

**STATE OF MINNESOTA**

**PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**

**1430 Maryland Avenue East, St. Paul, Minnesota**

**MEMBERS PRESENT:** Rick Hodsdon, Jim Hessel, Jeff Hansen, Pat Moen

**MEMBERS NOT PRESENT:** Kip Sandoz

**ATTORNEY GENERAL REPRESENTATIVE:** Amy Tripp-Steiner

**EXECUTIVE DIRECTOR:** Greg Cook

**ADMINISTRATIVE ASSISTANT:** None (Vacant Position)

**MEETING MINUTES  
September 26th, 2017**

**1. REVIEW OF AUGUST 2017 MEETING MINUTES & SEPTEMBER 2017 AGING REPORTS [TABS 2&3]**

Hodsdon opened the meeting at 2:00 pm. Hodsdon stated that 4 Board members, agency staff and the Attorney General Representative were present. The Protective Agent Representative, Kip Sandoz was not present. Hodsdon commenced review of the August 2017 Meeting Minutes and the September 2017 Aging Reports. The Aging Reports were informational only, which required no action.

- **MOTION:** Moen made a motion to approve the August 2017 Meeting Minutes. Hessel seconded. The motion carried.

**2. REQUESTS FOR CEUs OF NON-CERTIFIED COURSES:**

*This is for courses taken, not approved yet. Seeking approval from Board.*

<b>Individual/License Holder &amp; License #</b>	<b>TYPE</b>	<b>PROVIDER</b>	<b>COURSE NAME</b>	<b>HRS</b>	<b>Tab Number</b>
Cadfael Investigative Group, Inc. – PDC 955	CPD	CALI	Background Investigations	4	4
Cadfael Investigative Group, Inc. – PDC 955	CPD	Association of Workplace Investigators, Inc. (AWI)	2017 AWI Annual Conference	21	5

Hodsdon referred to item #2 on the agenda, approval of non-certified courses. Hodsdon asked Cook if there were any issues, Cook stated there were not. Hodsdon asked the Board for a motion to approve the courses.

- **MOTION:** Hansen made a motion to approve the courses. Moen seconded. The motion carried.

**3. TRAINING COURSE & INSTRUCTOR APPROVALS: *Applications available for Board review.***

**COURSES:** None.

**INSTRUCTORS:**

<b>PROVIDER</b>	<b>COURSE NAME</b>	<b>COURSE #</b>	<b>INSTRUCTOR(s)</b>
SAFE Management	Preassignment	PPA 115	Morgan Francis

**4. OFFICER CHANGES:**

<b>License Holder Business Name:</b>	Peart & Associates, Inc.
<b>License Type/Number:</b>	PAC 2007
<b>Change from:</b>	Darald L. Peart
<b>Change to:</b>	Howard J. Peart
<b>Type of Officer Change (MM, QR, CFO, CEO):</b>	Qualified Representative
<b>Local Address</b>	500 Industrial Drive SW, Wilmar, MN 56201

Hodsdon referred to item #4 on the agenda, officer changes. Hodson noted that there were no issues. Hodsdon asked for a motion.

- **MOTION:** Hessel made a motion to approve the courses. Moen seconded. The motion carried.

*Informational only:*

<b>License Holder Business Name:</b>	NMS Security Services, LLC
<b>License Type/Number:</b>	PAC 1095
<b>Change from:</b>	Ronald Otte
<b>Change to:</b>	Sidney Moen
<b>Type of Officer Change (MM, QR, CFO, CEO):</b>	CFO
<b>Local Address:</b>	415 West 1 <sup>st</sup> Street, Northfield, MN 55057
<b>Physical Address:</b>	800 E Diamond Blvd., #3-450, Anchorage, AK 99515

Hodsdon noted that this change was informational only and did not require Board action.

**5. RENEWAL CONSENT AGENDA**

These license holders had issues with their renewals upon submission. Staff did work with these entities to make corrections so that they could be placed on the consent agenda. Files are available for review:

<b>LICENSE HOLDERS</b>
PDC 708 – Whitemore Fire Consultants, Inc.
PDC 1008 – Inner Scope Incorporated
PAC 1185 – Huffmaster Crisis Response, LLC
PDI 789 – Gregory St. Onge DBA: Ember Investigations
PDC 966 – EPI Investigations, Inc.
PAC 1095 – NMS Security Services, LLC

*The license holder that provided a renewal with no issues upon original submission was: **NONE.***

Hodsdon noted that there were six license holders on the consent agenda. Hodsdon stated for the record PDC 708, PDC 1008, PAC 1185, PDI 789, PDC 966, and PAC 1095 had met the requirements and asked for a motion.

- **MOTION:** Moen made a motion to approve the renewals. Hansen seconded. The motion carried.

## 6. RENEWALS WITH ISSUES:

### PAC 13 – Rochester Armored Car

- *Originally licensed 12/12/1966*
- 39 employees
- 1. On **9/05/2017**, the following issues were sent to the license holder:
  - a. MN Manager not listed on application
  - b. Did not list number of employees on application
  - c. Several employees were found to have background check, ID card, and training issues.
- 2. On **9/07/2017**, a response was received from the license holder.
- 3. Disciplinary history, renewal issues were provided to the Board.

Hodsdon asked Cook where there renewal was at. Cook stated that there were issues remaining and that he did not have a chance to review them. Cook requested a contingency.

- **MOTION:** Hessel made a motion to grant contingency. Hansen seconded. The motion carried.

### PAC 1187 – Security Industry Specialists, Inc. [SIS]

- *Originally licensed 9/29/2015-1 employee*
- 1. On **9/05/2017**, the following issues were sent to the license holder:
  - a. MN address not listed
  - b. The Qualified Rep./MN Manager did not receive preassignment until August 2017
- 2. On **9/05/2017** the license holder responded to all issues above.
- 3. Cook stated the **renewal was complete** with the training issue above.
- 4. **No disciplinary history found.**

Hodsdon noted that there were issues, but they had been resolved and the renewal is complete. Cook stated that there were no additional comments.

- **MOTION:** Moen made a motion to approve the renewal with a letter of Education and Conciliation. Hessel seconded. The motion carried.

### PDC 797 – PROtective Services, Inc.

- *Originally licensed 9/29/1997-1 employee*
- 1. On **9/05/2017**, the following issues were sent to the license holder:
  - a. Conflicting Minnesota addresses
  - b. Missing information on application
  - c. Missing information on the Affidavit of Training
  - d. Missing proof of insurance.
- 2. All information and data has been corrected and received.
- 3. Cook stated the renewal was complete.
- 4. **No disciplinary history found.**

Cook stated that all documentation had been received.

- **MOTION:** Hansen made a motion to approve the renewal. Moen seconded. The motion carried.

**PDC 881 – InfoPro Legal Resources, Inc.**

- *Originally licensed 5/29/2001*
- *2 employees*
- 1. On **9/05/2017**, the license holder was notified that the agency hadn't received the renewal package.
- 2. The license holder and representatives responded that they were of the understanding that they could renew both licenses (PDC and PAC) during their November renewal.
- 3. The agency attempted to reach the license holder via phone to discuss the matter.
- 4. As of **9/19/2017**, the agency had not received a phone call back and are unaware of the renewal status.
- 5. **No disciplinary history found.**
- 6. Staff is requesting contingency to further communicate with license holder.

Cook stated that he was still communicating with the license holder and that the renewal was not complete, and requested a contingency to be able to work with the license holder through the issues. Hodsdon clarified that a contingency was 60 days which would expire in November.

- **MOTION:** Hessel made a motion to grant contingency. Moen seconded. The motion carried.

