# IN THE DISTRICT/SUPERIOR COURT FOR THE STATE OF ALASKA AT ANCHORAGE $% \left( 1,0\right) =0$

AMY DEMBOSKI Plaintiff(s),	
vs.  MUNICIPALITY OF ANCHORAGE, MAYOR DAVID BRONSON IN HIS OFFICIAL CAPACITY, JOHN DOE 1, and JOHN DOE 2  Defendant(s).	SUMMONS AND NOTICE TO BOTH PARTIES OF JUDICIAL ASSIGNMENT
To Defendant: MUNICIPALITY OF ANCHOR	
You are hereby summoned and required to file which accompanies this summons. Your answave, Anchorage, Alaska 99501 within 20 days addition, a copy of your answer must be seunrepresented) Cashion Gilmore & Lindemu 510 L Street, Suite 601, Anchorage, AK 995	with the court a written answer to the complaint er must be filed with the court at 825 W. 4th after the day you receive this summons. In ent to the plaintiff's attorney or plaintiff (if the plaintiff, whose address is:
If you fail to file your answer within the requi against you for the relief demanded in the compl	
If you are not represented by an attorney, you this case, in writing, of your current mailing acaddress and telephone number. You may us <i>Telephone Number</i> (TF-955), available at the chattps://public.courts.alaska.gov/web/forms/docs, have an attorney, the attorney must comply with	Idress and any future changes to your mailing se court form <i>Notice of Change of Address</i> / erk's office or on the court system's website at /tf-955.pdf to inform the court OR - If you
NOTICE OF JUDICIAL ASSIGNMENT	
TO: Plaintiff and Defendant	
You are hereby given notice that:	- t
This case has been assigned to Superior Co and to a magistrate judge.	ourt Judge <u>Garton</u> .
☐ This case has been assigned to District Cou	rt Judge
9/5/23 Date  Date  Date	By: Deputy Clerk
I certify that on a copy of this Summon:  plaintiff  plaintiff's counsel along with a co  Domestic Relations Procedural Order  Civil F to serve on the defendant with the summons.  Deputy Clerk	py of the
* The State or a state officer or agency named a you have been served with this summons outside your answer.	de the United States, you also have 40 days to
CTV-100 ANCH (10/17)(cs)	Civil Rules 4, 5, 12, 42(c), 55

SUMMONS

# IN THE DISTRICT/SUPERIOR COURT FOR THE STATE OF ALASKA AT ANCHORAGE

AMY DEMBOSKI Plaintiff(s),	
vs. MUNICIPALITY OF ANCHORAGE, MAYOR DAVID BRONSON IN HIS OFFICIAL CAPACITY, JOHN DOE 1, and JOHN DOE 2  Defendant(s).	CASE NO. 3AN-23-08   SZ C   SUMMONS AND NOTICE TO BOTH PARTIES
	OF JUDICIAL ASSIGNMENT
To Defendant: MAYOR DAVID BRONSON in his official capacity	
You are hereby summoned and required to file with the court a written answer to the complaint which accompanies this summons. Your answer must be filed with the court at 825 W. 4th Ave., Anchorage, Alaska 99501 within 20 days* after the day you receive this summons. In addition, a copy of your answer must be sent to the plaintiff's attorney or plaintiff (if unrepresented) <a href="Cashion Gilmore &amp; Lindemuth">Cashion Gilmore &amp; Lindemuth</a> , whose address is: 510 L Street, Suite 601, Anchorage, AK 99501	
If you fail to file your answer within the required time, a default judgment may be entered against you for the relief demanded in the complaint.	
If you are not represented by an attorney, you must inform the court and all other parties in this case, in writing, of your current mailing address and any future changes to your mailing address and telephone number. You may use court form <i>Notice of Change of Address / Telephone Number</i> (TF-955), available at the clerk's office or on the court system's website at <a href="https://public.courts.alaska.gov/web/forms/docs/tf-955.pdf">https://public.courts.alaska.gov/web/forms/docs/tf-955.pdf</a> to inform the court OR - If you have an attorney, the attorney must comply with Alaska R. Civ. P. 5(i).	
NOTICE OF JUDICIAL ASSIGNMENT	
TO: Plaintiff and Defendant	
You are hereby given notice that:	
This case has been assigned to Superior Court Judge Garlon and to a magistrate judge.	
This case has been assigned to District Court Judge	
Date  I certify that on a topy of this Summon	
plaintiff plaintiff's counsel along with a co Domestic Relations Procedural Order Civil F to serve on the defendant with the summons. Deputy Clerk	ppy of the Pre-Trial Order
* The State or a state officer or agency named you have been served with this summons outside file your answer.	as a defendant has 40 days to file its answer. If de the United States, you also have 40 days to
CIV-100 ANCH (10/17)(cs) SUMMONS	Civil Rules 4, 5, 12, 42(c), 55

4. On information and belief, additional persons responsible and involved in this matter may exist and will be named as they are identified.

