

**MINUTES OF THE SPECIAL MEETING OF THE
KINGSBURY GENERAL IMPROVEMENT DISTRICT BOARD OF TRUSTEES
WEDNESDAY, JUNE 16, 2021**

CALL TO ORDER - The meeting was called to order at the Kingsbury General Improvement District office located at 255 Kingsbury Grade, Stateline, Nevada at 1:30 p.m. by Natalie Yanish.

PLEDGE OF ALLEGIANCE

ROLL CALL – In attendance were Trustees Yanish, Parks, Vogt, Nelson and Schorr. Yanish was conducting the meeting via Zoom. Also, present were General Manager Cameron McKay, Operations KGID employee Judy Brewer and General Counsel Chuck Zumpft. Public attending via Zoom included Charles Hancock and Sandy Braddock.

PUBLIC COMMENT – Charles Hancock requested clarification regarding the treatment of public comment. Yanish stated that she will call for public comment at the end of each agenda item. Hancock thanked her and stated he will reserve his comments at this time.

Vogt stated that she was at the Sewer Authority meeting this morning. She stated that Russ Rice was present and confirmed they went with a private company and that is why Douglas County didn't continue with POOL/PACT. He indicated they had a lawsuit regarding termination of an employee from years ago and the county did some things incorrectly that cost the county quite a bit of money. They didn't feel POOL/PACT supported them enough. He admitted to fault by the county which reassured her about our decision to continue with POOL/PACT who has proven to be supportive and educational. She suggested if we have an issue to go directly to POOL/PACT for assistance and he indicated they didn't do so.

Yanish offered for any other comment; there was none.

APPROVAL OF AGENDA – There was no discussion or public comment.

M-6/16/2021-1 - Motion by Parks, seconded by Vogt, and unanimously passed to approve the agenda.

NEW BUSINESS

DISCUSSION AND POSSIBLE ACTION ON SELECTION OF CANDIDATE FOR THE KGID GENERAL MANAGER POSITION:

Yanish suggested that each of the trustees address their selection. McKay agreed. Yanish was difficult to hear on Zoom and attempted to correct her sound. Hancock stated he was also having trouble hearing.

Nelson suggested providing thoughts after last week's ending of negotiations. She stated that after consideration, she feels they should reach out to Mitch Dion and offer a more favorable contract. She noted that he was disappointed with a one-year contract and offered to provide a three-year term. She is hopeful he would reconsider if this is provided via personal liaison. If not, she would like to re-open interviews in a condensed format with consideration to those applicants with General Manager experience. She suggested a two-week period and recommended they keep the top three applicants with hopes of finding someone with managerial experience. She added that it's been several months since applications were accepted.

Schorr requested clarification regarding her recommendations. Nelson clarified that she would like to offer an improved contract to Mr. Dion, open interviews for a short period, then consider the current candidates.

Parks noted the agenda states "at the continuation of the July 8, 2021 meeting" which she noted is a typo that should say June 8, 2021.

Vogt stated that she also agrees with Nelson. She questioned if there is a time limit requirement for the posting and McKay confirmed there isn't. She stated that she would also like to consider the other top two candidates. She communicated personally with Mitch Dion because she felt that they had a rapport. She read from her email from Dion that stated "*Darya, thanks for your understanding but I would appreciate not being considered any further.*" She noted this is a decision from he and his wife, based on prior experience in Calaveras County that affected their reputation. As he felt he did not have the full support of the Board, he is not willing to put himself in that situation again.

Parks verified that Dion would not consider a new offer. Vogt added that she would prefer not to bother him as he made this very clear, and he could be considering new options. Nelson questioned if he stated that he could provide referrals. Vogt confirmed that he stated that he would be happy to help the district find a great General Manager. Parks questioned if there is any detail regarding that offer and Vogt confirmed no. Vogt questioned how he could provide assistance, or a recommendation given his perception of the Board. She noted it is possible that he personal experience in Calaveras County is a major factor. She suggested either opening up interviews for a short period or considering one of the top candidates.

Parks stated that she would have like to negotiate with Dion further by offering for him to provide his terms to reconsider. She verified that it doesn't sound like he wants to be bothered. She stated that she disagreed with the way the Agenda Item was written. She read as follows: "*A lot of damage would be done to the KGID reputation and man-power would certainly suffer if the wrong decision is made.*" She stated that she was insulted by this as there would not be any damage to the KGID reputation. She stated that there have been many manager changes, and there was even a period without a manager. If McKay has trained the employees well, they should be able to carry on. She noted that a manager is needed but doesn't feel it is an emergency situation. She feels that this is recommendation to hire Garden. She noted that McKay was gone most of May and Garden carried on in his absence. McKay replied that he was still in contact on a daily basis during his absence. He added that he wasn't intending for Garden to be hired. McKay cautioned that they will have repercussion from a wrong decision. Parks replied that they still have to try.

Parks commented that Garden should be able to step in for the transition to General Manager since he is applying for the position. She commented that she doesn't support McKay's extended contract. She suggested contacting Dion, re-opening interviews, and considering Dirk Dornburg, the General Manager from Kirkwood, in addition to Kim and Brandon Garden.

Schorr stated that the Board has reviewed the candidates over the past months. He noted that after starting with 40-50 candidates, it was narrowed down to three and the top candidate, Mitch Dion chose not to accept. He would not renegotiate with Dion as the compensation package was near \$200K. He stated that in his experience, a candidate does not turn down a contract for the inability for the board to have consensus. He noted that the board is quality because they disagree professionally and respectfully. Therefore, he feels the candidate declined for other personal reasons. He would not recommend going back to Dion as he did not complete the final negotiations.

