



1  
2 Superintendent Comeau reported the ASD would present a recommendation on a bond package to the ASB on  
3 December 17<sup>th</sup>, which would come before the Assembly in February for Public Hearing. The ASD proposed to not bring  
4 forth any more debt than what had been paid off. Proposals included renovation projects for Chester Valley and Sand  
5 Lake (*Elementary Schools*), a master plan for renovations to the K-8 Girdwood School and a small building renewal and  
6 maintenance bond. The total for all the proposed projects would not be more than \$45,000,000.  
7

8 To Ms. Ossiander, Ms. Comeau responded there still were differing opinions in Girdwood, but the ASD supported the  
9 plan and felt it needed to be addressed, because the population was growing and the resort development was changing.  
10 No final decision had been made on the renovations and a community discussion was needed on expanding the school  
11 to K-12. Mr. Friedman responded that there still were questions about the development in Girdwood, but the ASD was  
12 still planning to move ahead with the library and would address renovations to the school, with community discussion.  
13

14 To Ms. Johnston, Superintendent Comeau responded that there was no communication with the Governor's Office on  
15 the Governor's Capital Budget. ASD projects had been submitted to the Department of Education and were approved  
16 for 60% (*state*) debt reimbursement. The Department of Education's prioritized list of projects for all schools in the state  
17 had already been ranked. Deputy Municipal Manager Michael Abbott responded that the Governor's Budget included  
18 funding allocations for Sand Lake and Chester Valley. Mr. Steiner responded the type of allocation funding was still  
19 unclear. Superintendent Comeau responded that the ASD would review alternative bond proposals.  
20

#### 21 **6.C. Legislative Priorities.** (*Requested by Superintendent Comeau*)

22  
23 Mr. Friedman reported the Legislative Task Force had proposed a three-year plan to establish forward funding to  
24 eliminate redoing the budget every year, which Governor Palin supported. The ASD continued to address the PERS  
25 and TRS matters. The Task Force had included State Revenue Sharing for Municipalities as a priority, because strong  
26 communities made it easier for schools to do a good job.  
27

28 Mr. Birch, Chair of the Legislative Committee, reported that he had talked with Senate President Lyda Green. He urged  
29 the ASB to work with the Assembly Legislative Committee on a coordinated approach to the Legislature. Mr. Friedman  
30 responded there would be additional ASD issues addressed and he would keep the Assembly informed.  
31

32 Superintendent Comeau stated that many projects had been vetoed by Governor Palin last year. The ASD would  
33 review the projects, agree on their priorities and include accurate costs. Principals were to submit prioritized lists, which  
34 would be reviewed by the ASD and submitted to the Assembly. All information would be shared.  
35

36 Mr. Tesche stated that his daughter was doing well at Arizona State University, which reflected her excellent education  
37 in the ASD. He supported including the student performance numbers in the Legislative Program request.  
38

39 To Chair Coffey, Mr. Friedman responded the Task Force's primary objective was to increase the base student  
40 allocation, intensive needs funding and transportation. There were compromises, but the package as a whole was  
41 satisfactory. Rural districts were under-funded under the current formula and the district cost factors needed to be  
42 increased.  
43

44 Mr. Birch stated that Fairbanks had pursued litigation to compel the State to fund education 100%, as was outlined in the  
45 Constitution and was provided in rural Alaska. President Steele responded that the Task Force had addressed the  
46 issue, making the point that education was a state responsibility. There had been a recent court ruling that the State  
47 was funding adequately, which would be difficult to challenge. Mayor Begich responded that there was a language  
48 interpretation of the definition of an adequate basic education level. The Department of Education had redefined  
49 thresholds, including testing and graduation requirement levels. The Constitution was clear and it was a mandated  
50 requirement for education to be funded statewide by the State. Superintendent Comeau responded that she supported  
51 the efforts and she was focused on the Exit Exam and a quality education for Anchorage students. The city had an  
52 opportunity to generate discussion and educate Legislators on the importance of relieving the burden to property  
53 taxpayers. The Education Task Force had passed a resolution supporting a minimum of \$100 increase to the base  
54 allocation (*per student*) and the ASB supported a base allocation increase of \$200.  
55