**PDC 1046 – Metro Private Investigations, Inc.**

- *Originally licensed 9/28/2009*
- *1 employee*
- 1. On **9/05/2017**, the license holder was notified that we hadn't received the renewal package.
- 2. On **9/12/2017**, the license holder informed us we would receive it within the week.
- 3. The packet was received late on **9/15/2017**.
- 4. The agency has not had sufficient time to review this renewal. Requesting contingency.
- 5. **No disciplinary history found.**

Cook stated that the Board needed more time to review the renewal and requested a contingency. Hodsdon stated that it was a late packet and asked for a motion.

- **MOTION:** Hansen made a motion to grant contingency. Hessel seconded. The motion carried.

**PDI 1186 – Rita M. Fox**

- *Originally licensed 9/29/2015*
- *1 employee*
- 1. On **9/05/2017**, the license holder was sent the following renewal issue:
  - a. Missing proof of insurance
- 2. The license holder worked with her insurance agent to produce these documents.
- 3. It was found that the license holder held only a professional liability insurance policy, which would not meet statutory requirements.
- 4. The agency is working with the license holder to have this corrected.
- 5. Staff is requesting contingency to further work with license holder on issue.
- 6. **No disciplinary history found.**

Cook stated that there was an issues with insurance. The statues called for a general liability insurance police, and the license holder provided a professional liability insurance policy. Cook requested more time to review the policy to see if it meets requirements.

- **MOTION:** Moen made a motion to grant contingency. Hessel seconded. The motion carried.

## 7. CURRENT CONTINGENCIES

### **PAC 1180 – Dynamic Corporate Security Solutions, LLC**

- *Originally licensed 7/28/2015*
- *Unknown number of employees*
- *Contingency expires September 2017*
  1. As of **9/19/2017** we have not received this renewal application. **No disciplinary history found.**

Cook stated that the Board had sent notifications to the license holder and that the license holder did not respond at all. Hodsdon stated that the license expired during that meeting and that there was no action required by the Board. The license went into lapsed status.

### **PAC 1181 – Active Research Investigations, Inc. DBA: ARI**

- *Originally licensed 8/25/2015*
- *7 employees listed on renewal application | 4 employees listed on AOT*
- *Contingency expires October 2017*
  1. On **8/03/2017**, the license holder was sent the following renewal issues:
    - a. Missing information on the application
    - b. AOT
  2. On **8/18/2017**, the agency received additional information, but the AOT and Armed AOT still contained deficiencies.
  3. Based on the certificates and multiple AOTs submitted, the Board staff completed the AOT and armed AOT and sent them to the license holder to be signed.
  4. As of **9/19/2017**, the agency has not received the signed AOTs needed.
  5. **Renewal is incomplete.** Disciplinary history and examples of the AOTs were provided to the Board.

Cook stated that the Board was still working with the license holder on the issue. Two days prior the license holder had sent more material. Cook stated that the agency would need to continue to work with the license holder. Hodsdon stated that no action was required of the Board and that the contingency is through October.

### **PAC 1093 – Allied Universal Security Services, LLC**

- *Contingency expires October 2017*  
**\*\*There is no update on this item.**

Hodsdon stated that the contingency is through October. Cook stated that there is no update on this item.

### **PAC 1179 – Monterrey Security Consultants, Inc.**

Hodsdon noted that he had several documents related to issues. He requested that representatives from Monterrey Security introduce themselves. Juan Gaytan introduced himself as the President of Monterrey Security, Patricia Gaytan-Perez introduced herself as the Executive Vice President of Administration for Monterrey Security. Gerry Fornwald and David Affdat introduced themselves as attorneys from Winthrop and Wienstine that were representing Monterrey Security. Cook stated he had received the proper Tennessee Warnings from them. Attorney General Representative Tripp – Stienner verbally went over the purpose of the meeting, the statutes involved and asked if they had any questions. They did not.

Hodsdon welcomed the representatives from Monterrey to the meeting and stated there were a number of documents before the Board related to their renewal. Hodsdon listed the documents as; the Renewal Application, documents received from Monterrey related to the renewal, a Renewal Report submitted from agency staff, and a

report submitted by the Maslon Law firm that represents SMG, a client of Monterrey. Hodsdon stated he had a number of questions for Juan Gaytan.

Hodsdon asked Gaytan if he was the Minnesota Manager and when did he take the preassignment course. Gaytan stated he was the Minnesota Manager since the license was approved and was based out of Chicago Illinois. He believed he had taken the preassignment course in 2017. Hodsdon asked who the instructor was and where he attended the course. Gaytan stated he took the class at home. He stated he believed that since he took part in developing the course that would meet criteria. Hodsdon stated that part of the preassignment training is understanding the statutes and rules of Minnesota which define what security work is. He asked Gaytan if that was correct and Gaytan agreed.

Hodsdon stated that both the Renewal Report submitted by agency staff as well as the Maslon Report indicate that there were hundreds and hundreds of people that were performing a security functions, yet he had chosen to label them not as security officers and therefore they had not been properly vetted, properly trained and backgrounded. Gaytan stated he had not had an opportunity to review the reports and was told he would have to FOIA (Freedom of Information Act) the reports in order to review them. He wanted to have a better understanding and review them with staff.

Hodsdon stated that Gaytan was the one that submitted the original application two years ago and then appeared before the Board two months ago. Hodsdon stated that at the meeting two months ago Gaytan had stated he would not be bussing people in from out of state to work events. He asked Gaytan if he had and Gaytan stated that it was his mission and goal to not bus people in permanently to work at US Bank Stadium. Hodsdon pointed out that the report from the Executive Director regarding events on September 11<sup>th</sup> found that Monterrey had actually bussed in people from Chicago to work an event at US Bank Stadium. Gaytan agreed.

Hodsdon asked Gaytan if the individuals from Chicago were trained and background checked per Minnesota Law. Gaytan stated he didn't believe so and he did not think they were performing protective agent roles. Hodsdon asked what they do and Gaytan stated a variety of roles including operating elevators, monitoring escalators and working gates that were less occupied. Gaytan stated they were working on identifying what a protective agent was and that was a key issue to the reports the Board received.

Hodsdon asked if Gaytan thought that searching bags was a protective agent role. Gaytan responded stating that he believed those initially checking the bag were not a protective agent, but if they found something they would alert a protective agent. Gaytan stated there were many layers of protection including local and federal law enforcement and he wanted to be careful in discussing certain issues so that he did not compromise the integrity of the security program at US Bank Stadium. Gaytan stated he was in the process of identifying protective agent positions. Hodsdon asked if he had asked Cook. Gaytan stated not soon enough. Maybe 45 days to 2 months ago.

Hodsdon asked Gaytan if he thought working a magnetometer was a security function. Gaytan stated that certain individuals around the magnetometer did not have to be a protective agent. Gaytan stated that if someone was to ask someone to cease and desist that would be a protective agent. He went on to say that he wanted to adhere to what the Board states is a protective agent and if the Board were to make a determination, along with the Executive Director he would follow that guideline.

Hodsdon then stated that this was not the first time Monterrey has had issues and referred to an event on November 2015 at Soldier Field. Hodsdon quoted from a media article ““In November 2015 two Monterrey employees were accused of being involved in a scheme to sell wrist band access to Soldier Field to plain clothed police officers. The employees did not have security licenses and Mr. Gaytan stated the employees did not require licensure as security guards because they were employed in guest services “.

