

THE CITY AND BOROUGH OF JUNEAU, ALASKA

Meeting Minutes – March 10, 2009

MEETING NO. 2009-05: The Special meeting of the City and Borough of Juneau Assembly, held in the Assembly Chambers of the Municipal Building, was called to order at 5:00 p.m. by Mayor Bruce Botelho.

I. ROLL CALL

Assembly Present: Jonathan Anderson, Bruce Botelho, Jeff Bush, Sara Chambers, Bob Doll, Merrill Sanford, and Randy Wanamaker.

Assembly Absent: Johan Dybdahl, David Stone.

Staff Present: Rod Swope, City Manager; John Hartle, City Attorney; Laurie Sica, Municipal Clerk; Craig Duncan, Finance Director.

Juneau School District Representatives Present: School Board Members Mark Choate, President; Andi Story, Ed Flanagan, Destiny Sargeant, Sally Saddler; Peggy Cowan, Superintendent; David Means, Director, Administrative Services; Deb Morse, Supervisor, Maintenance and Facilities.

II. NEW BUSINESS

Mark Choate thanked the Assembly for the meeting, and for the Assembly's strong support for schools. The Assembly funds to the cap and more and we truly appreciate this. This helps in the search for a new school superintendent.

Peggy Cowan said the district asked to meet with the Assembly to review the FY10 Operating Budget and school improvements. When she was first attending meetings at the district, Ken Koelsch was the liaison, and he always talked about facilities and money. She learned that these topics are the interface between the Assembly and the School Board, and this joint meeting is established in the city's charter and the school charter.

A. FY10 School Operating Budget

David Means reviewed material he distributed to the members present. Peggy Cowan reviewed a document titled "Benchmarks in the Budget Process." The goal is to provide transparency and opportunities for public input. The board adopted enrollment projections for 2010 in January. They have made basic assumptions on what the American Recovery and Reinvestment Act of 2009 will mean for district budgeting. The school board has held a budget hearing and will adopt the Juneau School District (JSD) FY 2010 Budget on March 17, 2009. There will be a month from March 31, when the school district provides the Assembly with the budget for adoption by the Assembly by April 30, 2009.

Mr. Means reviewed a graph of the history of enrollment in JSD. They did a ten-year projection and he said there would be a leveling-off of the downward decline in enrollment in the next few years. This assumes that the current population remains constant. This information was presented to the Facilities Committee to determine needs. He reviewed the

current enrollment. In 2009, Dr. David Reaume's projections were used at the low range he provided, and we exceeded this. Mr. Means said this was possibly based on the restructuring of the high schools. There has always been a trend for students to move into the district in the 9th grade. They will use Dr. Reaume's projected mid-range enrollment for the FY10 budget. Enrollment provides 99% of the funding for the budget. He reviewed the projected foundation funding from the State of Alaska. The district cost factor was increasing, as well as the base student allocation. They do not anticipate an increase to these factors in the coming year. He reviewed the projected CBJ appropriation for FY10. JSD will request \$24,671,000 for operations from the City and Borough of Juneau. Ms. Cowan said that there was discussion in the legislature of modifying the mill rate regarding fair and true value, and she was not sure if this would go anywhere, however, they will monitor this. Mr. Means reviewed the Operating Fund Budget for FY10. They inserted an amount of \$200,000 revenue from the Federal Stimulus Package; however, we are still trying to determine the actual amounts and the permitted uses. It will have to have separate accounting. It is a complex package, and the message from the state to all 53 school districts has been to "wait, don't ask questions, until we figure it out first." A big issue affecting the budget is the resolution of contract negotiations with three unions: teachers, contracted employees, and administrators. The unions are asking for more than we show in the projected budget. The Assembly was supportive of high school activities, and we have budgeted \$300,000 more than the last year, up to \$665,000 total for the programs, including coaches, student travel and bringing in other teams. The FY10 budget is projected to be "in the hole" in the amount of \$2,919,184.

Peggy Cowan said over 50 decrements were recommended by the administration. Class size is the last recommendation, changing the PTR by 1 student per classroom. The budget consists of 85% "people" (salaries and benefits), so it is difficult to make cuts and not affect people.

Mayor Botelho asked about a projection out to FY11, how much bigger would the revenue/expenses gap get? Mr. Means said he thought the delta would increase, he could not say now by how much, and in large part would depend on settlement of negotiated agreements.

Mr. Anderson asked about the increasing property values shown in the documents, and said he thought the projections were to be lower. Mr. Means said the property values are based on the full and true value from Jan 1, 2008, so there is a one-year lag. The projection for the full and true value for FY11 was information provided by the state. Mr. Anderson asked if in FY11 the number would decrease. Mr. Craig Duncan nodded yes.

Mr. Means said that the funding provided by the Assembly was not only for operations, but also for additional items outside of the cap. If the Yakoos and Montessori programs were combined into one school, there would be over 200 students and it could possibly be its own school for funding. This would bring in additional state funding. This would also increase the amount the Assembly could contribute. He has run the idea by the Department of Education (DOE) and he will report.

