

**STATE OF MINNESOTA - PRIVATE DETECTIVE AND PROTECTIVE AGENT SERVICES BOARD**  
**1430 Maryland Avenue East, St. Paul, Minnesota**  
**December 19, 2019**

**MEMBERS PRESENT:** Richard Hodsdon, Jim Hessel, Kip Sandoz, David Moitzheim & Jeff Hansen

**ATTORNEY GENERAL REPRESENTATIVE:** Stephen Melchionne

**EXECUTIVE DIRECTOR:** Greg Cook

**ADMINISTRATIVE ASSISTANT:** Abigail Guthrie

**1. REVIEW OF NOVEMBER 2019 MEETING MINUTES & DECEMBER 2019 AGING REPORTS**

Hodsdon opened the meeting at 10:00AM. Hodsdon stated that there was a quorum present, as well as staff and legal counsel. Hodsdon commenced review of the November 2019 Meeting Minutes and December 2019 Aging Reports. Hodsdon stated that the Aging Reports were informational only and required no action. Hodsdon asked the Board for a motion to approve the November 2019 Meeting Minutes.

- **Motion:** Moitzheim made a motion to approve the November 2019 Meeting Minutes. Hessel seconded. Motion carried.

**2. \*TRAINING CONSENT AGENDA:**

TYPE	PROVIDER/LICENSE HOLDER	AGENCY NOTES
Instructor Application	American Security & Investigations	No issues found.

*\*Per Board discussion at the November Meeting, this is a proposed Training Consent Agenda*

Hodsdon asked Cook if staff had vetted and found no issues. Cook stated that was correct. Hodsdon asked the Board for a motion to approve the training consent agenda.

- **Motion:** Hessel made a motion to approve the training consent agenda. Sandoz seconded. Motion carried.

**3. RENEWAL CONSENT AGENDA:**

LICENSE HOLDERS
**PDI 696 – Scott Andreasen
**PAC 1102 – SOS Security, LLC
PAC 867 – DECO, Inc.
PDI 1007 – Bruce Sederstrom
PDC 1034 – Ryan R. Robison & Company, Inc.
PAC 1195 – Project Service, Inc.

*\*\* Indicates license holder provided a renewal with no issues upon original submission.*

Hodsdon noted that two of the license holders turned in their renewals with no issues and extended appreciation to those license holders. Hodsdon asked the Board for a motion to approve the renewal consent agenda.

- **Motion:** Sandoz made a motion to approve the renewal consent agenda. Hansen seconded. Motion carried.

#### 4. RENEWALS WITH ISSUES:

##### **PAC 257 – Securitas Critical Infrastructure Services, Inc.**

Hodsdon stated that the renewal was received late and that staff is requesting a contingency. Hodsdon asked Cook if there were any updates. Cook stated there was none. Hodsdon asked the Board for a motion to approve a contingency.

- **Motion:** Motizheim made a motion for a contingency. Hessel seconded. Motion carried.

##### **PAC 1196 – Elite Show Services, Inc.**

Hodsdon stated that the renewal was received late and that there was a continuing education issue. Hodsdon asked Guthrie if the issue had been resolved. Guthrie stated that they have not completed the 2<sup>nd</sup> year of continuing education. Guthrie stated that the licensee wanted to ask the Board if it would be okay to renew their license with a contingency upon completing the continuing education. Hodsdon asked when the license would otherwise expire. Cook stated that the contingency would be 60 days. Hodsdon stated that it would be appropriate to grant a contingent license upon completion of continuing education. Hodsdon asked the Board for a motion.

- **Motion:** Hansen made a motion to grant a contingent license upon the completion of continuing education. Hessel seconded. Motion carried.

##### **PAC 259 – Mydatt Services, Inc.**

Cook stated that this company does maintenance for buildings and then they turn their maintenance people into security people. Cook stated that he requested the Minnesota Manager to come to the Board Meeting to help explain things. Cook continued by stating that he needs to learn more about how the licensee does things. Cook stated that the Minnesota Manager could not attend this month's Board Meeting and that the questions he has are when a maintenance person becomes security. Hodsdon stated that it does seem appropriate to get a better explanation. Hodsdon stated that a contingency seems appropriate and to invite the Minnesota Manager to the next Board Meeting. Hodsdon asked the Board for a motion to grant a contingency.

- **Motion:** Moitzheim made a motion to grant a contingency. Sandoz seconded. Motion carried.

##### **PAC 270 – Per Mar Security and Research Corporation**

Hodsdon stated that everything is complete but there were a couple of employees who has some issues relative to the twenty-one days. Cook stated that this license holder does have a disciplinary history. Hansen asked Cook when the most recent discipline was. The board found that in 2018, the board voted to approve the license with a fine of \$499. Cook stated that that is what triggered the quarterly audits. Cook stated that originally they had a large number of violations which prompted the audits, and that through the audits they brought the number of issues down significantly. Cook stated that this time around they only had two individuals that were not in compliance with training. Hodsdon noticed the results of the audits noted a drastic improvement. Hodsdon asked if everything else with their renewal was in order. Cook confirmed. Hodsdon asked what the pleasure of the board would be.

