

MINUTES
SPECIAL MEETING OF THE LEAGUE ASSOCIATION
OF RISK MANAGEMENT BOARD OF DIRECTORS
Monday, September 9, 2019, 2 pm CT/1 pm MT
Via Telephone Conference Call
Call-In Number: 1-605-472-5216; Access Code: 341924
1335 L Street, Lincoln, NE 68508

A Special Meeting of the League Association of Risk Management (LARM) Board of Directors was held September 9, 2019, at 2 pm CT/1 pm MT via telephone conference call at 12 designated locations identified in the meeting notice (attached).

On September 5, 2019, notice of this Special Meeting with the agenda and other materials were sent to all LARM members and the LARM Board. Notice of this Special Meeting with the agenda and other materials were available for public inspection at 1335 L Street in Lincoln, Nebraska, and also were posted on the League of Nebraska Municipalities' Facebook page and its website relating to LARM – <https://www.lonm.org/larm/>.

(AGENDA ITEM #1) **Call to Order.** At 2:01 pm CT, **LARM Board Chair Doug Hanson**, Mayor of Hickman, called the Special Meeting to order. He stated that in accordance with Chapter 84, Article 14 of the Reissue Revised Statutes of the State of Nebraska 1943, as amended, one copy of all reproducible written materials to be discussed was available to the public at this meeting for examination and copying at each designated location. The Open Meetings Act was posted in the meeting room and was accessible to members of the public at each designated location. Chair Doug Hanson informed the public about the location of the Open Meetings Act posted in the meeting room and stated that the LARM Board may pass motions to go into closed session on any agenda item pursuant to the requirements of the Open Meetings Act.

After the Pledge of Allegiance to the Flag of the United States of America, the roll call was read with the following Board Members present by phone: **Lanette Doane**, Clerk/Treasurer, Village of Ansley, 217 Nile Street, Ansley, NE; **Mayor Scott Getzschman**, City of Fremont, 400 East Military, Fremont, NE; **Mayor Doug Hanson**, City of Hickman – present at League Office, 1335 L Street, Lincoln, NE; **Melissa Harrell**, City Administrator/Treasurer, City of Wahoo, 605 N Broadway, Wahoo, NE; **Jim Hawks**, City Administrator, City of North Platte – present at City of Gibbon, 715 Front Street, Gibbon, NE; **Nathan Johnson**, City Manager, City of Scottsbluff, 2525 Circle Drive, Scottsbluff, NE; **Jo Leyland**, Admin./Clerk/Treasurer, City of Imperial, 740 Court Street, Imperial, NE; **Tom Ourada**, City Administrator, City of Crete, 243 East 13th Street, Crete, NE; **Sandra Schendt**, Clerk/Treasurer, City of Nelson, 580 S Main Street, Nelson, NE; **Doug Schultz**, Admin./Clerk/Treasurer, City of Curtis, 201 Garlick Avenue, Curtis, NE; **Mayor Deb VanMatre**, City of Gibbon, 715 Front Street, Gibbon, NE; **Teresa Youngquist**, Clerk/Treasurer, City of Beaver City, 301 10th Street, Beaver City, NE; and ex-officio Board Member (non-voting member) **L. Lynn Rex**, League Executive Director and “Administrator” of LARM – present at League Office, 1335 L Street, Lincoln, NE. *12 voting Board Members present; 3 absent (LeAnn Brown, Clerk/Treasurer, City of Oshkosh; Pam Buethe, Board Member, Sarpy County SID #29; Mayor Josh Moenning, City of Norfolk).*

Other guests present by phone: **Jerry Wilcox**, Finance Director of Crete; **Silas Clarke**, City Administrator/Economic Development Director of Hickman; Jim Hawks designated **Doug Stack**, City Attorney of North Platte as the designated representative present at the City of North Platte, 211 West 3rd Street, North Platte, NE; Ex-officio Board Member (non-voting member) **Mayor Dwight Livingston**, City of North Platte and League President called into the meeting from a different location; **Tammy Cooley**, Human Resources Director of Gering; **Kathy Welfl**, Clerk of Gering; **Andy Barry** of Cline Williams, the League's Outside Legal Counsel on LARM-related issues; **Jason Grams** of Lamson, Dugan and Murray, LLC; **Chris Cadwell** of York Risk Services; and others unannounced. The following staff members of LARM were present: **Diane Becker**, **Elizabeth Becker**, **Dave Bos**, **Tracy Juranek**, **Randy Peters** and **Fred Wiebelhaus**. The following staff members of the League of Nebraska Municipalities also were present: **Christy Abraham**, **Lash Chaffin**, **Brenda Henning** and **Shirley Riley**.