Gaytan stated would love an opportunity to review that report. He thought that is an excerpt from a media report that was placed in the Maslon report and that he stood by what those two individuals were doing. He stated that those two individuals were out there giving away welcome cards to Chicago Bears fans welcoming them to Soldier Field. Those individuals had wrist bands that had no value at all, no access or VIP or all access wrist bands into the facility. When those two employees took advantage of taking those wrist bands that did not have any access ability at all and they sold them to two off duty undercover police officers who went to the gate and tried to gain access. The protective agents that we did have in place there did not allow those off duty officers inside the stadium. They stopped them, they called for a supervisor who was a protective agent. The one security manager that was a protective agent did not allow them to come in. Not until those two individuals, identifying themselves as off duty police officers did we then allow them to come inside the stadium. His company, as a responsible corporation, signed the criminal complaints against those two individuals for attempting to sell property that was not theirs and gain access into the stadium. Gaytan stated it is a little unfair that the Maslon Report can be entered into the record without review from him or his attorneys and basically take a report from a newspaper article that could be tilted or slanted in a way that is there to sell a newspaper article.

Hodsdon then referred to the initial application review with Gaytan. He stated that two years ago when he came before the Board for license he was talking about his history as a member of the Chicago Police Department and one of the phrases he used indicated that despite false accusation he was exonerated. Yet the report indicated that he got a three month suspension without pay in 1994. Hodsdon asked Gaytan if that was exonerated in his mind.

Gaytan stated that was a horrific event that happened to him as a police officer. He again stated that the attorneys from Maslon were taking information and putting it into their document without even giving him an opportunity to review the information that they are getting. Gaytan stated he was very proud of his police career with the city of Chicago. He stated he was accused and criminally charged of many things. When he prevailed and had the chief judge expunge everything from the record and tell him that the incident did not occur he believed that he was exonerated. He stated that technically he was suspended for 18 months without pay. He received back pay from the city of Chicago for their false accusations against him. When he was found not guilty and had everything expunged from his record he never had any criminal charges sustained against him. Gaytan stated he would never try to misrepresent that to him or to any other entity or any other customer that he had.

Hodsdon then asked about the definition of what a search is for security purposes that is not consistent with what he learned as a police officer under Fourth Amendment. Gaytan stated that he did not have that training or that statute in front of him, but he believes security guards, the protective agents in any of the states that they were licensed in do not have the authority as a police officer. They are to observe and report and the authority that is given to a police officer that is on a much higher level and degree. He stated it is much different than what he was taught in the academy in 1993 and what he exercised as a police officer then it would be with a protective agent in the state of Minnesota.

Hodsdon asked that if somebody is hired as what Gaytan describes as event staff if they were inside to secure the perimeter of the facility and why do they screen people going into the stadium. Gaytan stated that for NFL games or any other venue he believed is to prohibit certain items that are not allowed to come into the venue.

Hodsdon asked if an event staff person, and someone Gaytan described as one of his two hundred private security staff were behind a magnemeter. He stated that he was trying to figure out what event staff Gaytan didn't believe needed to be subject to both background investigation requirements and training requirements.

Gaytan stated that he wanted to be careful about what he was saying publically because he wanted to protect the program. Gaytan provided examples of those staffing an escalator and did not believe those individuals needed to be a protective agent. He stated that on the field there was forty individuals that are allowed to be on the field. There are only six individuals that are allowed to apprehend an individual that breaches the field. He stated that one could make an assumption that everyone that is on the field must be a protective agent, but he didn't believe that is the case. There were only six people that are authorized, trained, and are protective agents. NFL policy states to apprehend and detain until the police officers take them from that point and either subject them to arrest or rejection.

Hodsdon stated he was trying to figure out what the other people on the field other then the six security staff monitoring the field were doing. Gaytan stated they were looking for credentials that allowed people to be on the field. Hodsdon stated it sounded like they are controlling the movement of people. Gaytan stated he could make that argument. Hodsdon stated that if they are controlling where people go he was looking at Minnesota Statute 326.338 subdivision 4 that talks about it and fits into the definition of a protective agent. Clause 5 states 'providing management and control of crowds for the purposes of providing safety and protection'. Hodsdon stated Gaytan just described to him that behavior.

Gaytan stated that he was not there to be argumentative and respected his opinion. He was trying to give him an understanding of what he believed the the function was. He did not believe they were giving direction for purposes of safety. It was for allowing them to have access for the field. The police officers and the six other protective agents that are on there were there directing people for safety. He stated that if there was a different understanding of that he wanted to comply with that. He stated that he felt that they were finally in a position, all of tem, SMG, Monterrey and the Board, in starting that dialogue to go over each individual position.

Hodsdon asked why they didn't start that two years ago. Gaytan stated All he could tell them is that they had a goal to hire everybody from Minnesota. It was a ten and a half week time frame to onboard over a thousand people and thought there was a group of people involved outside of Monterrey that helped develop that security program and they were operating to the best of our ability following industry best practices and trying to do their best. In hindsight he should have had this Board the staff with them as they started to develop that security program.

Hodsdon stated that they had hired over a thousand people and indicated approximately only 200 are what he thought were required to go through the protocols for hiring of security. Gaytan stated that number fluctuated. The industry, it's not like static twenty four hour seven work. Its seasonal people, its transient people, in and out. He believed there were over three hundred and eighty people that are protective agents now. It is a constant recruitment of individuals and hiring and onboarding to seek out protective agents.



Hodsdon quoted from the Maslon Report that Gaytan stated that it falls on everyone to look at the general safety of every person, employee and patron 'however he alleged the protective agent are trained to assist with engaging patrons who were acting in a suspicious or dangerous manner, whereas event staff are instructed to report suspicious behavior to their supervisor or an off duty police officer'. He also stated that event staff may assist with bag checks and wandering and an event staffer could have his own supervisor who is not a protective agent. Hodsdon asked if that was an accurate reflection of what he told him.

Gaytan stated he didn't remember, but everyone in that facility from a janitor to the chefs are all trained in see something say something. He stated he believed it is everyone's function to point out something that is out of the ordinary. He stated one of his attorneys had spoken to other companies that are even performing services here in the state of Minnesota that follow these practices. He stated he wanted to do what the Board recommends on each position and adhere to it.

Hodsdon referred the Maslon Report and an interview they conducted with Kevin Doles. Doles had stated that he could not tell the difference between employees that served in protective agent functions versus those who served in event services functions and that the only difference that he would see is would be whether they would be a supervisor or manager. He stated that everybody is just doing the same job of just securing the building and they have all been trained to do every job, all supervisors and all employees. He did not know why there is a distinction between protective staff and event staff and did not know the difference of what protective staff and event staff can or can't be. Hodsdon then asked Gaytan what Dole's job was.

Gaytan stated he was an assistant manager helping out with various functions. He stated again for the record he wanted to be able to state that he did not have an opportunity to look at the report and would love an opportunity to read and review that report with the rest of his team. He stated they have been transparent with all of the stakeholders involved in the stadium, with the Board, with the staff, with SMG, and the attorneys from Maslon. He stated Dole was nervous because he was being interviewed for the first time in front of attorneys and it could fall on them as well, that maybe he did not receive all the training that was necessary. He stated to blanket the entire company based off of one interview with one individual is slightly unfair.

Gaytan stated to take a look at their entire operation. If there had been some administrative errors, or issues that they didn't do properly they wanted to identify them, put new processes and policies in place so they don't happen again. He stated they have been operating in good faith to remedy any of the issues. He stated the second that they heard that there was a potential for some wrong doing they sought out a legal firm. They discussed conducting self-audits. Help us identify what is working right, what isn't working right. Help us implement new policies, processes, a compliance officer...everything that they could do to make sure that we adhere to the statutes that are here.

Hodsdon stated that a manager named Matthew Dutton was interviewed by Maslon and agreed that apart from an extra identification card there was there was no way to distinguish between event staff and protective staff because they all wore the same uniform. Gaytan stated they were in a public forum and I thought they were kind of approaching the entire security program that was there. Hodsdon asked how many different uniforms they used. Gaytan stated he thought just two.

