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

FROM: Lacey G. Simpson, Acting City Manager

DATE: August 8, 2022

RE: **Request for Executive Session – Appointment Term of the Acting City Manager/General Manager**

At the special meeting of September 9, 2021, I was appointed by the City Council to serve as Acting City Manager/General Manager for a term not to exceed one year, effective September 1, 2021, while the City Council undertook a recruitment effort for a new City Manager/General Manager. The appointment was contingent upon compensation as approved by City Council at the October 7, 2021 meeting, set at Grade TL 992, Step U, plus 10% equating to an annual salary of \$204,409.

At its meeting of August 4, 2022, the City Council approved the employment contract between the City and chosen City Manager/General Manager candidate Delilah Walsh at an annual compensation of \$215,000. As the City Council is aware, Ms. Walsh will begin her employment on October 1, 2022, which exceeds the term of my acting appointment. At the August 4, 2022 City Council meeting, Councilmember Zenge requested a future agenda item for the City Council to convene in executive session to discuss my acting appointment terms and conditions.

A motion has been prepared for City Council consideration

**RECOMMENDATION**

It is recommended the City Council adopt the motion declaring that consistent with the Acting City Manager's report dated August 8, 2022, it is in the best interest of the City Council to go into executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) and (2) for the purpose of discussing the continued appointment of the Acting City Manager/KPU General Manager, which may involve discussion of subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion and to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City of Ketchikan.

**Recommended Motion:** I move the City Council declare that consistent with the Acting City Manager's report dated August 8, 2022, it is in the best interest of the City Council to go into executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) and (2) for the purpose of discussing the continued appointment of the Acting City Manager/KPU General Manager, which may involve discussion of subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion and to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City of Ketchikan.

Special Ketchikan City Council meeting was called to order by Mayor Sivertsen at 7:00 p.m., September 9, 2021, with the following members present: Riley Gass, Mark Flora, Abby Bradberry, Janalee Gage, Judy Zenge and Sam Bergeron (via WebEx). Councilmember David Kiffer absent.

The Pledge of Allegiance was given by all persons in the Ted Ferry Civic Center.

Mayor Sivertsen stated the Recital of Native Lands Acknowledgement.

Staff present were Assistant Manager Simpson, City Attorney Seaver and Deputy Clerk Lee.

**COMMUNICATIONS** - None

**PERSONS TO BE HEARD**

Jai Mahtani stated the City is at a critical juncture right now and has to make many hires and appointments for several departments. He hoped Ms. Simpson is appointed as the interim manager as she has done a great job representing the City. He said the hiring of a city manager is critical for the City of Ketchikan and outside the community as well.

Bruce Hattrick said Ms. Simpson would be a good person for the job. He referenced his handout requesting discovery information. He stated he is conducting an investigation regarding the city attorney and Water Department. He requested the City Council to investigate as well.

**EXECUTIVE SESSIONS**

**Request for Executive Session – Appointment of an Acting City Manager/KPU General Manager**

Moved by Bradberry, seconded by Flora the City Council declare that consistent with the Assistant City Manager's report dated September 3, 2021, it is in the best interest of the City Council to go into executive session in accordance with Ketchikan Municipal Code 2.04.025(a)(1) and (2) for the purpose of discussing the appointment of an acting city manager/KPU general manager, which may involve discussion of subjects that tend to prejudice the reputation and character of any person, provided the person may request a public discussion and to discuss subjects the knowledge of which could have an immediate adverse impact on the finances of the City of Ketchikan.

Motion passed with Gage, Zenge, Bradberry, Bergeron and Flora voting yea; Gass voting nay. Kiffer Absent.

The Council recessed in to executive session at 7:08 p.m. and reconvened at 7:27 p.m.

Mayor Sivertsen said the Council has completed its executive session regarding the appointment of an acting city manager.

Moved by Flora, seconded by Bradberry the City Council appoint Lacey Simpson as acting city manager/KPU general manager for a term not to exceed one year contingent upon compensation as approved by the City Council at a future date.

Motion passed with Gage, Zenge, Bradberry, Bergeron, Gass and Flora voting yea. Kiffer absent.

**Delilah Walsh**

Mayor Kiffer welcomed Delilah Walsh and explained the interview process. Ms. Walsh said currently she is the Utility Director for the City of Las Cruces, New Mexico. She gave a brief description of her career in municipal government, her work experience, family and education. She answered questions from the Council

The Council answered questions from Ms. Walsh, and thanked her for coming.