(AGENDA ITEM #2) **Consider approval of the minutes of the August 23, 2019, "Special Meeting of the LARM Board of Directors (Elected 3-21-18 & 9-19-18)." Scott Getzschman** moved, seconded by Teresa Youngquist to approve the minutes of the August 23, 2019, "Special Meeting of the LARM Board of Directors (Elected 3-21-18 & 9-19-18)". Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. ***Motion carried: 12 ayes, 0 nays, 0 abstentions and 3 absent (Brown, Buethe and Moenning).***

(AGENDA ITEM #3) **Consider approval of the "Joint Motion, Stipulation and Consent Order" in Case No. CI 18-1989 and authorize Jason W. Grams of Lamson, Dugan and Murray, LLC to enter an appearance on behalf of LARM to effectuate the "Joint Motion, Stipulation and Consent Order."** **Andy Barry**, (representing Ansley, Hickman, North Platte and Lynn Rex, as LARM's Administrator) explained the legal significance of his negotiations primarily with **David Domina**, the attorney representing the former members of the "Purported LARM Board." **Stephen Bruckner**, and **Jerry Pigsley**, representing "LARM", also agreed to the terms of the negotiated agreement reflected in the "Joint Motion, Stipulation and Consent Order." This negotiated agreement brings all of the pending litigation to a close and enables the LARM Board to immediately assume control of LARM since the former members of the "Purported LARM Board" agreed NOT to appeal the decision rendered on Aug. 15, 2019 by the Lancaster County District Court in Case No. CI 18-1446 which ousted them from office. The negotiated agreement also provides that LARM and the Plaintiffs (Ansley, Hickman, North Platte, and Lynn Rex, as LARM's Administrator) agree to NOT offer evidence contradicting that the former members of the "Purported LARM Board" acted in good faith, essentially precluding them from being held personally liable for their actions. Lynn Rex then introduced Jason Grams of Lamson, Dugan and Murray, LLC, by stating that she consulted with Chair Doug Hanson and Vice Chair Jim Hawks before retaining legal counsel to represent LARM, as directed by the LARM Board at its meeting on Aug. 23, 2019. Since the LARM Board previously voted to retain Jason Grams about 18 months ago, Lynn Rex selected him to represent LARM in connection with her recommendation to dismiss Michael Nolan as Executive Director of LARM, subject to approval by the LARM Board. Lynn Rex also asked the LARM Board to retain Jason Grams to enter an appearance on behalf of LARM to effectuate the "Joint Motion, Stipulation and Consent Order." Jason Grams encouraged the LARM Board to vote to approve the negotiated agreement, emphasizing the delay, risk and uncertainty of an appeal by one of the former members of the "Purported LARM Board" in the quo warranto case. **Lynn Rex** also

urged the LARM Board to approve the negotiated agreement outlined in "Agenda Item #3" to essentially bring an end to the litigation, allow the LARM Board to effectively govern and restore LARM to a membership-driven organization. Scott Getzchman moved, seconded by Lanette Doane to approve the report and agenda Item #3. Chair Doug Hanson asked if there was any discussion. *Sandra Schendt stated the following: I have talked to my Mayor and another Community's Mayor about the "Joint Motion, Stipulation and Consent Order" agreement that has been made. We are not happy with the added expenses the Former Purported Board has created for the LARM members. That being said, we all agree that it is now time to move forward and bring all of the members together and make LARM stronger than ever. But, we will remember how the Former Purported Board acted, and how it was all for nothing.* Chair Doug Hanson asked if there was any other discussion; there was none. Roll call vote. Ayes: Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: Leyland. (Initially, Jo Leyland "passed" on voting, but at the end of the roll call vote, decided to vote "no".) Abstentions: None. **Motion carried: 11 ayes, 1 nay, 0 abstentions and 3 absent (Brown, Buethe and Moenning).** Andy Barry asked Jo Leyland if she would state her reason for voting no. *Jo Leyland stated that the "renegade board" (as the court referred to them in the court order on Aug. 15, 2019) had multiple notifications that they could personally be held responsible for the money that they indiscriminately spent; they admitted that they had never been elected. They admitted that they did not want to continue to serve and they could have offered their names up during the two elections on March 21, 2018, and Sept. 19, 2018. They could have been elected to the board. I feel like the "renegade board" acted to the detriment of the members. I feel like I represent the members and the money that they spent, at this point in time, I can only guess what that amount of money is. I feel like representing the members, I don't want to close that door on trying to recoup that money for the membership at this point. Not that necessarily I would ever want to go after them. But, I don't want to close the door on that until I would know what it is. I just felt like that money was spent in a frivolous manner and I don't want to shut the door on us ever recouping that for the membership. That's why I voted no.*

