

**MINUTES OF THE ANCHORAGE SCHOOL BOARD
SPECIAL MEETING OF APRIL 15, 2002**

The Anchorage School Board met in Special Session on Monday, April 15, 2002 at 6:40 p.m. in the Board Room at the Anchorage School District Administration Building. President Peggy Robinson presided.

A. CALL TO ORDER, ROLL CALL, FLAG SALUTE

Board Members Present: Debbie Ossiander, Tim Steele, Rita Holthouse, Peggy Robinson, Harriet Drummond, Jake Metcalfe, and Dave Werdal.

Others Present: Carol Comeau, George Vakalis, Pat McDowell, Janet Stokesbary, Mike Henry, Jerry Sjolander, Patricia McRae, Gail Opalinski, Jeff Wood, Dale Cope, Lee Wilson, Mark Pasier, Debbie Bogart, Bob Henry, Stan Syta, Larry Wiget, Ray Amsden, Corey Rennell, Mary Marks, Mary Kay Sambo, the press, and other interested people.

B. ANNOUNCEMENTS

Students from Chinook Elementary School provided the entertainment prior to and at the beginning of the Board Meeting.

President Peggy Robinson announced the upcoming School Board meetings and Board Subcommittee meetings. On April 29, 2002, Mary Marks will be sworn in as a new School Board member. A special meeting has been scheduled for May 22 at 5:30 p.m. to swear in the second new School Board Member. This meeting will include an end-of-the-year report by the outgoing Board president and a reorganization of the new School Board. On May 1, 7:00 p.m. at Fairview Elementary School, the Volunteer Reception will be held to thank volunteers for their contributions to our students and schools.

Superintendent Carol Comeau announced that she attended the Spirit of Youth Recognition Banquet on April 12 and was impressed with the good things students are doing in the community. She also reminded the Board and community that there is an Eagle River High School Design Committee meeting on April 17, 6:30 p.m. at Eagle River Elementary School.

Debbie Ossiander commented that she has been very active on legislative matters. She and Rita Holthouse just returned from the National School Board convention in New Orleans and were involved in discussions on IDEA and ESEA. She will share those discussions with the Board. Ms. Ossiander also announced that the majority of the School Board will be flying to Juneau on April 20-23 to continue lobbying for increased state funding for education.

C. APPROVAL OF AGENDA

The agenda was approved as noted with the added addendum to the Personnel Travel Report.

D. AWARDS/RECOGNITION/PRESENTATIONS

1. ASD Memorandum #245 – Recognition of KCC Natural Resource Students

For the past eight years the Alaska Department of Fish and Game's Salmon Education Program has partnered with Mike Woods' King Career Center Natural Resources class to help bring ADF & G's educational programs to Anchorage School District students. Many of these programs, including ice fishing at Jewel Lake; the Fly Tying in the Classroom program; the Alaska Sportsman's Show Kids' Fishing Pond; and Anchorage area Fish Releases and Salmon Celebrations wouldn't be possible without assistance from Woods and his students. Their continued support and enthusiasm have helped make hands-on education a success in the Anchorage School District.

Throughout the past year 47 student mentors have donated a total of 180 hours in the Fly Tying in the Classroom program and 414 total volunteer hours at the Alaska Sportsman's Show. Congratulations to all student participants and thank you for investing your time and energy into these worthwhile programs.

It is requested that the School Board recognize the Alaska Department of Fish and Game for their ongoing support of the Anchorage School District, as well as Mike Woods and these dedicated students for their volunteer efforts.

2. ASD Memorandum #246 – Spirit of Youth Nominees

The Spirit of Youth Campaign was created to recognize Alaska teens for their dedication to positive community service projects. Each year middle and senior high students are awarded for finding creative ways to impact the lives of others in their community. Congratulations to the following Anchorage School District Spirit of Youth nominees:

Terra Rentz for her extraordinary efforts to promote recycling and organizing the Green Effect Club at Chugiak High School;

Brian Knowles for inspiring underclassmen to do their best with a sense of compassion for others that is unmatched;

Jessica Walsh, founder and president of the "Partners Club," which offers students the opportunity to become friends with special ed students;
Kristen Koshiyama for her commitment to increasing awareness and appreciation for the Japanese Club at Dimond High School;
Brittany Rayburn for sharing her experiences of a very personal tragedy with other youth to help them cope with the death of a loved one;
Harpist Cheyenne Brown for voluntarily sharing her music at school functions and community ensembles;
Brooke Ivy for helping organize and coordinate the Anchorage Youth Summit;
Chelsea Gaughan, for serving as peer trainer and president of the Rare-T at Dimond High;
Shantel Cox, Becky Heath and Ashlie Farnsworth for saving a neighbor's home from a potentially devastating fire;
Eric-James Estrada for volunteering in the community;
Jeremy Likens for creating a school supply recycling box for underprivileged students;
Audra Gentz for serving as a math tutor for younger children; and
LizBeth Dial for volunteering at West High's Eagle's Nest which provides lunch for students in need.

It is requested the School Board recognize these 2002 Spirit of Youth Award nominees whose innovation, compassion, and dedication to others led to this recognition.

Carol Comeau announced that the large group was split into two small groups and the remaining students will be honored on May 13 for their contributions to the community.

3. ASD Memorandum #247 – Spirit of Community Awards

The Prudential Spirit of Community Awards is a nationwide program that recognizes middle and high school students who have demonstrated exemplary community service. Each year the top two students from each state receive an award of \$1,000, an engraved silver medallion, and an all-expense paid trip to Washington, D.C., for national recognition events. This year one of the top two Alaska honorees is Anchorage School District student Corey Rennell.

Corey, a junior at Steller Secondary School, planned and built a children's play structure in the shape of an airplane for the Ted Stevens Anchorage International Airport. The plane was designed to give kids something fun and educational to do during long layovers. To get his idea off the ground, Corey approached the airport's management as well as state and

federal agencies and initiated a fundraising campaign that brought in nearly \$18,000. Corey's creation, named "FunAir," really took off and is now featured in an informational video distributed to airport executives around the country.

Two other Anchorage School District students were recognized as Distinguished Finalists for their impressive community service activities and will each receive bronze medallions. Hans Borchardt, a junior at Polaris K-12 School organized a coupon-book sales campaign that raised \$1,400 to benefit the Kids' Kitchen which feeds underprivileged students a meal before and after school each day; and Chugiak High School senior Christopher Wintrode helped launch a pre-court program in conjunction with the Anchorage Bar Association that offers a second chance for nine to 11-year-old kids who commit minor crimes.

It is requested the School Board recognize these amazing young people for caring enough to reach out and make a difference in this community.

Patti Tidal, Representative from Prudential of Alaska thanked the principals for their support. Honoring student community volunteers is a key part of their program. Beau Bassett presented certificates to the three state honorees. Corey is invited to Washington, D.C. to take part in a four-day event in May. He will receive a \$1,000 award and be eligible for other National awards.

