

**Minutes of the
North Carolina Home Inspector Licensure Board
January 7, 2021**

The regular meeting of the North Carolina Home Inspector Licensure Board (“Board”) was held at 9:00 am on Thursday, January 7, 2021, by teleconference and on Microsoft Teams.

The following members of the Board were present:

Derrick Johnson	Robert Roegner	Harold Upton	D. Arthur Hall
Chad Collins	David Dye	Connie Corey	Joseph Ramsey

Derrick Johnson arrived at 9:45 am. N.C. Department of Insurance, Engineering Division staff members Mike Hejduk, Jennifer Hollyfield, Rodney Daughtry, Beth Williams, Sam Whittington and Thomas Cooney were in attendance. Board Attorney Heather Freeman, N.C. Department of Justice (“NCDOJ”), was in attendance. Chairman Arthur Hall called the meeting to order and welcomed visitors Ken Brittain (N.C. Licensed Home Inspector Association - NCLHIA), Bonnie Gregory, (Inspector Nation), Pam Melton (N.C. Realtors®), Eric Coates (N.C. Licensed Home Inspector) Wilson Fausel, and legal counsel Rachel Blunk (Forrest Firm, P.C.).

Agenda

Vice-Chairwoman Connie Corey reminded all Board members of the State Government Ethics Act provisions to avoid conflicts of interest, the appearance of conflicts of interest, and the potential for conflicts of interest. Freeman reminded members of the Board who are licensed home inspectors that they have the potential for a conflict of interest because they serve on the Board that licenses them. Freeman asked the members if anyone needed to recuse themselves for any listed agenda items. None were noted.

Approval of October 9, 2020 Regular Meeting Minutes:

Connie Corey made a motion to approve the minutes. David Dye seconded; the motion passed unanimously.

Staff Report

Director

Mike Hejduk said that the priorities are the 2020 annual survey of licensees, the HILB web site now has analytics available and a report on the General Liability audit. Hejduk stated the financial audit progresses and some draft reports have been provided. Hejduk extended the option on the contract for the next update course and the education coordinator will report on that. The training is now available thru the web site for the NC Gen. Stat. § 93B mandatory Board member training. Hejduk stated the number of views for the web site videos and said the numbers keep growing each quarter. On the annual survey of licensees, 306 responded reporting 61,000 new home inspections and 13,000 new construction inspections. 70% of business is referred by realty firms. Hejduk demonstrated and explained the web site analytics.

License Administrator

Rodney Daughtry stated for the fiscal year second quarter October 1 through December 31, 2020, 140 applications were approved, 113 new licenses were issued, and 28 computer-based exams were administered. Daughtry reported for October through December, 200 applicants registered for the January exam and 150 took the paper exam. 116 applicants passed the exam and 34 applicants failed (23%). Daughtry reported he conducted an exam review on November 2 with nine (9) people. Daughtry reported this is the most active number of licensees ever now at 1,702. Daughtry provided The General Liability audit project status below.

General Liability Insurance “audit” (1/4/21)

- *1,395 renewed 2020*
- *803 “Yes” (47.2%)*
- *592 blank*
- Many policies mailed requiring scanning by staff or emailed requiring uploading by staff.
- Must look up each record to verify the document

Exams

Mike Hejduk gave the report for Rich Hall. The new exam 808 is in development. Hall is getting volunteers and subject matter experts for the exam validation committee.

Education Coordinator

Jennifer Hollyfield reported that there are 1,701 active licensees and 1,601 meet their Continuing Education (CE) requirements for annual license renewal. 221 did not. There were 4 new course approvals for October through December 4 and 35 renewed. 852 course evaluations were submitted. Hollyfield stated there are three (3) pre-license sponsor applications. Butch Upton will talk about that in the education committee report.