Hodsdon asked if individuals that he identified as protective agents and within the requirements of licensing wear a uniform that is distinct from other staff and if they fell within his definition of a protective agent or not. Gaytan stated he thought that that it is by design that they are not....in special event days. The 24 hour security operation

has a hardened office building look and event day it is a different uniform and it is industry best practice to have that by design. Hodsdon asked if he had written agreements for crowd management services. Gaytan stated he did with SMG.

Hodsdon asked Gaytan what is the difference was between crowd management services and the definition of Minnesota statutes? Gaytan stated he did not have the contract in front of him, but the contract had expanded immediately. They had executed a contract and almost immediately they were given hundreds of different positions that were outside their scope in the agreement. He stated they were happy to assist SMG. They were trying to be a good partner and help them. As little as two or three months ago they had given them sixty positions during this whole process because they could not fill those positions and they were not in his opinion protective agent roles. A year in advance to this partnership they came to Minnesota seeking a license. Because they understood the importance of the Board, the license, and the statutes way ahead of any competitor. Because they understood how important that was. When they were awarded the contract and after the very first event they were given so many other positions that were not in the scope of what they signed on and probably should have done a better job asking to amend that agreement.

Hodsdon asked Gaytan to react to another statement: 'Even Monterrey's own staff believes that event staff performed the duties of a protective agent. In his interview Kevin Boles stated that protective agent and event staff alike are just doing the same job of securing the building and that everybody has been trained to do every job. Both Matt Dutton and Juan Gaytan acknowledged that event staff participate in bag checks and wandings. Dutton stated security is part of anyone's job. Hodsdon asked Gaytan if that was accurate.

Gaytan stated he didn't think it was. He stated they were transparent and made themselves available to the Maslon attorneys for dialogue. They did not believe they were engaged in a 'I got ya'. It was free discussions, interviews, they thought were an ongoing dialogue and partnership to look at if there were areas that were identified that were not proper point them out to them. He stated he was not perfect, but understood that there was an obligation to follow the statutes and they want to follow them. So when they ask can they interview you or your staff we made everybody available. He stated they are not hiding anything think it is a little unfair to not have that report. They had made themselves available to the Maslon attorneys for over the last four and a half months at every minute at every call when they wanted one them...and then to generate a report without giving them an opportunity to respond to their findings he believe was just unfair.

Hodsdon asked Gaytan if their firm staffed a Guns and Roses concert concert on July 24<sup>th</sup> 2017. Gaytan stated yes. Hodsdon asked Gaytan to react to a statement from the Maslon Report, 'Counsel observed over 100 Monterrey staff working at magnetometers and with metal detectors as guests were admitted entrance into each event. All such employees performed a security function including checking bags, wandings guests and determining access to the stadium as a result. Hodsdon asked Gaytan if that was true. Gaytan stated he didn't know what line, or what gate they are referring to.

Hodsdon asked Gaytan to react to another statement, 'The same could be said of Monterrey employees performing crowd control function or those guarding access to the stadium floor. Counsel was granted full access to the stadium and interacted with numerous Monterrey staff on the way to the stage area during the Guns and Roses concert. All such personnel checked wrist bands, guarded floor and/or stage access and performed what only can be described as a security function as a result.

Gaytan stated he was not trying to play word games with them. He stated the attorneys that were conducting those interviews and investigations were not in the industry and were using the terms 'they were guarding this or they were guarding that'. Gaytan stated he had not had an opportunity to look at the report or respond. Gaytan stated there were many positions by design that were not guarding, for safety purposes and probably said a little too much about what the security program is a public forum. Gaytan stated if the Board gave them a directive and said these positions have to absolutely be protective agent then they would follow that. He was not trying to circumvent any statute that is there, or save any money. They have been self-funding the fingerprinting since we got there in the hundreds of thousands of dollars to make sure that the process is easy for the candidate to get his or her fingerprints done in a timely manner. They were just operating in good faith and to the best of their ability. He said he thought they were all zeroing in on identifying those key positions. He stated he was not there trying to argue with the respective Board members on what a position inside the stadium is or isn't and if there is a directive that is given to them they want to follow it.

Hodsdon asked Gaytan to respond to the statement that at least 242 Monterrey employees reportedly failed a BCA background check including 5 that he had designated as protective agents. Gaytan stated he didn't think those numbers were accurate. He stated he had not had a chance to see the report, but their numbers are much different. The process that he had described for the Board was initially because it took so long to get BCA background checks. Monterrey was running a two-fold security screening system where it would submit candidate for employment to a private background check and then based on the result of that decide whether or not to hire them as a protective agent and getting fingerprint background check on them. I don't believe there has been anywhere close to that number of people that have been hired notwithstanding any failed background check and very few were ever mistakenly, fewer than five, ever mistakenly were put into a position where they had a disqualifying background. Those were corrected as soon as they were brought to the highest level of attention.

Hodsdon asked Gaytan how many staff were on staff for that Guns and Roses concert. Gaytan stated probably somewhere between 500-700. Hodsdon asked if the indications of 100 people being bussed in from Chicago as correct. Gaytan said 'yes'. Hodsdon asked if they had the required 12 hours of preassignment training. Gaytan stated he didn't believe those individuals were performing protective agent roles. He stated they had a number of people, and was not sure he wanted to make that publically, or in a private session, what that number of protective agents is necessary for games and concerts. He felt confident those individuals were not performing protective agent roles.

Hodsdon asked Gaytan if they compensated their protective agents at a different rate than their event staff. Gaytan stated that it is two-fold. The short answer was 'no', but on the 24 hour security there might be, which is defined that we know for a fact is a protective agent role in the hard uniform 24/7. I believe there is a different pay scale for those officers. Gaytan stated the event staff and security staff get paid the same. Hodsdon asked if they wear the same uniform. Gaytan stated for the most part 'yes'. Hodsdon asked if they wear at an event. Gaytan stated he believed so. Hodsdon asked if they looked at bags. Gaytan stated 'yes'.

Hodsdon asked what if on 11<sup>th</sup> September, 2017 the Executive Director of the Board spent some time at US Bank Stadium and made observations, talked to staff about what they did or didn't do. Did he think event staff thought that they are not performing security functions? Gaytan stated he would have to talk to each individual, staff member that the executive director spoke with. They would obviously, during this whole process, take a more definitive approach with all of the staff that works there to insure that like a Kevin Doles or general event staff had a much better understanding of what a protective agent is and what it isn't.

Hodsdon stated he would like Gaytan react to a statement in a report that was now part of the record that the Executive Director submitted as part of his licensing renewal. He submitted to the Board a statement that reads as follows: 'For each magnometer he observed an MEA standing next to the magnometer. Of these MEA's he observed an identification card that had no picture and no name of the individual wearing it printed on it. The card did state 'Monterrey Security' twice on the front of the card. On the shoulder of the shirt worn by the MEA it stated 'Monterrey Security' with the company's logo. Cook clarified that 'MEA' stood for 'Monterrey Event Ambassador'.

Gaytan stated when they were in discussions with SMG early on that is where that term came from. They did not want security as that function. They wanted to have more of a guest services welcoming approach. The program is multi layered as he mentioned before, and complicated with many different layers. He thought part of the training was also so they could be an ambassador to the stadium and assist folks in many different capacities so that could be an observation. Gaytan stated he trusted explicitly the Executive Director's expertise in that area and I would not argue one identification from Mr. Cook at all.

