

I. CALL TO ORDER

The special meeting of the Matanuska-Susitna Borough Assembly was held on November 7, 2000, at the Matanuska-Susitna Borough Assembly Chambers, Palmer, Alaska. The meeting was called to order at 4:07 p.m. by Mayor Timothy L. Anderson for the purpose of selecting a new borough manager.

II. ROLL CALL

Assembly members present and establishing a quorum were:

Mr. Larry DeVilbiss, Assembly District No. 1
Ms. Sara Jansen, Assembly District No. 2
Mr. Talis J. Colberg, Assembly District No. 3
Mr. Dan Kelly, Assembly District No. 4
Ms. Jody Simpson, Assembly District No. 5
Mr. Jim Colver, Assembly District No. 6
Ms. Kelly Lankford Ladere, Assembly District No. 7

Staff in attendance were:

Ms. Sandra Dillon, Borough Clerk
Mr. John Duffy, Acting Borough Manager
Mr. Michael Gatti, Borough Attorney

III. PLEDGE OF ALLEGIANCE

The pledge of allegiance was led by staff member, Nancy Trimble.

IV. NEW BUSINESS

A. Borough Manager Selection

Mayor Anderson spoke to Mr. Duffy's entitlement to an executive session.

Mr. Duffy stated that traditionally these types of personnel issues are dealt with in executive session, but advised that he is amicable to an open session if the assembly so desired.

Mr. Gatti clarified that Mr. Duffy would have to give prior consent to an open session.

Mr. Duffy gave his consent to discussion in an open session and members of the assembly expressed their appreciation.

Mr. Duffy discussed factors that he considered in the drafting of the employment agreement, including contracts of previous borough managers and current borough executives.

Assemblymember Jansen stated that she liked the simplicity of the employment agreement and opined that it is important to have continuity between all similar contracts.

The assembly discussed provisions of the employment agreement. Some of the items discussed include:

- a base salary;
- bonuses;
- leave time;
- and percentage step increases

Mr. Gatti explained that the borough manager is subject to all of the benefits that regular borough employees receive.

MOTION: Assemblymember Jansen moved to offer John Duffy the position of borough manager at an annual salary of \$89,000 with all the provisions of the employment agreement as presented.

Discussion continued regarding an adequate starting salary for the borough manager considering Mr. Duffy's level of experience.

MOTION: Assemblymember Kelly moved a primary amendment to increase the manager's starting salary to \$95,000.

Discussion followed on the proposed amendment.

VOTE: The primary amendment to increase the manager's starting salary from \$89,000 to \$95,000 failed with Assemblymembers Kelly and Simpson in favor.

MOTION: Assemblymember Colver moved to amend section 6 of the employment agreement to reflect an annual base salary of \$87,000, with 3 percent annual pay increases.

Discussion ensued regarding the 2 percent annual pay increase in employee contracts and how an increase in this percentage rate to the manager's agreement would affect other borough employees.

Mr. Gatti stated that this should have no affect on the employee contract.

Assemblymember Jansen stated that consistency with other contracts is preferable and inquired if Assemblymember Colver would entertain amending his motion to reflect a base salary of \$88,000, with a 2 percent annual pay increase.

WITHDRAW: Assemblymember Colver withdraw his previous motion. There was no objection to the withdrawal of the motion.

MOTION: Assemblymember Colver moved a primary amendment to amend section 6 of the employment agreement to reflect an annual base salary of \$88,000, with a 2 percent annual increase in salary.

Discussion followed regarding at what time salary increases would take place.

Mr. Duffy commented that he appreciated the comments made from the assemblymembers and made a request for a salary of \$89,000.

VOTE: The primary amendment to set the borough manager's base salary at \$88,000, with a 2 percent annual increase in salary, passed with Assemblymembers Jansen, Kelly, and Simpson opposed.

MOTION: Assemblymember Kelly moved a primary amendment to amend section 5 of the employment agreement to eliminate the provision for a performance evaluation after a three-month period.

Discussion ensued regarding the times allotted for performance evaluations in the employment agreement.

GENERAL CONSENT: The primary amendment to section 5 to eliminate the provision for a performance evaluation after a three-month period passed without objection.

MOTION: Assemblymember DeVilbiss moved a primary amendment to section 6 of the employee agreement to say, "The Assembly may, by motion, or assembly resolution, increase said base salary or other benefits provided in such amounts and [AT SUCH TIMES AS THE ASSEMBLY DETERMINES APPROPRIATE] at the time of the annual performance evaluation."

Discussion followed regarding the date of performance evaluations and that of Mr. Duffy's anniversary date.

Mr. Gatti advised that:

- all executives should be subject to an evaluation any time the assembly deems necessary;
- salary increases may occur at any time the assembly feels it appropriate;
- the employment agreement provides for annual performance evaluations each December;
- the employment agreement also provides that the assembly may increase the manager's base salary; and
- the assembly should maintain flexibility in the language of the employment agreement regarding performance evaluations.

VOTE: The primary amendment to strike and insert language in section 6 of the employment agreement to say "at the time of the annual employment evaluation" failed with Assemblymember DeVilbiss in favor.

MOTION: Assemblymember DeVilbiss moved a primary amendment to section 6 of the employment agreement to say, "The Assembly may, by motion, or assembly resolution, [INCREASE] **adjust** said base salary or other benefits provided in such amounts and at such times as the assembly determines appropriate."

Mr. Gatti explained that the language in question is discretionary.

VOTE: The primary amendment to strike the word "increase" and to insert the word "adjust" in section 6 of the employment agreement failed with Assemblymembers DeVilbiss and Kelly in favor.

VOTE: The main motion as amended passed without objection.

MOTION: Assemblymember Jansen moved for reconsideration of the main motion as amended.

GENERAL CONSENT: The motion to reconsider failed unanimously.

V. EXECUTIVE SESSION

(There was no executive session.)

VI. MAYOR AND ASSEMBLY COMMENTS

Ms. Dillon has no comments.

Very brief comments were given by the members of the assembly and the borough attorney, all congratulating Mr. Duffy as the new borough manager.

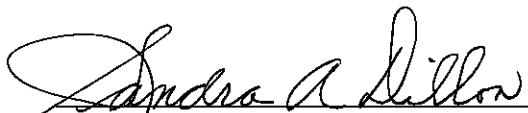
Mayor Anderson opined that the assembly and the borough made a good choice in selecting a manager. He further commented that he appreciated Mr. Duffy's willingness to hold the discussion in open session.

VII. ADJOURNMENT

The special assembly meeting adjourned at 5:10 p.m.


TIMOTHY L. ANDERSON, Borough Mayor

ATTEST:


SANDRA A. DILLON, Borough Clerk

Minutes approved: November 21, 2000