Investigator

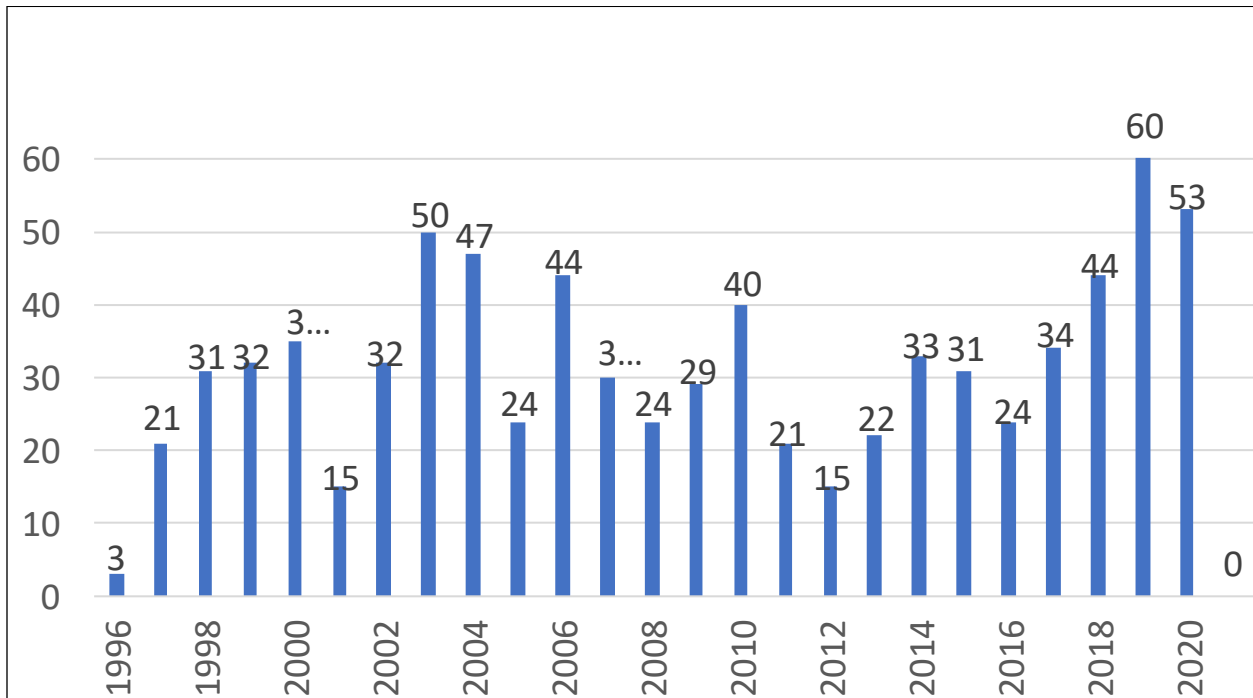
Sam Whittington said there were no complaints submitted so far in calendar year 2021. Due to Tom Cooney’s planned retirement staff has been trying to close his assigned complaint investigations. The average time is 49 days to investigate complaints. Calendar year 2020 ended with 53 complaints for the year making it number two (2) on the list for all-time highs. The Board thanked Cooney and Whittington for all their hard work and wished Cooney good luck and that he would be missed.

FISCAL YEAR 2019-2020

CALENDAR YEAR 2021

Complaints Received 50
Investigations Completed 49
Oldest case under active investigation received: 12/21/20
Average time to investigate complaint: 49.0 days

0
14



Committee Reports

Application Committee

Joseph Ramsey reported that the committee met on January 6, 2021, and reviewed 8 applications. Ramsey stated that the committee reviewed eight (8) applications and recommends Board approval for six (6) applications. Two (2) applications need more information.

1. Robert Major
2. John Brewer
3. Patrick Zitiello
4. Kevin Swicegood
5. John Rossanna
6. Randall Hardley

Connie Corey made a motion to approve six (6) applications. David Dye seconded the motion. The motion passed unanimously.

Examination Committee

Rob Roegner stated the committee did not meet.

Finance Committee

Chad Collins asked Hejduk to give the Finance Committee report. Hejduk stated that the Board has a about \$300,000 in revenues thru the end of December and \$125,000 in expenditures. Hejduk stated that the fund balance is healthy.

Type	Unit	Count	Total
Application	\$35	257	\$8,995
Exam	\$80	270	\$21,600
License	\$160	162	\$25,920
Renewal	\$160	1,580	\$252,800
Late	<u>\$30</u>	<u>77</u>	<u>\$2,310</u>
Licensing Sub-Total			\$311,625
Course Approval	\$150	6	\$900
Course Renewal	\$75	46	\$3,450
Per Student Fee	\$5	17,488	\$87,440
Education Sub-Total			\$91,790
Grand Total			\$403,415

Month	Expenditures	Revenues	Fund Balance
Jul	\$ 19,196.42	\$ 24,910.00	\$ 1,453,733.19
Aug	\$ 40,784.96	\$ 85,270.00	\$ 1,492,504.65
Sep	\$ 60,097.76	\$ 336,315.00	\$ 1,724,236.85
Oct	\$ 79,497.29	\$ 376,395.00	\$ 1,744,917.32
Nov	\$ 98,035.12	\$ 387,950.00	\$ 1,737,934.49
Dec	\$ 125,519.35	\$ 401,310.00	\$ 1,723,810.26
Jan			
Feb			
Mar			
Apr			
May			
Jun			

Legislative Committee

Connie Corey stated the committee did not meet and asked how the Board would initiate legislative action. Hejduk stated that NCDOI has designated legislative liaisons.

Education Committee

Butch Upton reported the committee had a recommendation for the mandatory Board-developed update course. Upton requested a motion and a second to go forward with the gas heating systems for the FY 2022 course.

Connie Corey made a motion and Chad Collins seconded the motion. The motion passed unanimously.