56 President Steele stated the ASB supported the Governor's recommendation of the \$200 increase, a 3% growth factor.  
57 The Task Force had recommended forming a Blue Ribbon Committee to discuss local contributions. Legislators were  
58 aware of the discussion.  
59

60 Mr. Tesche stated the kind of education aspired by the city required a certain level of expenditures and to reach that  
61 level, state assistance was needed.  
62

#### 63 **6.D. 1% for Art/Art Maintenance.** (*Requested by Assemblymember Johnston*)

64  
65 Mr. Friedman reported that Assemblymembers, staff and ASB members were addressing setting aside a small portion of  
66 the 1% for Art fund for a maintenance fund for future repairs of artwork. There was a question whether bond money  
67 could be used. Ms. Johnston responded there were conflicting legal opinions on the matter. Mr. Friedman responded  
68 that, in his opinion, the money for the 1% for Art in the ASD was under Municipal Law and not State Law.  
69

70 Ms. Ossiander stated that she understood the 1% for Art remained under state authority.  
71

72 Mr. Birch stated that the 1% for Art was guarded by the art community. If local bond money was involved, the Assembly  
73 and the ASB would have some influence over the funds and a portion could be allocated for maintenance.  
74

75 Municipal Curator of Public Art Jocelyn Young stated there was no money for maintenance for the artwork and she,  
76 Superintendent Comeau and President Steele had discussed creating a maintenance fund. Artists were asked to pay a  
77 contribution for art conservation, which avoided use of the bond funds. She distributed a list of prioritized projects in  
78 Anchorage, with maintenance schedules and costs. For years there was no maintenance and now \$130,000 was  
79 needed to repair the artwork that was in major deterioration.  
80

1 To Mr. Claman, Mr. Friedman responded that it needed to be determined whether bond money could be used. Mr.  
2 Claman stated that future bonds could include language explaining that a tenth of the 1% would be put into a fund and  
3 used for on-going maintenance.  
4

5 Superintendent Carol stated the ASD supported the projects and was concerned with the lack of maintenance. The two  
6 Kincaid clocks had not worked for years. The ASD maintenance staff wanted to provide the repairs, but the artwork  
7 required specialized maintenance.  
8

9 Ms. Ossiander requested that Bond Counsel prepare a legal response on the matter and that she be kept informed.  
10

11 To Chair Coffey, Ms. Young responded the art projects were usually complicated and required specific and professional  
12 maintenance. The ASD maintenance staff did not maintain the artwork, because in the past some pieces had been  
13 damaged. Maintenance involved highly technical and specialized ability.  
14

15 To Ms. Johnston, Ms. Young responded the program would be searching for funds to put into this maintenance fund,  
16 including donations and money from fundraisers.  
17

18 To Mr. Tesche, Mr. Abbott responded that OMB Director Janet Mitson and Chief Fiscal Officer Sharon Weddleton could  
19 request a legal opinion. Mr. Tesche requested that he and Ms. Ossiander be involved with presenting the question.  
20

21 Chair Coffey requested that Mr. Abbott, Mr. Starr, Mr. Freedman and Mr. Tesche work with Bond Counsel to get the  
22 appropriate language to be able to set aside money from bonds for maintaining works of art.  
23

#### 24 **6.E. Explore Ideas for Joint Marketization.** (Requested by Assemblymember Johnston) 25

26 Ms. Johnston proposed exploring ideas for joint marketization, also called managed competition, for requests for  
27 proposal and (*bidding*) process, which worked well in many communities. The ASD had a powerful employees group,  
28 and made dealing with efficiencies more challenging.  
29

30 Mr. Starr stated the Budget & Finance Committee and the Education Committee had created a task force to discuss  
31 provisions and to identify services that would be contracted out. The Budget and Finance Committee had been  
32 requested to address labor agreement policy to include an opportunity for managed competition.  
33

34 Mr. Tesche stated that for the past 20 years, the Assembly continually examined more efficient operations, including  
35 building construction and maintenance, engineering contracts, competitive procurement operations, computers,  
36 transportation, fleet maintenance and payroll functions. Ms. Johnston responded that all issues and services would be  
37 other than teachers and education.  
38

