

**MINUTES** of the Tennessee Alarm Systems Contractors Board Meeting held **May 12, 2020**, in Nashville Tennessee.

*Doug Fraker*

Doug Fraker (Jun 25, 2020 16:56 EDT)

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Douglas Fraker

*Lou Richard*

Lou Richard (Jun 25, 2020 11:10 EDT)

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Lou Richard

*Scott Cockroft*

Scott Cockroft (Jun 25, 2020 15:50 CDT)

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William Scott Cockroft, Secretary

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John Keith Harvey, Vice Chair

**TENNESSEE ALARM SYSTEMS CONTRACTORS BOARD MEETING AND  
EDUCATION MEETING MINUTES**

**Date:** Tuesday, May 12, 2020 9:00 A.M. (CST)

**Place:** WebEx platform based at  
Davy Crockett Tower  
500 James Robertson Parkway  
Nashville, TN 37243

**Board Members Present:**

Keith Harvey, Acting Chairman  
Scott Cockroft, Secretary  
Doug Fraker  
Lou Richard

**Staff Members Present:**

Cody Vest, Executive Director  
Ashley Thomas, Staff Attorney  
Jesse Gentry, Assistant General Counsel  
Mark Amick, Administrative Manager  
Shauna Williams, Administrative Assistant RB3  
Megan Mosley, Administrative Assistant RB2  
Carol McGlynn, Paralegal  
Dustin Barati, Executive Administrative Assistant

**Call to Order:** - Keith Harvey, Acting Chairman

Chairman Harvey called the meeting to order at 9:00 A.M. Executive Director, Cody Vest called roll.

**Roll Call:** - Cody Vest, Executive Director

Scott Cockroft - Here  
Doug Fraker – Here  
Keith Harvey – Here  
Lou Richard - Here

Let the record show there is a quorum.

**Agenda:**

Motion was made by board member Cockroft to adopt the agenda as proposed. Motion was seconded by board member Fraker.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

**Minutes: - February 27, 2020, Meeting and Education Minutes**

Motion was made by board member Fraker to approve the minutes from February 27, 2020. Motion was seconded by board member Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

**Legal Report: - Jesse Gentry, Assistant General Counsel**

**New Cases:**

**1. 2019102741**

**Respondent:**

**License Status: UNLICENSED**

**First Licensed: N/A**

**License Expiration: N/A**

**Disciplinary History: None**

**Summary:** Complainant alleged that Respondent, an out-of-state company, had been engaged in unlicensed activity in Tennessee for at least the last four years. Complainant alleged that Respondent provides burglary, fire, and CCTV monitoring. Complainant would not submit a notarized statement, as requested, as he stated he has moved out-of-state, however, he did send documentation showing communications with Respondent regarding work being completed and companies to investigate. Complainant also provided work orders wherein Respondent was requesting Complainant, as a licensed subcontractor, to do specific work for clients in Tennessee. From those, it was unclear the exact relationship between the client and Respondent, however, it appeared that Respondent was assessing and advising the security needs of the clients and then directing the Complainant to do specific work based on Respondent's investigation.

From our investigation, it was uncovered that Respondent's business provides alarm systems for business franchises that operate in multiple states and Respondent is licensed in several other states. Respondent claimed that it has subcontracted all monitoring in Tennessee to a licensed company and any work orders or installation work is also subcontracted out to licensed contractors. Respondent provided names of four of its subcontractors and three were properly licensed. Respondent further stated that the only work it does with clients in Tennessee is to connect them with licensed contractors and that these licensed contractors provide all analysis, recommendations, proposals for services, and monitoring.

Our investigator followed-up with some of Respondent's corporate clients. One of the clients stated it believed Respondent was licensed in Tennessee and that it only used subcontractors to dispatch for service at individual locations. A list of the restaurants under contract between this client and Respondent showed approximately 30 locations that may be receiving some type of service by Respondent, although it is unclear what services, if any, each restaurant receives. Additionally, a copy of the "Service Contract" between this client and Respondent was obtained that listed Respondent as providing monitoring, repair, inspection, and response services, and to install, if requested, the security system. The contract then goes on to list multiple locations where it will provide services, including the locations listed in Tennessee.

It is unclear to the exact extent that Respondent has provided each and every service to the Tennessee locations, however, there is sufficient evidence to suggest that Respondent is at least holding itself out as an Alarm Systems Contractor without appropriate licensure. Additionally, from the obtained work orders from Complainant, it appears that Respondent may be advising its clients on its security needs, although Respondent stated that it has its subcontractors do that work.