Butch ask for approval for two Pre-licensing field trainers:

- Lonnie Newsome
- Gene McIntyre

Connie Corey made a motion and Chad Collins seconded the motion. The motion passed unanimously

The committee recommended not to approve Michael Weiss. He did not have enough experience to be a field trainer.

Connie Corey made a motion not to approve Michael Weiss. Rob Roegner seconded the motion. The Board voted to deny unanimously.

Upton asked for a motion and a second for Warren Britt Treece to be a Board-developed update course instructor.

Rob Roegner made a motion and Connie Corey seconded the motion. The motion passed unanimously.

Upton stated the committee considered whether ancillary services such as Wood Destroying Inspect Report, radon, septic and asbestos should be addressed in the Board-developed update course. Chad Collins suggested general liability insurance requirements should be addressed.

In response to an inquiry by Butch Upton, Hejduk discussed the options to provide licensee access online to past Board-developed update courses in the future. One option is to use the existing licensee database similar to the NC Code Officials Qualification Board and Moodle Learning Management System. Another option is to post the course slides link on the web page.

Investigation Review Committee

Tom Cooney stated that the committee met. The following cases were submitted for consideration.

Consent Agreement

820 Wallace #4143 (Leath-Warren)

Connie Corey made a motion to approve the Consent Agreement, seconded by Joe Ramsey. The motion passed.

Dismiss with letter of Caution

832 Gillie #2741 (Tippey)

851 Bolick #2761 (Hassing)

Connie Corey made a motion to dismiss with letter of caution. Joe Ramsey seconded. The motion passed.

Dismiss

839 Walker #2405 (Klakamp)

840 Bentley #142 (McCrary)

844 Hammond #2282 (Purgason)

846 Chasey #3626 (Durham)

850 Howard #324 (Ball)

854 Cancellieri #2805 (Mullis)

835 Gainey #2405 (Inman)

837 Stratton #3694 (Benisek)

838 Kinsey #831 (Conner)

843 Hunter #3030 (Willis)

847 Robertson #3405 (Mantiply)

848 Walters #1396 (Hammond)

849 Beck #1585 (Wylie)
853 Lafortune #3705 (Folston)
841 Taylor #3725 (Jones)
842 Jones #4095 (Plemmons)
852 Williams #3608 (Schaffer)

Connie Cory made a motion to dismiss the listed complaints. Rob Roegner seconded the motion. The motion passed.

Heather Freeman said the administrative hearings the Board needs to have would be in a videoteleconference format and scheduled a few months in the future. Due to COVID-19 there will be no in-person hearings at this time.

Mike Hejduk stated that he wanted to make the Board aware of some licensee inquiries about preferred providers. Butch Upton made a motion to direct the Investigation Review Committee to research licensees listed as preferred vendors. Upton then amended the motion to note some licensees are concerned about how other are promoting their business by being a preferred vendor. The motion and amendment were seconded by Connie Corey. During discussion, Joe Ramsey stated that dentists, engineers, and appraisers do not limit advertising. The motion passed.

Upton stated that complaints have increased and with Tom Cooney's departure, investigative staff recommended funding of an assistant director and increased investigator position funding from 25% to 50%. This would result in staff having three investigators to cover the home inspector and code officials qualification boards. Rob Roegner recommended hiring a temporary employee to assist until Cooney's permanent position is filled. Roegner asked to have the position funding increased from 50% to 100%. This position will support Hejduk and inspections. Rob made a motion for the Board to approve one position of assistant director funded at 100% (to a maximum of \$150,00.00 per year) and increase the current funding share of two investigators from 25% to 50%. Chad Collins seconded the motion. The motion passed.

Standards of Practice Committee

The Standards of Practice committee did not meet.

Personnel Committee

The personnel committee did not meet.

Advisory Report Review

Wilson Fausel reported 36% of reports have been reviewed and that he has some information and recommendations for the Standards of Practice committee. Chairman Hall suggested that the results of the reviews become the subject of a future continuing education course.

Public Comment:

Chairman Hall ask if anyone had any public comments. No one present at the meeting spoke. Hejduk stated that Eric Coates provided an email on January 7, 2021, that stated “The Legislative Committee needs to focus on the pre-licensing and especially the field trainers. I think you should review all the inspector's reports. Regarding the ancillary services and the pay for play. We need to incorporate into this year’s course. I don’t think the PPT needs to be changed. But, the Board could send an email to all instructors telling us what we need to pass on. Or, you could get the PPT changed.”

Unfinished Business:

None

New Business:

None

Adjournment:

Chad Collins made a motion to adjourn the meeting that was seconded by Connie Corey. The motion passed.

Respectfully submitted,

A handwritten signature in cursive script that reads "Rob Roegner". The signature is written in dark ink and is positioned above the typed name and title.

Rob Roegner
Secretary, N.C. Home Inspector Licensure Board