E. SPECIAL ADVISORY REPORTS

1. Student Advisory

Corey Rennell announced that the SAB meeting on March 12 was cancelled due to the heavy snowfall that Anchorage received. He gave a brief report of his attendance at the National School Board conference in early April. Mr. Rennell was elected state chair for the Youth School Board Members Caucus.

Mr. Rennell announced that the AASG Conference is taking place in Healy on April 20-24.

The SAB is currently working on many resolutions from the Juneau relocation to healthy foods in schools. Mr. Rennell thanked the Board for allowing him to attend the AASB Fly-In and the National School Board Conference.

The next SAB meeting is scheduled for April 30, 11:30 a.m., at Chugiak High Schools. Mr. Rennell stated that he appreciates the attendance of Mike Henry, Carol Comeau, and the School Board members at these meetings.

2. Military Delegate

The Military Delegate was absent.

3. MECC

Mary Marks, outgoing Chair of the MECC, stated that she attended a Multicultural Leadership Conference at the Alaska Native Heritage Center on April 8-10, which was similar to the Alaska Native Summit. The next MECC meeting is scheduled for April 18 at 7:00 p.m. and is open to the public. There are currently several vacancies on the MECC and she encouraged the community members to apply. Ms. Marks, newly elected School Board Member, thanked the community and stated that it has been both a privilege and honor to represent the community. Ms. Marks will be attending the Tlinglit and Haida Convention in Juneau next week and will join other Board members to attend the AASB Legislative Fly-in scheduled for April 20-23, 2002.

Carol Comeau stated that applications for MECC could be obtained through the Superintendent's Office. Advertisements will be placed in the local newspapers regarding the vacancies on the MECC.

Dave Werdal noted that this is his last Board meeting that he will be attending to make decisions. He feels privileged and grateful to have served on the Board for the past six years. A highlight of his time served was meeting all the great employees of the Anchorage School District.

Mr. Werdal noted several controversial issues that came up during his tenure on the Board, six of which were during his first year of service. Examples were middle school boundaries, high school boundaries, math adoption, Dimond Gay-Lesbian Straight Club, labor negotiations (AEA), Totem and bus strike, second time around with AEA negotiations, and the hiring and firing of the Superintendent.

Mr. Werdal worked with 12 different Board members and learned a lot from all of them: Lorraine Ferrell – good strong morals; Kathi Gillespie – legislative expertise; Kelly Haney – age doesn't dictate how wise someone can be; Bettye Davis – caring for the underdog; Tom Anderson – politics counts; John Floyd – sense of humor; Jake Metcalfe – cares about under-

supported kids; Tim Steele – shows that new blood on the Board is good; Rita Holthouse – shows the value of listening to people; Peggy Robinson – different philosophy, but able to work together, works very hard, experienced, and cares deeply; Harriet Drummond – shining example for getting through adversity; and Debbie Ossiander – told him to not tell anyone how he is going to vote, keep your options open, and do what is best for kids. Mr. Werdal also commented that one of the most frequently asked questions was “how do you work with six women on the Board.” He stated that it was a pleasure to work with them because they were intelligent and hardworking. He hopes to stay involved and if his health improves, he will run for something in the future. Mr. Werdal will join the Board on May 22 for the closing of his term.

F. PERSONS TO BE HEARD ON NON-AGENDA ITEMS (30 MINUTE TIME LIMIT)

Theresa Obermeyer commented that in one year, 1992-93, there were 14 School Board members. She was proud to have served on the School Board.

G. CONSENT AGENDA

1. ASD Memorandum #233 – Revision to Policy 176 Public Participation and 176.1 Public Testimony (Second Reading)

It is the Administration’s recommendation that the School Board approve on Second Reading the proposed changes to School Board Policies 176, Public Participation, and 176.1, Public Testimony, as shown on Attachment A.

2. ASD Memorandum #234 – Revision to Policy 343.41 Graduation Requirements (Second Reading)

It is the Administration’s recommendation that the School Board approve on Second Reading, the proposed changes to School Board Policy 343.41, Graduation Requirements, as shown on Attachment A.

3. ASD Memorandum #235 – Adoption of Tentative Agreement: Anchorage Education Association - 2002-2005

It is the Administration’s recommendation that the School Board approve and adopt the collective bargaining agreement between the District and the Anchorage Education Association, which will establish terms and conditions of employment for teachers during the period between July 1, 2002 and June 30, 2005.

4. ASD Memorandum #244 – Adoption of Tentative Agreement: Maintenance Employees - 2002-2005

It is the Administration's recommendation that the School Board approve and adopt the collective bargaining agreement between the District and General Teamsters Local 959, which will establish terms and conditions of employment for maintenance employees during the period between July 1, 2002 and June 30, 2005.

5. ASD Memorandum #238 – Approval of Conceptual Design for East High School Renewal Project Phase 3

It is the Administration's recommendation that the School Board approve the conceptual design for the East High School Renewal Project, Phase 3 and authorize the Superintendent to proceed with the Schematic Design for the East High School Renewal project.

6. ASD Memorandum #239 – Authorization of Supplemental Funding for Construction, Chugiak High School Renewal Phases 1, 2, and 3.

It is the Administration's recommendation that the School Board approve supplemental construction funding in the amount of \$3,060,000 to complete the Chugiak High School Renewal Project, Phases 1, 2 and 3.

7. ASD Memorandum #240 – Approval of Schematic Design for East High School Phase 2

It is the Administration's recommendation that the School Board approve the schematic design for the East High School Renewal Project Phase 2 and authorize the Superintendent to proceed with the Design Development and Construction Documents for the East High School Renewal project.

8. ASD Memorandum 241 – Award of Contract: South Anchorage Area High School

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to award a contract for the South Anchorage Area High School to the lowest bidder, Neeser Construction, Inc. for the Base Bid and Alternates 1 through 5 in the amount of \$46,371,500.

9. ASD Memorandum #242 – Approval of Schematic Design for Service High School Phase 2 A

It is the Administration's recommendation that the School Board approve the schematic design for the Service High School Renewal Phase 2A and authorize the Superintendent to proceed with the Design Development and Construction Documents for the Service High School Renewal project.

10. ASD Memorandum #230 – Boundary Changes for Alpenglow, Eagle River, Homestead, and Ravenwood Elementary Schools (Second Reading)

It is the Superintendent's recommendation that the School Board approve on Second Reading the following attendance boundary for the 2002-2003 school year for Alpenglow, Eagle River, Homestead, and Ravenwood Elementary Schools as shown on Attachment A.

