

FOR IMMEDIATE RELEASE

Statement of Attorney Mark Sherinian, Counsel for Terry Crawford and Lisa Koch

Three weeks ago, Mayor Beymer and Councilman Curnyn, took the unilateral action of suspending three dedicated public servants, City Manager/Engineer, Terry Crawford, City Clerk, Lisa Koch, and Fire Chief, Cory Snowgren. They did so without consulting the entire City Council nor informing the other members of their intended action. They did so without explaining to these City employees the reasons for suspending them. Most importantly, they did so without asking basic questions in advance which could have avoided the very damaging public turmoil and the expensive and unnecessary investigation which followed. Ultimately, investigator James Gilliam has told the City and the individuals involved informally that he has found no illegal conduct or mal intent on the part of Crawford, Koch and Snowgren. The entire investigation could have been avoided had Beymer and Curnyn exercised proper judgment and communicated with the individuals involved.

Terry Crawford has worked in the position as City Engineer since 1976. His professional credentials are without question and he has served on the State Land Surveying Boards and is a member of Iowa Engineering Society, the National Society of Professional Surveyors, the National Society of Professional Engineers, as well as the American Society of Civil Engineers. During that time he has secured well over \$50 million in grants for the City. In 2012 he was asked to serve in the additional role of City Manager. Since that time, he has overseen many large public works projects, including the Airport and on the City streets. There is presently pending a \$2 million cross wind runway grading project at the airport which is supposed to be bid by April 1st of this year.

Lisa Koch has served as the City Clerk since 2010. Prior to that time she was the City Clerk for Akron, IA and had served on the City Council for 5 ½ years when she resigned to take on a second job. In 2012 when Crawford was asked to serve as City Manager, Koch also took on part of the Manager duties. One of Ms. Koch's major responsibilities is managing the City's finances. She holds both a Clerk Certification and Finance Officer Certification. During her eight years in Denison, the State Auditor has audited the City's books and given her excellent reviews each year. The state audits specifically determine whether employees have been compensated consistently with the salary amounts set by the City Council. During this time, she has also reduced the City's debt ratio from 86% to just over 50%, while still being able to budget for projects, and resolve several deficit fund balances which she inherited with her position. She was honored to have been asked to be the treasurer for Denison RAGBRAI 2018 LLC. which not only was a great success but also made a profit of \$62,397.08 that was reinvested back into the community.

Fire Chief Snowgren has a similarly excellent performance record with the City which was described by his attorneys, Jennifer Zupp and Michael Carroll in a recent statement.

Despite the excellent reputation and performance of these three public servants, Mayor Beymer and Councilman Curnyn have single handedly set out to remove them based on worthless

accusations which they never raised directly with them. The three significant issues include the following:

Fire Department's Prop House.

As outlined by Attorneys Zupp and Carroll, in 2015, the Denison Fire Department held a training session for local fire departments. That training required the use of a "flat roof prop house", a structure which created realistic conditions for fighting an actual fire. Some of the funds for the prop house were donated. The training was universally recognized as a success. In 2018, the Department planned to hold a similar exercise using a "slanted roof prop house." The new structure was expected to cost more than the flat roof, but the Fire Department had a significant budget for equipment. The cost of the new structure was anticipated to run \$48,000 but would have been spread over two budget years. In June, 2018, the City council approved the payment of the initial cost of structure, an \$18,000 payment to Joe's Welding. In October several additional payments for the structure came before the council, some of which were additional capitol expenditures, others were maintenance expenses related to the annual use of the structure. The total cost of capitol improvements and annual maintenance expenses did not exceed the state law requirements which would have required the project to be formally bid. Although, questions about this project were raised at the October City Council meeting, the Council approved the payments without objection. Mayor Beymer and Councilman Curnyn have claimed that the City Clerk "scrambled" to find funds in the budget to pay for the prop house. In fact, there were more sufficient funds to pay the cost of the prop house by using Capital Improvement Funds, Fire Dept. operating budget and Local Option Sales Tax monies collected by the City each year.

Despite repeated encouragement from Ms. Koch, the City has never itemized its capital improvement projects in the annual budget. Instead, the budget contains departmental allocations for equipment and other capital improvements. Department heads are authorized to spend those funds as long as the total expenditures do not exceed the total annual amount allocated to the department. Beymer and Curnyn have claimed that they were not informed of the prop house expenditure before it was incurred. The project was one which was highly publicized on the Fire Department's website and was well known to the Community. The City's budgeting process did not require specific approval of the expenditure nor did state law require the bidding process to be implemented. Had Beymer and Curnyn simply inquired of Crawford, Koch or Snowgren before they suspended them, they would have understood that this issue was meritless.

Koch Raise in 2017

In 2015, the City conducted a survey to determine whether the management staff of the City was paid appropriately. Based on that survey, former Mayor Dan Leinen proposed significant increases in the compensation paid to Crawford because he served as both the City Engineer and the City Manager. Leinen recommended smaller increases for other city officials. For budgetary reasons, the increases were spread over two fiscal years. In 2017, before the second portion of the raise was to go into effect, Crawford suggested that a portion of his raise (approximately \$4,000.00) be allocated to Koch. He did so because he recognized how hard she worked as City Clerk and the significance of the responsibilities she had assumed when Crawford became City

Manager, as well as how underpaid she was. The City Council discussed the matter and Councilwoman Rachel Desy specifically asked the City Attorney, Rick Frank, if there was anything improper about this allocation. Frank acknowledged that the change was unusual but there was nothing illegal or improper about doing so. The City Council then formally approved the raises with a portion originally allocated to Crawford going instead to Koch.

