adjourned at 1:33 p.m.

Approved by the Board on February 6, 2018.



John D. Orr, Sr., Chairman



Lynne Taunton, Executive Director