Schorr noted that there were three quality candidates and now we have two qualified candidates, and he would support either. He offered for Parks to propose considering Mr. Dornburg as a motion. He suggested considering the next two candidates as he doesn't feel it's appropriate to start over.

Yanish stated that she agrees with Schorr. She doesn't feel that we have run out of options. She feels re-opening the interviews would be a step back, noting the progress to narrow down the candidates. She noted that the remaining candidates should be considered and suggested choosing a candidate and starting the negotiation process. She doesn't see the benefit of starting the process over and doesn't anticipate receiving an exceptional new application. She suggested addition feedback from the trustees.

Nelson requested comments from McKay, Brewer and Zumpft and Yanish agreed.

McKay didn't have any comments. Brewer agreed with pursuing one of the top candidates already chosen.

Nelson commented that the top three candidates weren't the type of people she was interested in pursuing. She only had interest in Dion because of his past experience.

Schorr questioned a fourth candidate. Nelson replied that she doesn't have another candidate she would like to consider, noting that Dion and Hickman had managerial experience. She added that Hickman wasn't a great fit. Schorr confirmed that she would prefer to open it up again to review another 50 applications. Nelson suggested including managerial. Parks stated that she supports waiting a couple of weeks.

Yanish confirmed Nelson's intent is to change the rating scale or job description to include General Manager experience. Nelson suggested considering applications with managerial experience, noting that the description could be changed or not.

McKay explained that the job description would have to be reapproved by the Board. He stated that the description could say General Manager with Public Works Experience. Parks noted the abbreviated time frame should be included.

Parks requested Zumpft's opinion. Zumpft confirmed this is not a legal matter and he would be commenting as a member of the public. He noted this is a board decision and if the trustees aren't comfortable with the candidates they have, then they should expand the candidate pool. McKay agreed and noted the job description approved includes extensive duties and qualifications needed that tie into public works.

Schorr commented that it is an assumption that the trustees are not satisfied with the quality of the pool. He noted that Nelson is not, but he is not sure of the rest of the trustees and suggested comments. He speculated that Yanish is also in favor of the last two candidates. He clarified that he supports pursuing the two remaining candidates.

Vogt stated that she supports a two-week posting for more candidates. She indicated that she has days this summer that she will not be available and noted that this is an important decision that she would like to be part of. She reminded the other Trustees that meetings may conflict with vacations. In her opinion, Dion was an outstanding candidate, and it is difficult for her to settle with the remaining candidates as his qualifications were superior. She would be willing to repost for a short period of time.

Parks questioned where the position is posted and McKay replied APWA, AWWA and National Rural Water. In response to her question regarding timing, McKay stated that he could get it posted in a couple of days and estimated Friday. Parks stated the sooner the better.

Vogt stated that it is critical that we are all on the same page moving forward. She noted that she may also be responsible by being critical of dependent coverage of health insurance. She feels more relaxed knowing that McKay can assist KGID on an interim basis. She noted that the Board generally gets along, and we need to agree before we present something. Parks agreed that we need a united front.

Yanish stated that we have already gone through the process of eliminating candidates and retaining the good ones. She would like to move forward with the two remaining candidates because she thinks it is a fruitless effort to try to recruit new people this far along in the process. She would feel differently if we had exhausted other candidates, but that is not where we are right now. She noted that public meetings are required to discuss the contract making the discussion public for transparency. She noted that the Board is possibly split regarding the next steps. She suggested a motion to move forward.

Nelson questioned if it would be appropriate for public comment and Zumpft confirmed yes. The Board invited Hancock to add to the discussion.

Hancock disagreed with Schorr's comments that the Board was unified and commented that it was a disaster and embarrassing on June 8, 2021. It was unprofessional, dysfunctional and he wouldn't blame anyone for not wanting to work for a board like that. He stated that much of the conversation should have been held out of the

public realm and they should not have invited the candidate to attend the meeting if you were not ready to present a unified contract. He believes the Board made a mistake.

Hancock stated that the Board needs to unify and make him an offer. He noted that faxing him an offer prior to making changes was totally wrong. He suggested offering more money, noting that Yanish wanted to save KGID money. He offered to volunteer his time for free and it was not accepted. He suggested offering the contract as a unified board to demonstrate that you can work together. He added that Dion appears to be the best candidate and noted that he has already proven himself and doesn't need to do so in order to get more money. He cautioned that the repercussions could be that the Board would hire a General Manager that would not be ideal. If he rejects the offer, he supports Nelson's recommendation to look for additional candidates. Hancock stated that he heard Garden may not be interested in the position, which leaves only one remaining candidate. He stated that he understands that the remaining candidate doesn't have a water background. He restated his recommendation to provide an improved offer to Dion first, then proceed with finding other candidates. Hancock stated that he has discussed this with many people, and they all feel the same.

Yanish offered for any other public comment.

Sandy Braddick stated that she has never sat on a board or been involved with a company with a board. She noted that the offer was made without complete agreement between all of the board members. She doesn't understand how the offer was presented if they all didn't agree.

Schorr stated that the strength of the board is not 100% consistency on how they deliberate. He noted the importance of disagreeing, even regarding important decisions such as this. He noted that everyone provides their opinion regarding the quality of the candidate. Braddick stated that in her opinion, an offer should not be made without 100% consensus of the board. She noted that the Board continues to deliberate, and they will never agree and will be paralyzed with disagreement.