- **Motion:** Hansen made a motion, given their recent disciplinary history and the audit, that the board levy's a fine of \$499/violation. Moitzheim seconded. Motion carried.

#### CURRENT CONTINGENCIES:

##### **PDC 879 – Kolbach & Associates, Inc.**

Hodsdon asked if there were any updates on the license holder. Cook explained that there were no updates, and that he has gotten less than pleasant emails from this individual. Cook explained that the license holder works mainly out of South Dakota and only jumps over the border once in a while to do some things, and is not happy about having to have a license for those couple of times he chooses to use it. Hodsdon stated that hopefully he has changed his business model to stop at the border from now on. Hodsdon stated that it does not require any action, thanked Cook for the information and stated that the license will simply go into a lapsed status.

**5. LAPSED LICENSES: NONE.**

**6. EXPIRED LICENSES:**

- **PAC 1098 – Entertainment Protection Group**

**7. SURRENDERED LICENSES: NONE.**

**8. NEW LICENSE APPLICANTS – TABLED: NONE.**

**9. NEW LICENSE APPLICANTS – PRESENT:**

<b>Applicant Business Name:</b>	Code 4, LLC
<b>Type of License Applying For:</b>	Corporate Private Detective

- **Stew Peters present to speak to the board about his application and issues.**

Mr. Peters was given a Tennessen Warning and welcomed to the board. Hodsdon explained that there were concerns with Peters’ criminal history being that he had a disqualifying record, and potential concerns on his experience not meeting the required hours to be a license holder. The board explained to Peters that he cannot count his unlicensed hours as experience to meet the requirements of the board. Moitzheim and Peters discussed the employment history in question and decided that the experiences Peters’ had as an underwriter and bail bond agent could qualify for the required experience. The main issue with the application was that Peters had a disqualifying record according to his previous application that was denied earlier. Peters proceeded to get the criminal history expunged. Hodsdon explained that the board would have had to be a party in the expungement order to be binded by the order. Hodsdon explained further that the expungement does not have an impact on the board due to the board being excluded from the Ex-Offender Rehabilitation Act. Peters stated that this was a violation of the rights afforded to him by the expungement and expressed that he would have to pursue legal action against the board. The board stated that they do not think that without that expungement explicitly including this board, that there would be no way that the board could approve the application being that they have record of the criminal history conviction that disqualifies Peters from being a license holder by the standards that are set in the statutes.

- **Motion: Moitzheim moved to deny the application. Sandoz seconded. Motion carried unanimously.**

Cook informed Peters that he has the right to a contested case hearing through the Office of Administrative Hearing. Cook continued with the board will be sending him a letter describing what happened at the meeting and the reasons behind the denial. Cook stated that Peters will then have 14 days to respond to that letter in order to continue with the hearing.

**10. NEW APPLICANTS – CONSENT AGENDA: NONE.**

**11. OFFICER CHANGES:**

<b>License Holder Business Name:</b>	Brink’s Inc.
<b>License Type/Number:</b>	PAC 154

<b>Type of Officer Change (MM, QR):</b>	MM
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- **Motion:** Hessel motioned to approve. Hansen seconded. Motion carried.

<b>License Holder Business Name:</b>	Intermediate District 287
<b>License Type/Number:</b>	PAC 2053
<b>Type of Officer Change (MM, QR):</b>	QR

- **Motion:** Hansen motioned to approve. Hessel seconded. Motion carried.

\*\*\* The following officer changes are informational only:

<b>License Holder Business Name:</b>	WayPoint, Inc.
<b>License Type/Number:</b>	PDC 953
<b>Type of Officer Change (CFO, CEO):</b>	CEO

Hodsdon stated that this was informational only and does not require action from the board.

**12. REQUEST TO SPEAK TO THE BOARD: NONE.**

**13. OTHER ISSUES AND DISCUSSIONS:**

- **Registered Agents**

Cook explained that there was a recent issue with a registered agent that was being used by a number of license holders that moved and did not tell anyone, and was not forwarding mail. Cook stated that he wanted to use the meeting minutes to educate the license holders that if they are going to use a registered agent, which the board has approved, that they need to make sure that they will be forwarding mail and that they are able to accept process serving papers.

- **Updating Affidavit of Training to include column for ‘Active Start Date’ to determine compliance with background checks and identification cards**

Cook stated that there is always a question about when someone started, when they started working, and when they starting doing security, etc. Cook continued that the column will be added to give the board some clarity and to help in figuring out the timeline between start date, hire date, and preassignment date. Hodsdon asked if it would be clear that it is when they started working in a security capacity. Cook confirmed.