39 Dr. Selkregg supported addressing contracting out maintenance. Privatization was appropriate for some areas, but  
40 studies showed the issue of institutional memory, an understanding of the equipment and traditional function were  
41 considerations. Ms. Johnston responded that that was the difference between managed competition and privatization.  
42 Managed competition maintained institutional memory and policy would not be lost. Dr. Selkregg stated that studies  
43 showed money could be saved up front, but there were costs associated with losing knowledge and understanding of  
44 the service. There were other considerations with creating a competitive atmosphere with a public service. The lowest  
45 bidders were often individuals without benefits and the residual cost would be transferred to the community by other  
46 means. The objective was to build the economy and a viable community, even though the initial cost savings might be  
47 attractive.  
48

49 Mr. Birch supported addressing the matter of contracting out to provide savings to the taxpayers. The resources could  
50 be put to other productive purposes and benefit the community as a whole and he encouraged continued discussion.  
51

52 President Steele supported having the discussion. Contracted services in Visalia, California had successfully managed  
53 privatization, without losing expertise. The assumption that government was wasteful and bloated was incorrect. There  
54 was a risk of depending on contracted services and losing knowledge and understanding. The ASD managed contract  
55 services by maintaining capability, as in the case of bus drivers. He supported Dr. Selkregg's concept of building a  
56 viable and secure community and economy.  
57

58 Ms. Johnston stated that managed competition of public services required a different standard than that of privatization.  
59 It was necessary to be thorough and make discerning decisions of public-private interchange. A San Diego study had  
60 determined that addressing union issues had not made a huge impact. A federal model was in process on a military  
61 base near Anchorage that could be reviewed. The entire matter needed to be addressed.  
62

63 Mr. Claman stated that school busses were already contracted out and the subject was worth exploring. Employee  
64 retention was valuable, but expensive. The cost of training somebody new was also expensive.  
65

66 Superintendent Comeau stated this would be addressed by subcommittees and she urged ASD staff to participate.  
67

68 Mr. Tuck stated the military base followed the A-76 federal model and provided services under the Service Contract Act,  
69 which ensured a competitive management style by having employees become permanent. Managed employees tended  
70 to be permanent, because their gained knowledge and understanding would guarantee that their wages would not be  
71 dropped. With no incentives and no security, those contract employees often left those jobs and the quality of service  
72 went down. Lessening services led to inferior quality contracts. Dr. Selkregg responded that she supported doing the  
73 research and stated that clear expectations needed to be included in the contracts.  
74

75 Mr. Tesche stated that the Assembly did not have direct oversight of the ASD departments or needs and did not deal  
76 directly with the department directors. Instead, the Assembly was limited to approving a single annual appropriation for  
77 the ASD. Privatization or managed competition or marketization affected labor agreements. The Assembly did not have  
78 power or influence with negotiating or administering collective bargaining agreements with the ASD. He strongly  
79 recommended that the Budget and Finance Committee engage with the ASD at an operations level to fully understand  
80 all details and to be able to address the matter. Ms. Johnston concurred and stated that three ASB members and three  
81 Assemblymembers were working together on the committee.  
82

1 Chair Coffey stated the Assembly traditionally did not address professional services. He applauded the study and taking  
2 a look at options, strategies and methodologies that would improve the way services were delivered and cost less. He  
3 looked forward to reviewing the additional studies and information.

4  
5 **6.F Proposed Changes to Elections Procedures.** (Requested by Assemblymember Sullivan)  
6

7 Chair Coffey reported that Mr. Sullivan was out of town. Ms. Johnston, member of the Election Committee, explained  
8 that Mr. Sullivan's resolution proposed that ASB members be elected citywide, with each member living within a district.  
9 Chair Coffey stated a condition of running would involve six ASB members and there would not be two from one district.  
10 To Dr. Selkregg, Ms. Johnston responded that Mr. Sullivan felt that community council members did not know or feel a  
11 connection with ASB members. To Dr. Selkregg and President Steele, Ms. Johnston responded the proposed resolution  
12 would allow ASB members to continue representing citywide, but would require the member to attend local community  
13 council meetings to become more familiar with district issues. To Chair Coffey, Ms. Johnston responded the proposed  
14 ordinance was still in committee and there was no pending legislation.  
15

