

MINUTES
November 28, 2017
11:00 a.m.
Board Meeting-Bismarck Airport Conference Room
Bismarck, ND

1. Chairman Mike Stensrud called the meeting to order at 11:05 a.m. Board members present: Ernie Thurman, Mike Stensrud, Nancy Miller, Randy Ziegler, Mike Wetsch and Rick Schuh. Others present: Outgoing Executive Director Francine Johnson, Incoming Executive Director John J. Shorey III, Legal Counsel Monte Rogneby, Don Larson Odney Public Affairs and Greg Glass District Manager Advance Security.
2. The minutes were reviewed from the previous meeting dated 8-15-17 and from the Administrative Rule Committee meeting dated 11-2-17. Ernie Thurman made the motion to accept both minutes. Seconded by Rick Schuh. M/S/C.
3. Election of officers. Rick Schuh nominated Mike Stensrud as Chair, Mike Wetsch as Vice-Chair, and Nancy Miller as Treasurer. Randy Ziegler seconded the nominations. M/S/C.
4. Incoming Executive Director John Shorey informed the Board of an unregistered employee violation with GSSC-Midwest Patrol. John stated the board received a renewal application for Diana Fisher on 8-31-17 from GSSC. John said Diana Fisher was inactivated by GSSC on 5-9-17. John stated a letter was sent to GSSC requesting a written response in regards to the matter. John stated on 9-12-17 a response letter from GSSC license holder William Leoni was received. John stated in the letter Mr. Leoni stated it was an unintentional oversight that Diana Fisher was working security without being properly registered. John stated that Mr. Leoni indicated that Diana Fisher was removed from the schedule until she was properly registered. John stated on 9-14-17 an application for Diana Fisher was received and her registration card was issued on 9-27-17. John advised that GSSC and William Leoni were currently under probation due to a stipulation. John informed the board of GSSC's previous violation history. Rick Schuh made the motion to fine GSSC and Mr. Leoni \$500, one-year probation extension, and the appointment of an internal compliance monitor during the period of probation or until the Board's Executive Director deems it unnecessary who would submit monthly reports to the Board. Seconded by Ernie Thurman. M/S/C.
5. Executive Director John Shorey informed the board that Advance Security failed to renew their agency license, William Gordon's Security Provider license and 39 registrations by the September 30, 2017 deadline. John stated on 10-3-17 a notice in letter form was both mailed and emailed to Advance Security advising them they had not renewed, and as of 10-1-17 they were not licensed to conduct private security activity within North Dakota. John stated the notice requested confirmation from Advance Security that they, and the 39 registration holders under Advance Security Agency License, were no longer conducting private security services within North Dakota. John stated William Gordon, Advance Security license's holder, emailed the board on 10-3-17

advising the renewals were on their way via UPS, he knew they were going to be late, however they could pay the late fees. John stated he had telephone conversations with both William Gordon and Greg Glass on 10-4-17 about the situation. John stated that during the conversations he asked Greg if Advance Security was going to pull their personnel in North Dakota until they renewed. John stated Greg advised he needed to discuss that with someone higher up the chain in the company. John stated on 10-4-17 the Board received a packet from Advance Security with the agency license, William Gordon's provider license, and 19 registration renewals. John advised 4 of the 19 registrations were armed certifications. John advised Advance Security was short on the fees required for the renewals and there was an issue with the insurance documentation submitted. John stated Advance Security was informed via email of the issues with the renewals on 10-4-17. John stated Advance Security provided the required insurance documentation; and on the morning of 10-5-17 William Gordon came to the Board's Office and dropped off the remaining fees. John stated William Gordon was provided the renewed licenses and registrations at that time. John stated he requested written confirmation from Mr. Gordon that Advance Security did or did not pull their personnel during the unlicensed period. John stated the board later received an email from William Gordon that "he did not pull the officers from post". John informed the Board that Advance Security and William Gordon are currently on probation with the board due to a stipulation. Chairman Stensrud asked Mr. Glass if he wished to address the Board. Mr. Glass did and stated he is the new District Manager with Advance Security for Minneapolis, MN and Fargo, ND. Mr. Glass informed the board that William Gordon is dealing with medical issues and has been removed as the District Manager. Mr. Glass stated he has taken over their Minneapolis and Fargo locations. Mr. Glass stated he had requested an internal audit of their Fargo records. Mr. Glass stated he learned the documentation for renewals was sent to Fargo and sat there for a several weeks. Mr. Glass said there were bad decisions made on Mr. Gordon's part and he was asked to step down. Mr. Glass stated Mr. Gordon claims he never received the documentation for the renewals in a timely manner from Advanced Security. Mr. Glass said he was here to try to rectify the situation. John Shorey asked Mr. Glass if Mr. Gordon has been removed who is overseeing the North Dakota operations. Mr. Glass stated that he was. Mr. Glass stated they also hired a new operations person and Mr. Gordon is doing Human Resource work for the company. Francine Johnson asked if Mr. Gordon was still a decision maker for the company. Mr. Glass stated that Mr. Gordon had been removed. Mr. Glass indicated he intends on applying for licensure. John advised he has talked with Mr. Glass in the past on licensing requirements and Mr. Glass has indicated to him that he is applying for licensure. Mr. Glass stated he and Mr. Gordon are in the same office and still discuss topics pertinent to operations. Mr. Glass said that Mr. Gordon will stay in place until he becomes the license holder. Mr. Glass stated with Mr. Gordon's medical issues they felt he wasn't making good decisions. John Shorey asked Mr. Glass if after he becomes licensed, was the intention for Mr. Gordon to be phased out from being with the company, and Mr. Glass said yes. Randy Ziegler made a motion to go into executive session for attorney client-consultation regarding Advance Security Violations. Rick Schuh seconded. A roll call vote was taken and it was unanimous. The executive session began at 11:58 A.M. The executive session adjourned at 12:22 P.M. and members of the public were invited back into the meeting. The Board took a short break and reconvened

