

**MINUTES**

**NORTH CAROLINA AUCTIONEER LICENSING BOARD**

**March 11, 2019**

The North Carolina Auctioneer Licensing Board met on Monday, March 11, 2019 in the Fuquay-Varina Office. The meeting was called to order at 10:10 a.m. Members present were Chairman William B. Lilly, Jr., Vice Chairman Gary Boyd, Willie A. Johnson, Allison H. Pant, and Lisa D. York. Also, present were Executive Director Charles F. Diehl, Administrative Officer Becky Stewart, Investigator Ralph Southerland, and Special Deputy Attorney General Anne Brown with the NC Department of Justice.

Chairman Lilly inquired of each member if there were any known conflicts of interest or an appearance of conflicts with respect to any matters coming before the Board during this meeting. Member Pant recused herself from consideration of the Probable Cause recommendations due to her attendance and participation in the Probable Cause Subcommittee meeting. Other members stated there were none. Then Chairman Lilly welcomed visitor Rick Lashmit.

**Minutes of the meeting held on February 12, 2019 were approved as recorded on motion by Member York. Vice Chairman Boyd seconded the motion, which carried unanimously.** Then Ralph Southerland provided the investigative case log update as follows: five (5) active cases and one (1) case set for Hearing.

Director Diehl reported on the Ad Violations and other Informal Investigations for the Month of February. Then Director Diehl presented the financial report concerning the individual month of February. Following review, **Member York made a motion to accept the financial**

**report for the month of February. Vice Chairman Boyd seconded the motion, which carried unanimously.**

At this time the Board considered the Probable Cause Report. Member Pant recused herself due to her attendance and participation in the Probable Cause Subcommittee meeting. **Vice Chairman Boyd made a motion to accept the Probable Cause Report. Member York seconded the motion, which carried unanimously.**

Next Director Diehl provided the results of the February 7, 2019 auctioneer examination, which were as follows: Five (5) examinees with three (3) passing and two (2) failing. Then he reminded the Board members that the NC State Ethics Commission 2019 Statement of Economic Interest is due by April 15, 2019.

At this time Director Diehl provided an update report on the NCALB funding Continuing Education Programs. A class was held on February 27, 2019 in Hickory, which he attended, and a class will be held on March 12, 2019 in Winston-Salem, which he will also attend. Future classes are scheduled for March 27, 2019 in Williamston and April 8, 2019 in Cherokee. Director Diehl plans to attend these classes. This is a good opportunity for the Board's Executive Director to interact with licensees.

Next Director Diehl reported that a bill has been introduced to the NC General Assembly regarding payment from an auction sale. House Bill 300 proposes to extend the time, in certain cases, that the auctioneer has to pay the seller from 30 to 90 days if third-party authentication is required. A brief discussion was held, and the Board took no position on this matter. Director Diehl will monitor House Bill 300 and report to the Board as necessary.

At this time Director Diehl presented a copy of the proposed Consent Agreement in the matter of Clyde William Hutchins, Jr., Case No. 19-9080-01. After review and discussion, **Member Pant made a motion to accept the proposed Consent Agreement, with the agreed upon date correction strikethrough, by which the Auctioneer License of William Hutchins, Jr. is suspended for a period of thirty (30) days beginning on May 1, 2019 and continuing through May 30, 2019. The term of suspension may be fully abated to zero (0) days if the Respondent meets the following three (3) conditions prior to May 1, 2019: 1) Carefully read NCGS 85B and 21 N.C.A.C. 4B in their entirety; 2) Watch the NCALB 2018 Mandatory 2-hour Continuing Education video course on Auctioneering Law and Rules, Custodial Account Management, and Ethics; and, 3) Submit to the Commission a notarized affidavit that he has accomplished the suspension abatement conditions following the effective date of the Consent Agreement and prior to May 1, 2019. Vice Chairman Boyd seconded the motion, which carried unanimously.**

Next Director Diehl presented for Consideration the Approval of New Continuing Education Course for All Star Training, Inc. – The Value of Integrity. After review, **Member York made a motion to approve the New CE Course for All Star Training, Inc. Vice Chairman Boyd seconded the motion which carried unanimously.**

At this time Special Deputy Attorney General Anne Brown, Counsel to the Board, led a discussion on the prepared draft Final Agency Order for Mendenhall Auction Co., Inc., NCFL #211, and F. Wayne Mendenhall, NCAL #3231. Special Deputy Attorney General Brown acknowledged that Chairman Lilly and Vice Chairman Boyd recused themselves from any discussion in this matter at this time. Special Deputy Attorney General Brown reported Glen

Hayes, Counsel for F. Wayne Mendenhall and Mendenhall Auction Co., Inc., has requested additional time to review the draft Final Agency Order and potentially propose language for the Hearing Panel to consider. He has requested additional time until Wednesday, March 13, 2019 at close of business. Special Deputy Attorney General Brown proposed to the board three options are available for consideration: 1) Grant the additional time and reconvene by a telephone meeting Thursday, March 14, 2019 for the decision; 2) Grant the additional time and hold the decision until the April 9, 2019 board meeting; or, 3) Consider the draft Final Agency Order today. Special Deputy Attorney General Brown's recommendation was to grant the additional time until Wednesday, March 13, 2019 at close of business. **Member York made a motion to go into Closed Session. Member Johnson seconded the motion, which carried unanimously.** The Board went into Closed Session at 10:50 a.m.

**Member York made a motion to return to Open Session. Member Pant seconded the motion, which carried unanimously.** The Board returned to Open Session at 10:57 a.m. Member Johnson reported that during Closed Session, the Hearing Panel agreed to grant Glen Hayes, Counsel for F. Wayne Mendenhall and Mendenhall Auction Co., Inc. until Wednesday, March 13, 2019, close of business, to review the proposed draft Final Agency Order and offer any alternative language for consideration. Special Deputy Attorney General Brown provided copies of the draft Final Agency Order to the Hearing Panel. A Board Meeting will be held on Thursday, March 14, 2019 at 11:00 a.m. to consider the Board's Final Agency Decision. Member Johnson will be presiding during this meeting. Chairman Lilly and Vice Chairman Boyd will not be participating in the March 14, 2019 Board meeting due to their recusal in the matter before the Hearing Panel.

Under Other Business, Director Diehl reported that he will be attending Stanly Community College-Carolina Auction Academy on Monday, March 18, 2019.

Following the review and approval of applications for licensing, the Board confirmed the next regular meeting on Tuesday, April 9, 2019 at 10:00 a.m. in the Fuquay-Varina office.

**Member York made a motion to adjourn the meeting with Vice Chairman Boyd seconding the motion, which carried unanimously.**

The meeting adjourned at 11:15 a.m.

Respectfully Submitted,

Becky J. Stewart  
Administrative Officer