

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on December 8, 2009, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6:15 p.m. by Mayor Talis J. Colberg 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 (*Deputy Mayor*)
Mr. Pete Houston, Assembly District No. 2
Mr. Ronald Arvin, Assembly District No. 3
Ms. Cindy L. Bettine, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6 (*entered telephonically at 7:07 p.m.*)
Mr. Vern Halter, Assembly District No. 7

Assembly members absent and excused:

Mr. Mark Ewing, Assembly District No. 4

School Board members present and establishing a quorum were:

Mr. Mike Dunleavy, Seat A
Ms. Sarah Welton, Seat B
Ms. Susan Pougher, Seat C
Mr. Erick Cordero, Seat E
Ms. Colleen Vague, Seat F (*School Board President*)
Mr. Myrl Thompson, Seat G

School Board members absent and excused were:

Mr. R. Ole Larson, Seat D

Borough staff in attendance were:

Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Lonnie R. McKechnie, Borough Clerk
Ms. Elizabeth Gray, Assistant Borough Manager
Ms. Brenda J. Henry, Executive Assistant to the Borough Clerk
Ms. Christine Nelson, Planning and Land Use Director
Ms. Shaune O'Neill, Public Works Director
Ms. Eileen Probasco, Chief of Planning
Ms. Tammy Clayton, Financial Director
Mr. Bill Klebesadel, Project Manager/Engineering Division Manager

III. APPROVAL OF AGENDA

Mayor Colberg 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, School District Superintendent.

V. AUDIENCE PARTICIPATION

The following persons thanked the Assembly for supporting charter schools: Ms. Barbara Gerard, Ms. Jennifer Wedge, and Ms. Loretta Nardi.

The following person spoke regarding energy conservation programs within the School District: Mr. Henry Cottle.

VI. ITEMS OF BUSINESS

A. Annual Budget (MSB 2.12.075(A))

(There were no comments noted.)

B. State Legislation (MSB 2.12.075(A))

Superintendent Troxel:

- stated that the School Board has identified several items that they would like to bring forward to the State Legislature;
- spoke to the academic progress testing that is done throughout the school year;
- spoke to the Terra Nova program, which is only one of the many types of academic progress measures that the School District uses;
- stated that the School District is seeking funding for intensive needs students;
- spoke to the intermittent student surveys the School District performs;
- noted that as it is now parents have to opt in, which requires paperwork being sent out to each student's family; and
- related that they would prefer that parents opt out rather than opt in, this would reduce the paperwork and timeframe for surveys.

School Board Member Thompson:

- spoke to the Measures of Academic Progress (MAP) program being less expensive than the Terra Nova program; and
- stated that when the District has student surveys, he would be in favor of requesting that parents opt out of the survey, as it is more efficient.

Assemblymember Woods queried how many academic progress tests there are throughout the year.

Superintendent Troxel:

- advised that some progress tests are federally mandated;
- spoke to the Alaska Standards Based Assessment;
- stated that the Terra Nova test is required by the State;
- spoke to the High School Qualifying Exit exam;
- stated that the School District assesses students in early grades in order to show reading readiness, which is ongoing throughout the year; and
- opined that assessments are important in order to determine if the students are learning what is being taught.

Assemblymember Houston queried if there were other school districts that support the items they want to bring to the State Legislature.

Mr. Troxel:

- advised that several smaller school districts are supporting these items; and
- stated that the Juneau School District will be joining them in discussion with the State Legislature.

Discussion ensued regarding funding for intensive needs students.

C. School Construction Projects Update *(Requested by Administration)*

Ms. O'Neill provided an update regarding the following projects: Machentanz Elementary School, Machentanz Elementary – Nelson Road update, District-wide Safety and Security Upgrades, Wasilla High School Fire Hydrant Installation, Wasilla High School Site and Parking Safety Improvements, Cottonwood Creek Elementary School Site and Parking Safety Improvements, Palmer High School Original Building Roof Replacement, Susitna Valley Junior/Senior High School, Palmer High School Turf, Wasilla Middle School Cafeteria Remodel, Houston Football Lights, Wasilla High School Remodel, Nutrition Services Facility, Colony High School Running Track Replacement, Sherrod Elementary School Playground, and Iditarod Elementary Security Upgrades.

Assemblymember Bettine:

- noted the lack of funds to complete the Houston and Colony High School projects; and
- queried what could be done to seek additional funding.

Ms. O'Neill stated that she was unsure at this time.

Assemblymember Bettine queried if these projects were included in the legislative priorities list.

School Board Member Thompson affirmed the query.

Assemblymember Bettine noted the need for the Borough and School District to work together on these projects with the State Legislature.

