

WILD RICE WATERSHED DISTRICT

11 East 5th Avenue – Ada, Minnesota 56510

Phone (218) 784-5501

SPECIAL MEETING

1. A Special Meeting of the Wild Rice Watershed District Board of Managers was held on Monday, April 11, 2005, at the office of the District located at 11 Fifth Avenue East, Ada, MN.
2. The following members were present: Bob Wright, Warren Seykora, Jim Skaurud, Diane Ista and Steve Dalen. The following members were absent: Joe Spaeth. In addition the following persons were in attendance: Attorney Elroy Hanson, Administrator Jerry Bennett, Attorney Lynn Hummel, Attorney Pat Monson, Loretta Johnson, recording secretary, Don Vellenga and Brian Borgen.
3. Chairman Seykora called the meeting to order at 9:10 a.m.
4. Attorney Hanson began the meeting by saying that he would have a conflict of interest in any discussion regarding the negotiations of the contract of J.B. Asc. Without written consent he cannot represent the District on any negotiation regarding J.B. Asc., the District or Jerry Bennett. Manager Skaurud questioned whom Ms. Monson was representing and how she was hired. Skaurud stated that he strongly objected to having two attorneys sitting at the meeting and representing the District, unless the motion was previously made and passed to hire Ms. Monson.

Chairman Seykora stated that the purpose of the meeting today is to discuss the employee/contractor issue. Manager Ista stated that it was her understanding that this meeting was not to negotiate a contract; she would prefer to hire an engineer and an executive secretary rather than an administrator. Ista stated that Houston Engineering is a large firm, with considerable overhead, therefore the costs for engineering services, driving out from Fargo on permit violations and sitting at meetings from 8:30 to 5:30 p.m. become quite high for the District and she has a concern over these costs. Ista said that the question is whom are we going to hire in the absence of an administrator.

Manager Skaurud again asked about having two attorneys for the District present at the meeting. Attorney Hanson stated that because of the possibility of a conflict of interest, he isn't sure that he can represent the District. If the meeting is to discuss job title responsibilities he would not have a conflict, but if it concerns Jerry Bennett, he would have not be able to comment and would defer to Ms. Monson. Ms. Monson agreed. Manager Dalen felt that the Managers need to proceed as stated.

Chairman Seykora felt the District is a long way from employing an engineer, and questioned where the funding would come from to pay the salary. Seykora stated that the costs and expenses for hiring an engineer would need to be justified. Manager Ista felt there would be a savings by hiring an on staff engineer. Manager Dalen questioned if they would need to advertise for the position. Attorney Hanson stated that it is not necessary for the District to advertise for either a contractor position or salaried position of administrative staff. Manager Dalen asked if the Board is at the point of deciding what kind of an employee they would like.

Ms. Monson made the recommendation not to establish policies and procedure before a specific employee is in mind. Manager Wright stated that he didn't think the Board should change from the

policy of having an administrator because there is enough turmoil now without changing the whole procedure. Manager Ista stated that everything changes, what the District needs is an engineer and also someone in the office, such as an executive secretary. Manager Wright stated that the Board should compile a policy manual and suggested using the Sand Hill Watershed District, Red River Basin Board or Red River Watershed Management Board manuals as guidelines. Wright felt that it is necessary to have a policy manual prior to going on to contracts. Manager Dalen asked if it would be appropriate to begin the preparation of a policy manual immediately.

Manager Wright questioned if the administrative position would be opened to include Jerry Bennett. Wright felt that it should. Manager Ista stated that Bennett's contract is valid until May 5, 2005. Manager Wagner stated that before the District decides to hire someone they need to know what kind of a person they want in the position. Manager Dalen asked for an opinion from both Attorney Hanson and Ms. Monson regarding including opening the position to include Jerry Bennett. Ms. Monson stated that the Board needs to decide what type of a person is best for the position and then prepare a job description that is specific. Monson stated that you may want to obtain information from other Watershed Districts, it is the Managers' decision what requirements would be needed for the job description and the employee handbook would apply to everyone. Attorney Hanson stated that when you formulate this position, and if the board is inclined to continue with the current administrator, what happens at the end of the 30 days? Hanson stated that the Board terminated the contract with J.B. Asc. and in less than 30 days there will be no administrator. For continuity, there needs to be someone in place. Manager Ista stated that it was her understanding that Houston Engineering would provide interim administrative assistance to the District.