Hodsdon then read from the report 'This individual would monitor the signals from the device. This individual would also inspect bags, purses and other parcels as patrons made their way through the lanes. Patrons were asked to place all mechanical and metal objects in a tray on the table. This person inspects those items. This individual would instruct those that emitted a signal to step over to another MEA that operated a metal directional detection device (wand). Hodsdon asked Gaytan if that was the correct work flow. Gaytan stated 'yes' and that person could have been a protective agent but he was not sure.

Hodsdon asked that on September 11<sup>th</sup> what percentage of his staff was protective verses non-protective. Gaytan stated he would discuss that in closed session but did not feel comfortable talking about it in a public forum. Hodsdon asked how many people he had working that night. Gaytan said it varied but between 500-700.

Hodsdon read from the report that the Executive Director observed the next stage and a second MEA operated a directional metal detection device, wand,...if a person emitted a signal going through a magnometer this person would waive the wand over the outside of the patrons body if a signal was emitted from that the MEA would ask the patron if they had any metal objects on them. If upon inspection there was no further concern the patron would proceed approximately ten more feet to an individual in a checkered shirt who operated a ticket scanner. Hodsdon asked Gaytan if that was accurate and Gaytan stated 'yes'.

Hodsdon stated the Executive Director also spoke to several MEA's that night that were from St. Cloud University swim and wrestling teams who told him they were there to perform security functions in order to raise money for their teams. When asked about how much training they had they said it ranged from one to two hours. When asked if a background check was done on them they stated they signed some form, provided an SSN but did not submit fingerprints. Hodsdon asked about those swim teams.

Gaytan stated that is part of their non-profit groups that they brought in for every event. They were not supposed to perform protective agent roles, but he thought they are subjected to reasonable background checks even though they are not supposed to be performing a protective agent role.

Hodsdon asked Gaytan if teaching the 12 hour preassignment course was in their scope of practice. Gaytan stated 'yes'. Hodsdon asked if they had maybe one to two hours training they probably did not get into a lot of that training did they? Gaytan stated 'yes', and he believed that the groups that they had coming were not performing protective

agent roles. He stated Hodsdon had pointed out a couple of things where some staff were confused and not fully aware. During that process, that had been ongoing, they had hired a new general manager and hired another manager that had extensive experience to ensure that more staff had a better understanding of what their function is and how it is described. He recognized that they can get better. He stated that is what they had been trying to do all along is try to do to the best of their abilities and put thier best foot forward where they have fallen short on thier administrative issues they are trying to rectify them, remedy them, cure them and insure that they do not happen again.

Hodsdon stated beside the swim team and the wrestling team there was a baseball team from Iowa that was working that night. Gaytan stated they were hiring and bringing on many charitable groups and organizations to come and work at the stadium. They believed not to perform a protective agent role and if that is the information that they are relaying over to the Executive Director then they had to do a better job of insuring that they were not performing any roles that they should not be.

Hodsdon stated that according to the Executive Director's report they were telling him that they were specifically there to perform security functions to raise money for their team. Mr. Cook also went and talked to people who were actually on the bus getting ready to go back to Chicago. He reported 'they stated they had met at Soldier Field at 5am that morning, boarded a coach bus, travelled to US Bank Stadium in Minneapolis Minnesota and proceeded to work the event. When asked 'how many from Chicago' he received answers up to 100. When he asked them what they did they predominantly stated security services. Some stated they have been doing this since Monterrey was awarded the contract. Some employees stated they had worked for Monterrey for several years. When asked about the training they said they had received the training back in Chicago. When asked about background checks they stated the only time they were doing background checks was when they were applying for their PERC card, which is the Illinois security card. Hodsdon asked Gaytan to comment on that.

Gaytan stated they had been bringing groups locally, and from thier Chicago office that help support the number of positions that were given to them that were outside thier scope from the original time that they were awarded the contract and he believed that were not subjected to the statutes.

Hodsdon asked Gaytan how does a person go about getting a Monterrey Security shirt. Gaytan stated he did not know what he was referring to. Hodsdon stated the Executive Director, while doing his investigation, one of the things he observed in that investigation was an individual standing on the sidelines and wearing a Monterrey Security shirt. The individuals name was Ricky Pouncil who is observed wearing a Monterrey Security polo type shirt. This individual was actually sent to 13 months in prison for extortion in which a person killed himself, and our Executive Director actually talked to him, identified himself who he was, ask him if he worked for Monterrey Security and he said 'no' and then was told by Mr. Cook that he was looking at him in a picture in a Monterrey Security shirt at a Vikings game and he stated that he was there as a "friend of a friend". Hodsdon asked how would he ever been able to do that? Gaytan stated he didn't know.

Fornwald, Monterreys attorney, stated he only had recently been able to learn much of what he just read. Not all of it, but much of it. He stated that individual was brought in as one of the volunteer groups through he believed a minor league football team. Monterrey determined that he did not have complete paperwork on him and he was sent home immediately.

Hodsdon stated it seemed that the volunteer groups apparently were not particularly vetted before they came in and were apparently behind all the security functions. Gaytan stated he thought they had to do a better job, obviously, with the groups and how they integrated them into the general staff that is working. That is something that they had determined themselves in the whole process of how they operate. He stated there is not a scientific way to staff an event. You try to put a thousand people to come and work, you get 700-800 people to come. It is very tough to gauge that and that is an industry practice and they had to get better at how they integrated groups into the program. He thought identifying the protective agent roles, having a clear directive saying these positions were protective agent roles and they would follow that to the letter. All those other positions were not subjected to the statutes. He believed they were operating in good faith to try to do that. He thought they had brought on new team members to help them insure that they follow those guidelines and ensure compliance. He thought that is why they have been open and honest and transparent with their entire operation.

Hodsdon asked how did they know they did not have people with major criminal records, terrorists, or other such individuals on this September 11<sup>th</sup>, 2017 who happen to be members of St. Cloud swim team, St Cloud wrestling team, Mason City Iowa baseball team? Gaytan stated they were continuing to refine the process and identify what they believed were protective agent roles, and he believed their number is over 300, they were just trying to ensure the protective agents that they had were in those positions and anyone outside of that was not subjected to the statute. That is how they were operating. That was their intent and their objective to do that.

Gaytan-Perez stated that with the groups as they did begin to refine the process with the groups at the end of the season they then decided to internally run background checks on all of the group members at the end of last season, so starting in March or April they started background checking everyone currently that is coming through their group. Hodsdon asked if it was biometric driven and if they used fingerprint cards. Gaytan-Perez said no.

Cook asked if it was the Oracle system they were using. Gaytan-Perez said they were using it up until January and then started using the ADP system. Cook stated one of his concerns is that Oracle does not have a private detective license in Minnesota which is required for background check companies.

Gaytan stated their intent was to put their best foot forward and operate in good faith. If there are practices that the Board was not comfortable with they wanted to comply. They put an office here in Minnesota and hired people locally to help them to carry out the mission. They were constantly looking at refining it, adjusting it to insure that they were in compliance. No one was trying to sidestep any rule or regulation at all from the beginning. The partnership had nothing to do with money. It had to do with their philosophy of giving people an opportunity to work in that stadium. That is why we came here. If, as the executive director points out, Oracle is something that is not recognized here, then we change it. If the Chairman says that he disagrees with our assessment of how you are screening and someone is looking into a bag even though they are not that person, then we will take that. If the person who is wandering absolutely 100% should be a protective agent, then we will take that. They just had a different understanding of what that process looked like. It is a multi-layered security program. Monterrey security is not the sole security provider for US Bank Stadium. The police department is there. They play a part of that security program. It is important to point that out that it is part of how individuals are either ejected, or arrested, for offenses and directing for safety. I think that is why they had that approach and it is not something they decided to do this week or last week. It is an industry practice that they were trying to follow and obviously they found issues there administratively that they need to correct on an ongoing basis regardless of their status at US Bank Stadium.