at 12:33PM. Mike Wetsch made a motion to fine Advanced Security \$20,000 plus attorney fees, 30 days suspension of their agency license, probation extended one year onto what they currently have, and the appointment of an internal compliance monitor during the period of probation or until the board's Executive Director deems it unnecessary whom would submit reports to the board monthly. Rick Schuh seconded. Mr. Glass asked that the board reconsider the 30-day suspension and give him a chance as a new person coming on. Mr. Glass indicated he would be applying for licensure today or as soon as possible. M/S/C. Mr. Glass was told the board would be in communication with Advanced Security regarding a stipulation.

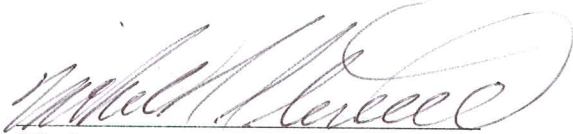
6. Rick Schuh made the motion to suspend William Gordon's license for 30 days or until he is deemed fit to make decisions with no fine. Ernie Thurman seconded. M/S/C. Mr. Glass advised the board that Mr. Gordon has Agent Orange and had two previous bouts with cancer. Mr. Glass advised his opinion was that was Mr. Gordon's condition was going to improve.
7. John summarized the NHS Security violation regarding an unregistered employee Heather Galdeen. John advised Terrance Kiser, license holder for NHS Security, admitted to the violation. John advised that he had talked with Mr. Kiser 11-27-17 and he had said that he wanted to attend the meeting today but couldn't due to health issues with a family member. John said that Mr. Kiser communicated to him that he was remorseful and embarrassed of the violation. John informed the Board of NHS and Mr. Kiser's previous violation history. Rick Schuh made a motion to assess a \$250 fine with one-year probation. Ernie Thurman seconded. M/S/C.
8. Administrative Rules Military Update. John informed the board that the committee met on 11-2-17 and suggested changes were compiled and provided to all board members which included changes needed due to a Century Code change that dealt with military experience for security officers. Rick Schuh made a motion to accept the administrative rule committee's suggested changes. Mike Wetsch seconded. M/S/C. Monte advised the Vogel Law Firm would take care of the procedural and hearing process for the proposed administrative rule changes.
9. John informed the board that EH Investigations matter was settled, the fines were paid as part of the settlement, and EH had already submitted first month of compliance information required per the stipulation.
10. A motion was made by Ernie Thurman to close the meeting for an executive session for attorney-client consultations concerning B & C Security, LLC-Unlicensed Security, Lincoln Brower, Rochester Armored Car-Weapons Instructor Update, Per Mar Violation, Tigerswan Update, and Leighton Security Update. Randy Ziegler seconded. A roll call vote was taken and it was unanimous. The executive session began at 1:00 P.M. The executive session adjourned at 1:33 P.M. The general public was invited back for the open session of the meeting.