Assemblymember Arvin queried if the signage for access to Machentanz Elementary would be in place by the end of the year.

Ms. O'Neill affirmed the query.

D. Charter Schools *(Requested by School Board and Assemblymember Bettine)*

- (1) School District Policies and State Law Concerning Charter Schools
- (2) Planning Issues for Charter School Locations
- (3) Charter School Site Selection Process

Assemblymember Bettine:

- spoke to the Borough Area Schools Site Selection Committee meeting that was held on November 30, 2009;
- related that the committee raised concerns regarding the recent code changes to charter schools;
- opined that there is critical language missing;
- further added that there is information that the Assembly would like to see prior to a site being selected and the requirement is not included in the legislation; and
- stated that the intent is to avoid charter schools meeting all the requirements of code and then the site be denied by the Assembly.

School Board President Vague:

- spoke to her concerns within the legislation;
- noted that they would like to change language in MSB 19.08.020(F)(2), which includes a "and/or" statement;
- noted that the School Board was not aware that this legislation was coming before the Assembly; and
- requested that the School Board be made aware of legislation coming before the Assembly that affects the School District.

Assemblymember Houston:

- noted that the concerns that School Board President Vague has expressed were the same concerns that were debated at the Assembly meeting;
- spoke regarding a charter school that had met the criteria in the application, but had only one option that was an affordable site selection; and
- opined that streamlining the process will not necessarily affect the outcome.

Assemblymember Bettine:

- stated that if a charter school does not have the funding to purchase that purchasing should no longer be an option;
- stated that the intent of the legislation was to streamline the process;
- opined that charter schools have been allowed to bring in options that are not viable; and

- further added that any changes should be approached with caution.

Discussion ensued regarding:

- the Fronteras Charter School lease; and
- the Borough Area Schools Site Selection Committee's suggested changes to the charter school code.

(Assemblymember Colver jointed the meeting at 7:07 p.m. via teleconference)

(The regular meeting recessed at 7:07 p.m. and reconvened at 7:11 p.m.)

Discussion continued regarding the Borough Area Schools Site Selection Committee's suggested changes to the charter school code.

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

Superintendent Troxel:

- spoke to the major maintenance school bond proposition that was on the October 2009 regular election ballot;
- advised that the School Board is looking at bringing the bonds back for a spring election, as these items are still needed;
- noted that the Assembly chose not to put the track and field renovations in the fall bond package and encouraged the Assembly to keep this project in the next bond package;
- spoke to artificial turf extending sports seasons, reducing costs, and reducing student injuries;
- stated that with the bond they are asking for \$33 million, of which the State will pay up 70 percent; and
- noted that the deadline in which to receive assistance from the State is quickly approaching.

Assemblymember Houston queried what the cost to tax payers would be per mill.

Superintendent Troxel stated that it would be \$11 on each \$100,000 assessed property value for the duration of the bond.

Mayor Colberg queried the request of the School Board to hold a special election in the spring as opposed to the October regular election.

Superintendent Troxel:

- advised that the bond failed by approximately 500 votes at the October election; and
- opined that it was because it was on the same ballot as the sales tax proposition.

Mayor Colberg noted that he was speaking to voter turnout being less during special elections.

Assemblymember Bettine queried if there were any bond propositions that are going forward in October 2010 election.

Superintendent Troxel:

- stated that nothing has been discussed at this time; and

- noted that a need does exist for new school construction.

School Board President Vague:

- stated that the spring bond package has come up before the Board, but no action has been taken as of yet; and
- advised that the School Board is only presenting this to the Assembly at this time.

Assemblymember Bettine:

- spoke to her experience with a special election for school bonds;
- opined that the public will focus on the expense of the election, not the needs of the schools;
- opined that she did not know how the public could be convinced that it was imperative to replace a school roof by spending \$100,000 on a special election; and
- noted her surprise that the school bonds did not pass at the regular election.

F. Lapse Funds *(Requested by School Board)*

School Board President Vague:

- spoke regarding the School District retaining lapse funds for emergency situations;
- stated that the School Board realizes that the funds that are returned to the Borough go towards purchasing land for schools; and
- related that the School District would like to have a reserve fund.

Assemblymember Houston stated that he thought the School District already had the ability to retain lapse funds up to \$5 million.

(Assemblymember Colver exited the meeting at 7:42 p.m.)

Mr. Troxel:

- stated that it takes five years to achieve a \$5 million reserve fund; and
- noted that \$1 million is a very small percentage of the overall School District budget.

Assemblymember Woods stated that there were lengthy discussions regarding the School District retaining a portion of the lapse funds.