Mr. Means thanked the Assembly for its support of the district.

Mayor Botelho said that school activities were a big issue, and asked the status. Ms. Cowan said that in FY09, all high school students competed as Crimson Bears. The Activity Advisory Committee has met for over a year and continues to meet, to advise the district on the costs of running two programs. Part of the reform is to make the programs more inclusive. Intramurals have been boosted in all school levels. The idea is to get kids engaged, active, and linked to

the school. We are currently recruiting in-district for coaches for Thunder Mountain High School (TMHS); following this, the positions will be open to community members. Next year both schools will be part of the Alaska State Activities Association (ASAA). The football program will be in both schools, and compete more in Southeast Alaska rather than be in the northern leagues. She said there would be a full slate of activities at both high schools.

Mayor Botelho asked about activities in the middle schools. Ms. Cowan said the board funded some intervention funds for middle school activities; the Activity Advisory Committee is also reviewing the situation.

Ms. Cowan said that TMHS had 450 students this school year. JDHS had about 1050. Next year we expect TMHS to increase by 100 students and JDHS to decrease. We still anticipate we will still be low on upper classmen, this year there were no seniors at TMHS, and a very small junior class. Next year we anticipate a small upper class, but about the same number of freshman at both schools. As we move forward, we are trying to keep the entering freshman classes equal. Ms. Cowan described the type of classroom programming at each school

Andi Story said student transportation continues to be a need and the board has received requests for increases from the elementary schools. The Assembly can assist with this area. There was an elimination of bussing kindergarteners to school a few years ago and the elementary schools feel this increases attendance. Mr. Choate said the school district is also looking at extending the day for Kindergarten with fun activities so they can take the regular bus. There are statistics to show that early learning increases student success.

Mayor Botelho said that a longer day would cause higher staff costs, though maybe less transportation costs. Mr. Choate said the board would be working on that issue at their next budget meeting. They are working to get the smallest PTR as possible.

Mr. Sanford said that any request for more funds is a difficult challenge for the Assembly. The numbers are real, additional funds to the school are taken from other municipal programs when prioritized for kids. He said everyone would be in the same boat to weather the storm for the next few years.

B. Future School Improvements

Ms. Cowan said that the top three facility priorities on the district's CIP list are Gastineau Elementary, Marie Drake, and Auke Bay Elementary. The Facilities Committee will be making this year's recommendations to the School Board this coming month. We are working off of last year's list, but it is the staff's recommendation that these three projects stay, as well as other community priorities.

Deb Morse said at this meeting last year the district was looking forward to the opening of TMHS, starting on the Harborview Elementary and the second phase of Glacier Valley Elementary, and we discussed the plan to move the Yakoos Alternative High School into Marie Drake along with the Montessori Student into that building. We are looking at taking our administrative offices out of rented space into existing space within the district. We have done all we projected we would do. We have looked at a ten-year plan for building use from FY09 – FY18. She explained documents distributed to the Assembly with this information.

Ms. Morse said in the next few months we will look forward to the completion of TMHS, with a completed auditorium and track and field at the school. They will complete the last phase of Glacier Valley over the summer and the full renovation of Harborview Elementary, and the covered playground for Dzantik'i' Heeni Middle School. She referred to the six-year CIP plan, which is submitted each year on Sept. 1 to the State of Alaska. The money associated with the projects is based on 2007 estimates. She is working with the facilities committee on facility ranking. We do not assume a lot of changes from the distributed list. Large-scale renovations are needed for Gastineau and Auke Bay Elementary Schools, and Marie Drake. They need physical plant improvements in addition to surface upgrades. They would like to put a project, or a package of projects, on the ballot in October. We are getting good prices on our projects, so even though the times are tough, we are getting good return on investment. They project that the Montessori, Charter School, and Yakoos Alternative High School can move into Marie Drake.

Mr. Sanford asked about the pricing for Marie Drake, and Ms. Morse said that some of those funds were used for Harborview, so when calculating costs, the price will be going up for the work to be done. There was \$6 million in the budget for Marie Drake; the number is down to about \$3.5 million.

Mr. Anderson asked about the enrollment numbers. He said there was a disparity in the projected figures. Mr. Means said the enrollment in the long-range plan is different from the figures used in the budget. Mr. Means said that Dr. Reaume's projections never include pre-school, but we are allowed to count those students.

Mr. Bush asked if there was a time schedule for negotiations. Ms. Cowan said there are four days of negotiations with various units this week. We are at numbers, a few language issues, and hope to be finished by the end of the month. They have yet to get underway with the administrators unit; however, it is small and will not take as much time.

Mayor Botelho provided an opportunity for school board members to make comments.