Vogt noted that other factors contributed such as McKay's departure at the end of June/early July. She noted the advertising of meetings takes time. She acknowledged that they were rushing, but that has now changed based on McKay's availability to continue to provide service to KGID. She now feels that they can provide due diligence to find a candidate that meets all of the qualifications. She noted that there have been many meetings and not all Board members could always be present for discussion. She added that she has cancelled many personal appointments to accommodate the various meetings. She noted that Trustee Schorr and Zumpft were not available during an important meeting. She added that they started three months ago with 50 candidates and have reviewed each one and talked to many. She stated this is a difficult process and they will do more planning moving forward.

Yanish thanked Braddick for her comment.

Hancock requested to make additional comments. He noted that he brought this to the Board's attention in June 2019 and June 2020. The Board spent two months on a committee that returned with a recommendation to extend McKay's contract. The Board wasted at least one year and two months on this and he added that he has no sympathy. He commented that the Board does not have to have a consensus, but they have to agree on the contract. He stated that the problem was that a contract was presented and then reneged on the contract. He restated his recommendation to offer a better contract to Dion, to include the 80 hours of administrative leave, sick leave and a longer term, to coincide with McKay's existing contract. He pleaded with the Board to do their job.

Yanish offered for public comment from anyone who hasn't commented; there was none. She offered for the Board to discuss further or make a motion. Schorr requested further discussion.

Vogt stated that she agrees with Schorr. She doesn't disagree with offering Dion an improved contract, noting that he may have other reasons for not joining KGID. She agrees that maybe there are family reasons or maybe he enjoys his current job.

Parks stated that Dion's comment to McKay were that he wanted a full consensus of the Board. Schorr replied that the Board doesn't always have to have consensus. Parks stated that the Board should have had set numbers and not made changes to the contract. Schorr agreed that the meeting did not go well. He noted that Dion withdrew before final negotiations of the contract.

Vogt commented that he requested time to review the contract with his wife, which might have been an indication that he wasn't feeling good about it. Schorr stated that he could have returned with new terms. Schorr questioned how to proceed with Ms. Rigdon and if she needs to reapply. He questioned the status of the other applications received.

Nelson explained that she feels they should expand the search and keep the applications received. She noted that the top eight applicants interviewed all have the water experience requested and the others did not.

Schorr stated that the quality of an employee will be confirmed in a year from now and is difficult to determine at this time. He confirmed with Nelson that Ms. Rigdon would not need to reapply.

Yanish stated that she thinks the board needs to decide if they are going to approach Dion with a new offer, which she doesn't think is feasible. She requested the E&O officers McKay and Brewer to review email correspondence between Dion and the board for fair hiring practices. She noted that he doesn't want to be contacted and questioned any liability for doing so. She is against trying to renegotiate with Dion based on the information presented.

McKay stated that he feels it would be appropriate for him to contact Dion on behalf of KGID with the new terms. Parks stated that she felt all of his requests have been met. McKay offered to provide a revised contract to include these terms. Parks questioned if a three-year contract could be terminated, and McKay confirmed adding notice could be provided.

Vogt noted that all of the trustees should agree in order to have consensus. She feels that Dion did not want to be at odds with the Chairman, adding that the Board is generally very approachable and works together. She noted that his prior experience may have affected him.

Yanish noted that the Board will not always be the same and the General Manager should be able to communicate with the Board of Directors as it will fluctuate over time. She suggested deciding if we are going to pursue Dion first, in order to decide how to proceed from there.

Parks stated that she would like to offer Dion a contract. She suggested that McKay write something up to be reviewed by the trustees. She suggested extending the contract to three-years. McKay suggested completing the contract with Zumpft for the board to review separately. He reminded the Board that they are not permitted to respond to the rest of the trustees.

Yanish noted that there are different opinions regarding compensation and other terms included in the contract and she still has the same opinion.

Schorr stated that he is not supportive with pursuing Dion, as he withdrew from negotiations.

Vogt stated that she would support pursuing Dion if all of the trustees were on board, in order to present the terms with a statement that the board agrees. She stated that she respects Yanish's position, but this candidate is outstanding from the others, and she questioned her reasoning.

Yanish stated that she was outvoted on her original preference regarding salary, but she still stood behind the Board. She explained that the original contract agreed upon by the Board was already higher than her limit and that's why she was against it. She feels an employee should be with KGID for some time before receiving tenure benefits. She noted that he may not be happy here if he expects a Board to be in unison to vote for more compensation.

Vogt stated that she would rather pay someone now to have someone competent in the position to manage the district. She would prefer not to have to come in herself to perform these duties. She explained that an extra \$40K-\$50K for a seasoned person offsets the potential problems and money that could be spent when someone inexperienced is in charge.

Parks commented that she feels Dion was satisfied with the salary of \$142K. Zumpft noted that the initial amount offered was too low.

Nelson recalled that he indicated the terms appeared acceptable and he just needed time to review. His comments later were that he was uncomfortable with a one-year contract because he would be giving up a lot by moving and would be missing out on the job security of a longer-range contract. He also stated that the board wasn't unified. Nelson suggested extending the contract to three years and raising the amount. She would like him to consider, as he was our first choice.

Schorr noted that he didn't attempt to negotiate a longer contract and instead withdrew. Parks stated that she thought he felt those were the final terms. Vogt offered to read the email again but speculated that he didn't feel good about the contract.