11. ASD Memorandum #237 – Recommendation for School Starting Times

It is recommended that the School Board approve the Superintendent's recommendation to retain the current school starting times for the 2002-2003 school year. It is further recommended that the Administration continue to annually evaluate the pros and cons of changing school starting times through researching the experiences at all levels (K-12) in other school districts; continuing discussions on this topic with the various community agencies and school staff, students, parents, and community most directly affected by this potential change; and to carefully evaluate the increased costs of making this major change. It is also recommended that the Superintendent give an update, and any further recommendations, to the School Board by April 1, 2003.

12. ASD Memorandum #243 – Personnel Report

It is the Administration's recommendation that the School Board approve the attached Personnel Report.

Debbie Ossiander asked if the bid protest could be discussed the next day at the continuation meeting. Superintendent Comeau stated she would like to follow the agenda.

The following items were removed from the Consent Agenda: ASD Memorandums #233, #234, #235, #241, #230, and #237.

ACTION:

It is the Administration's recommendation that the School Board approve on Second Reading, the proposed changes to School Board Policy 343.41, Graduation Requirements, as shown on Attachment A.

ACTION:

Moved by Debbie Ossiander to approve ASD Memorandum #234.
seconded by Harriet Drummond

Rita Holthouse commented that this memorandum did not go into a lot of detail on how the credits will be attained.

Debbie Ossiander stated that she has received significant feedback after the last meeting. There is frustration for those students who are trying to follow a college prep program and also with kids taking remedial classes.

VOTE:

Ayes: Ossiander, Steele, Holthouse,
Robinson, Drummond, Metcalfe,
Werdal

Nays: None

MOTION PASSED

ASD Memorandum #235 – Adoption of Tentative Agreement: Anchorage Education Association - 2002-2005

It is the Administration's recommendation that the School Board approve and adopt the collective bargaining agreement between the District and the Anchorage Education Association, which will establish terms and conditions of employment for teachers during the period between July 1, 2002 and June 30, 2005.

ACTION:

Moved by Dave Werdal to approve ASD Memorandum #235.
seconded by Jake Metcalfe

Carol Comeau commented that she is very pleased to have been able to work with AEA and extend the contract for teachers. She is aware that there are people concerned with the budget gap, but there is nothing more important than teachers delivering services to students.

Theresa Obermeyer is concerned about the lack of longevity in our schools. She feels without attractive salaries, no one will want to live in Alaska. Ms. Obermeyer commended Ms. Comeau for being able to extend the AEA contract.

She knows how physically exhausting a teacher's work is and that they deserve good salaries.

Jeff Friedman commended the Board and AEA for coming up with a new contract. He has one concern over the lack of communication and feels that the public should have been aware that AEA and the District were talking about more than just the health plan.

Peggy Robinson invited Bob Roses to address the Board. Mr. Roses commented that he appreciated the opportunity to speak before the Board. He stated that the negotiations were very professional and he highly respects the members of the negotiating teams. Mr. Roses knows that this was not an easy decision by the District and most likely will be faced with budget problems in the future. He will lobby the legislators for appropriate funding for education.

Peggy Robinson commented that she appreciates Mr. Roses' leadership and is pleased that he has been elected for another year as President of the Anchorage Education Association.

Dave Werdal commented that he will vote yes on this motion because the positives outweigh the negatives in this contract. He feels that this contract will retain teachers and attract new ones. Mr. Werdal stated that as management, our responsibility is to be fiscally responsible and not give employees raises because they deserve them. No one thinks we have the funds to do this, and we should not be counting on additional revenue from the state. Mr. Werdal is afraid that we will see major cuts in class size, sports, music, art, etc. By adopting this agreement, the District will experience major cuts across the board.

Debbie Ossiander mentioned that when she served on the Board, there were 3,000 teacher applicants; there are now only 500. She acknowledges Mr. Werdal's point, but wants people in the audience to know that budgets are being developed in Juneau. She would like to at least maintain the current funding.

Jake Metcalfe is in favor of the contract and feels that teachers should be paid what they deserve. He has two children in the system and wants them to have the best teachers possible. Employers also have the responsibility to provide health care to employees. Mr. Metcalfe feels the District is getting a good deal on the health insurance.

Tim Steele thanked Mr. Werdal for his comments and stated that the Board has discussed the potential deficit. He stated that this contract is a start for us to say we are a team and value all of our employees in the District. Mr. Steele commented that Alaska is at a disadvantage for recruiting and we need to be

attractive to new employees. The Board will be going to Juneau on April 20-23 and will work hard to make our needs known to the legislators.

Rita Holthouse appreciates Mr. Werdal's comments and knows that there is a concern with the budget over the next few years. She feels that budgets have been balanced on the teachers' backs and they were not given what they deserve. Ms. Holthouse stated that if we want qualified teachers, we must be able to offer competitive salaries and benefits.

Harriet Drummond announced that she is greatly relieved to vote yes on this contract. She first served on the Board during negotiations, which ended in a strike. She is relieved that we can move forward without contentious negotiations.

Peggy Robinson stated that her comments are similar to the Board comments already heard. She thanked both sides of the table and is happy to have a contract for the next couple of years.

VOTE:

Ayes: Werdal, Steele, Holthouse,
Robinson, Drummond,
Metcalf, Werdal

Nays: None

MOTION PASSED

ASD Memorandum 241 – Award of Contract: South Anchorage Area High School

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to award a contract for the South Anchorage Area High School to the lowest bidder, Neeser Construction, Inc. for the Base Bid and Alternates 1 through 5 in the amount of \$46,371,500.

ACTION:

Moved by Tim Steele to approve ASD Memorandum #241.
seconded by Harriet Drummond

Debbie Ossiander voiced a personal privilege and asked that President Robinson let people know as soon as possible on whether there will be an extension of tonight's meeting. Ms. Robinson replied that she anticipates the bid protest will be over by 8:45 p.m., boundary discussion by 9:15 p.m., and feels that the Board will be able to complete public testimony on school starting times. The Board may have to reconvene on April 16 to make the decision on school starting times.

Peggy Robinson announced that the District Administration would present their information on why the recommendation is to award the bid for the new South Anchorage High School to Nesser Construction. Brady Construction will then come forward and speak on why they disagree with the bid award. Neeser Construction will have a chance for rebuttal on why they should have the bid award. Mr. Ruskin will then come forward for third party comments.

President Robinson stated that according to School Board Policy Section 725.368.2(b) – Consideration of Aggrieved Bidder’s/Proposer’s Appeal, the Superintendent, upon review of the aggrieved bidder’s/proposer’s appeal, may pull the award recommendation from the Board agenda in an attempt to satisfy the aggrieved bidder’s/proposer’s appeal or he/she may decide to proceed with the award recommendation as scheduled. In which case, after consideration of the aggrieved bidder’s/proposer’s appeal and allowing the apparently successful bidder/proposer the opportunity to rebut any contentions of the aggrieved bidder/proposer, the Board may:

- a. Award the contract as recommended, indicating its reasons for rejecting the appeal;
- b. Recommend that the contract be awarded to some other bidder/proposer, in which instance formal award will be held over until the next Board meeting except that the Board may award the contract at that meeting to some other bidder/proposer if it finds that a delay in making the award would adversely affect the District;
- c. Stay any award of the contract to permit further consideration of the appeal, with action to be scheduled as soon as practicable, but in no event more than twenty (20) days after the stay as initiated;
- d. Reject all bids/proposals;
- e. Take such other action as appears appropriate and in the best interest of the District under the circumstances.

