

**AGENDA
SPECIAL CITY COUNCIL MEETING
CITY OF EAST GRAND FORKS
TUESDAY, MAY 14, 2013 - 5:00 P.M.**

CALL TO ORDER:

CALL OF ROLL:

DETERMINATION OF QUORUM:

NEW BUSINESS:

1. Consider approving an agreement with Springsted, Incorporated for City Administrator executive recruitment.
2. Consider appointing an interim City Administrator.

ADJOURN:

Upcoming Meetings:

Special Council Meeting – May 14, 2013 – 5:00 PM – Training Room
Work Session – May 14, 2013 – 5:00 PM - Training Room
Regular Council Meeting – May 21, 2013 – 5:00 PM – Council Chambers
Work Session – May 28, 2013 – 5:00 PM – Training Room
Regular Council Meeting – June 4, 2013 – 5:00 PM – Council Chambers
Work Session – June 11, 2013 – 5:00 PM Training Room

AGREEMENT FOR EXECUTIVE SEARCH SERVICES

THIS AGREEMENT is made as of the ____ day of _____ 2013, by and between, the City of East Grand Forks, Minnesota ("Client") and Springsted Incorporated ("Consultant").

WHEREAS, the Client wishes to retain the services of the Consultant on the terms and conditions set forth herein, and the Consultant wishes to provide such services;

NOW, THEREFORE, the parties hereto agree as follows:

1. Services. Consultant shall provide executive search services to assist the Client with the recruitment and selection of a City Administrator consistent with the scope of services contained in Consultant's proposal dated May 7, 2013. The work plan is provided in Attachment A and hereby made a part of this Agreement.
2. Compensation. The Client shall compensate the Consultant for these services at a professional fee of \$12,000 and out of pocket expenses in the manner set forth in the proposal.
3. Term and Termination. This Agreement shall commence as of the date hereof, and shall continue until terminated by either party by written notice given at least 60 days before the effective date of such termination, provided that no such termination shall affect or terminate the rights and obligations of each of the parties hereto with respect to any project, whether or not complete, for which the Consultant has provided services prior to the date that it received such notice.
4. Indemnification: Sole Remedy. The Client and the Consultant each hereby agree to indemnify and hold the other harmless from and against any and all losses, claims, damages, expenses, including without limitation, reasonable attorney's fees, costs, liabilities, demands and cause of action (collectively referred to herein as "Damages") which the other may suffer or be subjected to as a consequence of any act, error or omission of the indemnifying party in connection with the performance or nonperformance of its obligations hereunder, less any payment for damages made to the indemnified party by a third party. Notwithstanding the foregoing, no party hereto shall be liable to the other for Damages suffered by the other to the extent that those Damages are the consequence of: (a) events or conditions beyond the control of the indemnifying party, including without limitation changes in economic conditions; (b) actions of the indemnifying party which were reasonable based on facts and circumstances existing at the time and known to the indemnifying party at the time the service was provided; or (c) errors made by the indemnifying party due to its reliance on facts and materials provided to the indemnifying party by the indemnified party. Whenever the Client or the Consultant becomes aware of a claim with respect to which it may be entitled to indemnification hereunder, it shall promptly advise the other in writing of the nature of the claim. If the claim arises from a claim made against the indemnified party by a third party, the indemnifying party shall have the right, at its expense, to contest any such claim, to assume the defense thereof, to employ legal counsel in connection therewith, and to compromise or settle the same, provided that any compromise or settlement by the indemnifying party of such claim shall be deemed an admission of liability hereunder. The remedies set forth in this paragraph shall be the sole remedies available to either party against the other in connection with any Damages suffered by it.
5. Confidentiality: Disclosure of Information.
 - a. Client Information. All information, files, records, memoranda and other data of the Client which the Client provides to the Consultant or which the Consultant becomes aware of in the performance of its duties hereunder ("Client Information") shall be deemed by the parties to be the property of the Client. The Consultant may disclose the Client Information to third parties in connection with the performance by it of its duties hereunder.
 - b. Consultant Information. The Client acknowledges that in connection with the performance by the Consultant of its duties hereunder, the Client may become aware of internal files, records, memoranda and other data, including without limitation computer programs of the Consultant ("Consultant Information"). The Client acknowledges that all Consultant Information, except reports prepared by the Consultant for the Client, is confidential and proprietary to the Consultant, and agrees that the Client will

not, directly or indirectly, disclose the same or any part thereof to any person or entity except upon the express written consent of the Consultant.

