

**Minutes of the Meeting of the
Arkansas Home Inspector Registration Board
Attorney General Building, Little Rock
March 30, 2016**

Board members Wayne Pace, Anthony Utsey, Joe Kanopsic, Robert Neal, Cheryl Payne-Nesuda, and Allen Trammell are present. Board member Bob Downum was absent (attended via telephone). Also present was Assistant Attorney General Julie Chavis, DFA-Office of Accounting staff Melanie Hazeslip and Melina Campbell.

Agenda Item A – Call to Order - Meeting called to order at 9:33 am.

Agenda Item B – Approval of March Agenda

Wayne asked for any changes to the agenda, with no changes he asked for a motion to approve. Mr. Neal moves to approve the March agenda Mr. Kanopsic seconds the motion. All board members – yes.

Agenda Item C – Approval of prior meeting minutes: January 21, 2016, February 2 & 24, 2016, and March 4, 2016

Wayne asked for any changes to the drafted minutes sent out last week, with no changes he asked for a motion to approve the January 21st, February 2nd, February 24th, and March 4th minutes. Mr. Neal moves to approve the four sets of draft minutes Mr. Kanopsic seconds the motion. All board members – yes.

Ms. Chavis adds that a board quorum is present for the record, Mr. Pace agrees.

Agenda Item D – Review of New Applicants (16)

1. Mr. Downum has reviewed the applications that were emailed to him and approved all but a few. He has made notes on the few that he has concerns with.
2. Mr. Pace says there are several to be approved and asked for the motion to issue license to Mark Haley, Nicholas Linn, Zach Castleberry, Rickie White, Dennis Pearrow, Thomas Moore, Jeremy Avaritt, Paul Cristler Jr., Anthony Varnell, and Richard Sullinger, Mr. Kanopsic moves to approve all ten applicants Ms. Payne-Nesuda seconds the motion. All board members – yes.
3. Michael Emmons is also ready for approval, Mr. Neal moves to approve Mr. Kanopsic seconds the motion. All board members – yes.
4. Mark Linker's application looks good but his insurance certificate must be signed by his agent. It's Mr. Pace's recommendation we approve this application pending the

receipt of the insurance form. Mr. Pace moves to approve Mark Linker's application Mr. Kanopsic seconds the motion. Once the office has received the insurance the applicant can be issued a home inspector license. All board members – yes.

*Mrs. Hazeslip will contact the applicant and get the correct insurance form.

5. Monty Havens is ICC (*International Code Council*) certified and has applied for a license to be given with this certification. Mr. Neal request clarification regarding the ICC certification categories. Currently you can be certified in some areas to hold an ICC certificate but do not have to be certified in all required fields that are needed for home inspection. Mr. Utsey states that to hold a home inspector license you must be ICC certified and be employed by a municipality but there is no added specification about what areas the ICC certificate cover. Mr. Neal wants clarification as to whether or not it should be all areas or will two be acceptable. Mrs. Chavis reads the law regarding the ICC certified applicants.

17-52-315. Application for registration.

(c) The following persons shall be exempt from any educational requirements for initial registration, but not from the requirements concerning the competency examination:

(1) City inspectors certified by the International Code Council; and

(2) Contractors who hold a builder's license and have ten (10) years' experience as a contractor.

HISTORY: Acts 2003, No. 1328, § 1.

Mr. Pace confirms that Monty Havens is employed by Greenbrier municipality and has ICC certificate in plumbing, electric and HVAC but not in the additional areas needing for home inspection (exterior, roofing, etc.). The law is unclear. Mr. Neal is comfortable approving the application at this time in accordance with the law but adds we need a better understanding of the law. Mrs. Chavis adds that in order to get more clarity on this specific law that board will need to clean up the Bill to clarify the law. Mr. Neal makes a motion to approve the applicant Ms. Payne-Nesuda seconds the motion. All board members – yes.