Superintendent Comeau stated that School Board policy was followed very carefully, and the District Administration believes that Nesser Construction should be awarded the bid award for the new South Anchorage High School.

George Vakalis also stated that because this project is so important, purchasing rules were followed very carefully, especially when the bid documents were reviewed. The Purchasing Department and the contracting officer in the legal department went through the documents and made a determination. Mike Stephenson will outline the three points of contention and what the District’s position is on each.

Mike Stephenson outlined three issues: the use of the liquidated compensable delay damage clause in the contract; the District's application of the words over numbers rule to resolve a discrepancy in Nesser's bid; and whether the liquidated compensable delay damage clause violates the procurement code.

The LCDC clause gives the contractor an opportunity to price out their own delays on a project. This allows the contractor to be competitive and helps on bid evaluation. It was used on the Dimond High project and no concerns were raised. During the pre-bid meeting on South Anchorage, a question was raised by a contractor who stated there was no way a contractor could estimate what those delays may be. The District took those concerns into account and discussed them with the legal and in-house personnel and decided to revise the clause and take out the uncertainty. All the contractors bid on this; Nesser Construction bid zero dollars. Mr. Stephenson stated that this is one of the issues of contention by Brady Construction.

Mr. Stephenson stated at the bid opening, Nesser was the apparent low bidder. When the Brady and Nesser bids were reviewed more carefully, which is always done to make sure all bids are responsive to the solicitation, it was discovered that a discrepancy occurred on Nesser's bid; the numeric bid stated \$44,490,000 and the written bid stated \$44,000,490. That condition creates an ambiguity in the bid as to which price was actually correct for Nesser Construction. Mr. Stephenson met with the Administration and evaluated the bid. Former Supreme Court rulings were discussed and how it should be applied to this bid, which is the words over numbers rule. The words over numbers rule is used in Federal, State, and Municipality Contracts, and is stated twice in our own bid solicitation.

Mr. Stephenson stated that he believes this rule, words over numbers, does not violate the State Procurement Code. He also does not believe the District's procurement process is subject to the State Procurement Code. He further stated that this was a very careful process and the District followed the rules, met with counsel, and rightly applied the words over numbers rule. Mr. Stephenson believes that to award the contract to Brady Construction is wrong and Nesser would prevail in court.

Kevin Brady and Tim Brady represent Brady construction. Kevin Brady stated that he does not object to the LCDC clause. He commented that he has reviewed Title 14 and it says nothing about the District being exempt from the State Procurement Code. He also objects to the LCDC clause. Mr. Brady hopes the Board has taken time to read the protest and recognizes that there is no permutation for the award of this contract on a lower base price to Nesser. Mr. Brady believes that this violates the State Procurement Code. He asked the Board what would happen if they award this contract to Nesser and then get a

ruling from Superior Court saying that you must adhere to the State Procurement Code. Mr. Brady believes this will happen. Once this happens, the Board has no choice, but to void this contract.

Mr. Brady questioned why the District did not ask Mr. Neeser what his intent was when they found the discrepancy. He feels that the District should have done this. Mr. Brady asked the Board to consider that the bid award is unfair to those bidders who submitted their bids correctly. He urged the Board to consider where they will be in a few weeks on the State Procurement Code issue. Mr. Brady stated that he is sure that the independent reviewer will get up and say that the bidder's intent is irrelevant. Mr. Brady has reviewed the cases and feels that it is relevant.

Dave Werdal asked Mr. Brady if he has ever seen a situation where the words and numbers are different. Mr. Brady responded no. He has seen DOT contracts where the unit price is taken over the extended price.

Mr. Werdal commented that in reviewing the third party's review that Mr. Ruskin thought the District should have used the words over numbers rule and did not think they needed to make an inquiry to the contractor. Mr. Brady stated that this only comes into play when the contracting agency does not understand the bidder's intent to be bound by reviewing the four corners of the bid document.

Jake Metcalfe asked Mr. Brady if he has ever seen a discrepancy like this in a bid so large and if so, does it happen very often. Mr. Brady responded that on a big bid such as this, figures are normally rounded off to thousands. It is still Brady Construction's position that the Facilities Department should have made an inquiry of the bidder's intent instead of applying the written words over numbers rule.

Rita Holthouse asked Mr. Brady if he believed the ASD Facilities wants to have the contract given to Neeser instead of Brady Construction. Mr. Brady replied no.

Debbie Ossiander commented that the School Board has spent a lot of time talking with the community about construction issues and brought in an outside consultant to help us to do it appropriately. Ms. Ossiander asked Mr. Brady if he was aware of these discussions. Mr. Brady responded that he thought it was great that ASD went outside for information. Ms. Ossiander wanted other things than just the low bid to be considered because of concern for quality. She thought there was general widespread acceptance from the professionals on our process. She is puzzled now over the fact that Mr. Brady is saying that we have violated the State Procurement Code

Mr. Brady commented that under the State Procurement Code, you have no choice but to award to the lowest responsive bidder.

Debbie Ossiander asked Mr. Brady if he was able to get the documents from ASD that he needed. Mr. Brady responded that he has made records requests in the past and has not received the documents.

Tim Steele asked Mr. Brady if he agrees with the words over numbers rule and if this is a law used in State and Municipality contracts. Mr. Brady responded that not in this case because Facilities should have called and inquired what the intent of Neeser's bid and to confirm the number on the bid.

Peggy Robinson asked the School Board if they would like to move the school start times discussion to Tuesday, April 16, 2002. The Board voted unanimously to move the discussion.

Dave Werdal encouraged members of the audience to fax or e-mail their comments on school start times if they are unable to make the Tuesday evening meeting. He apologized for moving the meeting.

Jim Sarafin, representing Neeser Construction, stated that Brady would like to convince the Board that they are the low bidder. They want ASD to accept the high number as the bid and throw out the LCDC clause. Mr. Sarafin described it in three steps: how do you solve the bid discrepancy; LCDC clause; and the waiver of objection to this clause by Brady Construction. It was a good faith mistake on the part of Neeser Construction. Mr. Sarafin commented that in interpreting the bid, you try to determine the intent of the bid. If you can't determine that from the face of the bid, you go to the rules in your invitation to bid; words over number, which is commonly used by procurement facilities. That rule was followed; the final rule is that this is a public policy project, which favors the low price. Mr. Sarafin stated that he feels ASD followed the rules. If the LCDC clause is thrown out, you are changing the rules after the fact. All the bidders relied on that information. He further stated that Brady Construction should have objected prior to the bids being opened. Mr. Sarafin cited a case "Gunderson vs. UAF" where the bidder didn't like the award and raised objections to flaws in procurement after the results were tabulated. The court ruled that the flaws were not significant.

