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| TRANSMITTAL MEMORANDUM |
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TO: The Honorable Mayor and City Council

FROM: Karl R. Amylon, City Manager

DATE: November 9, 2020

RE: **Request for Executive Session – Negotiations of Lease and Operating Agreement for PeaceHealth Ketchikan Medical Center**

At the City Council meeting of November 5, 2020, Councilmember Zenge requested an update regarding the status of negotiations between the City and PeaceHealth for a new lease and operating agreement for PeaceHealth Ketchikan Medical Center. My office is requesting an executive session with the City Council following the regular course of business at its meeting of November 19, 2020. The purpose of this executive session is to discuss the status of negotiations for an updated lease and operating agreement. Representatives of ECG Management Consultants will attend the executive session.

A motion has been prepared for City Council consideration.

RECOMMENDATION

It is recommended the City Council adopt the motion declaring that consistent with the City Manager's report dated November 9, 2020, it is in the best interest of the City Council to discuss the status of negotiations between the City and PeaceHealth for a new Ketchikan Medical Center lease and operating agreement in executive session in accordance with KMC 2.04.025(a)(1) and (a)(3), which includes the need to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City and to receive legal advice within the Attorney-Client privilege.

Recommended Motion: I move the City Council declare consistent with the City Manager's report dated November 9, 2020, it is in the best interest of the City Council to discuss the status of negotiations between the City and PeaceHealth for a new Ketchikan Medical Center lease and operating agreement in executive session in accordance with KMC 2.04.025(a)(1) and (a)(3), which includes the need to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City and to receive legal advice within the Attorney-Client privilege.

"UNAPPROVED" November 5, 2020

Councilmember Zenge questioned when Council will see updates to the Hospital lease negotiations.

In answer to Councilmember Zenge, Manager Amylon said if the Council would like an update staff can do that at any time given the status of negotiations. He said those updates would need to take place in executive session. He informed they will be meeting again with PeaceHealth within the next few weeks, and it might be beneficial for staff to have that meeting first, then schedule the executive session with updates to the Council.

Councilmember Zenge said she would like updates on the negotiations as soon as possible.

Manager Amylon said staff can put that together.

Schedule of General Government and KPU Appropriated Reserves Through the City Council Meeting of October 15, 2020

In his report, Manager Amylon attached for Council review a schedule of the current balance of Appropriated Reserves of the various funds of General Government and KPU through the City Council meeting of October 15, 2020.

PeaceHealth Ketchikan Medical Center ICU Closure Public Comment at October 15, 2020 City Council Meeting

Assistant City Manager Simpson attached for Council review information addressing the Intensive Care Unit (ICU) shutdown statement made by Jai Mahtani. She indicated on September 14, 2020 the ICU was closed for a single 12-hour shift due to unforeseen staffing shortages, and n patients were in the ICU and arrangements for ICU care were made available in other areas of the hospital.

Fire Marshall Appointment

Manager Amylon included for Council review a memorandum from Acting Fire Chief Brainard, that Senior Medic Gretchen O'Sullivan has been appointed to the position of Fire Marshall effective November 1, 2020. He congratulated Ms. O'Sullivan on her appointment, stating his office looks forward to working with her in the future.

Overtime Report for the Quarter Ended September 30, 2020

Manager Amylon provided the Council a memorandum of the General Government regarding overtime for the quarter ending September 30, 2020 for the City Clerk's office and the Harbors Department.

Week 1 Photo Album Production Report – Pierce Arrow XT Ascendant 100' Mount Platform Vehicle from the Competitive Bidding/Written Quotation Requirements of the Ketchikan Municipal Code – Hughes Fire Equipment

Manager Amylon attached for Council review the week 1 Photo Album Production Report for the period ending October 23, 2020, regarding the Pierce Arrow XT Ascendant 100' Mount platform vehicle from Hughes Fire Equipment.