

MATANUSKA-SUSITNA BOROUGH SPECIAL MEETING
ASSEMBLY DECEMBER 10, 2002

I. CALL TO ORDER

The special joint meeting of the Matanuska-Susitna Borough Assembly and the School Board was held on December 10, 2002, at school board chambers, located at Palmer High School. The special meeting was called to order at 6 p.m. by Mayor Timothy L. Anderson.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Ms. Sara Jansen, Assembly District No. 2 (Deputy Mayor)
Mr. Talis Colberg, Assembly District No. 3
Ms. Mary Kvalheim, Assembly District No. 4
Ms. Jody Simpson, Assembly District No. 5

Assembly members absent and excused were:

Mr. Bruce Bush, Assembly District No. 1
Mr. Jim Colver, Assembly District No. 6
Ms. Kelly Ladere, Assembly District No. 7

School Board Members present and establishing a quorum were:

Mr. Robert Wells, Seat A
Mr. Carl Gatto, Seat B
Ms. Linda Menard, Seat C
Mr. Robert Johnson, Seat D
Mr. Mike Chmielewski, Seat E (School Board President)
Mr. Larry DeVilbiss, Seat F
Mr. Daniel Contini, Seat G

Borough staff in attendance were:

Ms. Sandra A. Dillon, Borough Clerk
Ms. Michelle M. McGehee, Deputy Clerk
Mr. David Germer, Acting Borough Manager
Mr. Jim Swing, Public Works Director
Ms. Tammy Clayton, Finance Director

School district staff in attendance were:

Mr. Bob Doyle, Interim Chief School Administrator
Mr. Jack Sherman, Assistant Superintendent of Business
Mr. Mike Schwartz, Facilities Coordinator
Ms. Kim Floyd, Public Information Specialist

III. APPROVAL OF AGENDA

Mayor Anderson inquired if there were any changes to the agenda.

The agenda was approved as presented.

IV. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by Public Works Director Jim Swing.

V. AUDIENCE PARTICIPATION

Ms. Teresa Obermeyer spoke regarding the dynamics of the borough, being neighborly, and making Alaska a place where children can have opportunities. She also wished the members a happy holiday.

VI. NEW BUSINESS

A. Annual budget (pursuant to code)

Mr. Doyle:

- stated that the school district is projecting enrollment over 14,000 students in the coming year; and
- reported that the district is in the process of finalizing their budget and will be structuring it as a curriculum driven budget.

Assemblymember Simpson queried Mr. Doyle regarding the number of district schools that are currently at capacity.

Mr. Doyle replied that there are currently five or six district schools that are at capacity and that the district will no longer accept new boundary exemptions regarding these locations.

B. State Legislative Action (requested by school district)

School Board President Chmielewski:

- stated that he would like to see the borough assembly and the school board work closer together regarding borough legislative priorities;
- opined that a process should be instituted that more directly facilitates communication between the assembly and the school board in this regard;
- spoke to working with the Alaska Association of School Boards (AASB) last month on their priorities, which are statewide in nature, yet pertain to the local level; and
- believes that both the school board and the assembly should be fully aware of each other's priorities.

Assemblymember Simpson queried regarding the scheduling of a joint meeting between the assembly, the school board, and the local legislative delegation.

Ms. Dillon confirmed that this joint meeting is tentatively scheduled for January 6, at 2 p.m., in the Legislative Information Office.

School Board Member Menard:

- spoke to the AASB legislative priorities;
- noted that the school board usually does not come up with additional priorities beyond AASB; and
- commented that the assembly and the school board should communicate on the issue if something unique to the borough does arise.

Discussion ensued regarding the draft resolutions of borough state and federal legislative priorities.

School Board Member Gatto queried regarding the priority order of items listed on the resolutions, specifically regarding the list order of the nutrition facility and the vocational high school.

School Board Member Menard:

- spoke regarding the need to have a discussion on borough charter schools;
- informed that the school board adopted the Horizon Charter School at their last meeting;
- spoke to Senate Bill 36, which allows the borough to have over 50 charter schools;
- commented that the two borough charter schools currently in existence have received wide support and wonderful results; and
- expressed concern about finding lease space and bringing charter schools online.

School Board President Chmielewski noted that there is room for personalizing AASB priorities.

Assemblymember Jansen stated that the establishment of further communication is in everyone's best interest.

School Board Member Wells commented that he likes the draft legislative priorities and spoke to the two bodies meeting before lobbying sessions so that everyone is aware of each other's priorities.