Dave Werdal asked Mr. Neeser if he has had a bid like this before. Mr. Neeser responded that errors often happen at the last minute. He does not believe that he had an unfair competitive advantage. Mr. Sarafin stated that ASD gave Mr. Neeser one choice, the low bid, and if he had disagreed, he could have forfeited

his bid bond. Mr. Werdal stated that he mildly disagrees with Mr. Sarafin and feels that this is another issue.

Rita Holthouse asked Mr. Neeser to explain his zero bid on the LCDC clause. Mr. Neeser replied that his company feels they can complete the project in the time frame provided and absorb the risk. This only applies to the general contractor and not the subcontractors.

Dave Werdal asked if the zero bid was unusual. Mr. Neeser responded that it was not uncommon and that Unit Construction bid \$25 on the LCDC clause for Dimond High School Replacement.

Corey Rennell asked Mr. Neeser if his company was fully prepared to perform the work under the current bid. Mr. Neeser responded yes.

David Ruskin, Attorney in Anchorage, has been retained by the District, pursuant to the policy dealing with a bid protest. He has practiced law for over 40 years and is an independent reviewer with no ties or financial dealing with any of the parties. Mr. Ruskin went on to state that the principal question involved in this bid protest is words over numbers. He assured the Board that this is not a unique problem, but is a standard provision dating back to statehood. It is actually words "govern" numbers. There are five Supreme Court cases on this subject. This rule is also in the bid form itself. In an event of a discrepancy, it states words govern numbers. Mr. Ruskin feels that it is also a bad practice to call a contractor to find out what their intent may be. On the LCDC clause, he doesn't see any cases where there is anything wrong with submitting zero dollars. If Mr. Neeser is willing to do it for zero dollars and is financially responsible, there is nothing to fault him. He further urged the Board to award the contract to the lowest bidder to avoid lawsuits.

Dave Werdal is concerned by the decision made on whether or not the contractor should have been called by Facilities to clarify the bid document. Mr. Ruskin stated again that the contractor should not have been called; the bid document clearly outlines the fact that words govern numbers.

Rita Holthouse asked Mr. Ruskin to speak on the state procurement issue. Mr. Ruskin responded that in the bid protest if you honor the LCDC clause, somehow it would violate the State Procurement Code because theory is that it might never happen and you've given weight in the evaluation to it. He further clarified that based on case law, even if this will occur, it will not violate state procurement law. There is no case where the LCDC clause violates procurement code. Mr. Ruskin stated that the State Procurement Code applies to state agencies, and the District is not a state agency, but a political subdivision.

The School Board recessed for ten minutes.

Mike Stephenson, Bob Henry, and George Vakalis came forward to answer questions.

Dave Werdal asked Mr. Henry why they did not consider the option to call and ask Mr. Neeser what his intent was. Bob Henry responded that because the instructions are quite clear, they did not consider calling a bidder. He further mentioned that both companies attended the pre-bid conference, instructions were there to read, LCDC discussed, but no question on the discrepancy was asked. If the questions were raised, the Purchasing Department would have responded with an addendum.

Mr. Werdal inquired if the Purchasing Department would consider changing the policy and throw out the bid when the words versus numbers don't match. He also asked if the bidder has a competitive edge by being allowed to submit two different numbers. George Vakalis said the rules were followed so it was never a question. Mr. Vakalis feels the bid was equally fair to everyone. He does not feel Neeser had an unfair advantage due to the words govern numbers rule.

Debbie Ossiander asked what paperwork had not been given to Mr. Brady. Mike Stephenson stated that Mr. Brady submitted a records act request to the District requesting copies of all correspondence to and from the District, questions from contractors during the addendum process, and correspondence with all consultants. Mr. Brady identified two reports that he wanted; one from Ferguson and one from Olympic. ASD had to go through the files and submitted copies to Mr. Stephenson's office and then they were turned over to Mr. Brady. At one point, Mr. Stephenson felt the reports were privileged. Mr. Brady asserted that the District would be court the next day if the reports were deemed privileged. After some discussion, it was decided to turn over the two documents to Mr. Brady. The two reports were delivered to Mr. Brady's office the next day. Ms. Ossiander asked if there was good faith in delivering the paperwork; Mr. Stephenson assured her there was.

Debbie Ossiander commented that she is very appreciative of the third party evaluator and inquired how we choose an independent evaluator. Mr. Vakalis explained that he spoke with Jermain Dunnagan and Owens, who provided him with a list of names. Mr. Ruskin was selected based on his experience and the fact that he was well known in the community.

Mr. Ruskin stated that he has not worked with the District before and has not worked with either of the contractors. He also has not been in litigation against anyone or has represented anyone who has been mentioned in this bid.

Jake Metcalfe asked when the discrepancy was found. Bob Henry noted the opening of the bid documents occurred on March 28, 2002. Both the Purchasing Office and the legal office discovered the error during the final review. It is a common practice for legal to be involved on a project of this magnitude.

Harriet Drummond stated while reviewing the document provided from Mike Stephenson, behind tab 2 on the preliminary tabulation and behind tab 3 on the revised tabulation dated April 1, 2002, it is clear that Neeser is the low bidder on both documents. Ms. Drummond questioned why we are continuing to discuss this issue.

MOTION:

Moved by Harriet Drummond to call the question to end debate.
seconded by Tim Steele

VOTE:

Ayes: Steele, Holthouse,
Drummond

Nays: Ossiander, Robinson,
Metcalf, Werdal

MOTION TO CALL THE QUESTION FAILED

Rita Holthouse asked Mr. Stephenson if it is advisable that we use the written figure of \$44,000,490 dollars. Mr. Stephenson stated that legally, you must use the words govern figures rule and should not call the bidder for clarification of their bid. From a legal perspective, you should not invite a contractor for an opinion. Mr. Stephenson stated that the Purchasing Department handled it appropriately and that it is also appropriate to include LCDC in the bid.

Ms. Holthouse asked Mr. Stephenson if he believes the District is covered by the State Procurement Code. Mr. Stephenson responded that he does not believe the District is covered by the State Procurement Code.

Ms. Holthouse asked Mr. Stephenson if there is any part of the protest that the Board has not discussed sufficiently. Mr. Stephenson stated that the issue raised by Mr. Brady over a future Superior Court ruling down the road that may overturn this bid award. He disagrees with this. He stated that a court would not overturn a bid award once it is made unless there is a gross violation or is illegal; this is not the case in this bid award. Even if the LCDC clause was thrown out, the words govern figures rule would still apply.