Manager Dalen asked if Managers could request that staff leave for ten minutes for the purpose of discussing hiring policies. Attorney Hanson cautioned the Board against having a closed meeting. Manager Dalen stated that there are issues that need to be discussed. Manager Wright stated that the Board needs to set up a policy manual for employees before hiring anyone. Ms. Monson stated that in listening to the discussion she concurred with Attorney Hanson and underscored what Hanson had stated; it is critical that in 30 days the District has a contract that will be closed and there will not be an administrator or staff. The Board needs to have someone in place to handle the duties of the Watershed District.

A motion was made by Manager Ista and seconded by Manager Dalen to contact Houston Engineering to determine if they would provide interim administrative assistance to the Watershed District following the 30-day contract period of J.B. Asc. Manager Wagner questioned if this would be temporary? Manager Skaurud questioned if this would include extending the contract of J.B. Asc. Attorney Hanson stated that would be reinstating the contract of J.B. Asc. and deferred to Ms. Monson.

Ms. Monson stated that she has concerns over the terms of the reinstatement because there would not be an existing contract; she stated that the Board would have to agree on the terms of the contract.

Manager Ista asked Ms. Monson if the District could incur any liability by continuing employment with J.B. Asc. Ms. Monson stated that based on the information that she has, she would not recommend hiring Mr. Bennett under the independent contract of J.B. Asc. or Jerry Bennett as an employee.

Manager Skaurud stated that he has concerns about continuity in the office and that the District would have to offer a compensation package to Jerry Bennett. Manager Ista agreed with the compensation. Skaurud also said that the hiring process would not be completed in 30 days. Manager Wright also raised concerns that the District may not have an employment package together in 30 days. Manager Dalen asked if it wouldn't be wise to advertise for the position as soon as possible. Manager Ista felt that Engineer Jerry Bents is knowledgeable and could carry on in the District on an interim basis.

Manager Ista amended the motion to contact Houston Engineering regarding interim assistance to include offering Jerry Bennett the interim position at the end of the 30 days. Manager Dalen seconded the amended motion. Carried.

Chairman Seykora said that the board needs to decide what type of a position they want to fill. Manager Wagner stated that having an on staff engineer may save money and the board would never know until they tried it, it would depend on how much work is actually delegated to the engineer. Discussion continued on the type of employee the Board wanted to hire. Attorney Hanson questioned if the Board wanted to hire an administrator who also has an engineering degree. Seykora stated that everyone needs to agree on what they want, be it a salaried or hourly position and asked if they were in agreement on drawing up a handbook for an administrator, secretary and engineer. Manager Wagner stated that the policy may be by the hour or the year, but the option will still be available on who they want to hire.

A motion was made by Manager Dalen and seconded by Manager Ista to advertise for an administrator for the Wild Rice Watershed District indicating that it may be beneficial to have a certified engineering degree. The salary will depend on qualifications with advertising to begin April 18, 2005. Carried.

A motion was made by Manager Skaurud and seconded by Manager Wagner that the entire Board of Managers be involved in the hiring process. Carried.

A motion was made by Manager Wagner and seconded by Manager Skaurud to advertise for a full time secretary and part time secretary beginning April 18, 2005. Carried. Ms. Monson commented that at the end of the 30-day contract with J.B. Asc. the Board will be free to negotiate with the current secretarial staff and doesn't really need to advertise for the secretarial positions.

A motion was made by Manager Ista and seconded by Manager Dalen to offer the present secretarial staff the current positions on an interim basis, to be same the same salary as they are now receiving, and determine the need to advertise for the secretarial positions at a later time. Manager Skaurud stated that he felt uncomfortable advertising for an administrator and not for the secretarial staff. Manager Wright felt it would not take long to prepare a job description for secretarial staff. Managers Ista and Dalen withdrew the motion.

Manager Ista asked about offering the current secretarial staff the positions at the end of their contract with J.B. Asc, with salary and benefits to be the same as before. Attorney Hanson stated that he thought the Board should have knowledge of the terms of the salary and benefits prior to making an offer. Administrator Bennett gave the board permission to work with his staff prior to the end of his 30-day contract. Manager Wright stated that he didn't think advertising for secretarial staff would bog the District down or cause any delay.