6. Miscellaneous.

- a. Delegation of Duties. The Consultant shall not delegate its duties hereunder to any third party without the express written consent of the Client.
- b. No Third Party Beneficiary. No third party shall have any rights or remedies under this Agreement.
- c. Entire Contract; Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and supersedes all prior written or oral negotiations, understandings or agreements with respect hereto. This Agreement may be amended in whole or in part by mutual consent of the parties, and this Agreement shall not preclude the Client and the Consultant from entering into separate agreements for other projects.
- d. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Minnesota.
- e. Severability. To the extent any provision of this Agreement shall be determined invalid or unenforceable, the invalid or unenforceable portion shall be deleted from this Agreement, and the validity and enforceability of the remainder shall be unaffected.
- f. Notice. All notices required hereunder shall be in writing and shall be deemed to have been given when delivered, transmitted by first class, registered or certified mail, postage prepaid and addressed as follows:

If to the Client:

If to the Consultant, to:

Springsted Incorporated
 380 Jackson Street
 Suite 300
 St. Paul, MN 55101-2887
 Attention: Managing Principal

The foregoing Agreement is hereby entered into on behalf of the respective parties by signature of the following persons each of whom is duly authorized to bind the parties indicated.

FOR CLIENT

SPRINGSTED Incorporated

Name, Title

Ms. Sharon Klumpp, Senior Vice President

ATTACHMENT A
Proposal

City of East Grand Forks, Minnesota
Proposal to Provide
Executive Search Services for a City Administrator

Executive Search Process and Philosophy

Springsted's primary goal is to find qualified candidates to serve as the City's next Administrator. We provide a well-defined and strategically-focused executive recruitment process grounded in a comprehensive understanding of City government, respect for the responsibilities of the City Council and staff, a thorough knowledge of and experience in the obligations and responsibilities of city administration.

Ms. Klumpp will work to create an excellent partnership between all City officials. This includes helping the City think strategically and deliberately throughout each critical step of the process. This will be an important component of the early stages, as the City Council works to reach consensus on the qualities and characteristics they seek in the applicants. Ms. Klumpp and any additional Springsted staff members utilized for this search will remain unbiased and fair in all communications and interactions, and will build trust and confidence with everyone from the beginning to the end of the process.

The essential steps to any search process include the following items below. These are listed in summary form and can be explained and outlined in greater detail at any time.

1. **Position Review/Profile Development** — Work with the City Council and designated staff to identify and define the experience, skills, knowledge and abilities the ideal candidate will need to be successful. We identify the priorities and challenges the incoming City Administrator will be facing; especially within the first one to two years in the position. This step will involve meetings or conference calls with individual members of the City Council. We frequently obtain information from department heads and others designated by the City Council through group meetings or electronic questionnaires. If requested, we will schedule a focus group meeting with community leaders. We use this information to update the job description (if needed) outlining the requisite duties, responsibilities and goals of the position.

Using this information, we prepare a position profile that identifies the qualifications the City Council desires in the City Administrator and highlights the leadership opportunities this position offers to prospective candidates. We update the community profile and information about the City organization based on the previous searches we have conducted for the City's Fire Chief and Public Works Director positions. The profile is used as a marketing brochure that brings positive exposure to the City as well as a source document used to evaluate applicant credentials for the position.

2. **Recruitment and Targeted Outreach** — Develop a customized recruitment strategy; the final details are determined in conjunction with the City Council. The strategy is also a function of the geographic region (local, regional, state, national) that the City seeks in its recruitment. The process typically includes the following six step plan:
 - Website postings with state municipal leagues, including the League of Minnesota Cities and city/county management associations, such as the Minnesota City/County Management Association, especially in the Upper Midwest.

- Schools of public administration that regularly provide information about job openings to alumni.
- Electronic messages and communication through various mediums such as LinkedIn.
- Wide spread e-mail notices on association and group listservs.
- A review of our existing database to determine candidates that we know or have screened in the recent past to determine if they meet the desired qualifications.
- Personal telephone contacts and extensive networking with prospective candidates to inform them of this position, answer their questions and encourage them to apply. We find often that many qualified candidates are not actively seeking a new position and do not respond to advertising, hence we will directly recruit certain individuals who we believe are a match for the City and the position.