#### II. <u>Jurisdiction and Venue</u>

- 5. The Anchorage Superior Court has jurisdiction over this matter pursuant to AS 22.10.020 and AMC 3.75.050.A.
- 6. This court has personal jurisdiction over the Defendants pursuant to AS 9.05.015.
- 7. Venue is proper in the Third Judicial District pursuant to Alaska Rule of Civil Procedure 3(c) and (d) as the Defendants may be personally served there, the events giving rise to this action occurred there, and a trial in the Third Judicial District best serves the convenience of the parties and likely witnesses to this action.

#### III. Factual Background

- 8. After taking office on July 1, 2021, Mayor Bronson hired Ms. Demboski to serve as Municipal Manager for MOA. In this role she was generally responsible to the mayor for overall municipal administrative policy, public safety, and operations of the municipality pursuant to Anchorage Charter section 5.03 and Anchorage Municipal Code section 3.20.045. Neither Bronson, nor the MOA ever disciplined or negatively reviewed Ms. Demboski's performance as Manager.
- 9. Ms. Demboski served the MOA in many ways and was the individual most responsible for guiding the Bronson Administration's priorities while attempting to ensure compliance with the law.

- 10. Ms. Demboski had almost immediate challenges compelling Mayor Bronson and certain staff to comply with the municipal code and the Charter in performing their work. Their wanton disregard and disdain for following law and propriety presented daily problems.
- 11. And, at some point in 2022, roughly around October, Ms. Demboski began to believe that she could not, despite her best efforts, prevent the Bronson Administration from committing additional unethical and unlawful acts. However, she continued in her attempts to do so up until Mayor Bronson terminated her in retaliation for those efforts.

#### A. Unlawful termination of fluoridation of Anchorage's water supply

- 12. Ms. Demboski routinely was forced to block or undo actions taken by Bronson which were, or would lead to, unlawful outcomes. One example took place on or about October 1, 2021, when Bronson ordered Anchorage Water and Wastewater Utility staff to remove Fluoride from the MOA's water system.
- 13. Ms. Demboski knew that if not reversed Bronson's order was in direct violation of AMC 26.40.040, and accordingly she countermanded Bronson's order by having the fluoridation restored immediately after learning of it.

## **B.** Unlawful Delegation of Authority

14. Municipal Charter grants the Municipal Manager (formerly Ms. Demboski) the authority to administer government. It had always been the interpretation that contracting authority is inherent in the administration of government and under the direct authority of the Manager.

15. Nevertheless, on or about July 2, 2021 Mayor Bronson granted the Purchasing Director (Rachelle Alger) unlimited contracting authority in an apparent effort to avoid Ms. Demboski's legal authority and review of contracts. Neither Ms. Demboski, nor the MOA Department of Law approved of this change. After legal review by the Department of Law on October 18, 2022, Mayor Bronson was forced to rescind the delegation as outside of his authority.

#### C. Unlawful Contracting

- 16. No bid contracts of \$30,000 or more, and all lobbyist contracts, required approval of the MOA Assembly. Bronson personally directed and/or delegated the signing of numerous sole source contracts exceeding \$30,000 without approval of the Assembly. Ms. Demboski was intentionally circumvented on these contracts.
- 17. MOA employees had brought numerous contracts to Ms. Demboski that were executed in violation of municipal code; thus, Ms. Demboski attempted to evaluate how pervasive the contracting issue was by requesting copies of all executed contracts and contract amendments between July 2, 2021 and October 18, 2022 in an email dated October 18, 2022 to the Chief Fiscal Officer, Grant Yutrzenka and cc'd to the Purchasing Director Rachelle Alger, Acting Municipal Attorney Blair Christensen, and Chief of Staff Adam Trombley. That request for information was never fulfilled.
- 18. By the end of 2022, Mayor Bronson had ordered execution of three consecutive sole source contracts of \$29,500 each with BSI, a company owned in part by Larry Baker, in order to pay for Baker's service as Bronson's "Senior Policy Advisor". These contracts were made without Ms. Demboski's review, and after they were

discovered it was found there were only three-day breaks between them, and they were part of a disingenuous scheme to avoid Assembly oversight and approval.