(AGENDA ITEM #4) **Memo by LARM Board Chair Doug Hanson, dated Sept. 4, 2019, updating League and LARM members on LARM-related litigation and the Court Order ousting members of the "Purported LARM Board."** Sandra Schendt moved, seconded by Tom Ourada to accept the memo that was emailed to League and LARM members. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 12 ayes, 0 nays, 0 abstentions and 3 absent (Brown, Buethe and Moenning).**

(AGENDA ITEM #5) **Motion to adjourn.** At 2:29 pm, Scott Getzschman moved, seconded by Teresa Youngquist to adjourn. Chair Doug Hanson asked if there was any discussion; there was none. Roll call vote. Ayes: Doane, Getzschman, Hanson, Harrell, Hawks, Johnson, Leyland, Ourada, Schendt, Schultz, VanMatre and Youngquist. Nays: None. Abstentions: None. **Motion carried: 12 ayes, 0 nays, 0 abstentions and 3 absent (Brown, Buethe and Moenning).**

Approved on: Sept. 18, 2019.

ATTEST:



Brenda Henning
Membership Services Assistant
League of Nebraska Municipalities



L. Lynn Rex
Ex-Officio, Non-Voting, Board Member and "Administrator" of LARM
Executive Director of the League of Nebraska Municipalities

APPROVED

**NOTICE OF SPECIAL MEETING
BY TELEPHONE CONFERENCE CALL
OF THE LEAGUE ASSOCIATION OF RISK MANAGEMENT
BOARD OF DIRECTORS
ON MONDAY, SEPTEMBER 9, 2019, AT 2 P.M. CT/1 P.M. MT**

PLEASE TAKE NOTICE that on **Monday, September 9, 2019, at 2 p.m. CT/1 p.m. MT**, the League Association of Risk Management (LARM) will hold a Special Meeting by Telephone Conference Call of the LARM Board of Directors. An agenda of subjects known at this time is included with this notice, but the agenda shall be kept continually current and readily available for public inspection at the principal office of LARM during normal business hours at 1335 L Street, Lincoln, Nebraska. On September 5, 2019, notice of this Special Meeting with the agenda and other materials were sent to all LARM members and the LARM Board. Notice of this Special Meeting with the agenda and other materials are available for public inspection at 1335 L Street, in Lincoln, Nebraska, and also are posted on the League of Nebraska Municipalities' Facebook page and its website relating to LARM – <https://www.lonm.org/larm/>.

Board Members are scheduled to be at the following locations, subject to change:

**League of Nebraska
Municipalities**
1335 L Street
Lincoln, NE 68508

City of Ansley
217 Nile Street
Ansley, NE 68814

City of Beaver City
301 10th Street
Beaver City, NE 68926

City of Crete
243 East 13th Street
Crete, NE 68333

City of Curtis
201 Garlick Avenue
Curtis, NE 69025

City of Fremont
400 East Military
Fremont, NE 68025

City of Gibbon
715 Front Street
Gibbon, NE 68840

City of Imperial
740 Court Street
Imperial, NE 69033

City of Nelson
580 S Main Street
Nelson, NE 68961

City of North Platte
211 West 3rd Street
North Platte, NE 69101

City of Scottsbluff
2525 Circle Drive
Scottsbluff, NE 69361

City of Wahoo
605 N Broadway
Wahoo, NE 68066