Springsted sets up a special e-mail inbox for each search and encourages an electronic submission of applications. Applications received by mail or by fax are scanned to ensure that we have an electronic record of all materials received. Each application is acknowledged upon receipt. We maintain respectful relationships with all potential applicants and candidates that apply for the position. We work in confidence and commit to represent City of East Grand Forks in a courteous and professional manner.

3. **Applicant Screening and Evaluation** — Conduct an objective and systematic review of each application to determine those applicants who most closely meet the City Council’s desired qualifications. Once we have identified the candidates who most closely meet the City’s desired qualifications (typically 8 to 12), we ask them to complete a questionnaire that addresses their professional and personal qualities in comparison to the characteristics identified in the position profile. We work with the City Council to develop the essential questions we will ask the candidates. Along with substantive information provided in the answers to the questions, we are able to assess and evaluate the candidates’ writing and comprehension skills. We also conduct telephone screening interviews to expand upon each candidate’s background and experience, particularly in those areas important to the City. We determine the candidate’s level of interest and motivation for seeking the position. We identify the candidate’s management and leadership style and learn and understand their personal experiences and professional expectations for the City of East Grand Forks position.
4. **Presentation of Candidates** — Prepare written candidate reports summarizing our screening information, explaining how each candidate meets the City’s established qualifications and why the candidate is seeking the position. We include information on the candidate’s education, experiences, strengths, areas of professional development, management style and professional accomplishments. Written candidate reports also include a review of information found through internet searches and preliminary references with people that we know and trust.
5. **Selection of Finalists** — Meet with the City Council to present the written reports on the screened candidates. The City Council selects the candidates who will be invited to interview, generally between 4 to 6 individuals. The number of candidates may vary based on the search priorities and depth of the candidate pool. In a professional and respectful manner, Springsted informs all applicants of their status in the selection process, in particular those that are not moving forward to the interview stage.

6. **Interview Design** — At the time of the selection of the candidates, we present options to the City Council for the design of the interview process. Depending upon the City's goals, these options may include opportunities to provide candidates with a tour of the City and community, and a candidate *meet and greet* if desired. Interview options may also include a multi-tiered interview process including involvement and participation from City staff, and community leaders (if requested). We provide sample questions and also include a list of questions (inappropriate or illegal) that the City should avoid asking during the interviews. We will coordinate the interview schedule and all interview details with the designated participants and candidates.
7. **Reference Checks** — Contact references and provide a thorough reference outline for each candidate participating in the interviews. It is our practice to contact at least four references per candidate: an elected official, a professional peer, a direct report and a community member. We believe that a more comprehensive reference profile can be compiled if we seek input from a representative of each of these areas.
8. **Interviews** — Springsted works with the City Council and designated staff to design and coordinate the interview process. We develop an assessment tool for the City Council and structure a process for the Council to receive feedback from others who have contact with the candidates. A Springsted consultant is in attendance at the interviews and will assist the City Council in narrowing the field of candidates who could be invited to a second interview or in selecting the top candidate(s).
9. **Background Check and Employment Offer** — Conduct a thorough background records check, which includes state and national criminal and civil history, driver's license review, educational verification, a credit check and a review of social media activity. The timing is coordinated and typically is completed prior to making an offer to a candidate. We will assist (if desired) in developing an employment offer. We will negotiate a compensation package with the successful candidate in accordance with direction received by the City.
10. **Ongoing Services** — Our commitment to the City does not stop after the appointment of the City Administrator. At the time of the appointment we will provide the City Council and incoming Administrator with ideas on how to successfully transition to a new position. We are available throughout the first year to facilitate a discussion about performance issues (if they arise) and/or assist in establishing goals and objectives for the new City Administrator. We will contact the Administrator at the six month and one year intervals to find out how s/he is performing and to check in to answer questions or provide information as requested in the transition. As a result of our professional associations, we will more than likely interact and communicate with the Administrator on a more regular yet informal basis too.

Springsted will also perform another executive search if the new City Administrator voluntarily resigns or is dismissed for cause during the first 24 months of employment. The guarantee search and other ongoing services are provided at no additional cost to the City other than reimbursement for actual direct expenses we incur.

