

STATE OF MINNESOTA

PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD  
MINUTES – July 30, 2012

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

MEMBERS PRESENT – Dave Bjerga, Jim Hessel, 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 8:31 a.m. by Dave Bjerga. The draft minutes of the June 25, 2012, meeting were reviewed. Bjerga noted the correct call-to-order time in those minutes should be 8:32 a.m. Wohlman moved to approve the minutes as revised; Moen seconded. The motion passed unanimously. The draft minutes of the June 29, 2012, special meeting were reviewed. Boeshans noted it should be called an Emergency Meeting, not a Special Meeting. Wohlman moved to approve the minutes as revised; Moen seconded. The motion passed unanimously.

New License Applicants

RS Executive Protection, LLC  
Robert Smith, Qualified Representative  
7750 Whitney Dr  
Apple Valley MN 55124  
Protective Agent – Corporate/LLC

Robert Smith was present and discussion of this applicant continued from the June meeting. Bjerga reminded Smith that the Board had asked him to review the statutes and requirements for licensing and asked if he did that; Smith replied that he did. Smith reiterated that he expects to have 15-20 employees that will be armed and unarmed bodyguards, patrol officers, and will work on security for apartment complexes.

In response to questions, Smith said he has been employed as a guard himself. Wohlman said he feels Smith does have the 6,000 hours but is more concerned about Smith's experience to be the supervisor of other guards. Smith said he has many hours with previous employers spot-checking officers, reviewing guards' work with clients, and that as a supervisor he did security audits. He has worked with staff and clients reviewing camera areas (fixed and roaming cameras, and motion sensors), the cost-effectiveness of changes, and written audit reports. He has handled complaints from clients by meeting with clients and guards, and defining corrective actions of officers if needed.

Bjerga asked about the several reference forms which had no answers to the questions about whether the person would recommend Smith for this line of work. Smith said that his past employer Red Lake Police Department, had the HR director fill out the paperwork, and that person was not directly familiar with his work. He could not get a hold of the supervisor from Talent; Shaw from ICON Services Corporation, his current employer, was out of town for the Olympics. Wolf had given some information to Greg Cook.

Bjerga also said he is concerned about Smith's ability to effectively run the business. Smith said he has had training courses in business management and believes he has the tools to get started. Bjerga asked what would be your first step if we grant your license; Smith said he would immediately start networking with other professionals. Also in answer to questions he said his current employer is aware he is applying for a license, and has a lawyer and a tax person already working with him. He will use Eckhoff for training for his employees.

Cook noted that all administrative requirements have been met. Wohlman told Smith to be aware that sales tax must be collected on this work, and that rates are different among the cities. Wohlman moved to approve the license and waive Preassignment Training; Moen seconded. The motion passed 3-1 with Hessel voting no. {NOTE: After the meeting, Smith provided Crosby with a change of address as he is in the process of moving.}

Professional Security Consultants  
Michael Lambos, Qualified Representative & Minnesota Manager  
11454 San Vicente Blvd  
Los Angeles CA 90049  
LOCAL: 12401 Wayzata Blvd  
Minnetonka MN 55305  
Protective Agent – Corporate/LLC

Lambos was present and stated that Professional Security Consultants is licensed in 26 other states and has been in business since 1985. He stated that the company has never been suspended nor disciplined in any of those states. They have 2,500 employees, and expect to have 50-60 in Minnesota. They provide unarmed services to large regional shopping centers. They were specifically recruited by General Growth for five shopping centers in Minnesota. Lambos will be in Minnesota for the first three months providing oversight, checking in with clients and his supervisors at each location, making sure they are complying with the applicable laws and their contracts.

Lambos testified that he has a bachelor's degree in Criminal Justice and master's in Administration of Criminal Justice. He has been a security director of a mall in the Chicago area and has been in this business for 15 years. Eventually the company will have a different Minnesota Manager.

Cook noted that all administrative requirements have been met. Wohlman moved to grant the license and to waive Preassignment Training until a permanent Minnesota Manager is approved; Hessel 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:

Midwest Protection Agency, Inc.  
Kenneth Fox, Qualified Representative  
6009 Wayzata Blvd #222  
St. Louis Park MN 55416-2676  
Protective Agent – Corporate/LLC (#299)

Novak Investigations, Inc.  
James Novak, Qualified Representative  
29017 Machmeier Court  
Lindstrom MN 55045  
Private Detective – Corporate/LLC (#859)

Flaherty Consulting & Investigations, Inc.  
Mark Flaherty, Qualified Representative  
915 12th Avenue NE  
Rochester MN 55906  
Private Detective – Corporate/LLC (#944)

Gary Hahn  
dba/ Gary L. Hahn Investigations  
1959 W High View Dr  
Sauk Rapids MN 56379  
Private Detective – Individual (#986)

