Minutes of the Meeting of the Arkansas Home Inspector Registration Board Attorney General's Building, Little Rock July 11, 2018

Board Members present:

Wayne Pace, Chairman Robert Neal Bob Downum (Absent)

Tom Allen, Vice Chairman Allen Trammell (9:43 Arrival) Marliese Kerr

WC McBride, Secretary/Treasurer

Board Administrator: Charlotte London Assistant Attorney General: Julie Chavis

Others Present for scheduled Hearings: Peggy Johnson, Hearing Officer; Susan Whitson, Court

Reporter; Kendel Grooms, Attorney for Dr. Brian

McGhee; Dr. Brian McGee (participated via

teleconference); Curtis Gordon; Sheila Parnell, Realtor

and Witness for Mr. Gordon; Clyde Betnar

AAREI Lobbyist: Bob Balhorn
ABC Home Inspection Institute: Joe Maxwell

New Applicants: Ed Boardman, Brad Dortch, James Dale Gunter, David Kugler, Adam Miller,

Chase Riley

I. Agenda Item I: Call to Order/Roll Call

Mr. Pace called the meeting to order at 9:36 a.m.

Roll call - All Board members are present except Mr. Trammell who arrived later during the meeting.

II. Agenda Item II: Approval of <u>July 11, 2018</u> Meeting Agenda

Motion was made by Mr. McBride to approve the agenda and seconded by Mr. Neal. All Board members voted in favor of the motion with aye.

III. Agenda Item III: Hearings

1. **Dr. Brian McGee vs Archie Van Gorder** – Mr. Van Gorder had performed a home inspection for Dr. McGee and he was not licensed as a home inspector in Arkansas. Dr. McGee hired Mr. Van Gorder on the recommendation of his realtor. He filed a complaint against Mr. Van Gorder due to several oversights in the home inspection report. Ms. Chavis made the opening statement and directed her initial questions to the Board Administrator and Dr. McGee. Mr. Pace made a motion for the Board to deliberate on the Van Gorder complaint and Mr. Allen seconded. Mr. McBride told the Board that the inspection hinged on the fact that the realtor was the person who recommended Mr. Van Gorder. Mr. Neal said the mold inspection could not be used as part of their decision since it is outside of the requirements as stated in the Standards of Practice for Home Inspectors in Arkansas. He added that licensed home inspectors are not allowed to do repairs on a home that they have inspected in the last twelve (12) months. Mr. Allen said that it creates a safety issue. Mr. Neal said the violations were egregious and he recommended the maximum fine of \$1,000.00 be levied against Mr. Van Gorder. Mr. Neal made a motion to hold Mr. Van Gorder accountable and impose a fine of \$1,000.00 in addition to prohibiting him from performing any future home inspections. Mr. McBride seconded and said that Mr. Van Gorder committed the violations and he should be held accountable even if he tries to become a licensed home inspector. All Board members voted aye in favor of the fine and terms of the agreement.