Parks supports offering the contract for three-years and increasing the amount to \$144.9K. She noted that it wouldn't take much time and suggested starting the process for the advertisements as well.

Yanish questioned if there is a concern from E&O regarding his request not to be contacted. McKay confirmed he could be contacted again. Brewer noted that he did not make this request to McKay or herself. Vogt stated that she contacted Dion after his last communication with McKay. Yanish stated that she would like a recommendation from McKay, Brewer or counsel regarding communicating with the candidate directly. McKay cautioned against separate discussions with the candidate, noting that going forward the candidate should be dealing with the staff or legal counsel directly.

Yanish confirmed that she is against pursuing Dion as she doesn't feel they will be able to make him comfortable. As General Manager, he will be working closely with the Board, and he may either lack those skills or be more worried about his personal reputation. She offered for a motion regarding Dion.

Nelson stated that if Dion were to join KGID, Yanish would still not agree that he is a good candidate. If Dion were to read the Minutes, he would not be pleased with Yanish's comments.

Yanish stated that he was a very qualified candidate, but if he wants the compensation and benefits tenure is required to renegotiate. She explained that the reward system is generally used in business and government agencies. She acknowledged that he is qualified but felt he was asking for more than the district should pay for someone just starting. She noted there is less confidence now that he was unable to complete negotiations.

Vogt stated that he would help us look for a good General Manager. She suggested pursuing this if an offer isn't made. Parks suggested doing both. McKay agreed. Yanish stated that she would not be in support of a candidate working in the interim and the Board clarified that wasn't the intent. Nelson explained that he may know of a candidate.

Schorr stated that he would not have a candidate that withdraws to assist with additional candidates. Vogt explained that one of Dion's skills in mentoring and he has placed managers around California. She doesn't feel it would be harmful to receive referrals from him. She noted this would be a short process and worth the try. He next suggestion would be to pursue the remaining two candidates. Parks questioned if any other trustees would like to discuss any other candidates and Vogt replied she would not.

Zumpft requested to comment. He stated that if a candidate requires unanimity from a Board, that is an unrealistic expectation. He stated that if that was the case, only one person would be required. He stated that if the Board were to reach a conclusion that Yanish disagreed with, she would still support the Board. He would

suggest a motion regarding extending an offer to Dion. If outvoted, he hopes the other trustees will support the Board, despite the outcome. He noted the repetitiveness in the conversation and suggested a motion.

M-6/16/2021-2 - Motion by Nelson, seconded by Parks, and passed to extend an offer of employment to Mitch Dion. Yanish and Schorr opposed, motion passes.

Yanish offered for further discussion. She offered for public comment.

Hancock stated that Yanish and Schorr haven't hired someone at this level before. He cautioned that they will not get the level of candidate they are searching for with the benefits offered. He disagreed with the statements that they have to prove themselves when the interview process has already determined the candidate's qualifications. He cautioned that money not spent now, will be spent later. He pleaded that they offer Dion a contract with a higher amount, such as \$145K and thanked the Board.

Yanish thanked him for his comments. She offered for any other comments; there were none.

Parks suggested amending the contract to Dion with a salary of \$145K for three-years with the other terms included. Vogt questioned the prior amount which McKay confirmed was \$142.5K. McKay questioned if there were any changes to health benefits to include dependents. Brewer confirmed the additional amount is \$600 monthly. Nelson questioned how this would be written. McKay explained that a spouse is a dependent covered unless they have health insurance provided by their employer. Nelson verified that dependent children under 26 would also be included. She questioned the union coverage which McKay explained includes dependents and Garden also has dependents. Nelson suggested keeping that the same. McKay confirmed it will be a three-year contract. Parks confirmed the terms to include three-weeks' vacation, three-year contract, \$145K, two-weeks administrative leave and the other items are included.

Vogt noted that she requested the statement regarding increases be removed from the contract and she is willing to add it back in. She recalled the statement is salary increases may be considered based on performance. McKay stated that this doesn't have to be included in the contract and can be noted in a review. Vogt speculated it wasn't noted on McKay's original contract but included in the example version provided. Zumpft stated that the statement has no legal function as salary can be increased at any time, but it can be included.

McKay verified if a motion is required. Zumpft advised that a motion is required regarding the terms of the offer. Parks clarified that the only changes are the salary and terms. McKay stated the dependent coverage is also a change. Schorr added that this is a significant change. McKay stated it is unknown if Dion has children. Yanish cautioned that fair hiring practices should be considered regarding this discussion.

Schorr questioned if the benefits are 100% paid by KGID and McKay explained that all employees are currently 100% paid by KGID. Schorr stated that he is not in favor as benefits are designed to be participatory and not 100% paid. Parks stated she would also like to revisit this. Parks stated that the compensation isn't equitable as the benefit depends on the number of dependents. Zumpft noted that as of today, employees and dependents are paid for by KGID. Schorr agreed that this is for a new candidate and the justification isn't correct by basing it on the union plan.

McKay verified the terms to include health benefits. In response to Nelson's question, McKay indicated that the employees earn one day per month in sick leave. She recalled they reduced it to eight. McKay requested clarification. In response to Nelson's question, Zumpft confirmed that a mediation clause was added as the very last paragraph.

Yanish restated her feelings about a new employee receiving such benefits. She requested clarification regarding the total days off paid per year. McKay clarified that he would receive ten days of administrative leave, fifteen days' vacation leave, twelve days sick leave, plus eleven holidays.