The timetable below illustrates a tentative schedule for filling the City Administrator position with appointment occurring in August 2013. If selected, the specific dates and details will be modified to match the actual beginning of the search. In general, an executive search process takes 90 to 100 days to complete. Specifics within each step below will be discussed and articulated during the initial meetings with City officials.

It is anticipated that a member of the City staff will be designated as the search coordinator to assist in details, logistics and scheduling. This individual will also be a contact for information requests, clarifications, distribution of information to the City Council and general communication.

Project Milestone	Timeframe
Notice to proceed	Week of May 13
Meeting / conference calls with City Council and others as designated	May 20 – 29
City Council approves the position profile	June 4
Placement of job postings and advertising position	June 5
Recruitment of candidates	June 5 – July 9
Applicant screening begins; position remains open until filled	July 9
Update on applicant pool to the City Council	July 10 – 12
Applicant / candidate information to the City Council	July 19
City Council selects candidates to interview	July 23
Interview details reviewed and approved by the City Council	July 26
References completed and first round of candidate interviews	Week of July 29
Second candidate interviews, plus additional screening (if needed)	Week of August 5
Background check completed; offer made and accepted, employment agreement approved by the City Council	Week of August 12
Start date: (generally 30 days from notice to employer)	September 3 – 23
Formal update and check-in with Administrator and Council (if desired)	March and September 2014

As part of the search process, we contact the City Administrator and City Council six months and one year after the appointment to check in and see how everything is going. This follow-up is designed to provide support and advice as necessary to ensure a successful transition for everyone. These dates do not preclude conversations and other informal contacts at any time after the official appointment by the City Council.

Project Team

Sharon G. Klumpp

Senior Vice President and Consultant



Ms. Sharon Klumpp specializes in organizational and management consulting for public agencies. She will lead the search process for the City of East Grand Forks and be involved in every phase of the project. Since joining Springsted in 2004, she has led over 60 executive searches for local governments including recent chief administrative officer searches for the cities of Elk River, Moose Lake, Willmar and Worthington, Minnesota; Decorah, Iowa; Winnetka, Illinois; Eau Claire, Wisconsin and for Crow Wing and Winona Counties in Minnesota; Jackson County, Michigan and Pierce County, Wisconsin. She also led the search process for hiring an Executive Director for Tri-County Community Corrections and assisted the Northwestern Mental Health Center in its hiring of an Executive Director. She is currently working on searches for Chippewa County, Wisconsin and the City of Norwood Young America.

Ms. Klumpp has extensive government experience, having served as an Executive Director of the Metropolitan Council—the seven-county regional planning agency for the Twin Cities metropolitan area of Minnesota, as the Associate Executive Director for the League of Minnesota Cities, as a City Administrator and as an Assistant City Manager. She holds a master's in Public Administration from the University of Kansas and a bachelor's degree in Political Science from Miami University (Ohio).

David J. “Dave” Unmacht

Senior Vice President and Consultant



Mr. Dave Unmacht is Director of Springsted's Organizational Management/ Human Resources group. He will assist Ms. Klumpp in the recruitment and evaluation of candidates and serve as Ms. Klumpp's back-up if needed. Within the past 2 1/2 years, he has been either the lead consultant or advisor on over 20 local government executive searches. He recently completed City Manager searches for the Cities of St. Anthony and Burnsville, Minnesota and County Administrator searches for Polk, Becker, Beltrami and Sibley Counties in Minnesota and Jefferson County in Wisconsin.

Mr. Unmacht brings more 15 years of county administration experience, having worked for Scott and Dakota counties, Minnesota. He has also worked as City Manager in Prior Lake and City Administrator in Belle Plaine, Minnesota. He has a master's in Public Administration from Drake University and a bachelor's degree in Business Administration and Political Science from Wartburg College. Mr. Unmacht is also a Credentialed Manager with the International City/County Management Association (ICMA) and a community faculty member with Metropolitan State University in Saint Paul, Minnesota.

References

Springsted has extensive experience conducting executive searches in the Midwest. We are intimately familiar with the legal requirements and practical aspects associated with Minnesota local government executive searches for chief administrative officers and senior management positions. Our experience demonstrates our ability to provide governing bodies with smoothly executed recruitments that get results. A list of searches completed since 2005 appears in **Appendix I**.