Jake Metcalfe inquired what is the ambiguity. Mr. Stephenson stated that you couldn't tell from the face of the bid if Neeser intended to use the written or the numerical bid. This creates an ambiguity.

AMENDMENT:

Moved by Debbie Ossiander
seconded by Rita Holthouse

It is the Administration's recommendation that the School Board approve and authorize the Superintendent to award a contract for the South Anchorage Area High School to the lowest bidder, Neeser Construction, Inc. for the Base Bid and Alternates 1 through 5 in the amount of \$46,371,500 because we believe it to be the lowest responsive bidder, since words govern figures. We believe liquidated compensable delay is a valid component of this bid and the District did not violate the State Procurement Code.

VOTE ON AMENDMENT:

Ayes: Ossiander, Steele, Holthouse,
Robinson, Drummond

Nays: Metcalfe, Werdal

AMENDMENT TO THE MAIN MOTION PASSED

VOTE ON MAIN MOTION:

Ayes: Ossiander, Steele, Holthouse,
Robinson, Drummond

Nays: Metcalfe, Werdal

MAIN MOTION PASSED

Mr. Werdal requested that the Purchasing Department point out the words govern figures rule to contractors in future bid awards so this does not happen again.

ASD Memorandum #230 – Boundary Changes for Alpenglow, Eagle River, Homestead, and Ravenwood Elementary Schools (Second Reading)

It is the Superintendent's recommendation that the School Board approve on Second Reading the following attendance boundary for the 2002-2003 school year for Alpenglow, Eagle River, Homestead, and Ravenwood Elementary Schools as shown on Attachment A.

MOTION:

Moved by Rita Holthouse to approve ASD Memorandum #230.
seconded by Debbie Ossiander

Carol Comeau noted that additional information has been added near the back of the memorandum; Attachment I has been substituted.

Pat Oien supports the proposed boundary changes. She believes that it balances student population and allows those living close to the school to continue to attend. The boundary change has one of her children attending Ravenwood next year. Ms. Oien believes a less populated school provides a better learning environment.

Susan Harvey, Highland Road parent, testified against the recommendation originally. She suggested that the zone exception policy be re-evaluated along with a minor east/west boundary change. Ms. Harvey was concerned that a Hiland Road parent was not invited to sit on the Task Force. She further emphasized that Hiland Road students are moved from school to school every few years.

Jamie Smith, who lives in Eaglewood, thanked the staff, Task Force, Carol Comeau, and the Board for coming up with a solution. She suggested that the Board amend the Superintendent's recommendation by allowing siblings to stay in the same school. Ms. Smith also has a concern that Ravenwood does not have a before and after school child care program.

Melinda Schuck supports the Superintendent's recommendation, but feels Eagle Crossing is under attack by a group of parents. She feels all the schools are excellent in the Eagle River area.

Debbie Gioffree thanked the Board for leaving the eight students in Homestead. Ms. Gioffree commented that she should have been told of the pending boundary change when she signed her daughter up for kindergarten. She feels the District and the Board have failed her family. She would have applied for a zone exception to Homestead if she knew that was where her daughter would be moving for first grade. Ms. Gioffree suggested the Board pass a motion to not allow these affected areas to go through another boundary change for 20 years.

Karla Bickley stated that Alpenglow is like a second home for her family and feels sorry for any student who has to leave Alpenglow. She would like to see these changes presently being made to be viewed as long-term changes. Ms. Bickley would like the policy changed to allow teachers to have zone exceptions for their children so they can be at the school with them. This makes the teachers more flexible for parents contact.

Anna Fisher moved to Anchorage one year ago with her husband and seven children. Because her husband has been deployed, the children must have bus transportation. She would be happy to have her children attend Ravenwood if transportation is provided. Ms. Fisher walked the path last summer and feels it is too far for her children to walk to Ravenwood.

Jeff Patterson stated that he believes the Board is doing the right thing. He encouraged the Board to not look at special interest groups, but make the best decision for the long-term.

Susan Udevitz is one of the "Homestead 8." She thanked Ms. Holthouse for the original motion and for approving it. Ms. Udevitz supports the current recommendation and feels the District has minimized disruption in the students' lives.

Tom Jennings is President of Eagle Crossing Home Association. He supports the recommendation because it meets all of their needs. He complimented the Task Force for a job well done. Mr. Jennings feels that children adapt well to change; it prepares them better for adulthood.

Jeanine Schmidt, parent representative to the Task Force from Homestead, encouraged the Board to accept the recommendation made by Superintendent Comeau. She stated that the recommendation will allow for flexibility, growth, student safety, and is financially reasonable. The Task Force considered many changes and chose this one that had the least impact. She reminded the Board that no plan is going to be acceptable for everyone.

Dan Phelps thanked the Boundary Task Force for their hard work. He feels the proposal puts the student safety first, but allows for the overcrowding to be balanced. It also allows for future growth.

Ed Scherer, Principal at Homestead, supports the Superintendent's recommendation. The plan equalizes enrollment and allows for growth in our schools. Mr. Scherer offered the warmest welcome to the new Homestead families and noted that the number one desire of the PTA is to make a smooth transition for the new families.

Carol Comeau thanked the audience who stayed late tonight to testify. She understands that this is an emotional issue for everyone on both sides. The points raised tonight have been considered and taken very seriously. Ms. Comeau further commented that she does have concerns over the "hilly" road, but is most troubled over the comments from some that believe Eagle River Elementary School is not as good as the others in the area. She will be meeting with the Eagle River staff to explain why the recommendation was written to not

include Eagle River School in the boundary change. Ms. Comeau believes that her recommendation allows for growth among all schools in Eagle River.

Ms. Comeau stated that before and after school child care needs are very real. She has strong feels about zone exceptions for this reason and feels when children are safe, their learning is more successful. Ms. Comeau stated that children for the most part adjust well when their family members adjust to change. She further explained that she spent most of administrative career dealing with the boundaries in the Lake Otis corridor and has participated in ten boundary changes. Boundary changes have occurred when new schools have been built. Ms. Comeau made a commitment to the parents that the District would make the transition smooth for their children.

Rita Holthouse commented that if there were no zone exceptions approved at Alpenglow, it would not be overcrowded. She emphasized that zone exceptions should not be extended from year to year. Students on zone exceptions remain in the schools when students who live in the neighborhood are moved. Ms. Holthouse believes that this violates our policy, which states when a school is at capacity, no zone exceptions will be approved unless they are medical or an extreme hardship related to an academic program. She feels that the zone exception policy should be reviewed.

Tim Steele commented that he was not physically present at the last meeting, but did teleconference without a Board packet. He has been to Eagle River many times and visited all the schools. Mr. Steele feels the Board is doing the right thing by approving the Superintendent's recommendation. He further commented that he is concerned over the letter from the Eagle River staff.