Chairman Seykora stated that he would like to offer J.B. Asc. the administrative contract on an interim basis until the hiring process is complete. Manager Dalen asked Ms. Monson if the District would incur any liability as a result of hiring J.B. Asc. Ms. Monson stated that you have already agreed to terminate the contract with J.B. Asc., it has been cancelled, you have already given him the 30-day notice, and this would have to be negotiated. Ms. Monson stated that she would not recommend Mr. Bennett as an employee and there may be a question regarding the contract, but there would be more of a direct liability with supervising employees. Manager Seykora asked if Ms. Monson was indicating that the District would not incur a liability if they hired under the J.B. Asc. independent contract. Ms. Monson stated that is not what she said, she doesn't have a definitive answer, but what she could say was that the Courts are looking very closely now into the independent contractor issue and the liabilities incurred as a result of this.

Mr. Hummel asked for a short recess to have a private discussion with Attorneys Monson and Hanson. Chairman Seykora recessed the meeting.

Chairman Seykora reconvened the meeting. Mr. Hummel announced that his client, Jerry Bennett, was not interested in working for the District beyond the 30-day terms of carrying out his contract, either on an employee basis or as a contractor.

A motion was made by Manager Wright and seconded by Manager Dalen for Managers to meet with the present secretarial staff to arrange an interim employee relationship, and negotiate the terms as necessary. Carried.

Managers discussed the need for further assistance from Ms. Monson. Chairman Seykora questioned Ms. Monson what expertise she could offer the Managers at the present time. Ms. Monson stated that when compiling an employee handbook it is important that the handbook be complete. Regarding the job description, she recommended that if you make it very specific, a performance evaluation would be recommended. Monson also stated that it would be a good idea to rely on other watershed districts when putting together a job description.

Attorney Hanson questioned whose responsibility it will be to prepare the notice of advertisement. A motion was made by Manager Wagner and seconded by Manager Skaurud authorizing Attorney Hanson to prepare the notice of advertisement for the administrative position. Carried.

Manager Dalen questioned if there was a need to continue working with Ms. Monson during the interim process of hiring an administrator, due to the need to comply with all of the federal and state laws. Manager Ista stated that she didn't feel it was necessary to incur extra costs and Attorney Hanson could review the employee handbook. If there were any questions, the Board of Managers could contact Ms. Monson later. The consensus of the Board was for Ms. Monson to only review the employee handbook as necessary.

Consensus of the Board was to set the time of 10:30 a.m. on Wednesday April 13, 2005, at the regular Board meeting to discuss the position of administrator, the contract and the job description.

Consensus of Managers was to meet with secretarial staff at 2:00 p.m. for the purpose of arranging an interim employee relationship and negotiate the terms.

A motion was made by Manager Dalen and seconded by Manager Wagner to recess the meeting until 2:00 p.m. Carried.

Managers Dalen and Seykora left the meeting at 12:00 noon.

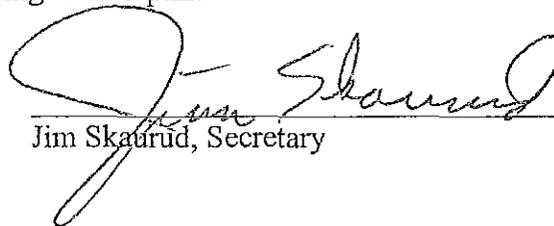
Vice Chairman Wright reconvened the meeting at 2:00 p.m. Managers Wagner, Skaurud, Wright and Ista were in attendance.

Discussion was held regarding a salary compensation package for the interim secretarial staff.

A motion was made by Manager Ista and seconded by Manager Wagner authorizing Manager Seykora to meeting with Houston Engineering to determine their interest in providing administrative assistance to the Watershed District on an interim basis. Carried.

A motion was made by Manager Ista and seconded by Manager Wagner to adjourn the meeting. Carried.

Vice Chairman Wright adjourned the meeting at 3:15 p.m.



Jim Skaurud, Secretary

4/11/05
Special Meeting
Sign - F11

1. John Decker

2. William Decker

3. William Decker

4.

5.

6.

7.

8.

9.