Mr. Choate said the board was interested in hearing input from the Assembly regarding the superintendent search, regarding thoughts on process and candidate qualities. We struggle with how to make the schools better. Schools attract people to Juneau and train children for future careers. We actively solicit your comments on this and hope to hear from the public. The "push-out rate" for native students is unacceptable. There is a large group of students who are home schooling and we need to reach out and attract those students back to school. We are working to implement new ideas and changes. We have a great team of students, parents, teachers, and administrators.

Mayor Botelho said the Assembly will not make a collective comment on the selection of the superintendent. Individuals were welcome to do so.

Ed Flanagan said the advertisement for superintendent went out Friday, it will be out for five weeks, we are using a consultant, holding public forums, and applications are due in April 10. The consultant will come up with 10-12 semifinalists for a phone interview, and we will narrow the field to 3-5 finalists. Candidates will be in Juneau April 26 – 29 for meetings with school staff and the public. Interviews will be held on April 29-30 in public, deliberations will be done in private, and they hope for a commitment in early May. Ms. Cowan's contract is concluded June 3.

Merrill asked if there was a national trend towards home school due to the increasing number of computers in the home. Ms. Cowan said that is true in Alaska. There is also a huge push in the university system, so there is a K-16 trend towards home school/correspondence courses.

Mr. Doll asked if the state's foundation formula had changed for this shift. Ms. Cowan said yes. A correspondence student of any kind counted as .8 of a student in the district count. There are many students who are in school part time and studying at home part time, those students count as four students as equal to one student. We encourage them to participate in the JSD, as this engages the students more and allows them to participate in activities.

Ms. Chambers said there was some discussion about the school district and city sharing infrastructure as a money saving tool, such as combining human resources or law functions, but she did not know how this would work. She thought this was something to consider.

Ms. Sadler said there is a large drug problem in Juneau – there has been a groundswell of constituents asking the school to take action. There will be a public meeting on Monday, March 16 at 5:30 at JDHS for a presentation of the problem, and invited all to attend.

Mayor Botelho thanked the board for this opportunity and looked forward to another opportunity for informal discussion.

Mr. Anderson left the meeting at 6:15 p.m.

C. Special Assembly Revised Search Process Committee – Report

Mr. Wanamaker said the City Manager Revised Search Process Committee met on March 4. The Assembly has a summary sheet for the revised process in the packet. Mr. Wanamaker said the committee recommends re-wording the “Desirable Qualifications” section to require a bachelor's degree, with a graduate degree in a professional field to be a plus. The Committee wants to broaden the qualifications so there was no assumption that there had to be a degree in public administration or business administration. The Experience section was reworded to read, “Five (5) years of broad and increasingly more responsible executive management experience in an organization of similar complexity to the City and Borough of Juneau is required. Experience in government, non-profit, or private sector organizations will satisfy this requirement. Knowledge and experience with Alaska-specific federal laws and programs is a plus.” The committee wanted those people within the non-profit and private sector with capital budgets to be encouraged to apply. The committee is not recommending a geographic-based recruitment process. We hope Assemblymembers will reach out through professional, trade, non-profit, and other associations and networks. A copy of a letter, which can be sent by e-mail, was included in the packet for Assemblymembers' use, to encourage people to apply. The committee recommended using the same communication venues as the last search, including Alaska Municipal League, ICMA, National League of Cities, National City and County Association, Career Soft as well. The time frame is March 16th through April 24th for the recruitment period. The Committee recommended the base salary be increased from \$110,000 to \$120,000, and negotiable, depending on qualifications.

MOTION, by Wanamaker, that the Assembly accepts the recommendations of the committee.

Mayor Botelho asked if there was any objection to acting on the motion at the Monday, March 16 Regular Assembly meeting, as more members would be present at that time.

Hearing no objection, the motion was referred to Monday's meeting. Mayor Botelho thanked the committee for its work.

III. ASSEMBLY COMMENTS AND QUESTIONS

Ms. Chambers asked about her request that Finance Committee meetings be moved from 5 p.m. to 5:30 p.m. She said she sent an e-mail to Chair Stone and staff about this but had not heard back and wanted to check with the rest of the Assembly. She is focused on the Finance Committee meetings in particular. Mr. Bush said meetings at 5:30 p.m. are easier for him to attend. There were no other objections, and Mayor Botelho suggested confirming the 5:30 p.m. time with the other members not present and checking the calendar for conflicts.

IV. EXECUTIVE SESSION

MOTION, by Bush, to enter into executive session to discuss two personnel matters. The first one is the evaluation of the City Manager and the transition process, and the second issue is a personnel matter that has come to the attention of the Assembly regarding a department and we propose to be briefed by the City Manager on that.

Public Comment: None.

Hearing no objection, the Assembly recessed into Executive Session in City Hall Conference Room 224 at 6:30 p.m. and returned to regular session at 7:50 p.m.

Mayor Botelho said that in executive session the Assembly dealt with personnel issues, which will lead to follow-up action at the next regular Assembly meeting on Monday, March 16.

V. ADJOURNMENT – 7:52 p.m.

Signed: _____
Laurie Sica, Municipal Clerk

Signed: _____
Bruce Botelho, Mayor