The Council recessed for lunch at 1:15 p.m. and reconvened into regular session at 2:00 p.m.

**Paul Dyal**

Mayor Kiffer welcomed Paul Dyal and explained the interview process. Mr. Dyal stated he currently is the Interim City Manager from Lake City, Florida. He gave a brief overview of his thirty years of experience working with state, federal and local government agencies. He said for him and his wife their dream was to live in Alaska. He answered questions from the Council.

The Council answered questions from Mr. Dyal and thanked him for coming.

The Council took a short break at 3:00 p.m. and reconvened at 3:15 p.m.

**Scott Thomas**

Mayor Kiffer welcomed Scott Thomas and explained the interview process. Mr. Thomas said he is the City Administrator for the town of La Conner, Washington and gave a brief overview of his thirty-two years of experience in municipal government and as an attorney. He answered questions from the Council.

The Council answered questions from Mr. Thomas and thanked him for coming.

**EXECUTIVE SESSIONS**

**Request for Executive Session – Review of Candidates for the Vacant City Manager/General Manager Position for the City of Ketchikan**

**Moved by Zenge, seconded by Flora the City Council declare consistent with the Acting City Manager’s memorandum dated July 12, 2022, that it is in the best interest of the City to review and discuss finalist candidates William Appleton, Delilah Walsh, Paul Dyal and Scott Thomas for the vacant City Manager/General Manager position in executive session in accordance with KMC 2.04.025(a)(1) and (2), which may involve matters the immediate knowledge of which would clearly have an adverse effect upon the finances of the City and discussion of subjects that tend to prejudice the reputation and character of any person provided the person may request a public discussion.**

**Motion passed with Gass, Gage, Bradberry, Flora, Mahtani, Zenge and Kistler voting yea.**

**The Council took a short break at 4:10 p.m. and recessed into executive session at 4:20 p.m.**

The Council took a short break at 6:40 p.m. and reconvened back into executive session at 6:45 p.m. and reconvened into regular session at 7:40 p.m.

Moved by Flora, seconded by Kistler the City Council select Delilah Walsh for the City Manager/General Manager position and direct the recruitment consultant to enter into negotiations for terms and conditions acceptable to the City Council.

Motion passed with Bradberry, Gage, Kistler, Mahtani, Zenge and Flora voting yea; Gass voting nay.

## MAYOR AND COUNCIL COMMENTS

Councilmember Mahtani said this was a marathon and felt the Council has worked well with the candidates and the recruiting consultant. He thanked the management team that prepared the schedule of activities for all the finalists. He felt they are hiring a manager who will start a strategic plan and have a vision of the community and the Council moving forward.

Councilmember Bradberry extended a thank-you to our consultant, Ms. Barboza, for her effort, time and expertise in helping the Council move through this process. She thanked staff for their time during the last three days of events in addition to working their regular jobs. She also thanked all the candidates that applied. She indicated she was excited to hopefully have a new city manager.

Councilmember Kistler thanked everyone for all the time they put into researching all the candidates. She said it was clear they were all deserving of this position, and they had done their homework. She stated it was a difficult decision, but felt the Council had made the right choice.

Councilmember Gass echoed what the other Councilmembers had said. He thanked Ms. Barboza and her team for the work they had done. He thanked staff for all their work on the City's end. He said he was impressed with the group of candidates the Council had to choose from.

Councilmember Zenge said ditto from what the other Councilmembers said, and she looked forward to working with Ms. Walsh.

Councilmember Gage thanked Ms. Barboza for her hard work. She said she made the process easy for the Council. She was impressed by the number of candidates that applied and with their qualification. She said the decision was hard because they had really good choices, and they were all qualified. She said she was looking forward to working with Ms. Walsh.

Councilmember Flora thanked Ms. Barboza for the process and professionalism that she brought to this important decision for the Council. He said the decision was not an easy one, as all four of these candidates represented themselves very well. He congratulated Ms. Walsh, and thanked the staff for all the extra work that was put into making this possible.

Mayor Kiffer said when we started this process a few months ago, he wasn't sure what the candidates would have to offer. He indicated we ended up with four people who all could have been the next manager. He said he was excited about the choice the Council has made, and looked forward to working with Ms. Walsh. He thanked the staff and Ms. Barboza for their hard work and for making this possible. He also wanted to thank Diane Bixby for her time with the City, as she will be leaving the City to work elsewhere. He indicated she has been the rock in the Manager's office for nearly 20 years and she will be missed.