Zumpft explained that the administrative leave isn't leave and compensates the employee for doing other work for the district that's not in the office. He confirmed that it is not used as personal time and McKay agreed. Yanish

questioned the need for administrative leave. McKay explained that it is compensation for work done outside of office hours including such as other organization's meetings. He added that overtime is not received to attend these functions and board meetings. Yanish stated that this should be part of an exempt employee's duties. McKay explained that the other exempt employees also receive this type of compensation. Zumpft confirmed that if McKay attended an out-of-town conference, he would be paid administrative leave and his check would be the same amount. Parks commented that hours worked should not depend on location. Vogt noted that administrative leave could be used for personal use.

Parks confirmed that is forty-eight days total. In response to Yanish's question, McKay stated that when he was hired, he received four weeks' vacation and two weeks administrative leave. Parks noted that this is more than the amount being offered. McKay explained that he had earned that amount prior at KGID. Yanish commented that this is too much.

Nelson verified the terms to be offered as follows: \$145K, employee dependent coverage on insurance, employee benefits would be eighty hours, twelve days per year of sick days, eleven holidays and three weeks' vacation leave and a three-year term. Nelson questioned the need for a motion and Zumpft confirmed it is necessary to extend the offer. Nelson also suggested that a board member extend the offer. McKay suggested that the offer come from McKay or Zumpft. Nelson offered for a letter from the board extending the offer and Zumpft confirmed that McKay's letter would be on behalf of the trustees.

Nelson made a motion to offer a revised contract to Mr. Dion. Yanish offered for any other discussion from the trustees; there was none. She offered for public comment; there was none.

M-6/16/2021-3 - Motion by Nelson, seconded by Parks, and approved to provide a revised offer of employment to Mitch Dion to include a salary of \$145K, with employee benefits to include the employee's dependents for coverage on health insurance, eighty hours of administrative leave, twelve days of sick leave to match all other employees, three weeks' vacation leave and a three-year at will contract term. Yanish and Schorr opposed. Motion passes.

Nelson stated that while we are having negotiations with Dion, there should be an advertisement to invite other applicants. Nelson questioned if the advertisement example was provided as she would want to include general management experience within Public Works to see if someone extremely qualified is interested before making the final selection. Yanish offered for Nelson to request this as a motion.

McKay stated that he received applicants from the Public Works people from the websites it was posted on. Indeed, generated applicants that weren't close to required qualifications. Nelson suggested going with the professional websites and McKay confirmed he will use APWA, AWWA and RWA.

Nelson made a motion and proposed a two-week advertisement to be published as soon as possible to include managerial experience and public works to run for two weeks within the professional website. Vogt seconded. Per Zumpft's request for verification, McKay indicated that applications must be received by July 2, 2021.

Vogt requested to receive a copy of the new advertisement via email. Yanish verified Nelson's official motion. She offered for any other trustee comments.

Yanish stated that this will not be a fruitful effort. She feels we are dealing in bad faith by advertising the position requirements while negotiating with a candidate and have two other candidates that we are considering. She would prefer not to waste any more of the staff's time dealing with applications considering the three applicants remaining. She offered for any other trustee comments.

Schorr concurred with Yanish. He referred to applicant Mrs. Rigdon who has applied for the position. He questioned the applicant's opinion of their status at this time. He explained he hasn't heard the trustees explain that the procedure was wrong and questioned the justification of extending the application period. He suggested moving forward with the existing candidates in lieu of a new search.

Parks requested confirmation from Zumpft that the process suggested complies of related laws regarding the letter to Dion. She questioned if the other candidates should be informed. McKay suggested the board always be transparent.

Yanish suggested notifying Dion that we are advertising while we are negotiating with him and McKay agreed. She requested guidance from Zumpft regarding creating new criteria as new qualifications would be requested. Parks explained that they are narrowing the requirements.

Schorr requested clarification regarding possible acceptance of the contract and the advertisement term. Vogt understood it was not posted simultaneously, and Schorr disagreed. Parks suggested requesting response by the weekend in order to place the advertisement Monday. Zumpft noted the advertisement costs and Parks suggested cancelling immediately if Dion accepts. In that event, McKay suggested informing each of the candidates that the position has been filled. Parks agreed with advertising during negotiations with Dion and Zumpft agreed it is permissible. She confirmed we have a motion and a second.

Yanish requested clarification regarding the advertising process and questioned if the trustees would reevaluate the applicants. McKay explained that a similar process would be followed but applicants without management or public works experience would be excluded. Yanish stated that the other two top candidates would not have the qualifications and questioned if they should be disqualified. Nelson replied that they should not be disqualified. Yanish questioned if that is fair to the other applicants, adding that they want to be fair for best hiring practices.

Nelson suggested disqualifying the other top two candidates and then reevaluating them if no other candidates apply. McKay agreed with Yanish's concern regarding equal opportunity and explained that the qualifications should be set and then lowered later, if necessary. Nelson agreed and stated she supports the higher experienced candidates and if they don't have a response, she would like to reconsider the others.

In response to Yanish's question, McKay estimated the staff would spend 4-5 hours on the advertisement and the cost would be \$1,000-\$1,500 depending on the total for all three websites. Yanish questioned if the staff could process the applications in 4-5 hours. McKay replied that he doesn't expect many applications if the general management or public works experience requirements aren't satisfied.

