

**Minutes of the Meeting of the  
Arkansas Home Inspector Registration Board  
DFA Building – 1509 W. 7<sup>th</sup> St, Little Rock  
January 21, 2016**

Meeting called to order at 9:33AM by Jim Metzger, Chairman. Board members present – Jim Metzger (Chairman), R Lee Stephens (Vice Chairman), Wayne Pace (Home Inspector), Mitch Erwin (Home Inspector), Robert Downum (Real Estate Professional), and Robert Neal (Home Inspector).

**Agenda Item A – Call to order** - Meeting called to order at 9:33AM

**Agenda Item B - Approval of meeting minutes**

December meeting minutes should have one change of “see attached” to “see following sections” motion made by Mr. Metzger second by Mr. Neal.

**Agenda Item C - Approval of prior meeting minutes: June 16, 2015 & September 23, 2015**

1. June 16<sup>th</sup> meeting minutes approval motion made by Mr. Stephens second by Mr. Downum.
2. September meeting minutes approved by Mr. Erwin second by Mr. Stephens.

**Agenda Item D - Review of new applicants (11)**

1. Mr. Erwin moves to approve and Mr. Downum seconds Smith, Yates, Boatman, Coleman, Putney, and Miller.
2. Charles Moon needs a back ground check done in Colorado and an original insurance form once those are received if the background is clear he can be issued a license the motion to approve by Mr. Neal and second was made by Mr. Erwin.
3. Mr. Eddy out of Texas only has 30 hours and is a licensed home inspector in the state of Texas. Mr. Neal moves to disapproved due to lack of hours based on Arkansas Home Inspectors laws Mr. Downum seconds.
4. Kyle McCormick’s application is good but he needs an original insurance form for his file, Wilson’s background check is in the office but not included in the packet if it is clear and he brings his original 80 hour certificate to the AHIB office he will be sent a license, and Rex Rogers is approved from December’s submission of \$250.00. Mr. Stephens moves to approve and Mr. Downum seconds.

## **Agenda Item E - AHIB Administrator Report & AETN Presentation**

1. Sam Wherry, Executive Administrator, recommends that some board members schedule a meeting with the Governor in the near future to discuss the future of the Arkansas Home Inspectors Agency. He suggested Mr. Downum and Mr. Erwin request a time to sit down and discuss funding so they can present ideas to the Governor.
2. Mr. Wherry then introduces AETN spokesman Mark Herbst, Director of Corporate Accounts. Mr. Herbst talks about the marketing plan they offer at a cost of \$10,000.00 for one year of advertising. AETN also offers an article to be written by someone on the board or an AETN spokesperson for the AETN magazine which is mailed out to over 28,000 subscribers. The TV advertisement will be run in a 15 second spot. This 15 second message can be altered throughout the 12 months it is used. This is not a commercial but a message only to be used on AETN television broadcast during prime hours. Mr. Herbst reports this add will be seen at least four times a week for 48 weeks (not during funding weeks), plus randomly throughout the week. Sam recommends this AETN advertising be used. Melanie Hazeslip cautions that proper state procedure must be followed and she will need to check with the Office of State Procurement regarding the purchase of this advertising. Mr. Neal makes a motion to approve and Mr. Stephens seconds pending the proper state Procurement offices procedures.
3. Mr. Metzger adds to the advertising discussion that he'd like Mr. Wherry to look into advertising with the Arkansas Democrat Gazette in the Home Section. He presents a paper that has an article written by the Real Estate Commission on the back page. He thinks this would be good use of the advertising appropriation AHIB currently has.

## **Agenda Item F - Financial Report (Melanie Hazeslip)**

1. Melanie Hazeslip, DFA Office of Accounting, Accounting Manager, reports the agency fund balance is \$397,935.94 and of this \$5,536.42 is the remaining agency operating appropriation. So far this year they have spent \$5,962.21 on operating expenses and that does not include the two December invoices for P-Card and cell phone totaling \$305.33. Melanie cautions the board that they have spent \$6,267.54 operating in the first 6 months of the fiscal year and they only have \$5,536.42 left for the next 6 months. They have \$39,113.67 appropriation left for salary spending which will cover Mr. Wherry's pay.
2. Mr. Pace suggests that another phone plan should be utilized to help with spending. Ms. Hazeslip has an email into AT&T requesting assistance in accommodating a smaller monthly fee. Mr. Wherry reports that his office phone is forwarded to his cell phone and he gets a lot of phone calls. It is recommended that the phones not be forwarded when in the office between 8am-4:30pm and no calls answered after 9pm.

3. Ms. Hazeslip goes over the list of December checks issued by the agency and Mr. Stephens moves to approve and Mr. Erwin seconds the spending for December.
4. Ms. Hazeslip recommends that due to the Legislative Audit findings they set a spending limit. It is decided by the board that Mr. Wherry can spend \$0.00-\$250.00 without board permission, \$251.00-\$500.00 must have Treasurer or Chairman's approval, and \$501.00 and up will need the entire board's vote for approval. Mr. Neal moves to approve and Mr. Stephens seconds.

### **Agenda Item G - Status of Complaints Attorney General Deputy Julie Chavis**

Julie Chavis, Attorney General Deputy, reports that she met with Mr. Wherry and Mr. Pace January 5<sup>th</sup> to go over the complaints that have been filed against home inspectors. She reports they were able to cover all the active complaints with the exception of John Williams.