- 19. One possible motivation for Mr. Baker to be a contractor rather than simply be hired by the MOA is that he could be collecting retirement payments through the Public Employee Retirement System ("PERS") system while "double dipping" and receiving payments from the MOA as a private contractor.
- 20. Additionally, the contracts for Mr. Baker had the indemnification clause removed without the knowledge and advice of Ms. Demboski and members of the Department of Law, meaning that MOA was financially responsible for any damages from claims arising out of Mr. Baker's work for the MOA. This removal was a rare, if not unprecedented, concession for MOA to make to a contractor. The municipal attorney who signed off on the contracts stated that she was never shown that the clause had been removed.
- 21. In July of 2023, Mr. Baker was again secretly hired by Bronson on an MOA contract for \$29,500. And once again, the indemnification clause was removed. The Assembly was not informed of this contract and did not approve it.

## D. Improper Retaliatory Termination

22. In August of 2021, a significant Request for Proposal ("RFP"), related to services at the Sullivan Arena, was put out by MOA, with two responsive bidders. The RFP panel was chaired by an MOA employee Shawn Hays in the relevant division.

- 23. John Morse, a close associate of Mayor Bronson, who was also a friend of Lisa Sauder, Executive Director of Beans Cafe and one of the two bidders for the RFP, cornered Ms. Hays and asked her to "swing" this contract to Beans Cafe.
- 24. It was reported to Ms. Demboski that Ms. Hays was very uncomfortable with this incident and Ms. Hays reported it to several MOA employees, including her immediate supervisor in charge of Mass Care at the Sullivan Arena, Purchasing Director Rachelle Alger, and the Department of Law.
- 25. The contract was eventually awarded, and Ms. Sauder's organization, the friend of Mr. Morse, did not receive it.
- 26. Mr. Morse complained to Mayor Bronson about Ms. Hays who chaired the RFP panel and Mayor Bronson had her terminated.
- 27. Typically, such an employment decision goes through Ms. Demboski as Municipal Manager, but this one did not. Ms. Demboski discovered the termination days later and, knowing the unlawful basis for it, objected to Mayor Bronson directly.
- 28. Mayor Bronson subsequently acknowledged that Mr. Morse requested the termination and so Mayor Bronson personally contacted Human Resources Director Niki Tshibaka directly to arrange the termination of Ms. Hays.
- 29. Ms. Demboski told Mayor Bronson she believed that his firing of Ms. Hays was clearly improper and unlawful retaliation. She also informed Mayor Bronson that she was displeased he had terminated Ms. Hays without her advice and input, nor that of Ms. Hays' immediate supervisor.

# E. Unlawfully directing work on Navigation Center without Assembly authorization

- 30. Mayor Bronson and his advisor, Mr. Baker, directly communicated with Saxton Shearer, the Maintenance and Operations Director about the proposed "Navigation Center" Mayor Bronson wished to build. In doing so, Mayor Bronson ignored the chain of command in his Administration.
- 31. Mayor Bronson intentionally circumvented Ms. Demboski, Adam Trombley (who at the time was the Director of Community and Economic Development), and Lance Wilber, the Public Works Director.
- 32. Mayor Bronson directly communicated with Mr. Shearer in order to get the Navigation Center "done" as soon as possible.
- 33. Mayor Bronson was heard to say on several occasions "we need to get the concrete poured by October (2022)," "we can't wait," "we can't stop once the pour is started," and multiple other references that Ms. Demboski heard Mr. Shearer mimic nearly verbatim.
- 34. Ms. Demboski became frustrated about Mayor Bronson's comments about the project which seemed to be made absent any understanding of permitting, Anchorage Municipal Code, and proper process. So, she pulled together all relevant stakeholders including the Office of Management and Budget staff, Trombley, Shearer, Ms. Demboski, and others so the Mayor could understand the proper process. Nevertheless, he ordered Mr. Shearer to proceed.

