

STATE OF MINNESOTA

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD
MINUTES – August 27, 2012

LOCATION – 1430 Maryland Avenue East, St. Paul, Minnesota

MEMBERS PRESENT – Dave Bjerga, Jim Hessel, Richard Hodsdon, Pat Moen, Steve Wohlman

ATTORNEY GENERAL REPRESENTATIVE – Sara Boeshans

STAFF – Greg Cook, Interim Executive Director; Lyn Crosby, Assistant

The meeting was called to order at 8:30 a.m. by Dave Bjerga. Bjerga introduced new board member Richard Hodsdon and welcomed him to the board.

The draft minutes of the July 30, 2012, meeting were reviewed. Wohlman moved to approve the minutes as revised; Moen seconded. The motion passed unanimously.

New License Applicants

Ingeborg Sebyan Black
2300 Randy Ave
White Bear Lake MN 55110
Private Detective – Individual

Ingeborg Sebyan Black was present and testified that she had been licensed in Minnesota from 1990 to 1995, when she moved to Canada and was then licensed there until recently. Her business will be consulting on security and investigations, backgrounds, possible fraud or criminal behavior, and embezzlement and theft. She will not have any employees. She recently took CFE training for ethics and attends a lot of training, and is very familiar with the training requirements. Bjerga moved to grant the license and waive Preassignment Training; seconded by Moen. The motion passed unanimously.

Changes of Officers

Garda CL Great Lakes, Inc.
(vacant), Qualified Representative
Robert Miller, Minnesota Manager
201 Scholfield Dr
Whitehall OH 43213
LOCAL: 527 Aldine St
St. Paul MN 55104
Protective Agent – Corporate (#319)

Miller is currently the Minnesota Manager and has applied to also be the Qualified Representative. He testified that he is the Assistant Branch Manager on the transportation side of the company. His duties include making sure employees have required training and that rules are enforced. They have 102 employees in the transportation area in Minnesota. Wohlman moved to approve Robert Miller as the Qualified Representative; Hessel seconded. The motion passed unanimously.

Allied Barton Security Services, LLC
Brian O'Connell, Qualified Representative
Benjamin Atkins, Minnesota Manager (change)
Eight Tower Bridge
161 Washington St #600
Conshohocken PA 19428
LOCAL: 701 4th Ave S #1020
Minneapolis MN 55415
Protective Agent – Corporate/LLC (license #307)

Atkins testified that their business is in contracted on-site security, with about 450 Minnesota employees. He had 15 years with Guardsmark in California, then transferred to Minnesota and also worked with Securitas. He has 14 salaried managers that report to him. Wohlman moved to approve Atkins as the Minnesota Manager; Hessel seconded. The motion passed unanimously.

Loomis
Larry D. Davis, Qualified Representative (change)
John Marson, Minnesota Manager
2500 City West Blvd #900
Houston TX 77042
LOCAL: 735 Raymond Ave
St. Paul MN 55114
Protective Agent – Corporate/LLC (license #328)

Davis testified that the current Qualified Representative transferred to Texas. They have about 80-90 employees that work in the money transport business in Minnesota, about 33 law enforcement officers in safety and transportation. Davis is the Chief of Police in a small town in Missouri, and lives in Kansas City. He expects he will be in Minnesota three or four times a year. He oversees several branches, and is in charge of enforcing rules and ensuring that training happens. He said the training requirements in Minnesota are similar to Kansas and Missouri. Bjerga moved to approve Davis as the Qualified Representative; seconded by Wohlman. The motion passed unanimously.

Bjerga noted that Loomis is also on the agenda with a contingency expiring in August. They also have a Minnesota Manager change in process, but all other reissuance issues are resolved. Bjerga moved to lift the contingency and reissue the license; Hessel seconded. The motion passed unanimously.

Dunn Livery, LP
dba/Funeral & Transport Escort Services
dba/Transport Escort Service
Gary Edward Anderson, Qualified Representative (change)
302 Industrial Blvd NE
Minneapolis MN 55413-2929
Protective Agent – Partnership (license #236)

Anderson testified that their business is in funeral escorts, corporate limousines, and cross-country transportation and escort services for oversized equipment. He is a retired Roseville police officer and has been with Dunn Livery, LP, since 1992. They have 16 employees in transport and about 100

total. The current Qualified Representative is retiring. Wohlman moved to approve Anderson as the Qualified Representative; Moen seconded. The motion passed unanimously.

Hannon Security Services, Inc.
Nicholas Luciano, Qualified Representative (change)
9036 Grand Ave S
Bloomington MN 55420
Private Detective – Corporate/LLC (license #667)

Luciano testified that the Qualified Representative position is currently vacant due to a retirement in August 2011. The change was requested earlier that year but had not yet been processed. Luciano has been in the security business 28 years, the last 22 with Hannon. They have about 400 employees in Minnesota in security and patrol. He ensures that the company strictly adheres to the rules. They also do protective agent work. They do extensive training in-house. Hessel moved to approve Luciano as the Qualified Representative; Wohlman seconded. The motion passed unanimously.