Once again, Beymer and Curnyn raised this issue implying that there was something improper about the raise given to Koch. At the very least, Curnyn was aware of what transpired as he had been on the Council that approved the raise. If he or Beymer needed clarification as to when the raise went into effect, all they needed to do was ask. They never extended that simple courtesy to Koch before unilaterally suspending her and incurring thousands of dollars for the investigation.

Transfer of Vacation Time to Snowgren.

In 2018, Chief Snowgren was under considerable stress related to his position because he is required to be on call 24 hours a day. He had run out of vacation time trying to relieve that stress. His son was about to be deployed and he inquired of Koch as to how he could spend a few days with his son before his deployment. The City has long followed the practice of allowing employees to donate vacation time to other city employees. That practice is explicitly contained in the Union contract with the Police Department employees. Pursuant to that longstanding practice, Ms. Koch donated three of her vacation days to Chief Snowgren. That transfer was also approved by Crawford, as City Manager.

The issue of this vacation transfer was raised by Beymer and Curnyn as part of this investigation without ever asking Koch or Snowgren about it. Given the City's practice of allowing this practice, the implication that there was something wrong in Koch's generous donation is absolutely improper. Once again, had they simply sat down with Koch and/or Snowgren, this portion of the investigation could have been avoided.

Intent to Force Koch out

During 2018, it became clear to Koch that she was being targeted by Councilman Curnyn. On several occasions he made accusations against her that had no basis. The accusations involved issues of a salary survey, the bidding for the City's insurance etc. He made these accusations without ever speaking to her ahead of time. Had he done so, any discrepancies could have been explained. In March, 2018 Ms. Koch was given a list of expectations and goals based on clearly trivial issues. It was claimed that Koch had conducted herself inappropriately at a meeting. When pressed, Curnyn claimed that he had received complaints that she had made improper faces or gestures during a council meeting. The list of expectations and goals that Koch was presented with required her to do a number of things, including avoiding making improper faces and gestures. The plan also required monthly meetings with Beymer and Crawford, which were never held. It also required quarterly evaluations with the council for one year. The next day after the list had been brought to her by Beymer and Loeschen, Curnyn told Koch that this was "her last chance" without explaining what he meant by that statement. Koch made every effort to comply with the requirements in the plan, however, the City failed to conduct the required meetings and did not provide her with the required reviews. Instead, in September, Beymer,

Curnyn and Mahrt met with Koch and told her that her performance had improved and she had complied with the first four items on the plan. At no time did they raise any of the issues which are now part of the investigation.

Lack of Communication

It has been the experience of both Crawford and Koch that the Mayor and Council members regularly meet with the City's department heads to discuss issues that may need to be addressed by the entire Council but also to keep apprised of how the City is functioning. Beymer and Curnyn had followed that practice to some extent until just recently. In October of last year, Beymer and Curnyn stopped communicating directly with Crawford or Koch. With a minor exception, they only came to the City Hall for City Council meetings and did not speak directly with either of them outside of those meetings. Crawford and Koch also communicated to Council members by email but their emails often went unacknowledged or unresponded. The impression that Crawford and Koch were left with was that an adversarial relationship had developed. Clearly, no City can operate when some members of the Council treat the City Department heads as the enemy. Beymer and Curnyn are the source of the conflict that has created the unnecessary and expensive investigation.

Continuing Investigation

On Wednesday, January 2, Crawford, Koch and Snowgren all met with Gilliam, who was conducting the investigation of the accusations brought by Beymer and Curnyn. Each consented to the interviews and answered all of the questions posed to them by Gilliam. After the interviews, Gilliam acknowledged informally to both the attorneys for the City as well the attorneys for Crawford, Koch and Snowgren that he had found no criminal or illegal conduct nor any mal intent by them. He was waiting to hear from the City whether they wanted a formal report. Based on Gilliam's informal conclusions, attorneys for Crawford, Koch and Snowgren requested that their clients be reinstated to their positions on Monday, January 7th.

Despite the investigator's informal conclusions, Beymer, as Mayor, has refused to accede to the requested reinstatements. They now claim that there is additional investigation that needs to be performed. They also claim that some documents are missing or have been deleted. The attorneys for Crawford, Koch and Snowgren have repeatedly asked what additional investigation needs to be conducted and what documents they claim are missing. Attorneys for the City have refused to respond to these simple requests and instead are intent on hiring an IT specialist to determine whether documents have been deleted. Once again, instead of allowing simple communication to solve a problem, Beymer and Curnyn are intent on waging a war, regardless of the cost and regardless of the detrimental effects it might have on the City and the individuals involved.

Reinstatement of Crawford, Koch and Snowgren

For almost three weeks the City has unnecessarily been left without three of its most important leaders. Those dedicated public servants have all but been cleared of any wrongdoing. In the meantime, there are numerous projects which require completion, including the budgeting

process and a \$2,000,000 FAA grant for the City's airport. The citizens of Denison need to demand that the City Council return Crawford, Koch and Snowgren to their positions immediately. If there is truly any need for any additional investigation, that investigation can be conducted while they proceed to perform the City's important business.

Questions may be directed to Mark Sherinian at 515-224-2079 or emailed to sherinianlaw@msn.com