11. Ernie Thurman made a motion to accept the Lincoln Brower settlement agreement. Monte read the terms of the settlement: Mr. Brower admits to not being physically present to observe the testing and certifying the results without personal knowledge of the testing, constituting a violation of N.D.A.C. 93-02-02.1-01(5), one year probation, payment of \$2500 with \$1000 paid immediately after the holidays and \$1500 paid before the end of the probation period, payment of \$5000 suspended during the probation, attendance of a refresher course, ND PISB would permit Mr. Brower to enroll in a course with prior approval from the Board, suspension of license served retroactive to the temporary suspension date, and opportunity to address the Board after execution of the plea agreement. Randy Ziegler seconded. M/S/C.
12. Nancy Miller provided the financial report. For the month ending October 31, 2017 the board had a total income of \$20,171.60, total expenses of \$26,254.04 for a net loss of \$6,082.44. The board has two checking accounts: the old checking balance was \$25,835.51, the new checking account balance was \$28,599.79, CD \$121,529.70 for total assets of \$162,669.40. Mike Wetsch made a motion to approve the financial report. Ernie Thurman seconded. M/S/C. John informed the Board a new checking account had to be opened for him to be a second signature holder on the account as the old account was opened 20-30 years ago as a personal account. John stated with the new account there is a service fee of about \$70-\$80 a month that they were not made aware by US Bank up front. John stated US Bank also agreed to reimburse the board for new checks since they were being forced by US Bank to go to a new checking account. John stated US Bank later stated they couldn't reimburse the Board for checks since it was a government entity, but they were going to check with their legal department to try and be able to since it was promised at the beginning. John stated the old checking account would be phased out once everything cleared.
13. Nancy Miller presented the 2018 budget. Nancy noted large expenses in 2017 were payroll with the Board having three employees and legal fees. Rick Schuh made a motion to accept the budget as presented with amendments to be made pending the outcomes of the employee reviews. Ernie Thurman seconded. M/S/C.
14. John Shorey informed the board that he did not attend the IASIR Conference and was reimbursed for his conference fees. John advised Cheryl did attend the IASIR Conference and provided a written summary to the board members about the conference which was provided to board members. The Board had no questions or comments.
15. Incoming Executive Director John Shorey asked the board to combine the employee reviews and transition update. John informed the board that Cheryl had taken a new part-time position in state government in September of 2017. Cheryl asked Francine and John to be able to stay on in a part-time capacity with the board. John stated they consultant with Mike Stensrud and it was agreed to let Cheryl change her hours to part-time. John informed the Board Cheryl's current hours are from 6:00 A.M.-10:00 A.M. Board members had been provided information in an email from Cheryl regarding her employee review since she was not in attendance. Board members discussed Cheryl's requests. Board members noted Cheryl's limited hours during normal business hours and part-time

nature of her position. There was Board discussion on when they wanted the office to be staffed, and there was consensus that there had to be some designated office hours. Nancy Miller made a motion to give Cheryl a .25 cent per hour raise, which would raise her hourly rate to \$19.00 and 4 hours of paid vacation per month effective January 1st, 2018. The vacation would be earned the first day of each month, with a cap of 96 hours that could be carried over yearly. This included continuing to let Cheryl's hours be 6 A.M.-10 A.M. Ernie Thurman seconded. M/S/C. The Board directed the Executive Director to implement a policy on vacation. John Shorey requested his salary be increased to \$3,000 monthly; with the expectation that he generally be in the office from 9:00 A.M. – 2:30 P.M. with about 30 hours worked per week. This was with the understanding of flexibility for John to be able to be gone a couple of days as needed for his business. The board requested John to step out of the meeting and he agreed. John was later asked to step back into the meeting and he did. Rick Schuh made a motion to increase John's salary to \$3,000 per month effective January 1st, 2018 at about 30 hours per week with built in flexibility of being able to leave a couple of days as needed. Ernie Thurman seconded. M/S/C. John informed the board the space in the Board's Office is an issue, and suggested the Board take on renting a storage space adjacent to the Board's office currently occupied by Johnson and Johnson Investigations, Inc. John stated the extra room could be used for testing of applicants and file storage space. John stated Francine suggested that the Board's office get new paint and carpet since it was old. John stated he talked with the office building owner Rocky Gordon and he stated if the board wanted new paint and carpet the rent for the board's office would increase from \$160 to \$195 and \$100 for the storage space and would include entering into a two-year lease. The Board asked John to negotiate with Rocky and offer \$250 for the office and storage space with new carpet and paint. The Board advised John to go to the Executive Committee if Rocky was not agreeable to that offer. John informed the board Francine had for sale a desk, chair, fridge, microwave and floor desk mat for \$210. John stated the Board would be able to use the items. Nancy made a motion to purchase the items for \$210 from Francine. Randy seconded. M/S/C. John informed the Board that currently Francine's husband was providing the Board with tax services for free. John stated he has agreed to stay on for a couple months, but that in the future the Board would have to seek out other tax services and pay for it. John stated that the Board has also been getting IT services for free from a contact of Francine's, but that in the future someone else would need to be hired to provide IT services.

16. Board Member Ernie Thurman offered to host the next board meeting at his facility, Sanford Officers Training Center in Mandan, ND. Ernie advised the facility was able to facilitate Skype if needed. John stated he didn't know if there were different requirements for minute purposes on people attending meetings via Skype. Monte advised there were no issues. The Board agreed to hold the February 20 meeting at Sanford Officers Training Center in Mandan.
17. The 2018 meetings have been scheduled for February 20, May 15, August 21 and November 27.

18. John address the Board and informed them with Francine's retirement at the end of the year this would be her last regular meeting. John advised that the Board authorized the purchase of a plaque for Francine. Before presenting the plaque to Francine John read the inscription "In recognition for your contribution and devotion to the North Dakota Private Investigation & Security Board and your commitment to excellence. You are hereby awarded this plaque for your 24 years of dedicated service to this board as both a board member and as Executive Director. *Dated this 31st day of December, 2017*". John stated Francine spent two years as a Board member and 22 years as Executive Director. The Board thanked Francine for her many years of service. Francine thanked the Board for all the support and professionalism she experienced with them over the years, especially last year with the DAPL situation.
19. Randy Ziegler made the motion to adjourn the meeting. Seconded by Ernie Thurman. M/S/C. The meeting adjourned at 3:02 p.m.



Chairman

2/20/2018
Date



NDPIISB Executive Director

2/20/2018
Date