Hodsdon stated he was looking at invoices that they submit for security staffing and he understood his concerns about the fact this being a public forum so he was not going to get into a lot of the numbers, but he certainly had a large quantity of bag check individuals. Gaytan stated 'yes'. Hodsdon stated they had a number of access control posts as well. Gaytan stated those job descriptions were from 2016 prior to the stadium being opened. He stated they had an opportunity to look at them now that we have been in the facility and try to refine those descriptions and state this is what we believe should be protective agents and which ones should not be.

Hodsdon asked if his event staff prevented or detected intrusion in unauthorized areas? Gaytan stated he was not trying to play the word games with him. It really is checking for credentials. Even if they had protective agents inside the stadium bowl they would have to identify the police officer to take that individual into custody and bring them down to a processing center to make a determination to eject them or arrest them. They didn't authorize any one of them, even if they are protective agents, to take someone into custody and take them downstairs. It had to be a police officer, so that is why he has a fundamental difference about what that approach is. If the Board and the Executive Director disagree with that he was OK with that. He was OK with saying that he understood that point of view, they will adhere and they will comply with that. He was trying to give an understanding of the best practices they were trying to follow.

Hodsdon asked if part of the purpose of doing the biometric extensive criminal history record checks was to keep bad guys with criminal records from getting inside the security in the building. Gaytan stated 'yes'. Hodsdon stated they are not putting the event staff through that same level of analysis and how do we know we do not have hundreds of bad guys wearing your uniforms right in there with the chickens? You have put the fox in. You have let them come in because you have decided you are going to not comply with the biometric criminal history checks because you don't have to because in your view they are event staff, not security.

Gaytan stated he didn't want him to believe that they were making an arbitrarily at wind decision to do that. There were probably 3000 concession staff that were not subjected to absolutely any kind of background check. There are many vulnerabilities that exist in the stadiums that they work in in all the public assembly facilities that they provide security in. They know that is an ongoing issue. The concessionaire not being subject to any of those rules and regulations is why they decided to conduct those background investigations even though they are not subjected to the statutes so they recognized that vulnerability and he thought that is why they changed their policy. They would continue to refine that if the Board said they wanted the event staff to be subject to a biometric background.

Gaytan-Perez stated that their event staff were now going through the fingerprinting process. They went back and gotten everyone who had not had the fingerprints and now every person who was hired by them goes through the biometric process.

Hodsdon asked the Board if they had any questions. Hansen stated that they had stated that they had mentioned the BCA background checks were taking weeks, even months, to be done and that is why they decided to conduct a different background check first before following up with a BCA check and asked if that was correct. Fornwals stated that yes, it was an initial filter. Hansen stated he knew for a fact that the longest the BCA background checks were turned around in 48 hours. If you have dates where these submissions are taking weeks or months he thought the Board would like to know about that. He was fairly confident of that, in fact he just checked with the records director and it is a 48 hour on the outside as far as the turn-around time in less than 48 hours, so he would like to know about that if they have those. Hansen asked if when they brought those 100 people in on that bus where all of those performing the same functions then in a protective agent capacity?

Gaytan stated that was the intent. Anytime they brought a group or anyone that is not a direct employee of theirs in the state of Minnesota it was to perform non-protective agent function. That was their goal. If they did get through thier system that is something that they wanted to refine and he had a pretty good understanding of their operation. If there was a mechanism they could put in place to insure that that does not happen then he wanted to implement it.

Hansen stated he respect the fact that they were trying to fix some of the issues. It seemed like they were working very hard to fix some of these issues within the past 30 days or 45 days as opposed to the two years that they had been licensed since 2015.

Gaytan stated theyh had been refining thier process all along. It is not just as a result of the inquiry as a result of this renewal. He thought it wass important to note globally how they were rewarded, the amount of time and all that timeframe and onboarding all those people and then looking at every single system trying to refine them, change the background screening processes, trying to comply with thier customer wantng the words event ambassador and try to keep the statute in mind and try to make it work. When they found things themselves that were not working properly they wanted to refine them. He thought that in the past 5 months they have been trying to insure that there is only protective agents working in those roles. From day one they had been self-funded the BCA fingerprinting account so that no one would have any issues getting their fingerprints taken. They have tried to make it as seamless as possible for people to get onboard. There have been areas that they know they need to improve on and he believed they had been. He noted that Patty (Gaytan-Perez) stated earlier that every single individual that comes to work with them is subjected to the biometric and BCA guideline regardless of what position they are going to be performing. The area they had to work on is the groups, is accounting for that, and where do they fall into the program and he felt quite honestly once they had this number, whatever that number was of those positions, clearly objectively defined as a protective agent role, they could put something that was not maybe necessarily made aware to the general public and potential bad people, but to the Board, to potentially thier customer, an indicator to go..’Yep...that is a protective agent and say that is a protective agent role for us, meaning the Board, our customer...that they are adhering to that. People that fall outside of that he thought raised an issue that he does not feel comfortable with potentially them not screening them to their higher level. He wanted to work with each other to find something that the Board would think would be acceptable and say ‘OK’ we have identified those positions that we know 100% are protective agent positions. These other ‘x,y,z’ are not. However, it would give them an insurance they follow ‘x,y,z’ guidelines they would comply.

Gaytan-Perez stated tht with respect to the BCA results thierexperience has really been an average of 4-6 weeks. In the beginning they used to drop off the fingerprints in person. Now they send them FedEx, but the result is returned to us through regular mail. It really takes several weeks it is not a matter of 48 hours.

Hansen stated he respected it wass a large company and that they were being reactive to possible issues. In these situations he would like to see a little more proactive on the front end prior to the past 45 days and a little more communications if they had grey area questions that maybe should have been followed up with the director.

Gaytan stated he agreed with Mr. Hansen. He wanted to try to the best of his ability to dispel that they were being just reactive in the past 45 days. It had been several months that they have been refining. He thought they did not just start doing something because of an inquiry. They have been constantly looking at ways to improve and refine thier process. He was not passing the buck on former employees, disgruntled employees, and he was responsible. He



understood the importance of getting a license. He looked at their systems and said they had to do better. He thought they had brought on a great team. Lee Edwards a long police career, had a history as a Minnesota Manager. Whatever the Board would ask them to do to make sure that they would feel comfortable that they were doing the right thing and that they were not going to be reactive. He stated he thought they were doing the best that they possibly could to insure number one that the facility was open and it was safe. They wanted to do more training, add this, add that....everything that they could potentially do and it caused some confusion among the administrative staff. In the bowels of the stadium, in the crappiest office you could see in their contract that they could pay for an office. From their own resources they found an office downtown Minneapolis and created an environment that is conducive to insuring that these administrative functions are carried out. He didn't want to argue the fact that it appeared as though they are being reactive. It had been much longer than 45 days and he agreed with the Board that they had made some mistakes. They remained committed to working with the Board and the agency, the Executive Director and his staff to give the Board the assurances that they were going to follow the rules and comply. They felt that all of those processes were in place now to be complaint, now today to be renewed and be subjected to any other systems that you think they should be following, or reporting to give the Board the assurances so it is not reactive and maintain more communication with the Executive Director to give him and the Board that sense of comfort that they are in compliance. He thanked the Board for their questions.

Hodsdon stated these extra several hundred people we are talking about, they are not performing clerical types of functions, they are actually at the events.....the people that are the subject of conversation

Gaytan stated No. They are not. They are there are various positions throughout the stadium operating elevators, checking suite tickets to make sure you are in the right location. The premium areas.