- 35. Mr. Shearer signed the work orders for Roger Hickel Construction to perform the unauthorized work on the Navigation Center, but his unlawful actions were taken under the specific direction and pressure from Mayor Bronson and Mr. Baker.
- 36. Mayor Bronson communicated to several people that he knew he was operating in violation of Code by starting construction without Assembly approval. Mayor Bronson also communicated that Mr. Shearer would be the one to "take the fall" for the decision because he had signed the work orders.
- 37. Mr. Baker was photographed and recorded overseeing preparations for the pouring of concrete for the Navigations Center on behalf of Mayor Bronson.
- 38. On or about September 2022, Ms. Demboski first discovered that unauthorized work was being performed on the Navigation Center site. Within 24 hours she put a contract amendment for the work already underway by Roger Hickel Construction on the Assembly's agenda for proper consideration.
- 39. On or about October 25, 2022, the Assembly rejected the contract amendment. Nevertheless, Mayor Bronson and Mr. Baker continued talking directly to Mr. Shearer, requiring Ms. Demboski to personally step in and direct a "stop work" order. Ms. Demboski was forced to go so far as personally supervising the work site, along with Greg Soule, the Building Official, and Mr. Wilber, to ensure work was stopped. Ms. Demboski also asked Acting Municipal Attorney Blair Christensen to step in to help stop the illegal and unauthorized work occurring at the direction of the Mayor.

40. On or about June 16, 2023, the MOA settled this matter with Hickel Construction for \$2,455,352 as a result of work Mayor Bronson directed to be performed in violation of Municipal Code.

- F. Human Resources issues, hostile work environment, and gender discrimination.
- 41. Ms. Demboski attempted to mitigate behavior, performed by, as well as encouraged and condoned by Mayor Bronson, that created a hostile work environment.
- 42. Mayor Bronson is also well known to discuss confidential and personnel matters with, and in front of, MOA employees having no relationship to the issue or need to know. He also discusses such matters with people who are not MOA employees.
- 43. Mayor Bronson has encouraged retaliatory behavior by two favored members of his senior staff towards members of his professional administrative staff and others. This conflict appears to have arisen because one of the two senior staff, Alexis Johnson, was believed by the administrative staff to have an improper relationship with a subordinate.
- 44. The administrative staff members complained to Ms. Demboski and others about the hostile work environment and discomfort created by this inappropriate relationship.
- 45. The relationship bothered Mayor Bronson to the point he called Ms. Demboski multiple times in one day and directed her to go into City Hall over a weekend. The Mayor shared location services on his cell phone with Ms. Johnson, and she shared hers with him, so the Mayor knew Ms. Johnson and this subordinate were at City Hall

together. The Mayor instructed Ms. Demboski to go to City Hall to catch them. Ms. Demboski did find them in Ms. Johnson's office, behind closed doors, with the lights off, but they were not engaged in sexual activity at that time. Nonetheless, at the Mayor's request, Ms. Demboski counseled the two that it was inappropriate to be alone at City Hall on the weekend, behind locked doors, and in the dark. She further directed the Chief of Staff, Ms. Johnson, that all further requests from the Mayor's office related to this particular MOA employee, should be disseminated through Ms. Demboski or the Municipal Manager's office.

- 46. Although Mayor Bronson eventually told Ms. Demboski she could address this issue with Ms. Johnson further (which she did) the relationship continued, apparently with his tacit approval from that point forward. Mayor Bronson made it clear to Ms. Demboski that Ms. Johnson was like a daughter to him, and he babysat her kids whom he viewed as grandchildren. After numerous conversations between Mayor Bronson and Ms. Johnson, Mayor Bronson himself began engaging in retaliatory behavior towards the administrative staff who brought the inappropriate relationship to light.
- 47. The other of these two senior staff, Rachelle Alger, engages in bullying, as well as extremely sexualized jokes and comments in the workplace, including passing out penis-shaped cookies to the staff. Ms. Demboski reported these actions to Mayor Bronson and then-Director of Human Resources, Niki Tshibaka, yet no corrective action was allowed to be taken.