**Recommendation: Authorize formal and send a Consent Order with a civil penalty in the amount of \$2,500.00 for engaging in unlicensed activity in violation of T.C.A. § 62-32-304(a).**

**BOARD DECISION:** Motion was made by Cockroft to concur with recommendation of counsel. Motion was seconded by Richards.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

2. **2020007771**

**Respondent:**

**License Status: - ACTIVE**

**First Licensed: 12/7/1994**

**License Expiration: 1/31/2021**

**Disciplinary History: 2017 Letter of Warning**

**Summary:** Complainant alleged that she was having issues with her alarm system provided by Respondent and that she would be charged a service charge for the work performed to fix it. Respondent agreed to waive the service fee and made the requested repair.

**Recommendation: Close.**

**BOARD DECISION:** Motion was made by Fraker to concur with recommendation of counsel. Motion was seconded by Cockroft.

**MOTION CARRIED**

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**3. 2020010341**

**Respondent:**

**License Status: UNLICENSED**

**First Licensed: N/A**

**License Expiration: N/A**

**Disciplinary History: None**

**Summary:** Complainant alleged Respondent advertises as an alarm systems contractor without appropriate licensure. There is a license number on Respondent's website, however, that license number belongs to a different licensed company. The two companies have identical websites (excluding business names) that includes the same pictures and portfolio of work.

Upon investigating this matter and speaking with Respondent, it was uncovered that the other licensed company purchased Respondent in October 2018. Respondent stated it had contacted our office at that time and was told that it would not need to have a license for its assumed name (the Respondent's name) if it was a subsidiary under the licensed entity and that it would not need a certification to operate the Respondent's office as a branch office of the licensed company. We did not have a record of the alleged communication with our office. Respondent has a registered employee (from the licensed company) now working at its office, however, this office does not have a branch certification or a registered agent.

The licensed company has an active Alarm System Contractor's License, as well as an active Mechanical Contractor's License and a sprinkler systems certification with our Fire Prevention Office. Based on the revenue information provided by the licensed company, it potentially could be exempt from the ASC licensure, however, this company's purchase of Respondent and continued operation has created an issue as the licensed company either needs to: (1) change the Respondent's name to the name of the licensed company, obtain a qualified agent, and branch certification; or (2) file the additional assumed name with the Contractor's Board and submit the request for recognition of the exemption with this Board. Arguably, since the Respondent technically would not need a license from this Board if it cleaned up its file with the Contractor's Board, a letter instructing them to do either option to bring itself into compliance would be appropriate.

**Recommendation: Letter of Instruction with 30 days to come into compliance or case would be re-opened.**

**BOARD DECISION:** Motion was made by Cockroft to concur with recommendation of counsel. Motion was seconded by Fraker.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

**4. 2020011371**

**Respondent:**

**License Status: UNLICENSED**

**First Licensed: N/A**

**License Expiration: N/A**

**Disciplinary History: None**

**Summary:** This case originated as a complaint under the locksmith licensing program. Upon investigation into allegations Respondent was performing work as an unlicensed locksmith, it was discovered that Respondent's work vehicles advertised for "camera installs." Respondent did not hold a locksmith license at the time of the events of this Complaint, however, it has recently obtained that license and "camera installs" would not fit within the statutory exemption for locksmiths. This Complainant was then internally opened for this Board.

Our investigator made contact with Respondent. Respondent stated he only sells and installs dashboard cameras designed to record interactions with law enforcement or a traffic incident.

Respondent allowed our investigator to see some of these cameras and to take pictures of them. Based on the intention and limitations of these cameras, they would arguably not fall under the definition of an alarm system. Respondent's advertising for "camera installs" is vague and could cause confusion to the public. Additionally, Respondent was not fully truthful in the locksmith investigation, so it may be appropriate to issue a letter of warning and instruction regarding the Board's statutes.

**Recommendation: Letter of Instruction regarding definition of an alarm system and advertising.**

**BOARD DECISION:** Motion was made by Cockroft to concur with recommendation of counsel. Motion was seconded by Richards.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

**5. 2020006871**

**Respondent:**

**License Status: - ACTIVE**

**First Licensed: 9/16/2011**

**License Expiration: 9/30/2021**

**Disciplinary History: 2013 Letter of Warning, 2015 Consent Order, 2016 Consent Order**

**Summary:** Complainant has a contract with Respondent to provide alarm monitoring and made this Complaint after it had issues with a camera doorbell installed by Respondent and was going to be charged a service fee to have the issue fixed. Respondent responded to the Complaint and added that it had given Complainant a few different service options, however, Complainant did not want to pay any type of service fee. Respondent worked out a deal with Complainant regarding this issue and lowered her monthly service fee. This was to Complainant's satisfaction over this issue.

