



## Alabama State Board of Auctioneers

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### MINUTES Board Meeting July 9, 2013

The Alabama State Board of Auctioneers met on Tuesday, July 9, 2013, at the Board offices located at 2777 Zelda Road, Montgomery, Alabama, for the purpose of conducting Board business. Those in attendance were as follows: Mr. Ken Garner (Chair), Mr. Bryant Wood (Vice Chair), Mr. Bryan Knox (Secretary/Treasurer), Mr. Erskine Valrie, Mr. Michael Langford, Mr. Pete Horton and Ms. Ray. Board member not in attendance was Mr. Keith Baldwin. The Board, consisting of a quorum, continued with a voting meeting. Also present were Mr. Keith Warren (Executive Director), Ms. Dana Billingsley (Board Counsel), Ms. Renee' Reames (Executive Secretary to Mr. Warren) and Ms. Hope Paulene (Administrative Assistant).

The meeting was called to order at 9:10 a.m. by Ken Garner, Chair.

The regularly scheduled meeting was advertised on the Board's web site, [www.auctioneer.alabama.gov](http://www.auctioneer.alabama.gov), and the Secretary of State's website, [www.sos.state.al.us](http://www.sos.state.al.us), in accordance with the Alabama Open Meetings Act. Mr. Garner welcomed members present at the meeting. Ms. Paulene gave the opening statement concerning Roberts Rules of Order and the Alabama Open Meetings Act.

The minutes of the April 23, 2013, regularly scheduled meeting were submitted to the Board prior to the meeting for their review. Ms. Ray made a motion to dispense with the reading of the minutes and to accept the April meeting minutes as submitted. The motion was seconded by Mr. Valrie and unanimously approved by the Board.

The Board discussed the new design of the Board's website, along with the cost to update the licensee database (creating or converting to current software). The Board discussed the feasibility of developing the database for less than \$15,000.

The Board recessed at 9:29 a.m. and reconvened at 9:34 a.m.

Mr. Warren reported that ISD (Information Services Division) currently provides website and database development to the Board, and he will be meeting with them regarding this matter. The Board discussed obtaining a quote from other sources about developing the licensee database. Mr.

Warren explained that a request of proposals (RFP) could be submitted to the State's Contract Review Committee, to allow separate quotes for these services. He indicated that he would review the options available to the Board concerning the cost to acquire these services. Ms. Ray made a motion that a committee be established to research options for website services and present the information as the next Board meeting. The motion was seconded by Mr. Knox and unanimously approved by the Board.

Mr. Garner appointed the following committees:

Technology committee consisting of Ms. Ray, Mr. Wood, Mr. Baldwin and Mr. Warren.

He indicated that this Committee would consider options for website services.

Legislative committee consisting of Mr. Wood, Mr. Knox, Mr. Valrie and Mr. Warren.

Education committee consisting of Mr. Horton, Mr. Langford, Ms. Ray and Mr. Warren.

Mr. Warren presented the Executive Director's Report to include financial activities and fund balance (report is available for viewing in the Board's official Book of Minutes). Mr. Warren commented on projected revenue from licensing renewals. He reported that approximately \$21,500 had been assessed in disciplinary fines, and the time and cost for hearings, etc. had been averted through Consent Agreements. Mr. Warren presented a budget summary for current and previous years and projected contract expenditures for 2014.

The Board discussed the upcoming Board newsletter to be distributed.

The Board discussed the upcoming legislative session in 2014 and the Legislative Committee considering additional changes to the last proposed legislative bill. Mr. Warren reported that Warren & Company, Inc. had a new government affairs staff member.

Mr. Garner appointed the following individuals to serve as chairperson on the Board Committees:

Ms. Ray on the Technology Committee;

Mr. Wood on the Legislative Committee; and

Mr. Horton on the Education Committee.

Ms. Paulene reported on the current number of licensees and applicant activity (report is available for viewing in the Board's official Book of Minutes). She indicated that renewals were in the process of being mailed and licensees would be able to renew on-line effective July 12 through November 30, 2013.

Ms. Billingsley presented the Legal Counsel Report. She presented a Consent Order agreed to by Paul White, d/b/a Yellow Jacket Sales, which stipulated a fine totaling \$800 for an auction business violation, a cease and desist order and eligibility to apply for licensure. Mr. Wood made a motion to accept the Consent Order as presented. The motion was seconded by Mr. Langford and unanimously approved by the Board.