- **Training renewal**

Cook stated that a mass training renewal would start in January. Cook explained that with previous training renewals, it proved to be challenging to keep track of when all of the training needed to be re-certified. Cook explained that the board had previously approved of mass training re-certifications and that it would start every two years on even years. Cook explained that Kaylin Smith would be managing taking care of all of the training renewals. Cook stated that beginning in January, they would begin that re-certification, reaching out to see who is still doing training and getting everyone up to date on that. Cook stated that Smith is also working on a lot of audits

of training, emphasizing on online courses right now, and she will be writing up a report on it and it will be presented to the board soon to see where to move forward with those.

- **Is there a length of time the Board would consider noncompliant with background checks and identification cards? (Some examples show 80 – 250 days between hire and these dates)**

Cook explained that this is not spelled out in statutes, but there is a requirement for preassignment training. Cook asked the board if there should be a certain amount of time that a person should have a background check done after being hired. Cook stated that it should be before the person is hired, but there has been problems with that. Sandoz stated that the difficulty with the issue is the time that the check is submitted, and the time that they get the check back. Sandoz explained that if you have someone that has lived in different states or a different country, it could legitimately take 30-60 days. Sandoz stated that then it becomes a training issue; that statute allows the company to put someone to work in a training capacity, but if it takes 60 days for the check to come back, there is no way that that person is working in a training capacity anymore. Sandoz stated that it is possible that someone could be hired the first of January, and you don't get the FBI results until March. Cook stated that there are cases that are showing up to 250 day gaps when some of these audits come back. Moitzheim stated that he has never had even an international background check require more than 45 days. Sandoz stated that he has seen upwards towards 60 days. Sandoz continued that at that point, if it takes more than 60 days, it would not make sense to continue an offer of employment because the individual will go and take another job in that time. Cook stated that he does not know if there is an answer the board can give because there is not anything in the statutes and the board cannot make a statute with this decision. Hodsdon stated that despite the good faith effort, there is sometimes gaps in the system. Hodsdon stated that he does not want to punish a prospective employee for things that are beyond their control. Moitzheim asked if they can recommend a guideline that is not set in concrete. Hodsdon stated that based on Moitzheim's experience, it should not take more than 60 days, and if that happens it might merit additional inquiry as opposed to a hard and fast rule. Moitzheim stated that that sounds fair, especially if it just looking at a criminal history, he does not know why it would take longer than 60 days, and if it took longer than that he would be contacting his vendor asking what the problem was. Sandoz explained that it is not always the vendor, but sometimes the BCA. Cook asked if this was for identification cards as well. Cook explained that with identification cards, you are not waiting on background checks. Hodsdon stated that he is unsure if he would be wanting to hand out identification cards until someone is fully vetted and on board, because if they are not, he might not get it back, and then he runs into the issue of someone pretending to be working for him. Hodsdon stated that this may just be his cautious nature. Moitzheim asked Sandoz if he has seen checks from the BCA take longer than 60 days. Sandoz confirmed that it has happened when they use a private vendor. Cook agreed that he has seen it. Sandoz stated that he has seen a special case that lasted six months. Cook stated that he has not heard anything from the license holders regarding the background checks be delayed recently. Cook thanked the board.

- **Subpoena**

Cook stated just to keep the board informed, he did get subpoenaed to testify in a case on unlicensed activity, first in Dakota County, now in Ramsey County. Cook explained that the individual is representing himself and that the case is now going to jury trial in February. Cook added that he has not heard anything from Anoka County yet.

- **Kip Sandoz's last Board meeting**

Cook thanked Sandoz for the information that he has brought to the board, as well as the expertise he has provided in the protective agent realm. Cook wanted to note for the license holders how the board members do not get compensated much for how much they do for this board, and that these people on the board are making important decisions and putting a lot of work into what they do.

- **Allied fine**

Hodsdon stated that Allied Universal is still in a space where they have an option to appeal the fine. Hodsdon stated that as of late, the board has decided to delegate and discuss directly with the board chair. He asked the board if there was a motion to that effect so that they may continue with this practice.

- **Motion:** Moitzheim motioned to continue with that practice. Hansen seconded. Motion carried.

**14. ANNOUNCEMENTS: NONE.**

**Board Chair:** We **WILL** be having a closed session per the statute below. *If necessary, please read these statutes out loud for the record.*

**15. CLOSED SESSION: Pursuant to Minn. Stat. 13D.05, subd. 3 (b) attorney-client privilege discussions.**

**Motion:** Hessel motioned to adjourn. Moitzheim seconded. Motion carried. Meeting adjourned.

**Next meeting is scheduled for January 23, 2019 at 10:00 AM.**