- 48. Additionally, Ms. Alger is known for entering the Mayor and Manager's suite yelling, hurling profanities, and making disparaging remarks to administrative staff. It got so pervasive that Ms. Demboski asked Ms. Alger's supervisor, Grant Yutrzenka, to direct Ms. Alger not to come to the 8th floor offices in person. Ms. Demboski took this action because the Mayor refused to take any action to address Ms. Alger's behavior. Her name calling, yelling, and intimidation were already the subject of multiple complaints to the Manager, Mayor, Chief of Staff, Human Resources and the Department of Law, and Ms. Demboski believed she had a duty to try and protect MOA employees from this hostility and abuse.
- 49. Staff repeatedly reported to Ms. Demboski and others in the MOA that Mayor Bronson treats women in the office as subservient to men. Despite her very senior position in the Administration, Ms. Demboski experienced such treatment herself.
- 50. On one occasion, Ms. Demboski sent an email in which she referred to Grant Yutrzenka's, the Chief Fiscal Officer, email to multiple directors as "suboptimal" in tone and encouraged better communication with a clearer definition of what assistance he needed.
- 51. Mayor Bronson chastised Ms. Demboski severely for this email. In a meeting on the issue, he raised his voice to a shout and held his hands in front of her at different heights, explaining that in Mayor Bronson's mind—because Mr. Yutrzenka is a man and Ms. Demboski is a woman—Mr. Yutrzenka is "up here" and Ms. Demboski is "down there."

- 52. Two days later Mayor Bronson had another meeting with Ms. Demboski in which he criticized her again saying that Mr. Yutrzenka "is a man" Ms. Demboski wasn't to speak to a man "that way." Presumably, Mayor Bronson meant to convey that, despite being the Municipal Manager, and second only to the Mayor in the Municipal Charter, Ms. Demboski was not permitted to correct Mr. Yutrzenka due to his gender.
- 53. Mayor Bronson also made several subsequent references to the email, and criticized Ms. Demboski's use of the word "suboptimal", telling her that she can't "speak to a man that way in this building," an apparent reference to City Hall. Mayor Bronson's statements made clear that he expected women in his administration to play a subservient role to men, regardless of their position of authority within the Administration's organizational structure.

#### G. Intentional code violations related to use of Sullivan Arena

- 54. With the onset of winter in fall 2022, Ms. Demboski warned Mayor Bronson that the Sullivan Arena would be needed as a homeless shelter and that exceeding capacity or allowing a kennel on site would violate Municipal Code.
- 55. Mayor Bronson deliberately circumvented Ms. Demboski in driving towards just that outcome, because he was aware that she would yet again object to violating Municipal Code, or advise him to work proactively with the Assembly to mitigate the issue.
- 56. Although the issue was resolved by the Assembly waiving code requirements after the fact, this crisis was deliberately created by Mayor Bronson.

# H. Unethical and unlawful attempts to influence the Municipal Attorney to drop or mitigate charges for personal and/or financial reasons

- 57. Mayor Bronson, his advisor Larry Baker, and his former Chief of Staff Sami Graham all personally attempted to influence the criminal prosecution of Mr. Baker's friend and business partner Brandon Spoerhase who had been charged with a series of crimes related to domestic violence, stalking, and violations of the terms of a protective order (Municipal Case Nos. 3AN-19-06540CR; 3AN-19-01663CI; and 3AN-19-07415CR and State Case No. 3AN-19-08799CR). These crimes had been perpetrated against a member of the Bronson Administration, Deputy Municipal Manager Kolby Hickel.
- 58. The former Municipal Attorney, Patrick Bergt, reported to Ms. Demboski that he was approached on multiple occasions—both during the transition, and after Mayor Bronson took office—to have the charges dismissed.
- 59. Mr. Bergt expressed shock and discomfort about receiving that request from Mr. Baker. Mr. Bergt shared that he received an email from Mr. Spoerhase's attorney stating "Larry [Baker] told me to reach out to you" which made Mr. Bergt even more uncomfortable.
- 60. It was evident to Ms. Demboski that Mr. Baker, Mayor Bronson, and Ms. Graham were all attempting to use their influence to convince the Department of Law to somehow have the charges against Spoerhase dismissed.
- 61. On or about December of 2021 Ms. Graham also approached Ms. Demboski herself saying that Ms. Hickel's cases against Mr. Spoerhase were "not a

good look" for the Bronson Administration. Ms. Demboski immediately shut down this conversation, telling Ms. Graham it was inappropriate.

