

MINUTES OF THE BOARD MEETING
of
LOUISIANA STATE BOARD OF HOME INSPECTORS

Friday, June 4, 2010
9:00 AM
Office of the LSBHI
4664 Jamestown Ave., Suite 220, Baton Rouge

Board Members in Attendance:

District 1 – Terry Hardouin
District 2 – Roy E Burst III
District 3 – Cal Grevemberg

District 4 – Foxe Smothers
District 5 – Michael Burroughs
District 6 – Michael LeBas, P.E.
District 7 – Ceil Fuselier

I

Those members being in attendance, Chairman Michael LeBas called the meeting to order at 9:00 AM followed by the Pledge of Allegiance.

The Board reviewed the minutes from the previous Board Meeting. Mr. Cal Grevemberg motioned to approve the minutes as written. Mr. Burroughs seconded and the motion carried unanimously.

II

C-09-012 Hallford LHI#10513 – Mr. Hallford was not present. The Board discussed the possible revocation of his license. The Board then decided to take no action due to the fact that his license is currently expired. If Mr. Hallford were to renew his license the Board would re-address this issue at that time.

C-09-025 LSBHI v. Driskill LHI# n/a- Appeal-Mr. Driskill was present. Mr. Driskill addressed the Board on the miscommunication between the LSBHI office and himself. Mr. Foxe Smothers motioned to withdraw Mr. Driskill's fine as he did not believe that Mr. Driskill's intentions were to defraud the public and his document was more or less a credential form. Mr. Terry Hardouin seconded the motion and the motion was carried.

C-10-008 McClung v. Rhea LHI#10066- Appeal-Both parties were present. Mr. Foxe Smothers was the SIE on the complaint. Mr. Rhea addressed the Board in regards to his appeal. The Board then determined that the opinion of the Board stands and Mr. Rhea was made aware that he had 30 days to appeal these finding with the district court. Mr. Foxe Smothers and Mike Burroughs abstained from this decision. Mr. Rhea was found in violation of 46LAC XL.305, 311, 313, 317, 319, & 321. The total fine due the LSBHI was set at \$1200.00 and Mr. Rhea must attend the next available SOP/Reporting Writing Seminar.

C-10-010 Glorioso v. Palmer LHI#10691-Mr. Kent Palmer was present. Mr. Dick Chance served as the SIE on this complaint. The Board reviewed the complaint in detail and asked Mr. Palmer several questions. Mr. Mike Burroughs motions to find Mr. Palmer in violation of 46LAC XL.321.5- Failure to properly describe the duct work and failure to supply the client with a copy of the Standards of Practice, Mr. Cal Grevemberg seconded the motion and the motion was carried. Next the Board discusses the penalty phase. Mr. Smothers motioned to fine Mr. Palmer \$150.00 for failing to supply the client with a

copy of the Standards of Practice and \$50.00 for violating 46LACXL.321.5. Mrs. Fuselier seconded the motion and the motion was carried. Mr. Palmer's total fine was set at \$200.00.

C-10-011 Barlow v. Westmoreland LHI#10278- Both parties were present. Mr. Mike Burroughs served as the SIE on this complaint. The Board reviewed the complaint and SIE report in detail asking both parties several questions. After the discussions Mr. Terry Hardouin motioned to find Mr. Westmoreland in violation of 46LACXL.311.C-4.C, failure to properly report. Ceil Fuselier seconded and the motion was carried. Fox Smothers then motioned to dismiss 46LACXL.317 due to lack of evidence. Ms. Fuselier seconded and the motion was carried. The Board then moved to the penalty stage. Cal Grevemberg motioned a \$500.00 fine for violation of 46LACXL.311.C-4.C. Terry Hardouin seconded and the motion was carried. Mr. Mike Burroughs abstained from all voting on this complaint. Mr. Westmoreland's total find was set at \$500.00.

III

The Board discussed education requirements for Pre-licensing providers. Foxe Smothers motioned to form a subcommittee to establish rules, criteria and guidelines on all pre-licensing education providers and instructors. Mike Burroughs seconded and the motion was carried. The subcommittee consisting of Foxe Smothers, Mike Burroughs (chairman of the committee), Joe Cook, Cal Grevemberg and Tom Axelrad will host a round table meeting to discuss the pre-licensing requirements. Mike Burroughs will set a date and send out a syllabus to the Board.

IV

Mr. Bob Brooks and Brent Lancaster both from Bob Brooks School of Real Estate addressed the Board on streaming courses as a possible form of CE. The Board requested that Mr. Brooks and Mr. Lancaster put together an outline of how streaming works and its format. The Board will then discuss the possibility of Streaming.

V

The Board moved on to discuss and review pre-licensing education applications and continuing education applications. Mike Burroughs motioned to table all pre-licensing education applications until the subcommittee that was formed had a chance to go over criteria and guidelines. Mr. Smothers seconded and the motion was carried.