C. Bond Projects (requested by School District)

School Board President Chmielewski:

- stated that the school board has looked at a set of bond proposals and how the proposals could be packaged;
- reported that a two-part proposal was submitted to the assembly for a potential special election in April 2003; and
- asked Mr. Doyle to present the specifics of the discussion.

Mr. Doyle:

- noted that discussions consisted of two different packages, including package A – projects eligible for 60 percent debt reimbursement and package B – projects eligible for 70 percent debt reimbursement;
- spoke to gaining the approval of the department of education;
- commented that it may be possible to combine the two categories of debt reimbursement projects; and
- remarked that the school board did speak about separating the administration building proposal and items that did not originate on the capital improvements projects (CIP) list, and that the board ultimately felt it was important to put the projects together.

Assemblymember Colberg inquired if any items were deleted from the proposals.

Mr. Doyle responded that improvements to the Palmer Pool were deleted.

Discussion ensued regarding:

- the passage of Horizon Charter School;
- the charter school being primarily for home-schooled children and being subject to a period of evaluation and review by the department of education;
- the number of students that will be served by the charter school; and
- the cost effectiveness of providing permanent facilities for smaller numbers of students.

Mr. Doyle noted that charter schools are funded differently from other district schools and spoke to economies of scale.

Mr. Schwartz stated that the enrollment numbers came from the schools and that these numbers are their desired maximum allotment.

Assemblymember Colberg queried regarding the history of and dollar amounts associated with bond packages, and presentation of the proposed bond package to the voters.

Assemblymember Simpson queried regarding the parameters that were used to set up the Capital Improvement Projects (CIP) list and the three issues that are now being brought forward – two charter schools and a Palmer area elementary school.

Mr. Doyle:

- stated that the school board felt it was necessary to bring these three additional projects forward for discussion of potential bonding, as the district is looking at long-term growth in the Valley; and
- noted that some district schools are currently at full capacity and the probability that the legislature will shut down the reimbursement process is good.

Assemblymember Simpson queried the percentage of local contributions for the projects.

Mr. Doyle stated that 25 percent is the local source and 75 percent is from other sources.

Assemblymember Simpson inquired regarding the full operating costs for the projects.

Mr. Doyle stated that these figures are still not solidified.

Assemblymember Simpson further inquired as to which projects had been reviewed by the department of education.

Mr. Doyle:

- replied that all projects had been reviewed by the department of education with the exception of the two proposed charter schools, the Palmer area elementary school, and the nutrition center; and
- stated that it may be possible to secure 60/40 funding for projects that were not contained on the CIP list or reviewed by the department of education.

Assemblymember Jansen:

- thanked the school board for providing project narratives;
- stated that she would like to see a more extended itemized breakdown of costs;
- spoke to the school district's stated \$12 million portion of the nutrition center project; and
- queried the firmness of the costs stated on all proposed projects, as the nutrition center projects costs seemed to have risen from the \$9 million figure originally stated.

Mr. Doyle asked Mr. Schwartz to explain the costs associated with the nutrition center.

Mr. Schwartz:

- stated he believes there may be some confusion between the program budget and the construction budget; and
- spoke to the design, equipment, and other construction costs, stating that the numbers he has been using have not changed.

Discussion continued regarding:

- the estimated costs of the nutrition center;
- difficulties with communication in this regard; and
- the need for a nutrition facility.

Assemblymember Jansen:

- reiterated that there is a big difference between \$12 million and \$16 million – the additional \$4 million being added for a community kitchen;
- queried what other issues may arise in relation to the other bond proposals; and
- wondered if all the figures are being put together before going out to the voters.

School Board Member Gatto also expressed concerns about how the public will view the bond proposals, especially in regard to the costs of permanently housing charter schools.

Mr. Schwartz reiterated that smaller schools cost more, that the state has a sliding scale, and that the budget is based upon the maximum the state will allow for the ratio of students.

Discussion continued regarding:

- the costs of permanently housing the Midnight Sun and Academy Charter Schools;
- the existing debt-to-student ratio;
- public support of the bond propositions;
- estimates being made in regard to costs;
- the need for further study of the proposals; and
- the project costs being all inclusive in the bond propositions.

Assemblymember Simpson queried if the assembly has the authority to revise the bond package forwarded to them by the school district.

Ms. Clayton stated that the assembly does have the authority to amend numbers and the list of projects.

Mr. Doyle:

- spoke to the packaging of the bond proposals;
- reiterated that the school board felt that it made better sense to package all projects together;
- spoke to the debt reimbursement bonds for the schools;
- commented that he does believe the assembly has the authority to amend the proposals, but does not believe the assembly has the authority to add school bond debt reimbursements without the concurrence of the school board;
- remarked that in terms of other projects, the nutrition center is the most complicated project;
- recommended waiting if the assembly feels that the projects are being rushed; and
- believes that the proposed projects are necessary.