Parks requested clarification if they are requesting general management or managerial skills as the requirement. Brewer noted that managerial experience would include a casino manager, for example. McKay suggested Public Works Management experience. Parks agreed, noting that including the word General would be too limiting. McKay noted that this would include Garden, but not Rigdon as she doesn't have public works manager experience.

Yanish stated that she is not comfortable with changing the job requirements and minimal qualifications for the job or re-advertising the position when we are negotiating with candidates. Schorr agreed, noting there would be two sets of qualifications during negotiations. Yanish explained that it should be fair and equitable for all of the candidates. Regarding policy making, she doesn't feel this improves our ability to hire a new General Manager.

Schorr questioned how the prior applicants will know to re-apply. Parks explained that approximately forty of the applicants do not have managerial experience. Yanish stated that this is decisive policy making and doesn't support re-opening the position. Parks replied that they are not setting policy and they are only hiring someone.

Vogt stated that she prefers to offer the contract to Dion as soon as possible and advertise after a couple days. Yanish noted this is awkward for the other existing candidates as well. Parks questioned the timing of the advertisement and McKay confirmed he could have it ready to publish Monday and Zumpft can work on the contract.

Brewer commented that this will notify the top two remaining candidates that they aren't what they are looking for. Parks noted that Nelson has made those comments.

Yanish referenced the motion and offered for it to be shot down or amended. She stated that the Board appears to support offering the contract to Dion and then advertise. She questioned any possible amendment to the motion. She offered for a future date to be determined or to anticipate another board meeting to decide the next steps.

Nelson offered to amend her motion to request the advertisement to be placed after a response is received from Dion or the deadline of Monday morning at 8:00 a.m. McKay verified that she would like “general” removed and include “managerial and public works experience”. Vogt agreed.

Parks questioned how long Dion will have to review the contract. McKay offered to provide the contract as early as tomorrow morning.

Yanish requested clarification of the motion. McKay confirmed that if there is no reply from Dion by Monday at 8:00 a.m., the ad will be placed for applications to include managerial experience and public works to run for two weeks within the professional website. Zumpft confirmed that this is for zero or negative response from Mr. Dion. Nelson confirmed and Vogt seconded.

Yanish offered for further discussion. She questioned the procedure to notify the other candidates of their status. McKay offered to send an email explanation that is the same and transparent.

Nelson requested to notify them of the open application period and offered for them to respond with any interest. McKay confirmed if requested, their applications and resumes would be included again for review. Parks confirmed this is only for the top two candidates. Yanish verified the same.

There were no other comments from Trustees. Yanish offered for public comment; there was none.

M-6/16/2021-4 - Motion by Nelson, seconded by Vogt, and approved to post a for applications to include managerial experience and public works to run for two weeks within the professional website if there is no reply from Dion by Monday at 8:00 a.m. Schorr and Yanish apposed, motion passes.

Yanish offered for any other discussion on Item 6 before moving on. McKay confirmed none was needed.

Zumpft stated he had an inquiry that doesn’t require a response. He questioned if Yanish supports the Board’s action. Yanish confirmed that she always supports the Board’s action, despite being outvoted. She noted that there cannot always be 100% consensus, but they speak one as a board. Zumpft posed the same question to Schorr, and he confirmed he supports the Board’s action. Zumpft thanked them.

Yanish stated that discussion generally brings out better outcomes. She noted the comments are respectful and there is good communication. She added that the board will change again fairly soon and therefore, so will the dynamic. She added that it is a functioning board doing our best. She noted the Board is doing their due diligence regarding the hiring process.

DISCUSSION AND POSSIBLE ACTION ON COMPENSATION PACKAGE FOR CAMERON MCKAY FOR TRANSITION/INTERIM MANAGEMENT

Yanish noted the document provided and questioned if it represents a sample contract. McKay explained that the sample contract provided is the current contract for the General Manager for Indian Hills with the terms redacted. He works as a consultant sitting in as General Manager. The funds are based on his loaded rate and McKay did the same. He stated that he added in the cost of insurance and noted the high amount is the cost of the job and he explained that the cost of car allowance, insurance and PERS is included, which will now be his responsibility. He included the other employee costs were provided for reference.

Vogt commented that the terms were very clearly stated and supports this contract. She made a motion to accept the compensation package for Cameron McKay for the transition/interim management to the new General Manager. She questioned the hours and days for work and McKay explained it will be the same as his prior work

schedule, adding that if he doesn't work for a day, he will not be paid. Parks verified he will have the same office and McKay confirmed there will be no changes. He noted that someone should be in attendance as there is much work and oversight to be performed. He added that monitoring costs for the district is done 3-4 times per week to review invoices. He stated that he will be cooking hot dogs for Rotary at Edgewood for two days, which he won't get paid for as he won't have Administrative Leave. He noted that the contract can be daily or monthly, based on the Board's will.

Nelson noted there is a motion and requested discussion. Vogt withdrew her motion. Yanish confirmed there was no second to the motion.

Nelson stated that she reviewed the contract and rates. She noted that as a consultant a higher hourly rate would be paid but she doesn't feel comfortable adding the PERS and insurance to the burdened rate if the district is still paying these. McKay confirmed these benefits will not be paid on his behalf beginning July 1, 2021. Nelson questioned retirement payments to other employees. McKay explained that a PERS regulation requires \$200 monthly subsidy. Nelson stated that she would recommend negotiating the hourly rate of \$85 (increased by 25%). She stated that the contract provided isn't ideal and offered to review important parameters. She suggested reporting to the Board as per usual with a Board Report, provide a schedule to the Chair regarding work availability two weeks at a time, submit an invoice for hours similar to a sub-contractor, permitted use of computer and cellphone and business vehicle from the office. McKay confirmed he would not take the vehicle home. Parks requested confirmation that a contractor could use a company vehicle and McKay verified this.

