

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on March 8, 2005, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6 p.m. by Presiding Officer Simpson for the purpose of holding a joint Assembly/School Board meeting.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Ms. Lynne Woods, Assembly District No. 1
Mr. Bill Allen, Assembly District No. 2
Mr. Talis J. Colberg, Assembly District No. 3
Ms. Jody Simpson, Assembly District No. 5 (*Acting Presiding Chair*)
Ms. Betty Vehrs, Assembly District No. 7

Assembly members absent were:

Ms. Mary Kvalheim, Assembly District No. 4
Mr. Jim Colver, Assembly District No. 6 (*Deputy Mayor*)

School Board members present and establishing a quorum were:

Mr. Rob Wells, Seat A
Ms. Sarah Welton, Seat B
Ms. Linda Menard, Seat C
Mr. Jeff Trotter, Seat D
Mr. Mike Chmielewski, Seat E (*School Board President*)
Mr. Larry DeVilbiss, Seat F
Mr. Daniel Contini, Seat G

School Board member absent were:

Mr. Rob Wells, Seat A

Borough staff in attendance were:

Ms. Janice Case, Acting Borough Clerk
Mr. John Duffy, Borough Manager
Ms. Teresa S. Williams, Borough Attorney
Ms. Lonnie R. McKechnie, Executive Assistant to the Borough Clerk
Ms. Marian Romano, Assistant Borough Manager
Ms. Tammy Clayton, Finance Director
Mr. Don Shiesl, Public Works Director
Mr. Murph O'Brien, Planning and Land Use Director

School Board staff in attendance were:

Mr. George Troxel, Assistant Superintendent
Ms. Kim Floyd, Public Information Specialist
Mr. Mike Schwartz, Facility Coordinator
Mr. Scott Schwald, Director of Operations and Maintenance

III. APPROVAL OF AGENDA

Presiding Officer Simpson inquired if there were any changes to the agenda.

GENERAL CONSENT: The agenda was approved as presented without objection.

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Mr. George Troxel, Matanuska-Susitna Borough School District, Assistant Superintendent.

V. AUDIENCE PARTICIPATION

(There were no persons present who wished to testify.)

VI. ASSEMBLY ITEMS OF BUSINESS

- A. AM No. 05-031: AWARD OF BID NO. 05-101 TO JIM PSENAK IN THE AMOUNT OF \$149,060 FOR THE MATANUSKA RIVER 2005 SPUR DIKE REPAIR.

Mr. Duffy provided a staff report.

MOTION: Assemblymember Woods moved to approve AM No. 05-034.

VOTE: The motion passed without objection.

Presiding Officer Simpson:

- advised that Mr. Duffy and Ms. Clayton would be leaving the meeting at 7 p.m.; and
- noted that Ms. Romano would be taking Mr. Duffy's place at that time.

VII. JOINT ASSEMBLY/SCHOOL BOARD ITEMS OF BUSINESS

- A. Annual Budget (*pursuant to MSB 2.12.075*)

Mr. Troxel:

- advised that the School Board is still taking public testimony on the School District's budget; and
- commented that the School District is expecting the Assembly to fund the School District to the State cap.

Assemblymember Allen:

- spoke regarding the School District's Management Review Audit conducted by Information Insights; and
- voiced concerns regarding cuts at the administrative levels and the impact that those cuts could have on administrative functions.

Mr. Troxel:

- advised that the School District is attempting to run a lean administration;
- advised that the School District is doing a good job; and
- commented that there will be repercussions in the long run.

Assemblymember Allen queried whether the School District has adequate grant writers to generate income outside of the district.

Mr. Troxel:

- discussed the demographics of school districts throughout the state;
- advised that the School District does receive a fair amount of grant monies;
- commented that competitive grant money comes with substantial strings attached and sunset within three years; and
- spoke regarding grants the School District receives.

Assemblymember Allen:

- stated that the Borough needs to look at outside sources for revenue;
- queried the amount of money that is spent on supplies; and
- spoke regarding the need for a supply warehouse.

Mr. Troxel:

- advised that the School District phased the warehouse out a number of years ago;
- noted that the School District is looking at bringing parts of the warehouse system back; and
- commented that that the School District is looking at purchasing some of the bigger items along with the Anchorage School District.

Discussion ensued regarding the School District's Management Review Audit and the FY06 budget.

B. Consolidation of Services *(Requested by Assemblymember Kvalheim)*

Mr. Duffy:

- advised that the Borough is in the process of hiring a consultant to review the cost benefits of combining Borough and School District vehicle maintenance; and
- advised that once the Municipality of Anchorage gets their purchasing system online, the Borough and School District can look at joining them in bulk purchases.

Assemblymember Allen commented that the Borough and School District would get better pricing on bids if they joined together for purchases of the rolling stock fleet.

School Board Member Menard voiced concerns about the School District using only one bank for services.

Presiding Officer Simpson queried if it was a requirement of the consolidation of services that one lending institution be used.

Ms. Clayton:

- advised that the central treasury is put out to bid every five years; and
- noted that she could not speak to what the School District does with their individual activity accounts.

Discussion ensued regarding banking services.

Presiding Officer Simpson queried if there was any objection to combining the discussions of items C, D, and F.

There was no objection noted.

C. Settler's Bay School Site *(Requested by School District Administration)*

D. South Palmer School Site *(Requested by School District Administration)*

F. Site Selection Process *(Requested by School Board President Chmielewski)*

Mr. O'Brien

- spoke regarding the school sites that are being reviewed and need for discussions to be brought before the Borough Area Schools Site Selection Committee for the proposed Settler's Bay School; and
- advised that there is Borough-owned property in the area that is being reviewed for the Settler's Bay School.