- 2. Deborah Starr vs Curtis Gordon Mr. Gordon had performed a home inspection for Ms. Starr and he was not licensed as a home inspector in Arkansas. Ms. Starr hired Mr. Gordon on the recommendation of her realtor, Ms. Parnell. She filed a complaint against Mr. Gordon due to oversights concerning the home inspection. Ms. Chavis made the opening statement and directed her initial questions to the Board Administrator and Mr. Gordon. Ms. Chavis requested that the complaint be dismissed due to Mr. Gordon and Ms. Parnell stating that Mr. Gordon performed an HVAC inspection and not a home inspection. Mr. Trammell made a motion to dismiss the complaint, Mr. Neal seconded with further discussion. Mr. McBride said that the Board has heard only one side of the complaint since Ms. Starr was not present to state her side and he recommended dismissal. Mr. Allen said he was troubled because the receipt written by Mr. Gordon said it was for a home inspection fee and the \$300.00 fee that was charged was comparable to a home inspection fee rather that a HVAC inspection. Mr. Trammell made a motion to dismiss the complaint, Mr. Neal seconded and all Board members voted aye in favor of the motion to dismiss.
- 3. Peter Roe vs Clyde Betnar Mr. Betnar had a complaint filed against him by a licensed home inspector. Mr. Betnar had online advertisements showing that he performed home inspections. Ms. Chavis made the opening statement and directed her initial questions to the Board Administrator and Mr. Neal. Mr. Betnar read his statement at the hearing and he said that he had nothing to do with the media ads and doesn't know where they came from. Mr. Betnar said that he had only performed a visual, exterior inspection. Mr. McBride made a motion to dismiss part of the complaint concerning the performance of home inspections due to insufficient evidence to support it, Mr. Allen seconded and all Board members voted aye in favor of the motion. Regarding the additional claims, Mr. Trammell made a motion to allow Mr. Betnar the opportunity to remove the online advertising from various websites and if not done within twelve (12) months, the Board would sanction him. Mr. McBride seconded. Mr. Allen said that Mr. Betnar has held himself out as a home inspector and should be fined \$1,000.00 if, after twelve (12) months, the online ads have not been removed or efforts have not been made to do so. All Board members voted in favor of the motion with aye. Mr. Pace then made a motion that the fine would be suspended for 12 months if Mr. Betnar can show that sufficient effort has been made in removing the ads. Mr. McBride seconded and all Board members voted in favor of the motion with aye.

LUNCH: 12:10 - 1:05

IV. Agenda Item IV: Approval of Minutes

1. May 16, 2018: The minutes were incomplete and tabled until the next meeting.

V. Agenda Item V: Financials

The Board reviewed the Financials for May and June.

May Available Cash	\$437,359.95
Revenue	\$1,920.00
Expense - Salary	(\$3,970.14)
US Bank Rebate	\$0.00
Utilities & Rent	(\$625.00)
Board Member Travel	(\$390.54)
Background Checks	(\$176.00)
Office Supplies	\$0.00
Postage/Office Phone	(\$79.58)
Refunds	\$0.00
Total of Expense	(\$1,271.12)
Burn Rate of	(\$115.56)

June Available Cash	\$434,847.62
Revenue	\$1,970.00
Expense - Salary	(\$3,970.12)
US Bank Rebate	\$11.81
Utilities & Rent	(\$707.00)
Board Member Travel	\$0.00
Background Checks	(\$132.00)
Office Supplies	\$0.00
Postage/Office Phone	(\$60.02)
Refunds	\$0.00
Total of Expense	(\$899.02)
Burn Rate of	(\$74.92)

Mr. McBride made a motion to approve the May and June Financials. Mr. Neal seconded and all Board members voted in favor of the motion with aye.

VI. Agenda Item VI: Review of New Applicants / Registration Renewals

The Board reviewed seventeen (17) new applicants and one (1) Registration Renewal.

1.	Ed Boardman	8. Jonathan B. Hulen	14. Mark E. Riley
2.	Adam Bozant	9. David Kugler	15. Larry Rose
3.	Jory Castleberg	10. David Martin	16. Joshua Rumph
4.	Christopher Clover	11. Adam Miller	17. Kenneth Shelton,
5.	David Coffield	12. Hugh Edward	(HI-1152)
6.	Brad Dortch	'Smokey' McMahan	18. Mark Callahan
7.	James Dale Gunter	13. Colton Philpott	(HI-1884)

Applicant #1: Mr. Neal made a motion to approve Mr. Boardman pending receipt of his insurance agent's name, Mr. Allen seconded and all Board members voted in favor of the motion to approve Mr. Boardman with aye.

Applicant #2: Mr. Neal made a motion to approve Mr. Bozant, Ms. Kerr seconded and all Board members voted in favor of the motion to approve Mr. Bozant with aye.

Applicant #3: Mr. Neal made a motion to approve Mr. Castleberg, Mr. Trammell seconded and all Board members voted in favor of the motion to approve Mr. Castleberg with aye.