Assemblymember Houston:

- advised that he was under the impression that when the Assembly changed code previously that it was a satisfactory solution for the School District; and
- requested that the School District provide exactly what they would like the Borough to do for a satisfactory solution.

Discussion ensued regarding:

- retention of lapse funds by the School District;
- the process by which funds lapse;
- responsibility for major maintenance and minor maintenance repairs for the School District;
- State law allowing contingency funds; and

- the need of the School District to accumulate lapse funds.

G. Program Based Budget Update *(Requested by School Board)*

Mr. John Weetman Assistant Superintendent of Administration:

- spoke to the School District policy regarding program based budgeting;
- noted that the policy was revised in September of 2009, which included reviewing the process yearly;
- stated that they are working to get people involved in the budget in the beginning of the process rather than at the end;
- related that there are nine committees involved in the budge process;
- stated that the process began in September;
- noted that there have been three meetings to date;
- stated that initial proposals were due November 16, and they reflect what it would look like with 90 percent funding, 95 percent funding, or 100 percent funding;
- noted that review of the proposals began in November;
- advised that in January 2010, community involvement will occur;
- stated that the School Board's work sessions and public hearings will begin in February; and
- noted that March 17, 2009, is when the School Board is looking at approving the budget.

H. Budget Shortfalls in Future Years *(Requested by School Board)*

Superintendent Troxel:

- spoke to concerns of the School District regarding budget shortfalls in future years;
- commented that the 20 years he has been with the School District, there have been budget shortfalls from the beginning;
- opined that the School District is always on the edge of disaster;
- related that the School District seems to find a way to do more with less;
- stated that the revenue the School District receives will be less and expenditures and services provided will reduced;
- noted that there is no guarantee that base student allocation will increase; and
- noted that the School District and the Borough will need to partner to address these issues.

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

School Board Member Thompson:

- opined that funding will definitely be an issue in the future;
- stated that the School District will need to approach funding with an innovative thought processes;
- noted that it is important that Borough and the School District work together; and
- advised that alternative funding is important to the School Board.

School Board Member Welton opined that it is important that everyone work together to resolve the issues at hand.

Mr. Dunleavy:

- spoke to the need for the State to develop additional resources;
- opined that the numbers are becoming more and more stark;
- further added that the lack of funding for school districts will become more than just a Borough issue; and
- stated that he is hopeful that Alaska will look at other resources, so that the children being educated today will have a future.

School Board President Vague;

- advised that due to Superintendent Troxel is retiring, the School Board is looking for applicants;
- stated that they are looking at alternative revenue streams to continue with student based allotment;
- opined that the School District could build schools every year for the next ten years in order to have an adequate number of schools;
- noted that the School District is not in favor of putting extra burdens on tax payers; and
- related that they are looking at creative ways to generate funds.

Assemblymember Houston:

- spoke to declining revenues in the School District;
- further added that revenues overall are declining;
- spoke to attendance at the Community Transportation Coalition meeting;
- reported that the coalition projected 16,000 to 20,000 construction jobs will be hitting the Borough by 2014;
- noted that facilities will be overwhelmed quickly; and
- stated that the Borough and the School District need to work together on projections.

Assemblymember Halter:

- stated that he enjoyed the joint meeting as he is a newly elected official;
- spoke to his attendance at the Alaska Municipal League Conference; and
- wished Superintendent Troxel well with his retirement.

Assemblymember Arvin:

- stated that he enjoyed the meeting;
- opined that parents should still be notified if a survey is coming through;
- spoke to the need to generate revenue; and
- opined that people will demand a certain level of service that they have become accustomed to and the funds will no longer be there.

Assemblymember Bettine:

- stated that everyone should speak to the State Legislator to push the rail extension to the port, as it will generate diversification;
- advised that she was asked by Chris Abshire, who is the chair of Alaskans for Palmer Hay Flats, to save the date of January 4, 2010, at 5:45 p.m., for an update of the future science center;
- stated that she enjoys the joint meetings; and
- noted that more discussions are occurring at these meetings and it benefits the entire Borough.

Assemblymember Woods:

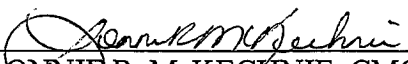
- stated that she understands budget struggles;
- opined it would be good to have a public summit regarding the need for funds;
- further added that educating the public is critical, as the Borough needs public support;
- noted that it would be beneficial to ask the public how they would like to fund the Borough's needs;
- stated that the Assembly does support education; and
- noted that viable solutions will take a great deal of effort.

IX. ADJOURNMENT

The special meeting adjourned at 8:40 p.m.


TALIS J. COLBERG, Borough Mayor

ATTEST:


LONNIE R. McKECHNIE, CMC, Borough Clerk

Minutes approved: 01/05/10