Assemblymember Jansen inquired if the career center program has college participation, or if it is being proposed as a “stand alone facility.”

Mr. Schwartz responded that the program would be something that the borough could do independently of the university.

Discussion once again ensued regarding providing permanent facilities for charter schools and whether or not the borough could afford to build schools to house significantly smaller numbers of students.

Assemblymember Jansen stated that she would like to speak further with Mr. Schwartz regarding the costs of the proposals.

Mr. Schwartz pointed out that there have been permanent school facilities built to house smaller numbers of students, citing Glacier View School and Talkeetna.

Assemblymember Jansen stated that she would like to hold a separate discussion regarding charter schools.

School Board President Chmielewski:

- appreciated Assemblymember Jansen’s comments;
- stated that he realizes not many people currently in the room have been present when discussions about charter schools have taken place;
- spoke to the bond proposals being ordinary and standard with the exception of the career center, the nutrition center, and charter schools;
- noted that tonight is the first time the assembly and the school board have been able to sit down and discuss the short descriptions of the projects;
- stated that the background information is needed so that the assembly can better understand how the school board arrived at its figures; and
- commented that the charter school concept is changing form and growing up, and that further discussion regarding the issue is important.

School Board Member Wells:

- concurred that there should be further discussion regarding charter schools before the assembly makes its final decision;
- noted that the borough would be the first in the state to build a permanent facility for a charter school;
- stated that smaller schools do exist in the district and spoke to economies of scale;
- commented that a window of opportunity has driven bringing these items forward for discussion at this time;
- spoke to the bond costs associated with building Houston High School;
- opined that \$12 million is reasonable for building a nutrition center;
- spoke regarding potential changes in the funding formula; and
- commented that .788 would be the mill rate if all projects were approved, noting that this figure would scale back if projects are removed from the proposal.

Assemblymember Simpson asked when the last time the school district renegotiated the existing charters.

Mr. Doyle stated that the charters were reviewed two years ago and that the expectation at that time was to continue to lease space.

Assemblymember Simpson inquired regarding the lease costs of the charter schools.

Mr. Doyle:

- spoke to the \$38,000 per year for Midnight Sun lease costs at the B&J Rainbow Center; and
- noted that the land for the Academy Charter School was provided by the borough, that the old borough parks and recreation building was remodeled to provide space for the school, and that no lease cost savings would occur.

School Board Member Contini inquired if the maximum amount that can be bonded was determined.

Ms. Clayton stated that the issue was reviewed and that \$80 million would be in the allowable range.

School Board Member Contini queried regarding the mill rate necessary to pay back the bonds and the maintenance and operating costs.

Mr. Doyle:

- reiterated that 25 percent would come from the local source and that 75 percent would come from the state; and
- reminded that the district is still growing – about 600 students this year.

School Board Member Contini opined that funds will have to be generated.

Mayor Anderson noted that the tax base would stay proportional with the growing population.

School Board Member Johnson reminded that small schools are different and that children deserve to be housed adequately – portables and store front buildings are not adequate.

Mayor Anderson appreciated the discussion and information provided on packaging the bond proposals and expressed the need for information on the school board's rationale as they hold further discussions.

The special meeting recessed at 7:30 pm. and reconvened at 7:43 p.m.

D. Salary and Emoluments (requested by School Board Member Wells)

School Board Member Wells suggested a temporary committee made up of public members to review the compensation of elected officials.

Assemblymember Jansen stated that she would be willing to sponsor an ordinance in this regard, as it is a good solution for the community to have a committee in place to review and recommend compensation levels for the school board, the assembly, and the planning and platting boards.

Assemblymember Colberg:

- stated that there would be two purposes for a committee of this kind (1) to recommend a salary increase and (2) to provide a buffer for the elected bodies to say that the committee recommended the salary increase; and
- opined that it would not be appropriate to bring the issue of compensation up again since the assembly has already voted it down this year.

Assemblymember DeVilbiss:

- stated that he does not believe any member ran for elected office at the assembly or school board for pay; and
- spoke to community service.

Assemblymember Simpson stated that she believes it is important that the community understands the time spent in service by elected officials.

Assemblymember Kvalheim supported bringing an ordinance forward.

E. Procurement Procedures (requested by Assemblymember Jansen)

Assemblymember Jansen

- spoke regarding the school district procurement process, noting two prior discussions on the procurement of a computer and leases; and
- inquired if the school district has a procurement process that is reviewed by the school board.