16 Mr. Tesche stated that students appeared to be learning more, with improved achievement numbers. That meant  
17 something was going right with the ASB and the Administration. ASB members had knowledge and experience that was  
18 necessary to be involved with the matter and their opinions would weigh most heavily on the decision.  
19

20 Mr. Friedman stated that there was consideration of state law of seven, nine or eleven ASB members, which would need  
21 seven, nine or eleven districts and had qualifications for ASB members. ASB members continually communicated with  
22 the public. The resolution was trying to fix a problem that did not exist.  
23

24 Superintendent Comeau stated that she had been on a school board in Washington, which had members appointed by  
25 district. In Anchorage the ASB was involved with all parts of town and the ASB meetings were held on Monday nights,  
26 as were the community council meetings. There was often a power struggle with single-member districts, with a  
27 member most concerned with educating students within that district. ASB members were assigned to schools, which  
28 changed every year. Members visited and were very well versed with all district operations and preferred the set up.  
29

30 Ms. Ossiander stated there was truth on both sides of the matter. It was valuable to be seen and heard in person, but it  
31 was difficult for elected officials to go to all public meetings. As an appointed ASB member, she had received more calls  
32 from people in her district, which was valued, but was a legitimate concern of the board. She had discussed the matter  
33 with Mr. Sullivan. She commended Mr. Friedman for his involvement and outreach efforts in the community.  
34

35 Mr. Roberts stated that there would be gains and losses with both sides of the proposal. He lived in South Anchorage,  
36 but he visited all schools and traveled around town a lot and was approached by residents from everywhere in the  
37 community. He supported the current method, with seven members who were accessible and had a general  
38 understanding of the entire district.  
39

40 Dr. Selkregg stated that a spread sheet was needed on current ASB members and the areas they represent.  
41 Superintendent Comeau responded that the community was represented by ASB members citywide. Two members  
42 lived in Chugiak-Eagle River, one in Downtown, two in South Anchorage, one in Midtown and one in Mountain View.  
43

44 President Steele stated there had not been any problems with the current system. Community councils normally  
45 concentrated on local matters and not on school district issues.  
46

47 Ms. Marks stated that she would not support the issue. The diversity that the current ASB system offered was important  
48 and worked well, representing and advocating all citizens in all of Anchorage.  
49

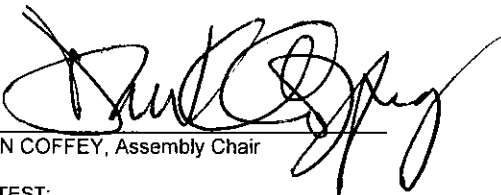
50 Chair Coffey stated that Mr. Sullivan had requested input and that his proposals be vetted by the Assembly and the  
51 ASB.  
52

53 **7. COMMENTS** None.  
54

55 **8. SCHEDULING OF UPCOMING JOINT MEETING(S)**  
56

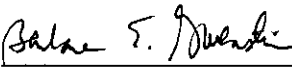
57 Chair Coffey announced that notification would be sent out when dates were finalized for the next Joint Meeting.  
58

59 **9. ADJOURNMENT** Chair Coffey adjourned the Joint Meeting at 12:05 p.m.  
60  
61

62  
63  
64  
65  
66  
67   
68 DAN COFFEY, Assembly Chair

69  
70  
71  
72  
73  
74  
75   
76 TIM STEELE, Anchorage School Board President

77 ATTEST:

78  
79   
80 BARBARA GRUENSTEIN, Municipal Clerk

81 Date Minutes Approved: March 21, 2008.

82 MC/BG

83 (Approved Meeting Minutes are available in the Municipal Clerk's Office, 632 West 6<sup>th</sup> Avenue, Suite 250, Anchorage, Alaska;  
84 telephone (907)343-4311 or on the Municipal Website, [muni.org](http://muni.org) ~ Assembly/Clerk ~ Assembly Meeting Minutes ~ year ~ date.)