

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on December 12, 2006, at the Borough Assembly Chambers, 350 E. Dahlia Avenue, Palmer, Alaska. The meeting was called to order at 6:10 p.m. by Mayor Curtis D. Menard 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. Bill Allen, Assembly District No. 2
Ms. Michelle R. Church, Assembly District No. 3
Mr. Robert Wells, Assembly District No. 6
Ms. Cindy Bettine, Assembly District No. 5
Mr. Tom Kluberton, Assembly District No. 7

Assembly members absent and excused were:

Ms. Mary Kvalheim, Assembly District No. 4

School Board members present and establishing a quorum were:

Mr. Jim Colver, Seat A
Ms. Sarah Welton, Seat B
Ms. Linda Menard, Seat C
Ms. Patricia Purcell, Seat D
Mr. Larry DeVilbiss, Seat F (*School Board President*)
Mr. Daniel Contini, Seat G

School Board members absent and excused were:

Ms. Cheryl Turner, Seat E

Borough staff in attendance were:

Ms. Michelle M. McGehee, CMC, Borough Clerk
Ms. Tammy Clayton, Acting Borough Manager
Mr. Ron Swanson, Community Development Director
Mr. Nicholas Spiropoulos, Borough Attorney
Ms. Lonnie R. McKechnie, Executive Assistant to the Borough Clerk
Mr. Keith Rountree, Public Works Director

School Board staff in attendance were:

Mr. Bob Doyle, Chief School Administrator
Mr. George Troxel, Assistant Superintendent of Education

III. APPROVAL OF AGENDA

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

Assemblymember Woods requested clarification on the reason that item C is on the agenda, as the school is already under construction.

Mr. Rountree:

- spoke regarding the requirements of Title 19; and
- advised that both bodies need to approve the design at different stages of completion.

Assemblymember Allen requested that the Palmer Elementary School Design be placed on the agenda as item F.

There was no objection noted.

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

IV. PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by School Board Member Pat Purcell.

V. AUDIENCE PARTICIPATION

The following person spoke regarding requesting bids for designs of schools prior to picking the site location to build the school: Mr. Sandy Wright.

VI. NEW BUSINESS

A. Annual Budget, Preliminary Discussion; State Legislative Action Needed (pursuant to code)

Mr. Doyle:

- spoke regarding the issues of PERS/TRS debt and the affects they have on the School District's budget;
- spoke regarding student enrollment projections; and
- provided an update regarding budget cuts.

Assemblymember Allen queried how the School District is doing with this year's budget.

Mr. Doyle:

- spoke regarding the allocation the School District receives per students;
- advised that they had projected 600 new students; however, there were only 400 new students;
- noted the rise in the cost of utilities;
- spoke regarding charter schools;

- advised that the School District is faced with budget cuts in January from \$300,000 to \$900,000; and
- advised that he has instituted a hiring and purchasing freeze.

Assemblymember Wells:

- spoke regarding the funding formula for the schools; and
- queried whether the School District has thought about a legislative rewrite on the funding formula in the upcoming Legislative Session.

Mr. Doyle:

- spoke regarding the area cost differentials;
- spoke regarding issues with funding high need students; and
- stated that he believes there needs to be some type of formula rewrite.

Discussion ensued regarding:

- issues with PERS/TRS;
- the increase in utility costs;
- needs based programs for the students; and
- the need for work force development.

School Board Member Colver requested that items B, E, and F be discussed with item A, instead of taking them separately.

Mayor Menard queried whether there was any objection.

There was no objection noted.

School Board Member Colver:

- spoke regarding joint Assembly and School Board legislative priorities;
- stated that the School Board needs to join in on the revenue sharing effort;
- spoke regarding the need for the bodies to work toward common goals;
- spoke regarding funding for special education;
- stated that the bodies need to get involved in rewriting the school funding formula;
- noted that the School District decided not to take the \$22 million out of the budget to fund PERS/TRS; and
- commented that the State constitution states that schools need to be funded.

Assemblymember Allen queried the Borough's total liability for PERS/TRS.

Ms. Clayton:

- advised that at the last Legislative Session the State did away with the 5 percent limitation; which brings the Borough's rate from 20.99 percent to approximately 33 percent; and
- advised that the Borough owes approximately \$7 million for PERS/TRS; however, there is an issue on whether the State can actually prove that the Borough owes that amount.

Assemblymember Allen queried whether it would be possible to issue debt and amortize the debt over 20-25 years to soften the cash flow impact on the Borough.

Ms. Clayton stated that it is a controversial recommendation, as other states have had issues with issuing debt.

Discussion ensued regarding:

- the need to find a resolution to the PERS/TRS issue;
- whether it was a benefit to the School District to contract with NANA;
- the bodies creating joint legislative priorities to forward to the State Delegation; and
- an energy conservation plan for public facilities.

