

FINAL DISPOSITION OF DISCIPLINARY ACTION AND SPECIFIC REASONS FOR CITY COUNCIL ACTION

The City Council of the City of Byron met in closed session on April 8, 2009, to consider allegations of misconduct against Gerald Henricks, City Administrator. After its preliminary consideration of the allegations of misconduct, the City Council voted unanimously to terminate the employment of Gerald Henricks as City Administrator for the City of Byron effective Monday, April 13, 2009.

The specific reasons for the termination of Mr. Henricks' employment are as follows:

- (1) Mr. Henricks had a conflict of interest involving the Crown Pointe project which is proposed to be built in the City of Byron. Additionally, Mr. Henricks failed to disclose to the City Council his full relationship with the developers and investors in the Crown Pointe project.
- (2) Mr. Henricks violated the Byron Personnel Policy as it relates to engaging in outside employment or business which might hinder an employee's impartial or objective performance of his or her public duties or impair his or her efficiency on the job.

During the closed City Council meeting on April 8, 2009, the following information came to light. Gerald Henricks has an ownership interest in four lots upon which houses have been constructed on or very near to the golf course in Wanamingo, Minnesota. The developers of the Wanamingo golf course have proposed to construct a clubhouse and restaurant at the golf course. The construction of the clubhouse and restaurant could enhance the value of Gerald Henricks' four homes adjacent to the golf course.

The proposed Crown Pointe project in the City of Byron involves, among other things, the proposed construction of a sports facility including indoor domed softball fields. Several of the developers of the proposed Crown Pointe project are also developers of or investors in the Wanamingo golf course and clubhouse.

The financing for the construction of the clubhouse and restaurant in Wanamingo is conditioned upon the successful closing of the Crown Pointe project in the City of Byron. Until April 8, 2009, the City Council of the City of Byron was unaware that the projects were linked financially.

Gerald Henricks could benefit financially if the Crown Pointe project and the Wanamingo golf clubhouse project are ultimately built. Alternatively, Gerald Henricks could suffer a financial detriment if the projects failed. The Byron City Council was unaware of Mr. Henricks' potential conflict of interest until the matter was reviewed with him on April 8, 2009.

As late as January of 2009, Gerald Henricks had an arrangement with one of the investors in the Wanamingo golf course under the terms of which Mr. Henricks was to secure investors for the Wanamingo golf course project and, in return, Mr. Henricks would receive an ownership share in the Wanamingo project. The City Council was unaware of this potential conflict of interest until April 8, 2009.

Gerald Henricks engaged in business which was unrelated to his job as City Administrator while on the job for the City of Byron. Additionally, Gerald Henricks engaged in business activities relative to the Wanamingo golf course which hindered his impartial or objective performance of his duties and which impaired his efficiency on the job. Engaging in these outside business activities violates Section 181.3, Subd. 4 of the Byron Employment Policy.

Dated: 4-15-09

By: 
Ann Diercks, Mayor


Dated: 4-15-09

By: 
Bret Baumbach, City Council Member

Dated: 4-15-09

By: 
Alan DeKeyrel, City Council Member

Dated: 4-15-09

By: 
Bob Meyer, City Council Member

Dated: 4-15-09

By: 
Jason Snow, City Council Member