

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on June 14, 2005, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6:25 p.m. by Mayor Timothy L. Anderson. 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. Mary Kvalheim, Assembly District No. 4
Ms. Jody Simpson, Assembly District No. 5
Ms. Betty Vehrs, Assembly District No. 7

Assembly members absent and excused were:

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
Mr. Mike Chmielewski, Seat E (*School Board President*)
Mr. Larry DeVilbiss, Seat F

Assembly members absent and excused were:

Ms. Linda Menard, Seat C
Mr. Jeff Trotter, Seat D
Mr. Daniel Contini, Seat G

Borough staff in attendance were:

Ms. Michelle M. McGehee, CMC, Borough Clerk
Mr. John Duffy, Borough Manager
Ms. Teresa S. Williams, Borough Attorney
Ms. Tammy Clayton, Finance Director
Ms. Lonnie R. McKechnie, Executive Assistant to the Borough Clerk

School Board staff in attendance were:

Mr. Bob Doyle, Chief School Administrator
Ms. Kim Floyd, Public Information Specialist

III. APPROVAL OF AGENDA

Mayor Anderson 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. Rob Wells, School Board Member.

V. AUDIENCE PARTICIPATION

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

VI. NEW BUSINESS

- A. Presentation from the Alaska Gasline Port Authority – Jomo Stewart, Communications Director *(requested by Borough Administration)*

Mr. Duffy advised that there was no one present from the Gasline Port Authority to provide a presentation to the members.

- B. Review School Capital Construction Plan *(pursuant to MSB 2.12.075)*

Mr. Doyle:

- spoke regarding the School Board's 6-year Capital Improvement Plan; and
- noted that there has been no changes made to the plan.

Assemblymember Vehrs:

- noted that the roof replacement project for Su-Valley High is listed as project number four on the School District's Capital Improvement Plan; and
- queried if it was a higher priority on the Borough's Capital Improvement Plan.

Mr. Duffy:

- advised that the roof project for Su-Valley High is in the design process;
- advised that the Borough is working with the School District; and
- explained the process of ranking items on the Capital Improvement Plan.

Mayor Anderson:

- stated that he would like to see the new fence for the Iditarod Elementary School be moved up the Capital Improvement List once the State's capital budget is signed; and
- queried the other items that would be funded in the State's capital budget.

Mr. Doyle spoke regarding items that are being funded in the State's capital budget.

Assemblymember Vehrs queried if land had been selected for the Mid-Valley High School.

Mr. Doyle:

- spoke regarding the site selection process;
- advised that the Borough Area School Site Selection Committee has chosen land for the school site; and
- commented that to his knowledge the land has not been purchased due to a lack of funds.

C. School Bonds *(requested by School District Administration)*

Mr. Doyle:

- spoke regarding the bond projects that the School Board adopted on April 6, 2005;
- advised that the Settlers Bay, South Palmer, and South Trunk elementary schools are the priorities for the ballot propositions;
- advised that the State of Alaska Department of Education has approved the 70/30 funding for the Settlers Bay Area Elementary School;
- advised that the School District has submitted the paperwork to the State of Alaska Department of Education for the South Trunk and South Palmer Elementary Schools to get final approval for 70/30 funding; and
- spoke regarding cost estimates of building the elementary schools.

Assemblymember Allen queried the items listed under the “A” package of the School Board’s approved bond projects.

Mr. Doyle:

- spoke regarding the four bond projects listed under the “A” package; and
- advised that they are only requesting approval for the three elementary schools for the Settlers Bay Area, South Palmer, and South Trunk.

Assemblymember Allen queried if the \$40 million will be reimbursed over amortization of the bond debt.

Mr. Doyle:

- advised that the \$40 million will be reimbursed at \$.70 on the dollar;
- advised that you can bond up to \$40.5 million dollars and get the 70 percent reimbursement; and
- stated that the Anchorage School District has bonded at 100 percent by the voters and then the State reimburses them after the fact.

School Board President Chmielewski:

- spoke regarding the total amount of the bond;
- stated that 70 percent of the bonds will be taken care of by the State, while the other 30 percent will be handled locally; and
- clarified that the State will cover 70 percent of the \$40.5 million.

Assemblymember Allen queried if the cost of Wasilla Elementary School came to \$14 million.

Ms. Clayton:

- advised that Wasilla Elementary School came in at \$10 million;
- spoke regarding a change order that will be before the Assembly at the next meeting for \$900,000 of alternative additives to the Wasilla Elementary School project;
- advised that the \$10.8 million does not include land; and
- advised that they budgeted the school for \$12 million and they estimate exceeding that amount by \$1 million.

Mayor Anderson queried if \$13.5 million would cover the cost of building Wasilla Elementary School.

Ms. Clayton:

- advised that she did not believe that \$13.5 million would cover the costs of building the school;
- spoke regarding rising costs; and
- advised that Mr. Schwartz, from the School District, estimated that it would cost \$16 million to build Wasilla Elementary School.

Mr. Doyle spoke regarding the new formulas that are required by the State of Alaska, Department of Education.

School Board Member Wells:

- stated that it would save money if land was donated for the three elementary schools; and
- encouraged looking at the smaller projects to fall back on.

Assemblymember Simpson queried if the other projects on the School Board's bonding list had been approved by the State of Alaska, Department of Education.

Mr. Doyle:

- stated that not all the projects on the list have been approved by the State of Alaska, Department of Education; and
- advised that maintenance projects are routinely responded to in a quick manner by the State of Alaska, Department of Education.