Applicant #4: Mr. Trammell made a motion to approve Mr. Clover, Ms. Kerr seconded and all Board members voted in favor of the motion to approve Mr. Clover with aye.

Applicant #5: Mr. Trammell made a motion to approve Mr. Coffield, Mr. Neal seconded and all Board members voted in favor of the motion to approve Mr. Coffield with aye.

Applicant #6: Mr. McBride made a motion to approve Mr. Dortch, Ms. Kerr seconded and all Board members voted in favor of the motion to approve Mr. Dortch with aye.

Applicant #7: Mr. Trammell made a motion to approve Mr. Gunter, Mr. McBride seconded and all Board members voted in favor of the motion to approve Mr. Gunter with aye.

Applicant #8: Mr. Trammell made a motion to approve Mr. Hulen pending receipt of his insurance policy number, Mr. McBride seconded and all Board members voted in favor of the motion to approve Mr. Hulen with aye.

Applicant #9: Mr. McBride made a motion to approve Mr. Kugler and Mr. Neal seconded. Mr. Allen asked Mr. Kugler about his home inspector license in Texas. Mr. Kugler said that he had been a home inspector for several years and had completed over 100 hours of training to become an inspector. Mr. Pace asked Mr. Kugler to complete the Standards of Practice for Arkansas course and submit his certificate of completion to the Board to obtain his Arkansas license. All Board members then voted aye in favor of the motion to approve Mr. Kugler, pending receipt of his certificate.

Applicant #10: Mr. Trammell made a motion to approve Mr. Martin, Mr. McBride seconded and all Board members voted in favor of the motion to approve Mr. Martin with aye.

Applicant #11: Mr. Trammell made a motion to approve Mr. Miller and Mr. McBride seconded. Mr. Neal asked Mr. Miller about the home study pre-registration program that he had completed. Mr. Miller asked the Board for an exemption from having to complete the required 80 hours of classroom training. Mr. McBride asked Mr. Miller to provide documentation of all of his training for review by the Board. The Board then voted aye in favor of denial of his application and told Mr. Miller that he does have the option to appeal their decision.

Applicant #12: Mr. Trammell made a motion to approve Mr. McMahan, Mr. Neal seconded and all Board members voted in favor of the motion to approve Mr. McMahan with aye.

Applicant #13: Mr. Trammell made a motion to approve Mr. Philpot pending receipt of his insurance agent's name, Mr. McBride seconded and all Board members voted in favor of the motion to approve Mr. Philpot with aye.

Applicant #14: Mr. Neal made a motion to approve Mr. Riley, Mr. Trammell seconded and all Board members voted in favor of the motion to approve Mr. Riley with aye.

Applicant #15: Mr. Trammell made a motion to approve Mr. Rose, Mr. McBride seconded and all Board members voted in favor of the motion to approve Mr. Rose with aye.

Applicant #16: Mr. Neal made a motion to approve Mr. Rumph pending receipt of his insurance agent's name, Mr. McBride seconded and all Board members voted in favor of the motion to approve Mr. Rumph with aye.

Applicant #17: Mr. Shelton had applied to have his license reinstated and had asked the Board what the requirements would be. Mr. Neal made a motion to refund Mr. Shelton's application fee and ask him to re-apply after he has complied with Rule 309 in the Rules and Procedures of the Arkansas Home Inspector Registration Board. Mr. McBride seconded and all Board members voted in favor of the motion with aye.

Registration Renewal Applicant #18: Mr. Callahan did not submit his registration renewal form for 2018, but had complied with all of the other requirements. He wanted to know if his license would be reinstated once the renewal form is turned in. Mr. Neal said the renewal is not automatic and Mr. Callahan would have to submit the registration renewal form along with an Attestation of Abstinence form. The Board would review those documents at the next meeting.

BREAK 2:45 - 2:55

VII. Agenda Item VII: Status of Complaints

1. OLD COMPLAINTS

a. **Justin Hall** (*Update from Ms. Chavis*) Mr. Hall has made several requests for reasons why he was denied approval for licensing. Ms. Chavis said that Mr. Hall has been contacted about the Board's decision to deny him a home inspector license.