6. Jay Duncan also has an ICC certificate but he is not employed by a municipality. He has applied for a position and is waiting to hear back. Mr. Pace says they cannot approve his application at this time without the employment and Mrs. Chavis agrees he is correct. Mr. Neal moves to disapprove the application at this time and Mr. Kanopsic seconds. All board members – yes.
7. Harce Titsworth's insurance form does not show Arkansas Home Inspectors Board as the insurance holder. The insurance form will need to be submitted correctly before this applicant can be approved. Mr. Kanopsic moves to approve the applicant pending the corrected insurance form Mr. Neal seconds. All board members – yes.
*Mrs. Hazeslip will contact the applicant and get the correct insurance form.
8. Matthew Brentlinger has submitted an application that Mr. Downum had made a note on from his review. Mr. Downum did not find the correct insurance information however the applicant has now submitted the correct insurance information. Mr. Neal points out that Matthew Brentlinger is from Oklahoma and we will need a current

background check from Oklahoma in order to complete this applicant's review. Mr. Neal also asked if the form for applicants has been changed to include the requirement for a background check if any applicant has moved here from another state. Mr. Neal moves to approve the applicant if the Oklahoma background check is clear Ms. Payne-Nesuda seconds. All board members – yes.

*Mrs. Hazeslip will get a background check from Oklahoma.

Mrs. Hazeslip will update the form online to include that all new applicants must have a background check from their previous state of residence if they lived or worked outside of Arkansas within a reasonable time allowance. Mr. Kanopsic asked that NCIC background reviews also be done on new applicants. Mrs. Chavis clarifies that in order to do NCIC background reviews it must be written in the law. Mr. Kanopsic recommends we add this to the law changes that will be requested when we also discuss clarification to the ICC requirements. Mr. Pace states that they have wanted to do NCIC background reviews in the past but could not due to the current law as it reads. Mr. Utsey recalls that it was also due to the additional cost to the agency for the NCIC background checks. Mrs. Chavis says that you can make the applicant pay for the NCIC background check if the law is changed it will just be part of the applicants cost. Mrs. Chavis adds that she cannot help with changes to the law for the board and if they wish to pursue this they will need to work with the Bureau of Legislative Research (BLR) to get any changes in the written law. She recommends this summer someone from the board talk with BLR about their request. Mr. Trammell informs the board that Real Estate Commission completes a NCIC background check and the applicant pays for that fee. Mrs. Chavis says you can change the application at this time to say what states have you lived in and provide background checks from them. Mr. Pace adds that the board will have to get a change to legislation before they can do any federal background check. Mrs. Hazeslip agrees we will add the request for applicants to provide state background checks if that is what the board wants. Mr. Neal moves to add to the application that all applicants must provide a background check from any state they have resided in 15 years prior to date of submission Mr. Kanopsic seconds. All board members – yes.

Agenda Item E – Update on two applicants denied in previous board meeting

1. Mr. Pace moves to discuss the two applicants denied in previous board meeting per Ms. Chavis request.
2. Gregg Adams was denied for an insurance form and has a misdemeanor on his background check. Mrs. Chavis reports to the board that the law reads denial of an applicant must be based on moral turpitude or felony charges only and Gregg Adams record is not under good reason for denial. We now have the correct insurance forms therefore she recommends that we approve this applicant. Mr. Neal moves to approve and Mr. Kanopsic seconds. All board members – Yes.

- *Mr. Neal says that the application was submitted in December for approval and paid \$375.00 application fee since the fee for a Jan-Jun application is only \$250.00 he would like the board to vote to refund Mr. Adams \$125.00. Mr. Kanopsic moves to have \$125.00 refunded to the applicant Ms. Payne-Nesuda seconds. All board members – Yes.
3. Troy Webb was denied but Mrs. Chavis doesn't have notes on this so she notes it can only be because of the background check. Mr. Neal states that his notes show the applicant lied on his application when asked if he had anything on his record and also he stated he was a construction manager but there was no proof that he was. Mrs. Chavis states that she will request the court documents on the misdemeanor to validate the charges and she will send a letter to the applicant requesting additional information regarding employment. Mr. Kanopsic moves to have Mrs. Chavis precede with her recommendation and Ms. Payne-Nesuda seconds the motion. All board members – yes.

Agenda Item F - Financial Report (Melanie Hazeslip)