Nelson offered for any comments regarding the contract. Schorr questioned the term of the contract. McKay stated that in the best scenario, the contract would be through August 31, 2021, which would provide time to hire with a one-month transition period.

Parks questioned if this includes training the new General Manager and McKay confirmed. She questioned if Garden could handle this as he is being considered for the position. McKay explained that Garden has his own position, and this is completely separate. Parks stated that the office previously operated without a General Manager and offered to come into the office for a few hours a day to supervise. She noted that Trustee Hayes previously came into the office to supervise.

Nelson admitted that there were probably items missed at that time because the General Manager's contract was terminated. She feels it is an asset to have McKay present to introduce the new General Manager to the community. Parks questioned if Garden could introduce the new General Manager. Nelson stated that it would be a good transition to have McKay available for a week or two. She noted that McKay could explain some things including the buildings and project updates.

Vogt agreed with Nelson and thanked McKay for offering to assist. She doesn't believe that anyone on the Board has the knowledge or experience to address issues with the district. She noted that Garden has experience, but he has his own job to attend to and it wouldn't be easy to do it along with acting as General Manager.

Parks stated that Garden acts as manager when McKay is on vacation or at conferences. Nelson explained that McKay and Garden make arrangements during those circumstances so that McKay's presence wouldn't be needed. Nelson suggested an abbreviated schedule to assist. Parks questioned the hours.

Nelson and Vogt stated they would like McKay available 40-hours per week. Vogt suggested that enough time be offered to encourage McKay to be around. McKay explained that when he is at a conference, he interacts via email constantly. When he is on vacation, he is called and emailed. He explained that he is requesting the amount for the value of the job and would not be willing to accept less.

Schorr requested clarification regarding McKay's contract if Dion accepts. McKay explained that Dion would have to provide his current employer with a month's notice, to approximately July 21, 2021, and estimated that he could start work on July 26, 2021. McKay offered to stay until the end of August, noting that he wouldn't be in the office full time once Dion is here.

Schorr questioned the terms of the contract and questioned if it is complete. Zumpft explained that the Board would be approving keeping McKay per the contract terms stated. The contract is terminable on 30-days' notice. Schorr noted that past contractual agreements were not completed, including Dion's contract and McKay's previous contracts. Zumpft agreed and suggested if the Board is interested in retaining McKay, they provide the parameters for completion. He noted the contract draft may be workable but not in its current form. Zumpft added that he has worked on that contract, but he would make additional changes.

Vogt noted the terms on Page 2 that would need to be changed. Zumpft explained that the contract can be terminated with 30-days' notice. He referenced Dion's contract of 3-years, that was also terminable. Parks verified McKay could be terminated with 30-days' notice. She suggested a shorter timeframe such as two weeks.

Vogt stated that she doesn't want to be unprepared for a catastrophic event. She noted that this situation is different than before because McKay is willing to cover during the transition. She reiterated her appreciation for McKay's willingness to assist.

Schorr questioned the need for a new contract versus an extension to the existing contract. McKay explained that he has already signed up for PERS and cannot continue as a state employee.

Parks requested Yanish's comments. Yanish stated that when someone is not an employee, they have to pay their own taxes, health insurance and other expenses. She supports having McKay stay on during the transition at the terms he proposed.

Parks questioned if McKay was willing to provide 40-hours per week. McKay explained that he will not be paid if he doesn't work, and he will provide a schedule. Nelson noted that appointments and days off will be expected. Parks confirmed that McKay will provide a timecard. Yanish added that contracted employees set their own schedule which is a distinction between a contracted individual and an employee. She supports a time sheet and schedule.

Schorr stated he supports the continuation during the transition and questioned the calculations for the terms. McKay explained that Brewer assisted in calculating his total cost for the year divide by 2,080 for an hourly burdened rate of \$98.58. McKay explained that the burdened rate includes FICA and Social Security if not part of PERS. Parks noted that contracted individuals don't receive PERS.

Nelson noted the contract includes a requirement of a General Liability Policy. She questioned if a contractor would be reported on Worker's Compensation and McKay explained that he has to carry this personally. The amount includes Worker's Compensation. McKay confirmed he has already obtained this policy.

Nelson stated that her independent contractors are reported to worker's compensation and included in her premiums. McKay confirmed he has a \$5M Liability Policy. Nelson questioned if this amount covers the Board if he makes a gross error while working for KGID. Zumpft stated that the district's coverage will still protect the District for his acts, along with his own policy.

Nelson questioned if the motion includes parameters that Zumpft could draft the contract for review. She questioned if a final contract could be approved via Zoom before approving. Zumpft confirmed.

Parks requested clarification regarding the burdened rate including PERS. Zumpft explained that the burdened rate is the cost for the district to retain McKay as an employee. McKay confirmed this is the current cost of the district to pay McKay. Parks noted that McKay is also collecting PERS. Zumpft confirmed that this is his offer to work for the district and the PERS was earned as he is now retired. Parks questioned the need to pay PERS additionally.