D. School Site Selection *(requested by School District Administration/School Board Member Menard)*

Mr. Duffy:

- spoke regarding meeting with the School Board;
- noted that they are trying to see if there is interest in the public sector to donate land for schools within the search area; and
- advised that at the next Borough Area School Site Selection Committee meeting, the committee will review the sites for the schools and will be discussing the potential of land being donated by private land owners.

Assemblymember Simpson queried whether the process in donating land would be a straight donation or whether they would look at trades.

Mr. Duffy advised that at this point in time they are considering straight donations.

Assemblymember Allen:

- queried if it would be possible to discuss agenda item “F” prior to agenda item “E”; and
- advised that he had to leave the meeting by 7 p.m. and was interested in discussing performance-based budgeting.

There was no objection noted.

F. Update on Performance-Based Budgeting (*requested by School Board President Chmielewski*)

School Board President Chmielewski:

- provided a summary and a timeline of performance-based budgeting;
- spoke regarding training employees on the process;
- spoke regarding the evaluation and ranking process;
- stated that in January, the program planning teams would be presenting the funding packages to a ranking committee;
- advised that once the ranking committee is done with their process they will have a prioritized look at the District’s operations; and
- invited the assembly members to participate in a work session regarding performance-based budgeting.

Assemblymember Simpson queried the cost of implementing performance based budgeting.

Mr. Doyle:

- spoke regarding the training they have accomplished in the first year;
- advised that the total cost of implementation over a two-year training time is approximately \$40,000 to \$50,000; and
- advised that the process is a big undertaking.

School Board President Chmielewski:

- commented that in past, there has been a small number of people involved in the process;
- stated that the intention is to expand involvement in the process;
- opined that over the years people have expressed concern regarding the difficulty in reading the budget; and
- spoke regarding the benefits that performance-based budgets have brought to other districts that have gone through the process.

(Assemblymember Allen exited the meeting at 7:03 p.m.)

School Board Member Wells:

- advised that he has attended some of the training sessions that have occurred;
- noted that performance-based budgeting is a big change for the School District; and
- stated that the new process will be an effective tool to help the public understand the budget process.

E. Process for Determining Architects (*requested by School Board Member Devilbiss*)

School Board Member DeVilbiss:

- stated that there was a lack of professionalism in the last architect selection process; and
- opined that the process seems to be more political than it needs to be.

School Board President Chmielewski;

- spoke regarding the architect selection process;
- encouraged fine tuning the process of how the School District selects architects; and
- spoke regarding the ranking of architects.

Assemblymember Simpson:

- queried the type of criteria that is used to select an architect; and
- queried if there were formal procedures in place.

School Board President Chmielewski:

- stated that the Borough has a detailed approach when selecting an architect;
- stated that when the School Board receives the list of architects, they assume that any one of the architects are suitable for the job;
- spoke regarding evaluating the architects during their presentations to the School Board;
- spoke regarding criteria that the School Board looks at when selecting an architect;
- stated that he believes that the School District process is different than the Borough process; and
- spoke regarding the ranking of factors.

Mr. Doyle:

- advised that the request for proposals are looked at by a committee;
- advised that the committee forwards three qualified and unranked architects to the School Board; and
- spoke regarding the past practice for choosing an architect.

Assemblymember Kvalheim queried if there is preference given to those architects that have offices in the local area.

Mr. Doyle:

- advised that to his knowledge there is nothing in the Borough's committee process to give preference to local offices; and
- spoke regarding the criteria required in the request for proposals.

Mr. Duffy:

- stated that typically in a request for proposal, there is criteria that speaks to local offices;
- stated that local offices do not get preference; however, if you have a local office you will receive more points; and
- advised that it is more efficient and effective when developing a project.

Discussion ensued regarding request for proposals.

G. Consolidation of Services (*requested by Assemblymember Kvalheim*)

Assemblymember Kvalheim queried if there were any proposals for consolidation of services.

Mr. Duffy:

- advised that he had met with the Cooperative Services Agency in Anchorage; and
- advised that he requested that the Cooperative Services Agency contact the School District.

Mayor Anderson queried the separation of the Borough and the School District's computer network.

Mr. Duffy:

- spoke regarding migration and licensing;
- advised that the School District receives an education rate on their licenses;
- advised that it is illegal for the Borough to piggyback on the School District's licenses; and
- advised that there will be two separate networks and e-mail systems.

Mayor Anderson queried if other options could be looked at.

Mr. Duffy:

- advised that if the Borough stayed with the Novell system, the cost would go up \$50,000 to \$60,000; and
- noted that the Borough was able to negotiate a cheaper price with Microsoft.

School Board President Chmielewski noted that staying with the same system as the School District would be a more expensive option.

Mr. Duffy:

- stated that it was presented to the Borough that there was no option to stay on the same system as the School District; and
- reiterated that if the Borough stayed with the same system, the cost would greatly rise.

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

School Board Member Welton:

- suggested a tax on plastic bags;
- expressed concern regarding plastic bags on the environment; and
- advised that Ireland had made \$10 million dollars in two years by taxing plastic bags.

School Board Member President Chmielewski:

- spoke regarding improving the School Board's governance model; and
- provided an update on the health of Ms. Julena Felix, School Board Secretary.

Assemblymember Woods expressed that she was excited by the School District's performance-based budgeting process.

Assemblymember Kvalheim commented that the School District has turned out remarkable students on such a small budget.

VIII. ADJOURNMENT

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

/s/

TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:

/s/

MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 07/19/05