The Board then reviewed the application for approval of Continuing Education from NAHI. Mrs. Fuselier motioned to accept their application, seconded by Mr. Hardouin and the motion was carried.

Next, the Board reviewed Mr. Tom Axelrad's application to become a Board approved In-field trainer. Mrs. Fuselier motioned to accept his application, seconded by Mr. Smothers and the motion was carried.

VI

Jim Russell with GREI came before the Board to talk about E&O Insurance and other products his company has to offer Home Inspectors in Louisiana. GREI of America, Inspectors Insurance Group is available to Home Inspectors and they provide both E&O and General Liability.

VII

The Standards of Practice recommended changes were discussed by Mike Burroughs. Mr. Burroughs went through the recommended changes that the SOP subcommittee put together at the last subcommittee meeting. The Board discussed each topic in detail. The Board requested that Albert Nicaud draft the final legalized changes and submit them to the Louisiana State Register.

12:55- Meeting adjourned for a brief lunch break and the Board went into Executive Session.
1:35- Chairman, Michael LeBas calls the meeting back to order.

VIII

Mr. Foxe Smothers discussed with the Board the recommended changes for Continuing Education rules and guidelines. After going through the changes in detail Mr. Cal Grevemberg motion to accept the changes as recommended, Mr. Smothers seconded and the motion was carried. They Board then requested that Albert Nicaud legalize the changes and have the changes submitted to the state register.

IX

Discussion on the annual home inspection report program was tabled until further notice.

X

Discussion on raising renewal fees was tabled until further notice.

XI

The Board discussed the proposed Infield Training requirements presented by Mr. Mike Burroughs. The Board requested that Albert Nicaud legalize the requirements and add them to the state register. Once the changes have been made they will be added to the website.

XII

Legal Update was discussed by the Board Attorney Albert Nicaud.

HB1380 is currently waiting the Governor's signature. HB 1380 revises La. R.S. 37:1479B and now provides that delinquent renewals beyond one year would require the LHI to retake the national exam and become current on all CE during the period of delinquency. It further provides that delinquent renewals beyond three years would require the LHI to undergo the 90 hour classroom training, retake the national exam, become current on all CE during the period of delinquency and take the report writing, SOP and COE course offered by the Board before being renewed.

Prescriptive Statute-the Third Circuit Court of Appeal confirmed that the Louisiana prescription statute requires the filing of a lawsuit against a LHI within one year from the date of the inspection, *regardless of the date of discovery of the alleged wrongful act or omission of the LHI*. Also, the La. Supreme Court denied writs. As the law currently stands, a client has only one year from the date of the negligent act or omission to file suit against a LHI, regardless of the date of discovery of any alleged wrongful act or omission.

HB1372-A report fee increase of \$2 per inspection (from \$5 to \$7) was voted on by the board and approved through the Administrative Rules process in September of 2008. Effective January 1, 2009, the \$2 increase went into effect. The increase required legislative approval at the next legislative session. HB 1372 which proposed the increase was voted down by the legislature. Therefore, the report fee for any report prepared **after** June 1, 2010 will be \$5 per inspection report performed. If an LHI chooses to request a refund on behalf of his or her clients, the LHI has until July 15, 2010, to submit a letter requesting a refund as well as a copy of the LSBHI monthly reporting forms for the months of January 2009-May 2010. Each month must be on a different form with the date and address of each inspection. The information must be on the Board approved monthly reporting form.

XIII

The Board briefly discussed the reimbursement policies for Board members. It was noted that expenses are to be reimbursed as they are stated by State Law. This allows mileage for meetings and hotel accommodations if necessary.

VIV

The Board reviewed the Budget presented by Ms. Dampier. The Board was given a Year to Date comparison as well an Actual v. Proposed.

Meeting Adjourned 3:30 P.M.

Mr. Grevemberg motioned to adjourn, Mr. Hardouin seconded and the motion was carried.

Other attendees: Albert Nicaud, Board Attorney; Morgan Dampier, COO; Joe Cook; Michael McClung; Elizabeth McClung; Sidney Chaisson Jr.; George Rhea; Dick Chance; Douglas Frickey; Charles Hall; Scott Hearne; John Hoskins; Frankie LaPorte; Kent Palmer; Brian Duplessis; Steve Boudoin; Michael Jackson; Bob Brooks; Frank Messina; Wade Byrd; Tom Axelrad; Michael Abadie; Turk Schexnayder; Dan Dormady; Charles Westmoreland; Fritz Gurtler; Andrew Polmer; Debra Milligan; Brent Lancaster; Jim Russell; John Nelson; Gordon Atwell; Mike Jordan

Minutes recorded by: COO