- 62. In addition to this behavior, Mr. Baker personally attempted to prevent Ms. Demboski from offering Spoerhase's victim, Ms. Hickel, a job in the Administration. She rejected Mr. Baker's improper influence and hired Ms. Hickel as Deputy Municipal Manager.
- 63. A long term protective order in favor of Ms. Hickel against Mr. Spoerhase was granted. Mr. Spoerhase appears to have eventually reached a plea deal and as a result was convicted of certain charges.
- 64. Since Ms. Demboski's firing, Mayor Bronson has recently brought Mr. Baker back into his inner circle, meeting with him at least three times a week and approving yet another improper contract of \$29,500 to evade Assembly oversight.

#### I. Unethical attempts to direct Municipal real estate transactions

- 65. In addition to his attempts to tamper with Mr. Spoerhase's criminal prosecution, Mr. Baker has also attempted to use his influence to direct MOA real estate transactions towards properties he or his business partner (again Mr. Spoerhase) represent.
- 66. Despite the appearance of, and actual, impropriety of Mr. Baker advising Mayor Bronson to support such transactions, Mayor Bronson continues to keep Mr. Baker as his closest advisor.
  - J. Ms. Demboski compiles a list of unlawful and unethical actions and elevates them to the Municipal Ombudsman and Mayor Bronson

- 67. Between October and December of 2022 Ms. Demboski sought out multiple avenues to correct the myriad issues occurring within the Bronson Administration.
- 68. When she realized unlawful contracts were being approved without her oversight, she went to the Internal Auditor to express those concerns.
- 69. With respect to Ms. Alger's behavior, Ms. Demboski reported the issues to Niki Tshibaka and Raylene Griffith in Human Resources multiple times.
- 70. Ms. Demboski met with the Department of Law on all of these issues, including unlawful contracting, the rumored inappropriate relationship with a subordinate, the harassment and behaviors of Ms. Alger, and other violations of Municipal Code.
- 71. Ms. Demboski approached Mayor Bronson and his then-Chief of Staff, Adam Trombley, multiple times in person over these months.
- 72. On or about December 6, 2022, Ms. Demboski met with Mr. Trombley in her office and expressed many of her concerns with the Mayor's direction to violate code and his response to Ms. Demboski was that it was the Mayor's decision. Ms. Demboski also advised Mr. Trombley that Ms. Alger refused to meet with her to remedy the illegal contracting issues.
- 73. When Ms. Demboski brought up the contracting issues with the Mayor, he told Ms. Demboski that he would never fire Ms. Alger because she knocked on 1,200 doors for him during his campaign for Mayor.

74. On or about late November/early December, 2022, Ms. Demboski reported to the MOA's Office of the Ombudsman regarding the ongoing issues with the Bronson Administration violating Municipal Code and Charter. Ms. Demboski supplemented these meetings with emails on December 14, 2022 and December 16, 2022. The common thread in these reports was that she believed her role was intentionally being circumvented by Mayor Bronson and she could no longer prevent continuing violations on her own.

- 75. Ms. Demboski used every avenue within the Executive Branch to correct the code violations, harassment, and hostile work environment that was reported to her by Municipal employees or that she experienced or witnessed. Ms. Demboski personally reported issues to the Department of Law, Human Resources, the Internal Auditor, the Mayor, the Mayor's Chief of Staff, and ultimately the Municipal Ombudsman on multiple occasions during her tenure as Municipal Manager.
- 76. Months later, it was revealed that the Bronson Administration was apparently monitoring employees via cameras, personal observation, and possibly email monitoring, to determine who was in contact with the Municipal Ombudsman about the Administration's activities. However, it is unknown when Mayor Bronson became aware of Ms. Demboski's reports to the Ombudsman.
  - K. Despite friction within the Administration, Mayor Bronson assured Ms.
    Demboski he planned to employ her through his current term and his next term.

77. On or about December 12, 2022, after a staff meeting, Ms. Demboski's frustration got the best of her, while speaking to the Mayor, she referred to another staff member with a vulgarity. However, Ms. Demboski's proclivity for colorful language was well known by Bronson. In fact, on January 11, 2022 he had a mock resolution made up specifically condoning her use of such language. Additionally, Mayor Bronson routinely told staff and guests that Ms. Demboski had permission to use any colorful language she wanted.