Per Mar Security and Research Corporation
dba/Per Mar Security Services
Douglas Belton, Qualified Representative and Minnesota Manager (change)
PO Box 4227
1910 East Kimberly Rd
Davenport IA 52807
LOCAL: 5701 Shingle Creek Pkwy. #130
Brookdale Towers
Brooklyn Center MN 55430
Protective Agent – Corporate/LLC (license #270)

Belton testified that both positions have been vacant since August 2011. The change was requested in September 2011 but had not been processed, and license reissuance has also been pending. Belton started in security work in 1979, was with the Department of Corrections from 1984 to 1991, with the Minneapolis Police 1992 to 2003, in Texas a few years, then with Per Mar since 2009 at the Target Center. They have about 220 Minnesota employees; five managers report directly to him. Other customers are Wells Fargo and Prudential. Bjerga moved to approve Belton as the Qualified Representative and Minnesota Manager; Moen seconded. The motion passed unanimously.

Bjerga moved to lift the contingency and issue the license; Hessel seconded. The motion passed unanimously.

Veracity Research Co.
Marcus Doyle, Qualified Representative
Stacey Allen Tuchscherer, Minnesota Manager (change)
111 Dallas St
Argyle TX 76226
LOCAL: 7460 128th St W #306
Apple Valley MN 55124
Private Detective – Corporate/LLC (license #940)

Tuchscherer testified that she has 12 years experience in employee theft investigation in various retail settings. She was an investigator with the Hennepin County Public Defender for seven years, and has been with Veracity three years. They do insurance defense work, including surveillance and interviewing. There are four total employees; she supervises the other three and the company is currently licensed in 12 states. They are not armed and they train their employees every six months. Bjerga moved to approve Tuchscherer as the Minnesota Manager; Wohlman seconded. The motion passed unanimously.

Consent Agenda (Reissuances)

The following licenses will be reissued, having all material in order and no objection from board members:

Bradshaw Anderson
dba/B.A. Investigations and Consulting
13121 Parkwood Dr
Burnsville MN 55337
Private Detective – Individual (#1016)

Emerald Investigations, Inc.
James Hessel, Qualified Representative
11382 Louisiana Circle
Bloomington MN 55438
Private Detective – Corporate (#707)

Brian Fox
dba/Fox Lair Investigative Services
11010 55th Ave NE
Foley MN 56329
Private Detective – Individual (#1039)

Private Eye Security, LLC
Don Davis, Qualified Representative
7218 Frontier Trail
Chanhassen MN 55317
Private Detective – Corporate/LLC (#1038)

Reissuances Due in August, with issues

MAS Investigations, Inc.
Michael Sajatovic, Qualified Representative
1319 Tyrol Trail
Golden Valley MN 55416
Private Detective – Corporate/LLC (#984)

Crosby reported that Sajatovic responded to the reissuance packet and email sent, that he is out of the country on a Department of Defense project and will not be back until September; he stated he will submit his reissuance materials in September and if needed will submit an affidavit that he has not been conducting PI work in Minnesota during the lapsed time. Staff requests a contingent license be granted. Moen moved to grant a contingent license; Wohlman seconded. The motion passed unanimously.

Contingencies Expiring in August

St. Mary's/Duluth Clinic Health System
(SMDC) dba/Essentia Health East
David E. Lahti, Qualified Representative
407 East 3rd Street
Duluth MN 55805-1950
Protective Agent - Corporate/LLC (#182)

This was a June reissuance. The outstanding issues were a pending CEO change and bond approval. Crosby reported that the Attorney General's office has now approved the bond. The licensee notified us of a CEO change in May. They have not yet sent complete paperwork for the CEO change but the Qualified Representative has been cooperative and last week informed staff that he has most of the paperwork and should submit it this week. Since it is not an officer change, once submitted it does not need to go to the Board. Wohlman moved to lift the contingency and reissue the license, and that staff is to monitor getting the paperwork on the CEO. Hessel seconded the motion; the motion passed unanimously.

R.J. McGough & Associates, Inc.
Richard J. McGough, Qualified Repr.
Corey Wagner, Minnesota Manager
Private Detective Corporate/LLC (#805)

This was a June reissuance. The Attorney General's office has now approved the bond and there are no other outstanding issues. Moen moved to lift the contingency and reissue the license; Wohlman seconded. The motion passed unanimously.

Staff reported that the following licenses had been granted contingencies that expire in August, but staff had not yet been able to complete processing of these licenses and changes in officers. Bjerga moved to grant contingencies to these five licensees; Wohlman seconded. The motion passed unanimously.