1. Bill McCormick – (John Klewicki complainant) recommends a consent agreement adding they will recommend changes to his HI report process and over the next 6 months randomly review several home inspections to verify their recommendations are being followed. She also adds a \$200 fine be assigned to Mr. McCormick to be paid to the board in a timely manner. Bill McCormick – (Dragan Vicentic complainant) To the complainant who was a seller of a home that was not sold after the home inspection was done they will send a letter stating that Mr. McCormick followed proper rules and regulations when mentioning microbial growth observed in the home. Letters sent to Mr. McCormick and Mr. Vicentic.
2. Stephen Bevel – (Frank Gubanski complainant) complaint of oversight by the buyer. Mr. Bevel responded to the complaint adequately explaining why he missed an area of damage to the home when it was inspected and he refunded the buyer the cost of the home inspection (\$200). Complaint resolved. Ms. Chavis will mail Mr. Bevel and Mr. Gubanski a letter explaining that they have no issue with the home inspector as he has followed the rules and regulations of the board.
3. Phillip Joyner – (Gwendolyn Trotter complainant) Complaint was filed against Greg Joyner who does business with his brother Phillip Joyner. It was reported in the complaint that the inspection showed the heat and air unit worked, however they could not be tested since the utilities were turned off. The home inspection report did say the unit appeared in good condition but that it was not tested because electricity was turned off. A letter will be sent to the complainant saying the utilities should have been left on, and a letter to the home inspector will say not to mention the heat and air appears functional if it wasn't tested only to report that no utilities were on and it could not be tested.

4. Dick Stouffer – (Donna Olszewski complainant) Mr. Stouffer’s home inspection report was found to be very vague and deficient in many areas. He should have stated areas that were not accessible rather than reporting in a broad spectrum. Some areas were neglected however some were above standard. Proposed resolution by consent agreement outlining Rule 401.3 items to be included in inspections and reports, submission of reports requested randomly by the Board over a 12-month period to see if he is incorporating 401.3 items in his report, fine, and letter of reprimand in file.
5. Kevin Barre – (Kevin and Hattie Scribner complainant) Mr. Barre did a home inspection on a house that had been on the market for 2 years and the potential buyer backed out of the sale based on the inspector’s findings. The home inspection listed things such as: non-functional fan in bathroom which was actually a heater, no gas piping, no grounding rod found, electric not to date, and possible rot around a door and soffit area. The home owner stated that the inspector did not get on a ladder to check the soffit. Mr. Pace stated the home owner did add the gas pipe and ground wire to the home after the inspection report. Unsubstantiated complaint. Ms. Chavis will send a letter to the Scribner’s stating that no violations were made by the home inspector and to Mr. Barre.
6. Justin Hall – Mr. Hall did have a hearing with the board on 3/23/2010 and filed an appeal when the appeal was not followed through Mr. Hall filed a dismissal with the court. Ms. Chavis will file a motion for injunction relief and move the case to be heard at a circuit court. Mr. Hall continues to operate as a home inspector and advertises as a home inspector but has never had a license.
7. Gregg Adams & Troy Webb - (applicants denied in December board meeting) A notice of hearing to be sent to both of these two applicants.

Mr. Neal makes a motion to move forward with the recommended complaints as reported by Ms. Chavis. Mr. Downum seconds this motion.

### **EXECUTIVE SESSION BREAK – Regarding Executive job duties**

#### **Agenda Item H - Governor’s Liason, Courtney Massey report/update**

1. Ms. Massey reports that she can get messages to the Governor if any board member would like. She also mentions she is aware of the Budget issues and will get an appointment set to speak about this with the Governor.

### **Agenda Item I - Old business -**

1. Website – Mr. Neal would like to know how often the status of the Home Inspector’s with expired insurance is updated. Ms. Hazeslip reports this is being done on a regular basis but has to go through the proper procedure. Additional information needs to be added to the websites home inspectors information.  
Name  
Business Name  
Address  
Phone number  
Email address
2. Discussion of Evaluation Procedure and Guidelines – Mr. Stephens says they have come up with a standard procedure and job duties for Mr. Wherry and he has given those to Mr. Wherry. Mr. Stephens makes a motion to approve the job duties given and Mr. Pace seconds. Ms. Hazeslip will send a performance evaluation standard form that DFA uses to be completed with the job duties listed.
3. Course approvals on hold from December – Anthony has reviewed the material that was submitted for the December meeting from AHIT this is for a spring seminar that will have a AARIE certificate and the course name will be CE-2016-01 and in the category Electric.
4. Mr. Utsey moves to approve that course Mr. Downum seconds the motion.
5. New FOIA Request – Ms. Hazeslip reports that Johnny Dill would like a list of Inspectors for his yearly mail out of information. It is decided that a list can be sent to Mr. Dill.

### **Agenda Item J - Special program – nothing was reported**

### **Agenda Item K - New Business –**

1. Course approvals – Mr. Utsey reports...  
Lumico – Mr. Utsey makes a motion to approve and Mr. Downum seconds.  
80 hours International Source, Mr. Utsey request a new time line and once that is received this course can be advertised. Mr. Utsey moves to approve, Mr. Pace seconds pending receiving time line.

National Association of Certified Home Inspectors – Mr. Utsey moves to deny this course he recommends its marketing section will need an outline, Mr. Stephens seconds. Course will not be approved at this time.

2. Other – Mr. Wherry states he needs a committee of a few board members to come together and discuss the agency budget. He reports the Governor has this agency on their agenda for April. The purpose of a committee will be to discuss how currently available money can be spent and recommend changes to appropriation to better facilitate the agency's needs.

### **Agenda Item L - Schedule February Board Meeting**

It is recommended the board meet next month on the 24<sup>th</sup> at 9:30am. The place will be determined later in the month.

**Adjournment** - Mr. Metzger moves to adjourn the board meeting Mr. Neal seconds the motion.