There were no updates on Complaints b through g and i.

- b. Robert Neal (AHIRB) vs Justin Hall-Not registered as a HI in Arkansas <u>Complaint</u> <u>Filed March 2018</u>. <u>Notification sent by Certified Mail on 3/26/2018</u>. <u>It was signed for and accepted on April 12, 2018</u>. <u>No response to complaint as of 8/30/2018</u>.
- c. Vicki Stephenson vs Nate Wilson, HI-1798 (June, 2017) Notification to HI mailed 6/19/2017, Response from HI received 6/28/2017
- d. **Cindy Conrade vs Grant Colclasure** (Not Registered) (July, 2017) Notification to Mr. Colclasure mailed 8/15/2017, Letter was returned, 2nd Notification mailed 8/31/2017, 3rd Notification sent by Certified Mail on 11/20/2017 and it was returned on 11/29/2017 as 'Not Deliverable'. 4th Notification sent by Certified Mail on 2/5/2018.
- e. **Richard Kaegi vs Tim Hennelly, HI-1179** (August, 2017) <u>Notification to HI mailed</u> 9/19/2017, Response from HI received by email dated 9/26/2017
- f. Charles L. Campbell, Jr. vs David Many, HI-1566 (November, 2017) Notification to HI mailed 11/21/2017, Response from HI received 11/29/2017.
- g. **Kristy Philbrook vs Jeff Gaston**(Not Registered) (March, 2018) <u>Notification to Mr.</u>

 <u>Gaston sent by Certified Letter on 3/20/2018</u>. <u>Letter returned on 4/11/2018 as 'Vacant-Unable to Forward'</u>.
- h. **Alton Darty, HI-1496 vs James Ewald** (Not Registered) (March, 2018) Notification to Mr. Ewald mailed 3/20/2018. Certified Letter was signed for & received on 3/23/2018. Mr. Neal recommended a fine of \$250.00 against Mr. Ewald for performing home inspections without being properly licensed. Mr. Trammell made a motion to approve the fine, Mr. Allen seconded and all Board members voted in favor of the motion with aye.
- i. **Isaiah Thompson vs Clint Ledbetter, HI-1863** (March 2018) <u>Notification to Mr. Ledbetter</u> <u>mailed 3/20/2018</u>. <u>Response from Mr. Ledbetter received 3/27/2018</u>.

2. NEW COMPLAINTS

- **a.** Thomas Meyers vs Lee Fesmire, HI-1752 (June 2018) <u>Notification mailed to Mr. Fesmire</u> on June 25, 2018. Certified Letter was signed for & received on 6/27/2018.
- **b.** Addie Holmes vs David Miller, HI-1726 (June 2018) <u>Notification mailed to Mr. Miller on</u> June 25, 2018. Response from Mr. Miller received 7/2/2018.
- c. Steven & Tammy Lea vs Monty Freel, HI-1341 (July 2018)

VIII. Agenda Item VIII Continuing Education/Pre-Registration Courses

Continuing Education Courses

1. **ABC Home Inspection Institute** – 3 Classroom CE Courses

a.	Attic, Insulation, Ventilation and Interior Inspections	6 Hrs
b.	Fireplaces and Solid Fuel Burning Appliances	2 Hrs
c.	Manufactured Homes and Mobile Homes	6 Hrs

Mr. Allen made a motion to approve all three (3) ABC CE courses, Mr. Trammell seconded and all Board members voted in favor of the motion with aye.