McKay confirmed the hourly rate requested is \$113.43, which includes insurance, with \$110.00 rounded plus \$3.43. McKay added that he would be willing to accept \$108.00 plus \$3.43. Nelson questioned if he would accept \$100.00 and he declined. Vogt reminded the Board that it is better to pay now, than later. As a responsible board member, she wants someone present that is qualified adding that it is not a long period of time.

McKay explained that this is will not cost the district extra until there are two General Managers present. Parks stated that the staff is well trained and can handle any emergency. Vogt questioned if Garden should have to do two jobs. Schorr noted that Garden would have to do two jobs until his position is filled if he were to be promoted. Vogt stated that there are many issues to be addressed with that matter and suggested that discussion for another time.

Nelson questioned if Yanish would like to call for public comment or a motion. Yanish noted the importance of having costs covered when you are not an employee. She offered for public comment.

Charles Hancock stated that there were no attachments to the agenda, including a contract or terms. He noted that he checked the website as he was making his statements. Initially he did not support \$110 per hour, noting some duplicate payments, but he has reconsidered. He has an issue with 40-hours per week as he doesn't think that is necessary. He thinks McKay should be consulted as required and not in the office 8-hours per day. He feels the contract should be on as required, hourly basis with a minimum call of 2-hours to cover his drive time. He disagrees that a contractor should never set their own hours as a consultant works for the Board. The Board should decide the hours and timing. He feels \$110 is high, but he can support it.

Nelson thanked Hancock for his comments and offered for any other public comment.

Sandi Braddock Stated that she agrees with Hancock and the consultant has a contract with the Board and is considered a contract worker. She stated that the Board should set the hours and terms of the contract. She supports a minimum time for McKay to come to the office.

Yanish confirmed there were no additional public comments. She offered for additional board comments. Schorr confirmed there is no motion.

Nelson requested a consensus from the Board regarding hours for McKay. In response to her question, McKay explained that each day is different and filled with unanticipated issues. He offered to provide a schedule, including any personal appointments affecting his schedule. Parks stated that she often comes into the office and Garden and McKay are both gone. She stated that she would be livid if they are paying McKay \$110 per hour and he isn't in the office. She encouraged communication to the office staff regarding scheduling. She questioned if there will be duties performed outside the office and McKay confirmed. He explained that Judy is informed of his whereabouts and Judy confirmed.

Yanish questioned if McKay will be approved up to 40-hours per week. Parks didn't support this. Schorr questioned the amount of time required. McKay explained that he works 35-55 hours per week and offered to limit it to 40-hours. During the transition, it will be approximately 20-hours per week as instruction only will be provided. McKay noted that the full 40-hours may not be utilized. Parks questioned how this can be written into the contract.

Zumpft stated that McKay should be present when needed and there shouldn't be a limit on his hours. There should be confidence in McKay that he will treat the district fairly or they should part ways now. Vogt agreed.

Nelson questioned if hours work should reference "anticipated up to 40-hours per week". McKay noted it should not have a maximum in case there is an emergency. She provided an example of McKay being out of town and Garden in charge. She verified with the Board that this would be acceptable. McKay stated he liked the verbiage she suggested.

Vogt stated that she is happy that McKay is willing to assist and doesn't believe he will take advantage of the district. She supports the language provided.

Nelson questioned if the terms could be provided, and the contract approved now. McKay restated her question. Parks noted the money has to be approved. Zumpft stated a consensus for the contract is needed. Nelson verified a motion is needed. Yanish agreed to set the terms via motion.

Nelson made a motion and Vogt seconded.

Zumpft questioned the Nelson's preference regarding a termination notice. McKay suggested two weeks. Zumpft confirmed that is the direction needed to complete the contract.

Nelson offered for Yanish to call for further discussion and public comment. Yanish lost connection and Nelson suggested that Parks continue as Vice-Chair.

Parks offered for further discussion from the Board; there was none. She offered for public comment.

Hancock stated that a termination isn't important as the contract is at will. The Board could say that services aren't needed and terminate the contract. Also, he would like to make sure that the contract is reviewed before signed by the Chair. He added that past experience shows that contracts have been signed without being reviewed. He would like to ensure that the contract signed matches the contract approved by the Board.

Parks confirmed there will be a Zoom meeting to approve the contract. McKay confirmed Zumpft will send the contract to all and any comments will be returned directly to Zumpft only. He reminded the Board not to reply to all.

Regarding the contract start date, Nelson suggested July 1, 2021. Parks requested clarification regarding pay during calls and McKay confirmed that he is working when receiving phone calls. Parks noted time on calls is difficult to track and McKay replied that trust is required. Schorr stated he has confidence in McKay to finish out his career properly. McKay thanked Schorr for his comment.

M-6/8/2021-5 - Motion by Nelson, seconded by Vogt, and passed to direct counsel to draw a contract with Cameron McKay for a short term to act as General Manager in an independent contractor basis with pay expected at \$110 per hour. McKay will provide a set schedule to the Chairperson two weeks in advance with semi-monthly invoices for services to be paid within two weeks. He will maintain reporting to the board and attend board meetings. He will maintain use of a computer in the office, cell phone and use of a business vehicle while on KGID business only. The contract will be provided by legal counsel for final approval by the Board. Parks apposed, motion passes.

FINAL PUBLIC COMMENT – Parks offered for any final public comment; there was none.

ADJOURNMENT

M-6/8/2021-6 - Motion by Vogt, seconded by Nelson, and unanimously passed to adjourn the meeting at 4:10 p.m.

Respectfully submitted,

Natalie Yanish, Chairman

Attest:

Darya Vogt, Secretary