Ms. Billingsley presented a Consent Order agreed to by Mr. Richard Askew, d/b/a Clay County Goat and Poultry Auction, which stipulated a fine totaling \$4,500 for auction business violations, a cease and desist order and eligibility to apply for licensure. She reported that this company continued to conduct auctions after being notified by the Board, and was related to a Consent Agreement by Charles Bradley, a non-licensed auctioneer, previously approved by the Board. She explained that this company had obtained a federal license to sell livestock, but this company was not exempt from

having an auctioneer's license through this Board and she had also spoken with a representative with the Agriculture Department. Ms. Billingsley reported that the fine had been paid by Mr. Askew and the company application had been received, but the application was incomplete because it did not include information about the principal auctioneer nor incorporation information.

The Board discussed the application requirements for auction companies to show evidence of incorporation and the position that the auctioneer held with the company, as cited in the statute and current rules. Ms. Ray made a motion that any legal entity applying for a company license must provide a copy of the corporation minutes showing the election of officers, binding the auctioneer to the company. The motion was seconded by Mr. Langford and unanimously approved by the Board.

Ms. Billingsley recommended that the Board accept the Consent Order as presented. Mr. Wood made a motion to accept the Consent Order signed by Mr. Askew as presented. The motion was seconded by Mr. Langford and unanimously approved by the Board.

The Board continued to discuss the requirement that livestock auctions are under the jurisdiction of the Board and must be licensed by the Board. Ms. Billingsley reported that currently three livestock auctions are licensed by the Board, and encouraged licensees to report violations. Mr. Garner assigned to the Education Committee the subject of licensing livestock auctions, and communicating this on the Board's website was assigned to the Technology Committee. The Board discussed including in the on-line renewal process a mandatory statement of acknowledgement and affirmation about having read the Board's Rules.

Mr. Warren reported that the new proposed rules had been published and are pending public comment, and a copy had been posted on the Board's website.

Mr. Garner reported that the rule pertaining to Duties of Sponsors and Apprentices (Chapter 150-X-1.10) had been postponed to consider language about the employer auctioneer. He indicated that this matter had been referred to the Legislative Committee.

Mr. Garner asked Mr. Warren to report on regulations from other states concerning on-line/Internet auctions.

Mr. Garner reported that a bid had been received for the Administrative Management Services Contract. He indicated that a list of those receiving the Invitation to Bid was included. Mr. Garner reported that one bid had been received, which had been reviewed by the State Purchasing Department and met bid specifications. Warren & Company, Inc. had bid \$8,000 per month. The Board discussed establishing service goals. Staff of Warren & Company left the meeting. The Board discussed adjusting the contract to include: (1) updating the Board's website to include disciplinary actions for the past three years, beginning January 2010 to present, which would roll-off in the fourth (4<sup>th</sup>) year, (2) publishing a current newsletter and mailing to licensees, which would notify licensees about electronic newsletters in the future, and the newsletter posted on the Board's website, (3) receiving monthly financial report, in more detail, earlier prior to the Board meetings, (4) receiving a plan regarding legislative activities to include proposed bill being prepared, submission to LRS and sponsor and committee activities, (5) an electronic upload of Board material in advance of the meeting, and (6) a Board committee of expectations, comprised of Mr. Garner, Mr. Wood and Ms. Ray, to communicate and monitor progress with Executive Director.

Mr. Warren reported that the bid included investigative services, which could not be maintained at a reduced contracted amount. Mr. Warren discussed the current number of complaints the Board had investigated at the expense of Warren & Company, Inc.

Mr. Knox made a motion to approve a one-year provisional contract at an adjusted rate of \$7,000 per month, with the understanding that the Expectation Committee will come back to Warren & Company by the January 2014 Board meeting, with a list of expectations and recommendations to negotiate a more firm long-term contract, and by October, 2013, Warren & Company would: (1) publish the newsletter, (2) post disciplinary action to the website, (3) prepare electronic meeting materials for brainbook, and (4) prepare detailed monthly financial reports. The motion was seconded by Mr. Langford and unanimously approved by the Board.

The next regularly scheduled meeting of the Board is October 8, 2013 at 9:00 a.m.

There was no further business and Mr. Garner adjourned the meeting at 12:58 a.m.

Respectfully Submitted,

Ken Garner  
*Chair*

Keith E. Warren  
*Executive Director*