American Society of Home Inspectors – 12 Online CE Courses (Tabled from May Meeting)

a.	Electrical & Safety Information for Home Inspectors	2 Hrs
b.	2018 Basic Electric: Get Amped Up	2 Hrs
c.	Understanding & Resolving Foundation Issues	2 Hrs
d.	Plumbing Defects Demonstrated Before Your Eyes	2 Hrs
e.	How To Stay Safe at a Home Inspection	2 Hrs
f.	Practical Science Behind Home Inspections	2 Hrs
g.	Heat Pumps, Water Heaters, & Ductless Mini-Splits	2 Hrs
h.	Issues with Polyurethane Foam, Fiberglass & Cellulose Insulation	2 Hrs
i.	Report Writing-Identify and Describe that Defect	2 Hrs
j.	Inspection of Exterior Claddings – Warning Signs	2 Hrs
k.	Extreme Weather & Roofing	2 Hrs
l.	HVAC "Working or Working Properly"	2 Hrs

Mr. Allen made a motion to approve all twelve (12) ASHI CE courses, Mr. McBride seconded and all Board members voted in favor of the motion with aye.

3. **Professional Home Inspection Institute (PHII)** – 3 Online CE Courses (Tabled from May Meeting)

a.	Roofing	2 Hrs
b.	Structure	2 Hrs
c.	Exterior	2 Hrs

Mr. Allen made a motion to approve all three (3) PHII CE courses, Mr. McBride seconded and all Board members voted in favor of the motion with aye.

Pre-Registration Training

4. **Desktop Training School** - Pre-Registration Training – Reconsideration (*Tabled from May Meeting*)

After review of the additional documents submitted by Desktop Training School, Mr. Allen made a motion to approve their pre-registration training course. Mr. Neal seconded and all Board members voted in favor of the motion with aye.

IX. Agenda Item IX: New Business

1. Discuss email (dated 6/17/2018) from Barbara Sallen, Re/Max Realtor. It concerns an email received from a licensed home inspector who is offering 'free minor repairs' during inspections.

Mr. McBride made a motion that a letter be sent to the home inspector referencing Section 402.1 of the Rules and Procedures. The section refers to conflicts of interest. Ms. Kerr seconded and all Board members voted in favor of the motion with aye.

- 2. Discuss email (dated 6/18/2018) from Jacob Maxwell concerning reinstatement of HI license.
 - Mr. Neal said that Mr. Maxwell should refer to the requirements as listed in the Rules and Procedures.
- 3. Chase Riley spoke to the Board about wanting to become a home inspector, but he did not have a GED or HS diploma. He said that he could not afford to miss work to take the course. Mr. McBride told Mr. Riley that the HS diploma or GED was required by law and the Board could not change it.
- 4. HI-1842, Justin Hall wants to know the requirements for him to have his license reinstated (Military deployment during most of 2017) Board members said that the delinquent fee could be waived and Mr. Hall would have to submit an Attestation of Abstinence form along with his renewal form and fee.
- 5. Discuss Website Updates –Mr. Pace said the Board needs to hire someone to create a database and maintain the Board's website. Mr. Allen and Mr. McBride said they will research the matter.
- 6. Discuss letter from Representative Richard Womack (from May Board Meeting). Mr. Neal has written a letter to Mr. Womack and asked if any of the Board members had anything to add to it.
- 7. Jay Webster's home inspection reports Mr. Allen said that Mr. Webster had emailed his home inspection reports to him for review.
- 8. Discuss contacting statistics department at UALR about compiling data on home inspectors. Mr. Allen said he would contact UALR to set up a meeting.
- 9. Apprenticeship Training –Mr. Pace is working on this. He said he would need a survey form to find out how many home inspectors are qualified to be trainers and an application for trainers would be posted on the Board's website.
- 10. Executive Session (4:15-4:20) –Mr. Neal made a motion that the Board go into Executive Session to discuss a personnel matter. Mr. McBride seconded and all Board members voted in favor of the motion with aye.
 - After Executive Session, Mr. McBride made a motion to approve a 10% salary increase for Ms. London, Mr. Allen seconded and all Board members voted in favor of the motion with aye.

X. Agenda Item X: Old Business

XII. Agenda Item XII: Schedule Next Meeting

1. The next Board meeting will be a teleconference on Wednesday, August 8, 2018 at 7:30 a.m.

XIII. Agenda Item XIII: Adjournment

The meeting adjourned at 4:30 p.m.