1. Melanie Hazeslip, DFA Office of Accounting, Accounting Manager, reports the board has two sets of financials in front of them. One is from January and the other February. She points out that the balance between the two reports only shows a change of a little less than \$3,000. She reports that the phone bill on January's financial statement is large (\$668.23) because this includes the cost of moving a phone line from one building to another when the board found its current office. Mrs. Hazeslip adds to the board that at the end of February they had \$3,534.01 in remaining appropriation. January had an appropriation burn rate of \$1,380.83 and February's burn rate was \$1,023.37. She feels that January's burn rate was more likely the board's spending rate because February had no bills paid but this will change and March's burn rate will be greater because the February and March bills will be paid. Mr. Neal moves to approve the bills paid and Mr. Kanopsic seconds. All board members – Yes.
2. Mrs. Hazeslip reports that the February warrant expense report is mostly salary based expenses and the board does not need to approve them. In reviewing the January warrant expense report there are \$5,927.14 which is way more than it should be. Mr. Pace reiterates this is mostly due to telephone cost.
3. Ms. Payne-Nesuda asked about the travel reimbursement process and who qualifies. Mrs. Hazeslip replies that any board member can complete a TR-1 to claim travel reimbursement and the rate is \$0.42 a mile. She points out that comes out of the \$3,534.01 remaining appropriation which is why some board members have opted not to complete a TR-1 in recent meetings. Mr. Neal asked about the change to appropriation that was approved in a previous meeting and Mr. Downum asked if that

is effective July 1st. Mrs. Hazeslip tells the board the change in appropriation will be effective July 1, 2016 and in the meantime we can have board meetings via teleconference. Mrs. Chavis says the board will need to meet in May for the elections that need to be done since the board has new members and must vote on officers.

Agenda Item G – State of Complaints

Julie Chavis, Attorney General Deputy, reports there are updates to the complaints.

1. OLD
 - a. Bevill, Joyner, Barre, and McCormick (Klewicki complainant) were all mailed out in the past month by Mrs. Hazeslip.
 - b. Stouffer and McCormick (Vicentic complainant) are still being worked on by Ms. Chavis. She should have them ready for the next meeting.
 - c. Hall has already had a hearing with the board and Ms. Chavis reports she must now have a motion for injunctive relief from the board then she will be able to file a law suit.
2. NEW
 - a. Primm/Walker is a new complaint that Mr. Neal speaks on. He reports that he has reviewed the paperwork submitted and he and Ms. Chavis will discuss his findings before they will bring it to the board.

Agenda Item H – Continuing Education/Pre-Registration Courses

Anthony Utsey says he has 5 PR (pre-registration) courses for approval and further discussion these are all 80 hour plus courses.

PHII – Professional Home Inspection Institute

NPI – National Property Inspections, Inc.

NAHI – National Association of Home Inspectors, Inc.

AHIT – American Home Inspector Training Institute

InterNACHI – International Association of Certified Home Inspectors

1. PHII, NPI, NAHI are all ready to approve and look complete, Mr Utsey moves to approve the renewal of these courses Mr. Neal seconds. All board members – yes.
2. AHIT and InterNACHI Mr. Utsey cannot recommend for approval at this time because they are both too vague and do not have enough detail in the outline. Mr. Neal asked about previous approval of these courses and Mr. Utsey reports that they have been approved in the past but the items sent this year do not have sufficient materials to support his recommendation of approval. Mr. Neal states that the form

for the PR renewal process does not require what the law reads. Mr. Neal moves to have the application form for courses updated to match the law Mr. Kanopsic seconds the motion. All board members – Yes.

*Mrs. Hazeslip will update the form and send it to Mr. Neal for his approval and once that is received she will have it replace the current form on the website.

3. Mrs. Hazeslip has contacted AHIT regarding the need for a more detailed outline and they have sent her an email with the requested paperwork. Mr. Utsey reviews the new outline and moves to approve the PR course Mr. Neal seconds. All board members – yes.
4. Mr. Utsey has continuing education (CE) course request from Professional Home Inspection Institute that are ready for approval he moves to approve the 4 hours for CE Mr. Kanopsic seconds. All board members – Yes. CE name will be CE-2016-07.
CE – 2016 – 07 A Structure (2 hours)
CE – 2016 – 07 B Intrusion (1 hour)
CE – 2016 – 07 C Roofing (1 hour)

Agenda Item I – New Business

Mr. Pace goes on to the next item on the agenda and first item of new business which is the hiring freeze and the possibility of an agency merge with Real Estate Commission.