City of Thief River Falls, Minnesota

City Administrator

Mr. Jim Dagg, Mayor

Mr. Larry Kruse, City Administrator

218-681-2943

City of Scandia, Minnesota

City Administrator

Mr. Randall Simonson, Mayor

Ms. Kristina Handt, City Administrator

651-433-2274

City of Elk River, Minnesota

City Administrator

Mr. John Dietz, Mayor

Mr. Cal Portner, City Administrator

763-635-1001

Tri-County Community Corrections, Minnesota

Executive Director

Mr. Phillip Greer, Executive Director

218-470-8106

City of Warren, Minnesota

City Administrator

Ms. Deb Myrfield, Mayor

Ms. Shannon Mortenson, City Administrator

218-745-5343

City of Worthington, Minnesota

City Administrator

Mr. Alan Oberloh, Mayor

Mr. Craig Clark, City Administrator

507-372-8600

City of St. Anthony, Minnesota

City Manager

Mr. Mark Casey, City Manager

Mr. Jerry Faust, Mayor

612-789-7684

City of Marshall, Minnesota

City Administrator

Mr. Bob Brynes, Mayor

Mr. Ben Martig, City Administrator

507-537-6760

City of Watertown, Minnesota

City Administrator

Mr. Luke Fisher, City Administrator

952-955-2681

Professional Fees and Cost

Springsted's professional fee to provide all of the search services outlined above, including the guarantee, is \$12,000. **\$12,000 is the set professional fee;** it will not change unless additional services not included in this proposal are requested by the City, in which case we will provide you with a written quote for the requested services before commencing additional work.

Out-of-pocket costs for this project, for such things including, but not limited to, advertising; background records checks; and travel based on one on-site visit is estimated at **\$2,600**.

We plan to conduct the initial meetings with the Mayor and Council members as conference calls to help us hold down travel costs. Whenever possible, we will coordinate the East Grand Forks project with other projects underway in northwestern Minnesota. All of these costs will be itemized within the invoice.

The City will be invoiced for these services as follows:

- 50 percent of the professional services fee and expenses to date, following the presentation of candidates (step 5 above).
- 50 percent of the professional services fee and the balance of expenses upon the adoption of an employment agreement with the successful candidate.

RESOLUTION NO. 13 – 05 – 49

Council Member _____, supported by Council Member _____, introduced the following resolution and moved its adoption:

WHEREAS, City Administrator Scott Huizenga has resigned his position with the City of East Grand Forks, Minnesota, and his last day of employment with the City will be on or about May 17, 2013; and

WHEREAS, the Mayor and City Council shall, in the immediate future, begin the process of finding and hiring a new full-time City Administrator; and

WHEREAS, the Mayor and City Council deem it advisable and necessary to hire a person to serve as Interim City Administrator, until such time that the City Council can recruit and hire a full-time City Administrator to replace Mr. Huizenga.

NOW, THEREFORE, BE IT HEREBY RESOLVED AS FOLLOWS, TO WIT:

That Karl Lindquist is hereby hired as Interim City Administrator, and that his first day of such employment with the City shall be on May 20, 2013.

That the position of Interim City Administrator, for purposes of this Resolution and this Resolution only, is classified as a part-time temporary position.

That Mr. Lindquist's mission with the City shall be to fulfill the basic requirements of the position of City Administrator, and Mr. Lindquist will determine, after consultation with and guidance by the President of the City Council, the number of hours per day and the number of days per week that Mr. Lindquist must work to complete his mission.

That Mr. Lindquist shall be paid at the rate of Seventy Five and no/100 Dollars (\$75.00) per hour worked, and that Mr. Lindquist shall not be entitled to any of the normal and usual fringe benefits of employment, other than those mandated by State or Federal government.

That the City shall reimburse Mr. Lindquist for any out-of-pocket expenses incurred by Mr. Lindquist while fulfilling his duties as Interim City Administrator.

That Mr. Lindquist's employment with the City may be terminated by the City Council at any time, without cause, on 24 hours' notice to Mr. Lindquist.

Voting Aye:

Voting Nay:

Absent:

The President declared the resolution passed.

Passed: May 14, 2013

Attest:

City Administrator/Clerk-Treasurer

President of Council

I hereby approve the foregoing resolution this 14th day of May, 2013.

Mayor