- 78. And on December 15, 2022, Mayor Bronson met with Ms. Demboski and specifically discussed the vulgarity she used after the staff meeting, and during this meeting, Mayor Bronson praised Ms. Demboski's work and importance to his Administration.
- 79. During this meeting, Mayor Bronson specifically told Ms. Demboski she would not be fired over the language incident, and that he wished for her to remain with his administration throughout his first term and through his entire second term as well. In his words, he wanted her to work for him as the Municipal Manager for another "four and a half years."
  - L. Ms. Demboski is terminated in retaliation for reporting these issues of public concern.
- 80. Just prior to their December 15, 2022, meeting, when Bronson told Ms. Demboski she would not be fired and he wanted her to stay on for another four and a half years, Ms. Demboski had sent Bronson an email on December 14, 2022. This email laid out many specific concerns, including most of those raised with the Ombudsman,

about how the Administration was acting unlawfully and in an irregular fashion. In the email, Ms. Demboski expressed a desire to resolve these issues while continuing to serve as Municipal Manager. When she went into the meeting on December 15, 2022, she thought those issues would be the topic of discussion. However, it became immediately apparent at the meeting that Mayor Bronson had not read it yet.

- 81. Mayor Bronson actually read Ms. Demboski's December 14, 2022, email sometime after their meeting on December 15, 2022, between late afternoon and 5:30 p.m.
- Ms. Demboski during their December 15th meeting that she would not be fired, but that it was only after this meeting that he actually read the email she sent to him outlining his illegal behavior and multiple other items of concern. It was only after reading this email the Mayor gave the order to terminate Ms. Demboski.
- 83. On information and belief, at some point Mayor Bronson became aware that Ms. Demboski had met with the Municipal Ombudsman, leading him to give the order to terminate Ms. Demboski.
- 84. The Acting Municipal Attorney, Blair Christensen, requested Ms. Demboski meet her and the Chief of Staff, Adam Trombley, in the Department of Law at 6 p.m. on December 16th, but Ms. Demboski was unavailable. Thus, they scheduled a meeting on Monday, December 19, 2022, at 8 a.m. On December 19, 2022, as a result of reading Ms. Demboski's December 14th email and in retaliation for its contents, Mayor Bronson terminated Ms. Demboski.

85. Mayor Bronson terminated Ms. Demboski specifically as a result of her December 14, 2022, email to him. Third parties who spoke with the Mayor about Ms. Demboski's termination have indicated that Mayor Bronson specifically said he terminated Ms. Demboski due to the contents of the email she sent him outlining the numerous illegal and unethical acts undertaken by the Mayor and members of his senior staff. Specifically, he told others he "had to fire her" for putting her concerns "in writing."

#### M. Post-firing misuse of MOA resources to impugn Ms. Demboski's reputation.

- 86. Following Ms. Demboski's termination, Mayor Bronson convened official Administration staff to "get their stories straight" and to counter any narrative from Ms. Demboski as to why she was terminated.
- 87. The Mayor's staff largely resisted Mayor Bronson's efforts to attack Ms. Demboski; however, Mayor Bronson and others at his direction did spread misinformation regarding Ms. Demboski's service for the Administration, and her prior service with the Dunleavy Administration, all of which negatively impacted her ability to obtain new employment.

### IV. Count 1: Violation of the Anchorage Whistleblower Act

- 88. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.
- 89. The Anchorage Whistleblower Act, AMC 03.75.030, prohibits MOA leadership, including Mayor Bronson, from discharging, threatening, or otherwise discriminating against an employee regarding their employment because the employee reports to a public body or public official on a matter of public concern or participates in

an investigation on a matter of public concern. Mayor Bronson, the City Ombudsman, and any other office of the MOA all meet the definition in AMC 03.75.030.

- 90. Defendants terminated Ms. Demboski's employment on December 19, 2022, because of her participation in whistleblower activities, specifically including raising violations of the code and charter to Mayor Bronson and reporting this conduct to the City Ombudsman.
- 91. Ms. Demboski has suffered significant reputational and economic harm as a result of her unlawful termination by Defendants, and therefore is entitled to compensatory and treble damages as provided under AMC 03.75.030.A.