1. Mr. Pace reports that he completed the hiring freeze paperwork and received approval on March 17th to advertise and hire a new Executive Director for office work. Mr. Kanopsic asked about the job description for the position he recommends we come up with that now before we hire a new employee and wants to know if we could also ask that they do investigations. Mr. Pace replies that they have the capabilities with the budget change to subcontract out the investigator duties. He says they need to be two separate people because the administration needs to prepare the paperwork and then an investigator actually go out to the complainants. Mr. Pace also feels that an investigator needs to be a home inspector. Mr. Neal says that an investigator needs to be under the boards control even if there is a merge. In the next board meeting there should be more discussion about job duties for the new AHIB employee and a change to the job title with change in appropriation bill or the possibility of a cross grade. Mr. Neal moves to have a subcommittee of one (Joe Kanopsic) to come up with the job description for proposal at the next board meeting Mr. Kanopsic seconds. All board members – Yes.
2. Mr. Trammell states that he spoke with his boss at the Real Estate Commission and they are receptive to a merge but no one has approached them regarding this matter from the AHIB board. Mr. Neal says that he is concerned a merge is a conflict of interest and would like more discussion on the matter. Ms. Chavis states that the board's role is to protect consumers and that many other states have these boards

- under the same umbrella but that they will still have autonomy. Mr. Trammell reminds the board that the state could decide to do this at any time without the board's discussion. Mr. Pace says the Governor's office has spoken to him about a possible merge in the future. Ms. Chavis tells the board that it's better for them to be proactive versus being forced and having no choice. She adds you can decide this is a good idea because you can then talk to the Real Estate Commission about what you'd like to see the combination look like. She says the Real Estate Commission has an investigation staff that AHIB could utilize if that proposal was made and agreed upon and they hold hearings every month. Mr. Pace feels if they have the appropriation in their budget he'd prefer the board hire their own investigators. Ms. Chavis adds that if there is a merge they would have access to a conference room and potentially not have to pay rent.
3. Mr. Pace brings up the cell phone that was used by Mr. Wherry. He says that the board has asked AT&T for a credit back since they no longer need that service. He recommends the board take a vote on removing the phone from agency use and saving the \$80 a month that it cost. He adds that the phone in the office is set up for voice mail and an employee can check the voice mail daily even from their home. Mr. Neal agrees as long as there is no termination fee the cell phone should be disconnected. Mr. Utsey says we should terminate the phone service. Mr. Kanopsic moves to terminate the phone if there is no fee and Mr. Trammell seconds. All board members – Yes.
*Mrs. Hazeslip will contact AT&T and find out the process and fees and terminate.
 4. Mr. Neal would like to discuss rural development form loans. He says that the form that must be completed for these loans does not go along with the home inspectors rules and procedures and he will not complete a rural development form for a loan when asked to by a client. He says the loan form requires home inspectors to review the septic and additional things that home inspectors have no qualifications to do. He also has concerns that as home inspectors they are not allowed to remove HVAC covers and therefore cannot do a good inspection with the current rule. Ms. Chavis says she will check into this and she needs to do some more research.

Agenda Item J – Old Business

1. The website is still being operated by DFA and Mrs. Hazeslip is updating the home inspector list as changes occur. Mr. Neal reports he has reviewed the website and since Mrs. Hazeslip has been operating there have been no problems with insurance expiration dates. Mrs. Hazeslip reports that she will get a new updated list of PR courses on the website when she returns to the office. She says she would like to add a button for the AHIB minutes and courses on the webpage. Mrs. Hazeslip asked Mr. Neal about the URL domain fee and when this is due and how up to date are those

payments. Mr. Pace says he would like the updated forms on the website once they are completed.

*Mr. Neal will check on the URL fee.

*Mrs. Hazeslip will add a buttons to the webpage for meeting minutes and courses.

2. Mr. Neal reports that AETN did send him a video of the commercial to be aired for the AHIB Board and the he removed two photos that they were using. He said he tried to find new better photos but without staging a home inspector this could be a conflict so he did not add 2 more. He says that there are about 6-7 photos in the information segment and that they will each be shown a few additional seconds since new photos were not added. Bob Balhorn, AAREI lobbyist, says he has seen the commercial on AETN and it looks nice. Mrs. Hazeslip says we need to know when the segment began running.
3. Mr. Kanopsic asked about the termination of Mr. Wherry. Mr. Pace states that Ms. Chavis prepared the letter and he signed it and sent it out in the mail March 7, 2016. Mr. Trammell reports that he did speak to Mr. Wherry regarding his termination on Saturday March 5, 2016.

Agenda Item K – Schedule April Meeting

Mr. Neal moves that the board not have an April meeting since this is the end of March. He recommends we move the meeting to May and that way the board can also hold elections.

The board members agree.

The meeting is set for **Wednesday, May 18th at 9:30am.**

Agenda Item L - Adjournment

Ms. Payne-Nesuda moves to adjourn the board meeting at 12:03 pm Mr. Kanopsic seconds the motion.