Debbie Ossiander reported a concern raised during ESEA discussions at the National School Board Conference regarding school designators. For example, if a Title I school is declared "needing improvement," a parent could decide to move their children to another school within the District even if it is considered overcrowded. Ms. Ossiander emphasized that the move to allowing parental choice is coming.

Ms. Ossiander noted that realtors have requested new maps for their real estate agents showing the new boundary lines for the schools in the Eagle River area.

Superintendent Comeau reported that she has talked with Michelle Egan about developing an outreach program to the realtors. It is important for parents purchasing new homes to have the correct school information. Carol Comeau will investigate the cost of the maps.

Peggy Robinson announced that she drove the Eagle River area on Friday afternoon, April 12, 2002, to see if this is a safety issue. She believes that this dividing line is a logical one. Ms. Robinson is not interested in changing anything in this recommendation, but is concerned over the new housing areas and the fact that not any are zoned for Eagle River Elementary School.

VOTE:

Ayes: Ossiander, Steele, Robinson,
Drummond, Metcalfe, Werdal

Nays: Holthouse

MOTION PASSES

H. SUPERINTENDENT'S REPORT

1. ASD Memorandum #236 – Project Status Report

This is a report of activities and project status changes in Major Capital Projects during the period of March 22, through April 8, 2002.

BARTLETT HIGH SCHOOL RENEWAL - PHASE 1 & 2

Design Status	Design Phase 2 – The Schematic Design is in progress.			
Construction Status	Phase 1 - Construction is complete except for minor punch list items.			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$5,000,000	\$5,000,000		
Construction Contract Status Janssen Contracting (1C00146)	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	\$2,677,700	\$269,094	10%	99%
<i>Schedule Status</i>	Complete			

CHUGIAK HIGH SCHOOL RENEWAL - PHASE 1, 2 & 3

Design Status	Phase 2 and 3 – The gym/cafeteria project is in the bidding process. The bid opening is scheduled for April 24, 2002.
Design Status	Deferred Phase 3 – The design fee negotiations with the designer has begun. Meetings with the Design Committee will occur before the end of this school year.

<p>Construction Status</p>	<p>House 2 – Finish work is continuing with ceiling grid, painting and flooring installation in progress.</p> <p>House 3 – This area has been turned over to the school and the classrooms are occupied and in use.</p> <p>House 3 - Science Rooms – These rooms have been turned over to the school and they are in use.</p> <p>Utility Relocations- Construction has not started.</p>			
<p>Budget Status</p>	<p>Original Budget</p>	<p>Current Budget</p>	<p>Estimated Expense</p>	<p>Under (Over)</p>
	<p>\$30,805,000</p>	<p>\$31,305,000</p>		
<p>Construction Contract Status House 2 Consolidated Enterprises Inc. (1C00136)</p>	<p>Original Contract Amount</p>	<p>Change Orders to date</p>	<p>Change order %</p>	<p>% Completion</p>
	<p>\$3,475,907</p>	<p>\$1,089,910</p>	<p>31%</p>	<p>82%</p>
<p>Construction Contract Status House 3 - Science Rooms Consolidated Enterprises Inc. (1C00141)</p>	<p>\$3,338,000</p>	<p>\$812,534</p>	<p>24%</p>	<p>91%</p>
<p>Construction Contract Status Utility Relocation KC Corporation (2C00169)</p>	<p>\$1,684,389</p>	<p>0</p>	<p>0</p>	<p>0</p>
<p><i>Schedule Status House 2</i></p>	<p>Original Completion Date</p>	<p>Completion Date from Prior Report</p>	<p>Change from Prior Report</p>	<p>New Completion Date</p>
	<p>Dec 15, 01</p>	<p>April 1, 02</p>	<p>21 Days</p>	<p>April 22, 02</p>
<p><i>Schedule Status House 3</i></p>	<p>Original Completion Date</p>	<p>Completion Date from Prior Report</p>	<p>Change from Prior Report</p>	<p>New Completion Date</p>
	<p>Aug 24, 01</p>	<p>March 1, 2002</p>		
<p><i>Schedule Status Science Rooms</i></p>	<p>Original Completion Date</p>	<p>Completion Date from Prior Report</p>	<p>Change from Prior Report</p>	<p>New Completion Date</p>
	<p>Aug 24, 01</p>	<p>Feb 1, 2002</p>		

<i>Schedule Status</i> <i>Utility</i> <i>Relocation</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	Aug 15, 02			

DENALI ELEMENTARY SCHOOL REPLACEMENT

Design Status	The project is in the bidding process.			
Construction Status	N/A			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$11,730,000	\$14,530,000		
Construction Contract Status	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	N/A			
<i>Schedule Status</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	N/A			

DIMOND HIGH SCHOOL REPLACEMENT

Design Status	The 95 percent Construction Document Design of Phase 2 of the project (demolition of the existing school and completion of site work) is in progress, with completion of the documents scheduled for November 2002.			
Construction Status	Construction continues on schedule. In academic areas light fixtures taping, painting, casework and tiling continues. Mechanical and electrical rough in is continuing at the other end of the building.			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$68,000,000	\$71,000,000	\$71,000,000	0
Construction Contract Status Alcan General, Inc. (1C00138)	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	\$45,584,000	\$493,628	1.1%	75%
<i>Schedule Status</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	July 31, 03	July 31, 03		

EAGLE RIVER HIGH SCHOOL

Design Status	The design fee negotiations with USKH, Inc. are in progress. There will be a design kickoff meeting with the community on April 17, 2002.			
Construction Status	N/A			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$3,000,000	\$3,000,000		
Construction Contract Status	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	N/A			
<i>Schedule Status</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	N/A			

EAST HIGH SCHOOL RENEWAL – PHASES 1, 2 & 3

Design Status	Phase 2 – Classrooms Shell – Schematic Design is scheduled for School Board approval on April 15, 2002, and Municipal Assembly approval on April 16, 2002. Phase 3 – Auditorium – Conceptual Design is scheduled for School Board approval on April 15, 2002, and Municipal Assembly approval on April 16, 2002.			
Construction Status	Phase 1 – Commons/Cafeteria – This area has been turned over to the School and food service started on April 8, 2002.			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$10,422,000	\$10,422,000		
Construction Contract Status EBCO (1C00150)	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	\$6,507,000	\$281,304	4%	66%
<i>Schedule Status Commons/Cafeteria</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	Feb 15, 02	April 1, 02		
<i>Schedule Status Science Rooms</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	Jan 17, 02	April 1, 02		

<i>Schedule Status Classroom Wing</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	Aug 01, 02			