Assemblymember Allen queried what the Alaska State Department of Education requires on acreage for a school site.

Mr. O'Brien advised that generally the Alaska State Department of Education requires 20 acres, however, it would be 40 acres if an onsite water and sewer system is needed.

Mr. Duffy:

- advised that the School Site Selection Borough Public Facilities Plan identifies the acreage by type of school; and
- noted that the public facilities portion of the Borough Comprehensive Plan requires more acreage for school sites to accommodate community parks on the same parcel.

Mr. O'Brien:

- spoke regarding the possibilities for a school site in the Springer System area;

- advised that the Borough will need to consider property acquisition for the South Trunk area school site; and
- discussed other possible alternatives for property acquisition, such as approaching the University for a co-facility.

Mr. Duffy queried the tax implications and restrictions for purchasing property with bond monies.

Ms. Clayton:

- advised that the projects need to be pre-approved or reviewed by the Alaska State Department of Education; and
- spoke regarding the process in which bonds are issued.

School Board President Chmielewski:

- spoke regarding the School District's Six-Year Capital Improvement Plan; and
- advised that the School Board has identified that the Setter's Bay School and the South Palmer School need to be built as soon as possible on the Capital Improvement Plan.

Assemblymember Colberg queried whether the Academy Charter School Gym is listed in the School District's Capital Improvement Plan.

School Board President Chmielewski:

- advised that there are unanswered questions regarding the gym addition fitting on the existing property;
- noted that the gym addition for the Academy Charter School may be put on the Capital Improvement plan at a later date;
- spoke regarding additional schools that will need to be built in the future;
- noted the importance of looking for these schools sites now;
- recommended putting a group together to look at the larger scheme of things for the next 10 years; and
- advised that the School District has begun working with developers.

Discussion ensued regarding the School District's Capital Improvement Plan.

Assemblymember Woods queried how to look into the future when there is an 18-month restriction to cover funding and reimbursement.

Mr. Duffy:

- advised that other sources of revenue would need to be considered; and
- spoke to the need to acquire land at the prices of today rather than the prices of the future.

School Board President Chmielewski:

- opined that a task force needs to be created to do the ground work on looking for other revenue sources to purchase property; and
- spoke to the funding of property purchases for school sites.

Discussion ensued regarding land acquisitions.

E. School Bonds (*Requested by School Board President Chmielewski*)

School Board President Chmielewski spoke regarding school bonds for the regular election in October 2005.

Ms. Floyd:

- advised that House Bill 13, School Bond Construction Reimbursement, passed the House Education Committee unanimously and is moving forward to the House Education Social Services Committee;
- spoke to concerns regarding equity in construction funding between urban and rural Alaska;
- advised that Legislators from the Borough support the construction of a school in the Settlers Bay area; and
- stated that the School District is hopeful that the Alaska State Department of Revenue will be in support of direct appropriation.

Mr. Contini queried the public opinion poll that the School District conducted on whether new school bonds would pass.

Ms. Floyd:

- advised that this was the third annual public opinion poll that the School District had conducted; and
- advised that the School District received a 75 percent approval rating on the poll for a bond package for \$80,000,000 for three elementary schools and one high school.

Mr. Allen:

- encouraged the School District to put a bond package together to repair life safety issues; and
- opined that there is no reason to put life safety issues off for a number of years.

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

Presiding Officer Simpson thanked Ms. Clayton for her work regarding a bond upgrade, which will result in lower interest payments for the school bonds.

School Board Member Welton spoke to the importance of looking towards the future for school placements.

School Board Member DeVilbiss:

- advised that he would like the process for determining architects for the construction of schools on the next joint meeting agenda;
- spoke regarding the current process in which architects are chosen; and
- advised that he is scheduling a fly-over of the Fish Creek area with the Alaska State Division of Agriculture for the next agriculture project.

School Board Member Menard:

- spoke regarding the growth of the Borough and the rise of the budget within the last 10 years;
- opined that the Borough Area Schools Site Selection Committee is doing the best job they can; and
- commented that hopefully at the next joint meeting there will be a better idea of what land has been secured for school sites.

School Board Member Contini:

- spoke regarding the school sites that are being reviewed for the new schools; and
- commented regarding the challenges that the Borough and School District are facing due to the population growth.

School Board Member Trotter:

- stated that he was in favor of the idea for the Borough and the School District to get involved with joint purchases; and
- commented that he is encouraged by the fact that there are builders and developers that are willing to work with the School District on school site selection.

School Board President Chmielewski:

- spoke regarding sharing concerns on the architect selection process for the new schools; and
- spoke regarding the School Board's meetings on strategic planning.

Assemblymember Vehrs:

- stated that the Borough Area Schools Site Selection Committee is a cohesive group of people with a joint understanding; and
- commented that she is happy to see that strategic planning is being worked on.

Assemblymember Woods:

- spoke regarding the public contacting her on the property assessment values rising; and
- opined that everyone is working hard on spending tax dollars as efficiently as possible.

Assemblymember Colberg:

- spoke regarding the School District's budget increases;
- stated that he is disappointment in the School District's Management Review Audit due to the fact that it does not show where the core of the money is going; and
- opined that the public needs to know that the budget is going in a growth pattern which is sustainable.

IX. ADJOURNMENT

The regular meeting adjourned at 7:30 p.m.

/S/

JIM COLVER, Deputy Borough Mayor

ATTEST:

/S/

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: April 5, 2005