Cook then asked Gaytan if they had a good professional relationship. Gaytan stated 'yes' Cook noted that they both came from Chicago and that Cook had actually worked where Gaytan served as a police officer in the 10<sup>th</sup> District. Cook stated he had worked with their tactical unit. Cook stated that it was his job as the Executive Director to provide the Board information so that they could make decisions. He pointed out that one of the items on the application that the applicant signs off on is understanding the statutes and rules involved. Gaytan agreed. Cook stated that if Gaytan had any questions he would have hoped that Gaytan came to him prior to getting to this point. Gaytan stated by no means have they been passing anything onto the Executive Director or his office. They understood that the onus was on them to ask more questions and get clarity and they should have done that much earlier. Cook stated he was available. Gaytan said 'absolutely'. Cook asked if Monterrey had any other contracts in Minnesota besides US Bank Stadium. Gaytan said 'no'.

Cook asked Gaytan if he could respond to the news article published that day involving the US Bank Stadium. Gaytan stated he was really disappointed. He believed they were asked at the result of a disgruntled employee that made allegations about them submitting documents to the Board that were fraudulent and inaccurate and that they were absolutely not. They were not doing that they were making mistakes by honest people and if there was some errors that occurred and if it could have been from incompetent employees that we had. They accepted responsibility right away, wanted to cooperate with their partner, SMG, that is where they brought on the Maslon attorneys. They felt they were cooperating in an open good faith effort to really basically open up the hood on every single thing that they were doing. They were hoping dialogue back from them. Gaytan stated he was told that he had to FOIA the report in order for him to get the contents of that report. Gaytan stated it was a little disturbing that he got the report last night at eight o'clock, not even the report, but the notification the day before he was going to come before the Board. He stated it is not an accident. It had to be a strategy that they were giving him that notice last night. It is disturbing. It was disappointing because he thought they had been an open book on everything. He asked

the Board to point out what they thought was wrong. They wanted to remedy it. They had been all along trying to refine those processes. He thought they would engage with them and say these are the findings we believe we have found. He said they did not get that opportunity, but they still wanted to be licensed in Minnesota because they believed they were a liaison to the community that has been disenfranchised from public assembly buildings like US Bank Stadium. That is what allowed them to be successful in Chicago was identifying communities that are disenfranchised and giving them the opportunity to work in those facilities. If there was a disqualifying action on their background they would find an opportunity for them to work in the facility. If you were not a violent criminal offender, or a sex offender, they were trying to figure out ways to put them to work without compromising the integrity of the statutes. He stood by that. He thought that they could do a really good job in Minnesota. They had a better understanding of the statutes now. They have great employees. Gaytan stated there has not been a security risk at all since we have been at US Bank Stadium. Those were administrative errors that they found and everyone has identified and he wanted to say 'this is the areas that we really need to fix' and develop them. Even though he was disappointed about what happened he still wanted to ask the Board for a license because he believed he deserved one. He stated to subject them to any kind of supervision from the Board and they will look for the next opportunity that exists out and do a good job where somebody can appreciate their philosophy and what they are trying to do.

Cook thanked Gaytan for his comments. Cook then asked if somebody was wearing an Event Ambassador shirt, and they were observed operating the magnetometers, operating the wands, and searching bags did he believe they were protective agents? Cook stated it was a yes or no question.

Gaytan stated he did not believe it. They had a clear indicator from you and the Board that it is. He stated that he did not believe that someone looking at the magnetometer is someone that should be a protective agent because there is a police officer to the side of him that would take the appropriate action if that individual was deemed to be dangerous, or there was some kind of prohibited item that could harm an individual inside trying to gain access. He understood that the Board believed that the individual must be and they would comply with that.

Cook stated that he wanted to know where Gaytan had misunderstood the statutes because if he did read the statutes, both the definition of security guard and the protective agent bullet points it did become very clear. Gaytan stated he understood that and thought just us going around to the other public assembly facilities in the state and asking the individuals that are performing those functions. He stated more than half the times they would ask they are not. He thought if the rest of the venues were not protective agents at least half of the times when they were asking them if they are or not they at least felt that a protective agent right there in the position to be able to respond to a dangerous situation and the fact that the police officer is part of that layered program it would comply with the statute. He stated they now had an understanding and if that person was to be a protective agent they would make sure that that person is a protective agent.

Moen stated that it appeared that there was some confusion. What concerned her was the confusion of the other employees as far as what the scope of their employment should be. The information they had received is people don't know and can't distinguish what they are about. Gaytan stated 'Absolutely'. It was a valid one and he thought looking at that information today he thought they probably would put a card or some kind of a document to say 'This is your function' and give that to each individual. With their managers, it was more training...it was complex and it was confusing and he knew they had to do a better job of that and he thought they would start to do that given the opportunity. He thought that they would probably have to give everyone an identifier and say 'You are not a protective agent', 'You are a protective agent' and educate their managers and staff better so they can have a clearer understanding.

Moen stated she appreciated that they wished to comply going forward. Her concern was what they had done. Not what they were going to do. She asked Gaytan if they had employed individuals that had disqualifying background. Gaytan stated he believed that anyone having a disqualifying background was not performing a protective agent role. He believed 4, maybe 5 individuals total of all the people they had hired were placed in a protective agent role that they know of that were actively put in a position by them that we recognize should not of been performing a protective agent role. He stated they are no longer employed by them and performing those functions. Moen asked if he acknowledged employing those people and Gaytan responded 'yes'.

Moen stated she was concerned about the training issues. Not what would happened in the future, but what has happened in the past. She asked Gaytan if he had protective agents that did not receive their background check results before starting their jobs. At that point Gaytan asked for a break. The Board took a 10 minute break.

Upon returning from the break Moen asked if there had not been preassignment training for staff before they started working. Gaytan stated Yes. When the RFP came out and when they were allowed to actually hire people they knew it was going to be a monumental task. When they did get awarded they were told to wait because there was going to be a hiring fair. In that early process did people fall through the cracks that shouldn't have....yes. They did. People were employed by them and he firmly believed that not all of those employees were performing protective agent roles. He explained they did have some incompetence from some of thier former staff members on turning in certain cards. The training was confusing because multiple layers of trainin. He thought they were kind of victims of thier own attempt to do above and beyond. As the state requires only 8, they wanted to do 20. They wanted to add these other 4 hours for alcohol management for all functions, so there started to be multiple trainings. He thought some employees were being checked off for traing that did not take the BCA training and that is how people got OK'd and moved on into the other part of our onboarding process. He thought the fingerprint cards were not being turned in properly or in a timely manner.

Moen stated that in general they things in place now and they were trying to correct past errors. She asked Gaytan to acknowledge if they had past errors. Gaytan stated there had been. Moen stated that he blamed that on confusion and incompetence with some members of his staff and asked if he understood that part. Gaytan stated Yes. He took ownership of the errors and the mistakes that were made and the people that got through that shouldn't have. He thought they had real honest employees that were making honest mistakes. They had incompetence at high levels within his organization. It was their goal to keep increasing protective agents and he thought they should have reached out. They didn't. It wasn't because of a lack of trying. He felt the Chairman should have received a more updated job description. He wanted the Board to understand how difficult it was to fill all the positions, some requested by their clients, in a short amount of time. They took that on because they wanted to be a good partner. All of that contributed to the mistakes that transpired back then.

Moen asked if the same confusion happened as far as receiving identification cards. Gaytan stated he did not remember about the ID cards. Fornwals stated he didn't know when the switch happened, but the ID cards were where there is one for a protective agent and one for a non- protective agent. They have different shapes, different sizes, but contain the statutory information.