Mr. Sherman:

- stated that there is a policy;
- informed that it recently came forward to the board with a change in policy and administrative regulations to tighten up of some things that were not anticipated; and
- offered a copy of the policy to all in attendance.

F. Construction Trade-Building Sites (requested by Board Member Wells)

School Board Member Wells:

- spoke to the construction trades program housed at Wasilla High School;
- stated that the students enrolled in the program build a house every couple of years and then they sell the house;
- commented that there is a need to start thinking about where the next lot will be;
- noted a continual need for the “next lot;”
- remarked regarding properties in borough tax foreclosure sales and the possibility of setting some sights aside for schools;
- conveyed that the challenge would be finding a lot at an affordable price inside the core area; and
- asked the assembly if they could help to find a solution to the issue.

Discussion followed regarding:

- benefits that the borough would derive from contributing to the program;
- transportation time issues related to having to transport students to construction sites;
- interest from other schools to join the construction trades program;
- schools in the district being on differing schedules and how this impacts the transportation aspect of the program; and
- the program being self-perpetuating in that proceeds from the sale of a house are used to purchase materials for the next house and pay for instructors’ salaries.

VII. SCHOOL BOARD, MAYOR, ASSEMBLY, AND STAFF COMMENTS

Ms. Dillon reiterated that a joint meeting has been scheduled for January 6 at the Legislation Information Office with the assembly and our legislative delegation at 2 p.m.; the school board will be joining at 3 p.m.

Mr. Doyle:

- invited members of the assembly to contact him or Mr. Schwartz in regard to additional information on the bond proposals;
- spoke to Larson Elementary School and Sherrod Elementary School being at capacity in the next year and having to shut down boundary exemptions; and
- stated that the curriculum audit will be provided at the December 17 assembly meeting.

School Board Member Gatto:

- spoke to difficulties associated with finding new school sites in the next ten years; and
- noted that it would be prudent to find a way to reserve some real estate for the future.

School Board Member DeVilbiss remarked regarding an article he read on a Wisconsin school district that removed all vending machines and changed their food program to all nutritional foods, noting that the school district’s negative statistics declined.

School Board Member Johnson stated that it is always productive to hold joint meetings and wished everyone a Merry

Christmas.

School Board Member Contini spoke to the growth boroughwide and opined that Mr. Doyle's comments regarding the number of schools in the district at capacity may be understated.

School Board Member Wells thanked all members for the meeting and wished everyone happy holidays.

School Board Member Menard:

- commented that this is the last joint meeting with Carl Gatto as a member;
- stated that it has been a pleasure working with him;
- recognized Bill Stoltz, representative-elect, in the audience; and
- queried the protocol of addressing other members of the bodies through the mayor.

Ms. Dillon:

- informed that this is the correct protocol of addressing other members according to Roberts Rules of Orders is through the Chair; and
- advised that a body use protocols that work best for their organization.

School Board Member Menard concluded by stating that she believes the board has the means within their own body to make decisions regarding compensation.

School Board President Chmielewski:

- thanked the mayor for facilitating a good meeting; and
- commented that both the assembly and the school board may be better served by looking at a joint chamber for meetings that will accommodate public participation.

Assemblymember Kvalheim:

- suggested that the school district should erect signs at Teeland and Larson Elementary Schools; and
- thanked everyone for the meeting.

Assemblymember Simpson:

- requested that concrete number for maintenance and operating costs of facilities be included when Mr. Doyle puts together the informational packet for the assembly regarding the bond proposals; and
- commented regarding the curriculum audit and queried if there would be sufficient time to address the report.

Ms. Floyd:

- stated that she would be available at the December 17, 2002, assembly meeting to present the findings of the curriculum audit; and
- noted that a representative from the school district would then come back and address the assembly regarding the audit after they have had time to review the report.

Assemblymember Simpson concluded by reminding the members that there are basic daily needs of existing staff, students, and facilities that should be taken into consideration while planning ahead.

Assemblymember Colberg wished everyone a Merry Christmas.

Assemblymember Jansen:

- thanked everyone for the discussions;
- stated that she is looking forward to future meetings; and
- commented that a very good question was raised in regard to securing future school sites in the borough.

Mayor Anderson:

- agreed that the working relationship between the school board and the assembly has dramatically increased;
- commented that communication is the key to success;
- thanked the school board for their support of the Youth Court Program; and

- wished everyone a safe and happy holiday.

VIII. ADJOURNMENT

The special meeting adjourned at 8:15 p.m.