



# 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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Thursday, September 27, 2018

6:00 PM

Assembly Chambers

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#### SPECIAL MEETING

#### I. CALL TO ORDER

#### II. FLAG SALUTE

#### III. ROLL CALL

**Present:** 6 - Miyasato, Potrzuski, Hunter, Knox, Bean, and Wein

**Absent:** 1 - Eisenbeisz

#### IV. CORRESPONDENCE/AGENDA CHANGES

None.

#### V. PERSONS TO BE HEARD

Dr. Jennifer McNichol, President of the School Board, thanked the Assembly for their support. Cheri Hample of Brave Heart Volunteers expressed appreciation to the Assembly for non profit grant funding.

#### VI. UNFINISHED BUSINESS:

- A**     [ORD 18-48](#)     Making supplemental appropriations for Fiscal Year 2019 (*legal fees phase 3 of Sitka Community Hospital RFP process*)

**A motion was made by Knox that this Ordinance be APPROVED on SECOND AND FINAL READING. The motion PASSED by the following vote.**

**Yes:** 5 - Miyasato, Potrzuski, Hunter, Knox, and Bean

**No:** 1 - Wein

**Absent:** 1 - Eisenbeisz

**VII. NEW BUSINESS:**

**B**     [18-183](#)     Discussion / Direction / Decision on Phase 3 of the Sitka Community Hospital RFP process - specifically the Letter of Intent with SEARHC (*executive session anticipated*)

Municipal Attorney Brian Hanson introduced Healthcare Law Attorney Sandy Johnson from the Seattle firm Schwabe, Williamson & Wyatt. Johnson shared of her background as a hospital CEO and current work as an attorney. Johnson relayed the Letter of Intent (LOI) was not intended to be a binding agreement but merely a starting point to proceed with the next step - negotiation. She spoke to the importance of a broad LOI and stressed confidentiality in the negotiating process. Municipal Administrator Keith Brady reviewed each section of the LOI and in turn Brady, Hanson, and Johnson answered questions of the Assembly.

Rob Allen spoke in support of the LOI, David Lam noted Appendix B was not included, Carin Adickes, Dr. Marilyn Coruzzi, Valorie Nelson, Tone Jackson, and Sheila Finkenbinder spoke in opposition to the signing of the LOI.

**A motion was made by Potrzuski to direct the Administrator to sign the Letter of Intent to enter into negotiations with SEARHC. The motion PASSED by the following vote.**

**Yes:** 5 - Miyasato, Potrzuski, Hunter, Knox, and Bean

**No:** 1 - Wein

**Absent:** 1 - Eisenbeisz

**VIII. PERSONS TO BE HEARD:**

None.

**IX. EXECUTIVE SESSION**

**A motion was made by Potrzuski to go into executive session to discuss communications with outside legal counsel, Sandy Johnson, the Municipal Attorney and Municipal Administrator regarding phase 3 of the Sitka Community Hospital RFP process, specifically roles in the phase 3 process and due diligence, matters the immediate knowledge of which would adversely affect the finances of the municipality and invite in Chief Finance and Administrative Officer, Jay Sweeney, and invite Sitka Community Hospital RFP Consultants Sarah Cave and Steve Huebner to participate telephonically. The motion PASSED by a unanimous voice vote.**

The Assembly was in executive session from 8:50pm to 9:50pm.

**A motion was made by Miyasato to reconvene as the Assembly in regular session. The motion PASSED by a unanimous voice vote.**

Mayor Hunter relayed the Assembly had discussed elements of the negotiation strategy. Municipal Administrator Keith Brady noted the negotiation team was

comprised of: Keith Brady, Brian Hanson, Sarah Cave, Steve Huebner, and Sandy Johnson. In addition, they hoped to add a member from the Sitka Community Hospital management team and a member of the Sitka Community Hospital medical staff.

#### **X. ADJOURNMENT**

**A motion was made by Miyasato to ADJOURN. Hearing no objections, the meeting ADJOURNED at 9:55pm.**

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