Hessel asked Gaytan if all the employees that work at the stadium wear a uniform. Gaytan stated 'yes'. Hessel asked if the uniforms say 'Monterrey Security'. Gaytan stated 'no'. Hessel asked if some say 'Monterrey Security'. Gaytan said 'yes'. Hessel asked why some do and some don't. Gaytan stated the 24 hour security program is a more

hardened uniform. He thought the term 'Monterrey Event Ambassador' that was early on with some of the management at SMG that a lot of their employees were going to be performing other functions aside from security. They were not going to be all security agents. They were going to be guest services helping people, and that was happening really quickly.

Hessel asked if it would be fair to say that by looking at their uniform one could tell if they were either a protective agent or event staff. Gaytan stated 'no'. Just on the 24 hour side. That was very clear and defined. Stadium security is very cut and dry. You will walk in there any day of the week you would be able to make a determination that person is a protective agent.

Hessel asked Gaytan if the Executive Director and his staff, or what was left of his staff, have they been very helpful, very forthcoming with all his needs and all his questions. Gaytan stated they had. This is not a reflection on the Director or his staff. They should have sought out counsel earlier. They didn't so that is something that they had to own. Hessel asked if Gaytan had any complaints with the agency staff. Gaytan stated absolutely not. They are professional. Great expertise there and they should have sought out their guidance much earlier.

Hodsdon stated that he appreciated the representations made that things were going to get fixed in the future, but in his view they had two years of massive non-compliance relative to required training, background investigations, and continuing education. It is beyond him to look at the functions that have been described and say that that is not a security person. Looking at the statutory definitions of both security guard and protective agent he believed protective agent is what they had been doing including wandering, searches, and access control. There was no way under the definition of 326.338, sub 4 and probably clauses 1, 2 and 5 those were not protective agent functions. The definition of security guard 326.32. sub 13, 1, 2, 3 and 4 is one of the things that he did want to make clear because you could work for a company that gives license to provide protective agent services and not have to go through those processes, but the statute that defines that and excludes what is or isn't covered 326.32 such as clerical and administrative functions and you know that these hundreds and hundreds of people have been doing hands on, in the field security work. He looked at the materials that were presented. Clearly all their staff, people talked to, interviewed thought they were doing security work including the wrestling team, swimming team and the baseball team. The US Bank Stadium online policy specifically stated that the screening, wandering, searches are going to be done by security personnel. In any sense of the word all these people were doing security work and have not been in compliance with their statutes.

Hodsdon stated they then had 2 options. They either vote to renew, or they vote not to. A non-renewal is different than a revocation because everything he had researched revocations have certain qualifications of periods of time. If they renewed there could be conditions or the other option is not to renew. It is sort of as they say in the law business, is not with prejudice. If Monterrey wanted to reapply, go back to square one, get all these things cleaned up and then submit their materials they can do that as well. Hansen asked if there was a time frame on that. Hodson stated no, that on a non-renewal there was no disqualifier.

Gaytan stated he respectfully asked for the Board's consideration to be renewed. He would subject his company to any compliance that the Board, or the Chair, or the Executive Director would recommend. Before they would look at another opportunity they believed they have remedied the issues. Before they would operate in any other facility, subject all of those policies and procedures to the Board, to the Director, and have them sign off on that to give them the assurance that they were complying with the law and before they would put anyone to work in any position have them sign off on them. He asked the Board to consider that as they made their vote that they did operate in good

faith to do the right thing. They were not reactionary...they were in certain cases...but they were trying to open up a facility with an unimaginable timeframe to bring those people onboard. No one forced them to do it. They recognized those mistakes. He was not passing the buck on anyone else. They have applied all of the resources necessary. He stated the staff that they had on board now, having the compliance with Winthrop on board, having a clear message and understanding of how the Board would like to see those services carried out. They would comply with that and subject themselves to anything. They would share every single document that they could with the Executive Director and the Board.

Hodsdon asked if there was any other discussion. There was none. Hodsdon then stated he would make a motion to not grant the renewal without prejudice. The grounds for his motion, and record upon which he struggled with to make the motion are records reflected and he based his decision on all renewal materials submitted, supporting documentation, ongoing correspondence between Monterrey and their counsel, who he stated had done an excellent job for them, and the Executive Director. The Executive Director's report in their packet was very enlightening and demonstrated a great deal of information as did the SMG independent investigative report, which the Board got last night dated September 25 2017, and the letter they received that day from SMG's General Manager, also dated September 25 2017. Hodsdon stated he was basing that further on the grounds that there had been hundreds and hundreds and hundreds of individuals that had been working since the licensee started working in Minnesota that, as the records reflect, have been performing the functions of a protective agent as defined under 326.334, subd 4 parenthesis 1, 2 and 5 as well as security guard as defined 326.32 subd 13 clauses 1, 2, 3 and 4. They had not had their requisite preassignment training. They had not had their requisite background investigations. Particularly the background investigations were the most troubling to him from a public safety standpoint. Up until now, bad things have not happened. That was good, but it is all about public safety. The fact that they had not been trained properly explains why they do not understand the limits of what they are not supposed to do, so that is a public safety issue. When backgrounding had been done they found disqualifying offenses on their record and some of them did work for them for a while. Who knew about some of these other players that have come and gone the last two years? Hodsdon stated that is the basis of his motion and the factual record behind it and his thought process.

Hodsdon asked the Board "All in favor of the motion say 'Aye'. All Board members answer in the affirmative. Hodsdon asked if anyone was opposed? There was none. The motion carried unanimously

Gaytan thanked the Board for their time and appreciated their thoroughness and the Director as well.

Hodsdon then continued with the meeting.

**8. LAPSED LICENSES: NONE.**

**9. EXPIRED LICENSES: NONE.**

**10. SURRENDERED LICENSES:**

PAC 307 – AlliedBarton Security Services, LLC

PDI 268 – Michael K. Flanders DBA: Flanders Investigations

PDI 755 – William D. Raduenz

**11. NEW LICENSE APPLICANTS – TABLED: None.**

**12. NEW LICENSE APPLICANTS – PRESENT: None.**

**13. NEW APPLICANTS: CONSENT AGENDA: None.**

14. **REQUEST TO SPEAK TO THE BOARD: None.**
15. **OTHER ISSUES AND DISCUSSION: None.**
16. **ANNOUNCEMENTS:**

Executive Director Cook took a moment to recognize and thank Greg Cepuran for his assistance, especially the past few weeks. He noted that Cepuran had taking a job with the Brooklyn Center Police Department. Cook stated Cepuran was a tremendous help and he thanked him for his hard work.

Cook then thanked former Administrative Assistant Shauna Jahnz. He explained she had been more than just an admin and became an investigator and an analyst as well. Her service was exceptional and she needed to be recognized. Cook went on to state that she is now a criminal analyst with the Fusion Center and her goal is counter terrorism as she continues with her Masters in Law Enforcement Intelligence and Analysis. He presented her a plaque which he read out loud for the public record:

*“Let it be known that Shauna Jahnz has performed above and beyond her duties with the Minnesota Board of Private Detectives and Protective Agents. She has demonstrated dedication, skill, knowledge and diligence in her responsibilities. She has provided the license holders, certified trainers and the public with exceptional service. The people of Minnesota, the private detectives, the protective agents, and the Board greatly appreciate your service. Thank you.”*

Hodsdon then introduced the closed session:

**17. CLOSED SESSION: Pursuant to Minn. Stat. 13D.01, subd. 2 (2) to discuss disciplinary proceedings,13D.05, subd. 2 (2) to discuss active investigations,13D.05, subd. 2 (b) to discuss alleged complaints.**

After closed session Hodsdon stated no action needed to be taken at that time.

Hessel made a motion to adjourn. Moen seconded. The motion carried.

Next meeting is November 28<sup>th</sup>, 2017 at 10:00am.