David J. Asmus	PDI 729
Joseph Collins	PDI 1037
Wackenhut Services, Inc. (name change to G4S Government Solutions)	PAC 294
Signal 88 Franchise Group, Inc. (also officer change)	PAC 325
US Investigations Services, LLC (also officer change)	PDC 935

Follow Up on July Reissuance/Contingencies

Gold Star Security, Inc.
Ying Yang, Qualified Representative
Protective Agent – Corporate/LLC (#312)

Crosby reported that this is a follow-up to discussion at the July meeting. The licensee submitted proof of insurance with his reissuance application beginning 7/19/12 but initially did not provide proof of insurance for 2/1/11 through 7/19/12. Proof of insurance was later documented for 2/1/11 through 2/1/12; but the licensee has verbally acknowledged he was not insured from 2/1/12 through 7/19/12 due to his oversight. The board granted a contingency in July but directed that Yang appear before the Board if he could not document continuing coverage. Yang was present and testified that he provides security guard services; he has no accounts right now and did not work during the uninsured period. He employs people as small jobs come through, both armed and unarmed work. He stated the lapse in insurance was an oversight on his part and he is not sure if he got a renewal notice from his agent. When he received the reissuance materials he realized he needed insurance and contacted his agent, who told him that he could issue a policy from that point forward but also told him

he did not need insurance if he was not working. Bjerga told him he does need to have insurance for his entire license period to maintain his license, whether or not he is working. Bjerga moved to lift the contingency and reissue the license, and to issue a Letter of Education and Conciliation regarding the lapse in insurance and need to maintain insurance. Wohlman seconded; the motion passed unanimously.

ACE Security, Inc.
Jack A. Werner, Qualified Representative
Richard Sylvester, Minnesota Manager
Protective Agent – Corporate/LLC (#227)

This licensee was granted a contingency in July. All materials have now received and are complete, with no outstanding issues. Wohlman moved to lift the contingency and reissue the license; seconded by Moen. The motion passed unanimously.

SURRENDERED LICENSES (for board information)

Mark Robbe
dba/Robbe Protective Agency
7260 University Ave NW
Fridley MN 55432
Protective Agent – Individual (#281)

This licensee surrendered his license 8/21/12.

Other Issues and Discussion

In regard to a prior complaint issue Cook raised the question of whether national pre-employment background screening companies who do not advertise in MN, and who use vendors to retrieve public records only, need to hold a private detective license in MN? Discussion was that if they are providing the service “for a fee”, per statute MN 326.338 they must hold a license. Boeshans concurred.

Cook proposed a revision of the current background check (criminal history) procedures for applicants, Qualified Representative, Minnesota Manager changes, and reissuance. Cook distributed to the board a memo he wrote on the subject describing the situation and proposed improvements. Cook noted this was also addressed in the Design Team meetings. The current process is confusing to all involved and is one of the common denominators with files being delayed. Cook stated that for efficiency, organization and being able to process files in a timelier manner, he would like to have staff control the process of background checks. The licensees would provide staff the necessary documents and staff would send them to MNJIS, located in the same building, for processing. The results would then comeback directly to staff and that portion of the process would be complete. Licensees would still be responsible to do background checks on their employees. Boeshans said she would like time to review the issue to ensure the proposed procedures met statute requirement.

Cook noted that with the timing of his interim position and per statute he was responsible for developing both a budget and legislative report due within the next few weeks. These 2 important items diverted some time away from processing more applications and officer changes. He passed out to the board a draft of the narrative he prepared for the budget process.

In regard to the Legislative Report, Bjerga discussed a meeting he had with Cook and the Director of Legislative Affairs & Strategic Planning, Jorad Jordal. Originally during the Design Team meetings it was discussed to propose some changes to the statutes, including removal of the Bond criteria for license holders, for this upcoming legislative session. Jordal strongly recommended that instead of changing a couple items at this time, to analyze the entire statute and making any and all changes at one time for the next upcoming year, which is not a budget year. He also recommended staff work to educate some key legislators to engage their support. Cook suggested forming a 'Statute Advisory Committee' with current license holders to assist with the process. Moen recommended Cook also prepare an internal timeline for proposed legislative changes and share that with the board.

Cook gave a brief update on applications, Qualified Representative, Minnesota Manager changes, pending issues, and the progress with the backlog. Cook explained how he was prioritizing the files by how old they were and if the entity of the file was in jeopardy of losing business due to the delay. He asked for board input on the priorities staff has been setting; there was no disagreement with the priorities explained.

Cook discussed training course and instructor approvals that have been pending, some for an extensive period of time. There are currently approximately 72 requests pending. It will require reviewing them all. He sent a letter out to the training providers, informing them of the staff change, and requesting email addresses to make future communication easier. He also asked for volunteers to form a Training Advisory Committee of trainers (formerly the Liaison Training Committee).

Staff raised the issue of board meeting dates and times and requested that the meetings be changed to allow more lead time at the beginning of a week to prepare for the meetings. Also new member Hodsdon is usually not available on Mondays due to court appearances. The proposal is to change to 10:00 a.m. on the last Tuesday of every month; this may require a room change for balance of 2012. Bjerga moved that regular board meetings be changed to the last Tuesday of the month at 10:00 a.m. starting September 2012 and forward; Hessel seconded. The motion passed unanimously.

Wohlman moved to adjourn the meeting at 9:43 a.m.; Hessel seconded. The motion passed unanimously.