



# CITY AND BOROUGH OF SITKA

ASSEMBLY CHAMBERS  
330 Harbor Drive  
Sitka, AK  
(907)747-1811

## Minutes - Final

### City and Borough Assembly

*Mayor Matthew Hunter*  
*Deputy Mayor Steven Eisenbeisz,*  
*Vice Deputy Mayor Bob Potrzuski,*  
*Aaron Bean, Kevin Knox, Dr. Richard Wein,*  
*Benjamin Miyasato*

*Municipal Administrator: Keith Brady*  
*Municipal Attorney: Brian Hanson*  
*Municipal Clerk: Sara Peterson*

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Tuesday, June 5, 2018

6:00 PM

Assembly Chambers

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#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

**Present:** 5 - Miyasato, Eisenbeisz, Hunter, Knox, and Wein

**Absent:** 2 - Potrzuski, and Bean

#### IV. PERSONS TO BE HEARD

Kevin Mosher spoke to the recent advertisement for a Municipal Engineer. He suggested in light of fiscal challenges, the position be eliminated.

Alene Henning stated she had noticed a reduction in cell phone use at the roundabout and thanked citizens. Of concern, however, was an increased number of vehicles speeding through the roundabout.

Dr. Marilyn Coruzzi expressed concern with the high number of conditional use permits issued by the Planning Commission for short-term rentals and bed and breakfasts and believed those types of businesses changed the character of a neighborhood.

Carin Adickes stated short-term rentals were eliminating long-term housing availability in Sitka.

#### V. NEW BUSINESS:

- A**     [18-109](#)     Approve the Administrator and Evaluation Committee's recommendation of Quorum and SEARHC for phase 2 as specified in the Sitka Community

## Hospital RFP

Mayor Hunter outlined the process for the evening. Attorney Michael Gatti (filling in for Municipal Attorney Brian Hanson) would review the legal parameters, followed by a presentation by Hospital RFP Consultants Sarah Cave and Steve Huebner, and ending with a possible motion for recommendation.

Gatti emphasized the importance of the Assembly adhering to the RFP process and the decision points that had been developed through the RFP. He shared legal principles associated with competitive government procurement: 1) government procurement was designed to protect the best interests of the public, and, 2) government procurement was like a quasi-judicial activity and thus the Assembly must work under those parameters - e.g. follow process outlined in RFP, no ex parte contact. Gatti explained the decision point before the Assembly was to review the recommendation of the Administrator and evaluation committee for advancing to phase 2. Regarding public disclosure of the proposals, Gatti reminded the process was ongoing. He stated there was information in the proposals of a competitive nature which would be premature to disclose prior to a final decision being made. Typically, the proposals would not be subject to disclosure prior to a letter of intent to award being issued. Gatti spoke to the possible desire for an executive session to discuss some of these matters. Gatti stated the matter before the Assembly tonight was not a matter for executive session. The process to be followed was contained in the RFP and there was not a subject matter to go into executive session about. Gatti reiterated the Assembly's role was to accept or reject the Administrator's recommendation. To do otherwise would be contrary to the process outlined in the RFP.

Hospital RFP Consultants, Sarah Cave and Steve Huebner, provided an overview of the objectives for the evening: a recap of the RFP process, the Assembly's guiding principles and goals of affiliation, review of the RFP evaluation team's assessment of proposals, and discussion and approval of the Municipal Administrator's recommendation (on behalf of the evaluation team) of advancing two proposals to the next phase of the RFP process. Cave and Huebner reminded site visits had been scheduled for July 11-12, an oral presentation before the Assembly on August 13, and selection of a preferred proposer by the Assembly on August 28.

Evaluation team members were Dr. Kimberly Bakkes, Sitka Community Hospital (SCH) Chief of Medical Staff; Keith Brady, City and Borough of Sitka Municipal Administrator; Hospital RFP Consultants, Cave and Huebner; and Connie Sipe, Sitka Community Hospital Board President. A summary of the rating scale and evaluation team's scoring results (lowest to highest) were provided: 1) Sitka Jet Center, 2) Alaska Regional Hospital, 3) Quorum Health Resources, 4) RCCH HealthCare Partners, and, 5) SEARHC. The recommendation of the evaluation team was to advance SEARHC and Quorum to phase 2 of the RFP process.

Eisenbeisz wondered what the next steps would be if the Assembly was not in support of advancing SEARHC and Quorum to phase 2. Brady believed the options would be either to end the RFP process or move forward with the Assembly's chosen recommendations as opposed to the evaluation team's recommendations. Cave cautioned the Assembly in making changes to the process and noted that proposers may be discouraged and withdraw. Gatti stated the Assembly's role was to either accept or reject the evaluation team's recommendations.

**A motion was made by Miyasato to APPROVE the Administrator and Evaluation Committee's recommendation of Quorum and SEARHC for phase 2 as specified in the Sitka Community Hospital RFP.**

Public Comment

Nancy Davis, Kevin Mosher, Karen Lucas, Lois Rhodes, Diane Larsen, and Dr. Marilyn Corruzi believed the process was moving too quickly, there was a lack of transparency, and wished to have more information about each of the proposals. Travis Hudson spoke to issues affecting the objectivity of the process. Carin Adickes suggested moving all 5 proposals forward to phase 2. Tony Jackson stated the process had not been collaborative. Tom Pratt urged the Assembly to cancel the contract with the consultant and make the decision themselves. Steve Hartford suggested the Assembly place the RFP process on hold.

**A motion to AMEND was made by Wein to keep all 5 proposals in the process moving forward to phase 2. The amendment PASSED by the following vote.**

**Yes:** 5 - Miyasato, Eisenbeisz, Hunter, Knox, and Wein

**Absent:** 2 - Potrzuski, and Bean

Travis Hudson, Carolyn Evans, Kevin Mosher and Karen Lucas spoke in support of the amendment.

Assembly Deliberation

Municipal Clerk Sara Peterson read a letter on behalf of absent Assembly member Potrzuski. Administrator Brady disclosed he had learned a few days earlier that his mother had been hired by SEARHC. He reiterated the evaluation committee had conducted an objective process and believed the two best options to move forward were SEARHC and Quorum. Assembly members expressed frustration in not being able to make the proposals public at this phase of the process. Gatti reminded of the RFP specifications and reiterated that typically in competitive procurement proposals, such as this, proposals were not made available for public review in order to maintain the competitive nature of the process.

**A motion to AMEND was made by Eisenbeisz to make the following a requirement of advancement to phase 2: each proposer agree to a public release of materials submitted in response to the Sitka Community Hospital RFP process. The amendment PASSED by the following vote.**

**Yes:** 4 - Eisenbeisz, Hunter, Knox, and Wein

**No:** 1 - Miyasato

**Absent:** 2 - Potrzuski, and Bean

Travis Hudson and Kevin Mosher spoke in support of the amendment.

**The main motion as AMENDED PASSED by the following vote.**

**Yes:** 5 - Miyasato, Eisenbeisz, Hunter, Knox, and Wein

**Absent:** 2 - Potrzuski, and Bean

## VI. PERSONS TO BE HEARD:

None.

**VII. EXECUTIVE SESSION**

None.

**VIII. ADJOURNMENT**

A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:40pm.

ATTEST: \_\_\_\_\_  
Sara Peterson, MMC  
Municipal Clerk