# V. <u>Count 2: Unlawful Gender Discrimination in the Workplace Violating the</u> <u>Alaska Human Rights Act</u>

- 92. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.
- 93. Alaska Statute 18.80.220(a)(1) prohibits an employer from discriminating "against a person in compensation or in a term, condition, or privilege of employment because of the person's ... sex ... when the reasonable demands of the position do not require [that] distinction...".
- 94. Alaska Statute 18.80.220(a)(4) prohibits an employer from discriminating against a person because the person has opposed gender discrimination by filing a complaint or testifying about such practices.
- 95. Defendants retaliated against and terminated Ms. Demboski because she, a woman, admonished a male subordinate and also opposed and reported acts of

gender discrimination against other employees, in violation of the Alaska Human Rights Act.

96. Accordingly, Ms. Demboski is entitled to compensatory and punitive damages.

## VI. Count 3: Wrongful Termination in Violation of Public Policy

- 97. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.
- 98. Ms. Demboski served in a position intended to ensure the orderly conduct of MOA business as well as compliance with Municipal Code and Charter. She was terminated for doing her job too well. Her termination was contrary to public policy and will have a chilling effect within MOA, including on other executive branch employees who are similarly charged with obeying compliance with the law.
  - 99. Ms. Demboski is entitled to compensatory damages as a result.

# VII. Count 4: Breach of the Covenant of Good Faith and Fair Dealing

- 100. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.
- 101. In every employment relationship in Alaska, there is an implied covenant of good faith and fair dealing.
- 102. Defendants acted intentionally and in a manner that a reasonable person would consider unfair with respect to the termination of Ms. Demboski for, among other things, attempting to ensure that actions taken by the Mayor and executive branch complied with Municipal Code and Charter and opposing actions and prospective

actions that violated the law, as part of her job as Municipal Manager. Actions opposed by Ms. Demboski, but nonetheless taken by Defendants, have exposed the MOA to legal and financial liabilities that could amount to millions of dollars in public funds.

103. Ms. Demboski has suffered significant financial harm as a result Defendants' breaches of the covenant of good faith and fair dealing, and is entitled to compensatory damages as a result.

#### VIII. Count 5: Defamation

- 104. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.
- 105. Following Ms. Demboski's termination, Defendants convened a "war room" in an attempt to impugn Ms. Demboski's reputation in order to limit her employment options as well as minimize the reputational damages to themselves arising from their own wrongful actions.
- 106. Defendants made false statements about Ms. Demboski and her work. These statements were conveyed to third parties. Defendants were either negligent about the truth of their statements or made intentionally untrue statements. Ms. Demboski's reputation and prospects for employment were damaged by these statements.
- 107. Ms. Demboski has suffered significant financial harm as a result of Defendants' defamation and is therefore entitled to compensatory and punitive damages.

#### IX. Count 6: Tortious Interference with Prospective Economic Advantage

108. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.

- 109. Ms. Demboski had prospects for potential employment following her termination by Defendants. Defendants knew of this potential employment and took actions intended to thwart it. This potential employment did not culminate with a job offer for Ms. Demboski. Defendants' conduct interfered with this potential employment, causing Ms. Demboski financial damages. Defendants' wrongful conduct was not privileged or justified.
- 110. Ms. Demboski has suffered significant financial harm as a result of Defendants' tortious interference and is therefore entitled to compensatory and punitive damages.

### X. Count 7: Intentional Infliction of Emotional Distress

- 111. Plaintiff realleges and incorporates the allegations in the preceding paragraphs by reference.
- 112. Defendants' conduct in both terminating Ms. Demboski and in their actions taken thereafter were extreme and outrageous. Defendants either intended to cause Ms. Demboski to suffer emotional distress or they acted with reckless disregard for the probability of causing her to suffer emotional distress. Defendants' actions were in fact the cause of Ms. Demboski suffering extreme emotional distress.
- 113. Ms. Demboski has suffered significant harm as a result of Defendants' reckless or intentional actions and is therefore entitled to compensatory and punitive damages.

#### RELIEF REQUESTED

- 1. Based on the foregoing facts and claims, Plaintiff requests the following relief:
- 2. A judgment for compensatory damages, to be demonstrated at trial, in an amount exceeding \$100,000.00;
  - 3. An award of treble damages under AMC 03.75.050;
  - 4. An award of punitive damages under AS 9.17.020;
  - 5. An award of costs, interest, and attorneys' fees in bringing this litigation;
  - 6. Injunctive relief to prevent additional actions damaging to Plaintiff; and
  - 7. Any other relief this court deems just and equitable.

CASHION GILMORE LLC Attorneys for Defendant

DATE: August 30, 2023

Scott Kendall

Alaska Bar No. 0405019