**Recommendation: Close.**

**BOARD DECISION:** Motion was made by Fraker to concur with recommendation of counsel. Motion was seconded by Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED****6. 2020014271****Respondent:****License Status: - ACTIVE****First Licensed: 4/26/2016****License Expiration: 4/30/2022****Disciplinary History: 2016 Consent Order; 2018 Letter of Warning; 2018 Letter of Warning**

**Summary:** Complainant entered into a contract with Respondent for monitoring services in January 2020. Complainant contacted Respondent a few weeks later to cancel the contract, pursuant to its terms. Respondent received the request from Complainant and its equipment and told Complainant it would process her account for a refund.

Complainant received her refund of her initial payment after a few weeks, however, her account was automatically billed for the next month from an auto withdrawal and Complainant, as of April 3<sup>rd</sup>, still has not received the refund for that amount.

Respondent's previous letter's of warning were related to misrepresentations made by sales associates. Its Consent Order was for unlicensed activity. Although this is mostly a civil issue, there could be some negligence in Respondent's handling of this situation. It may not rise to the level of a grossly negligent practice that could lead to discipline, but this is also not the first complaint we have received against this Respondent about issues with terminating accounts pursuant to its contractual terms. A letter of warning for this issue may be appropriate with language letting Respondent know that failure to correct this practice could lead to future discipline.

**Recommendation: Letter of Warning.**

**BOARD DECISION:** Motion was made by Cockroft to concur with recommendation of counsel. Motion was seconded by Fraker.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes



Lou Richard - Yes

**MOTION CARRIED**

**Administrative Matters:** - Cody Vest, Executive Director

**Monthly Report** – February & March

There is one (1) open vacancy on the board. April 16, 2020, board meeting was canceled. Monthly meeting with Ashley Thomas and Jessie Gentry on March 11, 2020. Monthly financial meeting with Asst. Commissioner on March 11, 2020. One (1) new complaint open and closed eight (8).

**Budget Review** – July 2019 up to February 2020

Total ending balance is \$47, 296.

**Legislative Update** – Nothing to report

**Criminal History Review**

- Cole Lowery – Registered Employee

**Board Decision:** Motion was made by Cockcroft to deny application based on Conspiracy to Commit Bank Fraud and Probation. Motion was seconded by Richard.

**Roll call:**

Scott Cockcroft – Yes to deny

Doug Fraker – Yes to deny

Keith Harvey - Yes to deny

Lou Richard - Yes to deny

**MOTION CARRIED**

- Steven Horton – Registered Employee

**Board Decision:** Motion was made by Cockcroft to approve application. Motion was seconded by Fraker.

**Roll call:**

Scott Cockcroft – Yes to approve

Doug Fraker – Yes to approve

Keith Harvey – Yes to approve

Lou Richard – Yes to approve

**MOTION CARRIED**

**Education Review:**

Cody Vest, Executive Director reviewed the education with the Education Committee with the following recommendations for Commission approval.

**Ecobee**

**Smart Thermostat Professional Training**

**2 Hours – Continued Education**

Motion was made by Richard to approve 2 hours of continued education only. Motion was seconded by Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

**JCI/DSC**

**Introduction to Power G**

**2 Hours – Continued Education**

Motion was made by Fraker to approve 2 hours of continued education only. Motion was seconded by Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

**JCI/DSC**

**Basic Power Series NEO Programing**

**4 Hours – Continued Education**

Motion was made by Fraker to approve 4 hours of continued education only. Motion was seconded by Cockroft.

**Roll call:**

Scott Cockroft – Yes

Doug Fraker – Yes

Keith Harvey - Yes

Lou Richard - Yes

**MOTION CARRIED**

Next Alarm Board meeting is set for July 25, 2020.

Motion was made by acting chairman Harvey to adjourn the May 12, 2020, meeting of the Tennessee Alarm Systems Contractors Board at 9:39 A.M.

Minutes prepared by Shauna Balaszi-Williams, Administrative Assistant RB3