SERVICE HIGH SCHOOL PHASES 1 & 2A

Design Status	Phase 2A – Houses 1 & 2/Building G – Schematic design is scheduled for School Board approval on April 15, 2002 and Municipal Assembly approval on April 23, 2002. Phase 1A Deferred – East parking lot upgrade – Design is complete and the bid opening is scheduled for May 7, 2002.			
Construction Status	Phase 1A - Sitework is complete, with only minor electrical punch list items remaining. Phase 1B – Science Wing – Preconstruction activities are proceeding for the start of construction on May 24, 2002.			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$7,140,000	\$7,140,000		
Construction Contract Status Science Wing EBCO (2C00164)	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	\$3,467,259	0	0	1%
<i>Schedule Status Science Wing</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	Aug 25, 02	Aug 25, 02		

SOUTH ANCHORAGE AREA HIGH SCHOOL

Design Status	The award of construction contract is scheduled for School Board approval on April 15, 2002.			
Construction Status	N/A			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$68,000,000	\$68,000,000		
Construction Contract Status	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	N/A			

<i>Schedule Status</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	N/A			

WENDLER RENEWAL - PHASE 1

Design Status	Phase 1 - The review of the A/E design development submittal has been completed.			
Construction Status	Sitework - Project is complete with the exception of track surfacing and minor punch list items and that will need to be completed next summer.			
Budget Status	Original Budget	Current Budget	Estimated Expense	Under (Over)
	\$6,045,000	\$6,045,000		
Construction Contract Status Summit Alaska (1C00145)	Original Contract	Change Orders to date	Change order Percentage	Percent Completion
	\$2,345,683	\$119,068	5%	88%
<i>Schedule Status</i>	Original Completion Date	Completion Date from Prior Report	Change from Prior Report	New Completion Date
	Aug 17, 01	Aug 5, 02		

2. ASD Memorandum #227 – Facility Project Report and Change Order Report for the Month of February

The monthly facility Project Report Update and Change Order Report for the month of February 2002, is attached. There are no exceptions to report this month.

3. ASD Memorandum #212 – Bartlett High School Renovation One Percent for Art (Revised)

On March 20, 2002 the District was informed by the Curator of Public Art at the Municipality of Anchorage that artwork for Bartlett High School was submitted with the incorrect amount of funds. The correct funding is \$36,000 not \$25,000. Chapter 7.40 of the Anchorage Municipal Code defines the process for selection and acquisition of art to be displayed in public places, including public school buildings. This code authorizes the Municipality to select the artist and the artwork, with a review of the proposed artwork by the School District only as to its safety and maintenance factors. The artwork has been reviewed and approved by

the District's Risk Management Department. The artists have agreed to their safety recommendations.

The Jury established for the Bartlett High School has chosen the artist to create the artwork for the school. The artwork consists of the following:

Artist:	Walter Kravitz, Washington, DC
Location:	Interior clerestory in Library
Artwork:	Untitled
Description:	Twenty Polycarbonate 5' high x 4' wide figures representing a diverse number of cultures and imagery will be suspended from the ceiling in the clerestory area.

Revised Budget:	\$36,000
Account Code	80029-5430

An advertised public hearing occurred on Thursday, January 3, 2002 from 1:00 – 2:00 pm at the Anchorage Museum of History and Art. Informal public hearings were held during January and February to get additional comments from PTSA members, students, etc. In accordance with the 1% for Art ordinance, the School Board may file an objection to this selection with the Public Art Committee by March 12, 2002 based upon technical reasons of safety or maintenance.

The jury included the following representatives: Principal Dr. Lewis Sears (initially) and then Principal Chuck Fannin; Daphne Brown, Kumin Associates, the Architect; Marty Quimby from the Arts Advisory Commission, John Reeder from the Historical and Fine Arts Commission; Kathy Vail Roche from the Urban Design Commission and the PTSA; Terri Jensen, an art teacher and faculty member at Bartlett High School; Kathleen Stevenson, former PTA President; Debbie Dubac, an artist and community member; and, Brittainy Edwards, a student.

Tim Steele is concerned about the abundance of hanging art in our schools. Mr. Steele asked Mr. Amsden if this is being taken into consideration due to the fact that this is an earthquake area. Mr. Amsden responded that the District is not responsible for the 1% Art Program. The Municipality of Anchorage owns all of the art in the schools. He also mentioned that all art selected is reviewed by the Risk Management Department.

4. ASD Memorandum #253 – Proposed Bond Sale

The voters of the Municipality of Anchorage approved Propositions 5 and 6 on April 2, 2002 in the total amount of \$98.625 million for various educational capital improvement projects. The Anchorage Assembly is scheduled to certify the Municipal Election on April 16, 2002. There are several projects within the two bond propositions that are time critical and need to proceed as soon as possible. In addition, the School Board previously approved forward funding of \$1.7 million on ASD Memorandum #101 on November 12, 2001. Based on cash flow projections provided by the Facilities Department for the projects authorized by the voters in the April 2002 election, the District anticipates needing approximately \$76 million within the next two years for anticipated expenditures.

In addition, the District has \$73.15 million of authorized and unsold bonds related to the April 1999 election. Voters approved Proposition 11 authorizing \$173.15 million of various educational capital improvement projects in April 1999. The Municipality of Anchorage, at the request of the District, previously sold \$35 million of general obligation bonds in August 2000 and \$65 million of general obligation bonds in June 2002 related to this voter authorization. Based on cash flow projections provided by the Facilities Department for these projects, the District anticipates needing an additional \$59 million within the next two years for anticipated expenditures.

We have requested a debt service schedule from the Municipal administration for a projected June 2002 bond sale in the amount of \$135 million. The amount would provide funding for the next two year for projects authorized by the voters in April 1999 and April 2002. After this sale, \$36.845 million of authorized and unsold bonds will remain.

Based on the debt service schedule received from the Municipality for the \$135 million proposed bond sale, the District will be submitting a resolution to the Anchorage Assembly to increase the upper limit of the FY 2002-2003 budget and the amount of tax appropriation. This resolution is scheduled for public hearing on April 23, 2002. This request must be approved by the Anchorage Assembly prior to the setting of the mill levy on April 23, 2002. We will be requesting an increase to the Debt Service Fund for the amount of principal and interest for FY 2002-2003 related to the proposed \$135 million bond sale. In addition, the District will be requesting an increase in tax appropriation for the General Fund based on updated information that provides for an increase to the tax cap limitation.

- I. PERSONS TO BE HEARD ON NON-AGENDA ITEMS
- J. COMMUNICATIONS & SCHOOL BOARD COMMENTS
- K. EXECUTIVE SESSION – (PERSONNEL/FINANCE/NEGOTIATIONS/
LITIGATION)
- L. ADJOURNMENT

The Special Meeting of April 15, 2002 was adjourned at 11:25 p.m. until April 16, 2002 at 5:00 p.m.

Peggy Robinson, President

Harriet Drummond, Clerk

Date Minutes Approved