Northern Reporting Service, Inc.  
John A. Parker, Qualified Representative  
201 SE 6th St #1  
Minneapolis MN 55414  
Private Detective – Corporate/LLC (#518)

Reissuances Due in July, with issues

ACE Security, Inc.  
Jack A. Werner, Qualified Representative  
Richard Sylvester, Minnesota Manager  
428 Airport Road  
Bismarck ND 58504-6105  
Protective Agent – Corporate/LLC (#227)

Their reissuance packet was sent 5/2/12 to the Detroit Lakes address in the database. It was returned by the Post Office as undeliverable but not until 7/5/12. Crosby called them and remailed their packet 7/5/12. The company reported that the Detroit Lakes address was closed and the board was notified verbally, but the physical file contained no notes so the address change was not processed. Crosby reported that the company recently called to say they are nearly done with their reissuance materials and will be sending them soon. Bjerga moved to grant a contingent license; Hessel seconded. The motion passed unanimously.

Avalon Fortress Security Corporation  
Daniel J. Seman  
Protective Agent – Corporate/LLC (#133)

Crosby reported that this license expires 7/31/12. Per discussion at May Board meeting, this license was to be surrendered as a condition of licensing new licensee Avalon Fortress, Ltd., but the license has not yet been surrendered (nor has the new license been issued). After discussion with Boeshans and reviewing the statutes, Bjerga moved to let this license expire due to Seman's testimony in May on the new license, and the Executive Director to send a letter that this license will lapse in 60 days from the expiration date, and remind Seman that he testified they were not going to continue this license and was going to turn it in. Hessel seconded; the motion passed unanimously.

Gold Star Security, Inc.  
Ying Yang, Qualified Representative  
3930 99th Ave NE  
Blaine MN 55014  
Protective Agent – Corporate/LLC (#312)

The only outstanding issue is lack of insurance or proof of financial responsibility for a past period. Crosby reported that Yang first stated he was not insured for over a year, then later said he does have proof of financial responsibility. Yang said he would be dropping off documentation within a few days.

Bjerga moved to grant a contingent license, and if the license holder cannot prove he was insured for a period of time that he be required to appear before the board before the license is reissued. Wohlman seconded; the motion passed unanimously.

### **Contingencies Expiring in July**

Rimkus Consulting Group, Inc.  
Patrick Dunn, Qualified Representative & Minnesota Manager  
8 Greenway Plaza #500  
Houston TX 77046  
LOCAL: 999 Oakmont Plaza Drive #550  
Westmont IL 60559  
Private Detective – Corporate/LLC (#1035)

Cook had provided board members with an update. Dunn had taken 30 hours of fire investigation classes thinking they would be approved, but they were not approved by the former director. Since then he has completed the proper training with classes certified by the board. All other outstanding issues were satisfied, except for the FBI criminal history check. Wohlman moved to lift the contingency and issue the license upon verification of successful completion of the FBI check. Moen seconded; the motion passed unanimously.

Twin City Lawmen, Inc.  
David Mars, Qualified Representative  
1700 4th Street NE  
Minneapolis, MN 55413  
Private Detective – Corporate/LLC (#793)

Cook had met with Beth Pearson, Chief Financial Officer, who is processing the application for this company and gone over all the outstanding issues. Twin City Lawmen, Inc., has had a series of unfortunate events, including hospitalization of the Qualified Representative, several legal issues, and the death of Pearson's husband. However, the company is working on the remaining issues and plans to have them resolved soon. Bjerga moved to grant a contingent license, and that if the matter is not resolved in 60 days, the license will lapse. Seconded by Hessel; the motion passed unanimously.

### **Other Issues and Discussion**

Process Improvement update – Cook provided board members with an updated report. Cook also provided a verbal "snapshot" report of number of applications, reissuances, and training certifications outstanding. Cook noted that though the recent vacancy and backlog was hampering the project, the department is moving forward in completing it.

Minnesota Manager discussion – Staff asked for this to be on the agenda as it has been unclear whether out-of-state licensees are required to have a Minnesota Manager. Statutes at §326.3381, Subd. 5, were reviewed. Consensus was that once they start doing business, they must have a Minnesota Manager and an office in Minnesota; this is the policy that will be applied from here out.

Processing simultaneous reissuance and officer change (and impact with backlog) – Crosby discussed this issue and Princess Trucking as an example of a license reissuance that was approved by the board, but the license was not sent due to a simultaneous officer change that has still not been

processed. In this case the reissuance was approved in February 2011 but the company has not been asking for the physical license. Their next reissuance will be due in December 2012 and reissuance materials will be sent to them approximately October 1<sup>st</sup>. Staff will attempt to have this officer change processed by October. Hopefully the delay in processing officer changes will not be an issue once staff catches up on the backlog, and changes which happen at the same time as the reissuance process can be processed simultaneously.

Wohlman moved to adjourn the meeting at 10:01 a.m.; Bjerga seconded. The motion passed unanimously.