B. Joint Legislative Priorities *(requested by School Board Member Colver)*

(This item was discussed under item A.)

Mayor Menard queried whether there was any objection to discussing item C prior to Item D.

There was no objection noted.

D. Local Education Contribution for Fiscal Year 2006 *(requested by School Board Member Colver)*

Assemblymember Bettine:

- stated that last year when the Assembly was setting the local contribution amount, the hardest part was not knowing which items would be cut from the School District's budget; and
- spoke regarding work force development and the Career Center.

School Board Member Welton:

- advised that the School Board has decided to go forward with curriculum-based budgeting; and
- spoke regarding the ranking process with the curriculum-based budget.

School Board President DeVilbiss:

- advised that the School District would be working from a base budget;
- advised that the School Board voted at a starting basis to receive the same amount of funding as last year from the Borough; and
- noted that the School District is expecting that they will need more funding from the Borough.

Assemblymember Woods:

- spoke regarding the tax cap and the affects on the budget; and
- spoke regarding the need to fund essential programs.

Discussion ensued regarding local education contributions.

(The special meeting recessed at 7:15 p.m. and reconvened at 7:32 p.m.)

(School Board Member Menard exited the meeting at this time.)

C. Review and Approval of the Knik-Goose Bay Elementary School Design
(requested by Assemblymember Wells)

Mr. Rountree:

- spoke regarding hiring project employees to help with the work in the Public Works Department; and
- provided an update on the following projects: Academy Charter School Gymnasium, Sewer Connection, Career Center, Wasilla Elementary School, Wasilla High School Renovation Phase 3, existing Knik-Goose Bay Elementary School Carpet, Susitna Valley High School Improvements, Nutrition Services Facility, and South Palmer Elementary School.

Mr. Rountree introduced Mr. Bill Pucket and Mr. Bill Tatem of the Unit Company to provide an update on the new Knik-Goose Bay Elementary School.

Mr. Bill Tatem of the Unit Company provided an overview presentation of the design for the new Knik-Goose Bay Elementary School.

Discussion ensued regarding:

- energy efficiency;
- security fencing; and
- issues with Hollywood Road.

MOTION: Assemblymember Bettine moved to approve the 95 percent design of the Knik-Goose Bay Elementary School.

VOTE: The motion passed without objection.

E. State Education Funding Formula Revision *(requested by School Board Member Colver)*

(This item was discussed under item A.)

F. Palmer Area Elementary School Design

School Board President DeVilbiss:

- noted that the School Board had not approved whether they would use the school prototype; and
- queried the reason that a school design would be chosen prior to choosing a school site.

Mr. Rountree:

- advised that the reason the school design is going forward prior to the school site be chosen is due to the fact that there is a tight schedule to get the school opened by the fall of 2008;
- spoke regarding the time it will take to design the structure; and
- advised that the sites that will be chosen are level sites.

School Board President DeVilbiss queried whether it has been determined if the school prototype would be used.

Mr. Rountree:

- advised that the request for proposal has gone out to design a new school prototype;
- noted the discussions he had earlier in the year with the School Board regarding school prototypes; and
- spoke regarding the use of masonry in the schools for durability.

Discussion ensued regarding:

- school prototypes;
- the request for proposals for the Palmer Area Elementary School Design; and
- the need to hold the Joint Assembly/School Board Committee on School Issues to discuss these types of issues.

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

School Board Member Colver:

- queried the renovation of the old School District Administration Building; and
- queried if it was still being proposed as a joint meeting facility.

Mr. Rountree:

- advised that the Borough has just awarded the design; and
- spoke regarding the meeting rooms and offices that would be located in the building.

School Board Member Welton:

- spoke regarding visiting the Twindly Bridge Charter School; and
- spoke regarding participating in a Substance Abuse Summit put on by the United Way.

School Board President DeVilbiss noted the need to get the Joint Assembly/School Board Committee on School Issues meeting again.

Assemblymember Wells spoke regarding the Mat-Su Resource Development Council's annual conference.

Assemblymember Woods:

- spoke regarding the issues that Wasilla High School and Wasilla Middle School were having when she visited;
- noted that the staff and students were enthusiastic; and
- spoke to the large number of students that are attending the schools.

Mayor Menard:

- spoke to attending a dinner at the Governor Palin's house in Juneau; and
- reminded the Assembly to bring names forward for the vacancy report.

VIII. ADJOURNMENT

The special meeting adjourned at 8:55 p.m.

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CURTIS D. MENARD, Borough Mayor

ATTEST:

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MICHELLE M. MCGEHEE, CMC, Borough Clerk

Minutes approved: 01/16/07