

ALASKA STATE LEGISLATURE
HOUSE COMMUNITY AND REGIONAL AFFAIRS STANDING COMMITTEE

February 23, 2010

8:03 a.m.

MEMBERS PRESENT

Representative Bob Herron, Co-Chair
Representative Cathy Engstrom Munoz, Co-Chair
Representative John Harris
Representative Wes Keller
Representative Charisse Millett
Representative Sharon Cissna
Representative Berta Gardner

MEMBERS ABSENT

All members present

COMMITTEE CALENDAR

HOUSE JOINT RESOLUTION NO. 39

Disapproving the Local Boundary Commission recommendation regarding the annexation of territory to the City of Fairbanks.

- HEARD & HELD

HOUSE JOINT RESOLUTION NO. 46

Urging Congressional support for the reauthorization of the Denali Commission.

- MOVED HJR 46 OUT OF COMMITTEE

PREVIOUS COMMITTEE ACTION

BILL: HJR 39

SHORT TITLE: DISAPPROVING FAIRBANKS ANNEXATION

SPONSOR(S): REPRESENTATIVE(S) T.WILSON

01/27/10 (H) READ THE FIRST TIME - REFERRALS

01/27/10 (H) CRA

02/23/10 (H) CRA AT 8:00 AM BARNES 124

BILL: HJR 46

SHORT TITLE: SUPPORTING DENALI COMMISSION

SPONSOR(S): COMMUNITY & REGIONAL AFFAIRS

02/19/10 (H) READ THE FIRST TIME - REFERRALS
02/19/10 (H) CRA
02/23/10 (H) CRA AT 8:00 AM BARNES 124

WITNESS REGISTER

REPRESENTATIVE TAMMIE WILSON
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: Spoke as the prime sponsor of HJR 39.

TERRY STRLE, Mayor
City of Fairbanks
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition to HJR 39.

CYNTHIA KLEPASKI, Assistant Borough Attorney
Department of Law
Fairbanks North Star Borough
Fairbanks, Alaska

POSITION STATEMENT: Encouraged the committee to pass HJR 39.

MICHAEL LAMB, Chief Financial Officer
Fairbanks North Star Borough
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, answered questions.

ERLING JOHANSEN, Assistant Attorney General
Labor and State Affairs Section
Department of Law
Anchorage, Alaska

POSITION STATEMENT: During hearing of HJR 39, offered information.

LYNN CHRYSTAL, Chair
Local Boundary Commission
Valdez, Alaska

POSITION STATEMENT: During hearing of HJR 39, reviewed the process the LBC followed with the Fairbanks annexation.

DOMINIC LOZANO, President
Fairbanks Firefighters Association;
Member, Fairbanks Fire Department
Fairbanks, Alaska

POSITION STATEMENT: Testified in opposition to HJR 39.

BILL SCHECHTER

University Fire Service Area Commission
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, expressed concerns with the proposed annexation.

VIVIAN STIVER, Member
Fairbanks City Council
City of Fairbanks
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, opposed annexing the [Fred Meyer] parcel.

EDITH CURRY, Chief
University Fire Department
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, explained the details of the University Fire Department.

BILL ZORB
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HJR 39 and opposition to the annexation.

HANK BARTOS, Member
Fairbanks North Star Borough Assembly
Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HJR 39.

SENATOR JOE PASKVAN
Alaska State Legislature
Juneau, Alaska

POSITION STATEMENT: During hearing of HJR 39, testified in support of the LBC's determination on the proposed Fairbanks annexation.

BRENT WILLIAMS, Staff Supervisor
Local Boundary Commission
Division of Community and Regional Affairs
Department of Commerce, Community, & Economic Development
Anchorage, Alaska

POSITION STATEMENT: During hearing of HJR 39, answered questions.

MIKE PRAX
North Pole, Alaska

POSITION STATEMENT: Encouraged the committee to forward HJR 39 so that the entire legislature can vote on it.

MERRICK PIERCE

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HJR 39.

FRANK TURNEY

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HJR 39.

GLEN DESPAIN

Fairbanks, Alaska

POSITION STATEMENT: Urged passage of HJR 39.

HARRY DAVIS

Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, testified in support of annexation.

SHERRELYN ARGEND

Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, asked for the committee's help.

JERRY CLEWORTH, Member

Fairbanks City Council

City of Fairbanks

Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, characterized the proposed annexation as about money not services.

GLENN SHAW

North Pole, Alaska

POSITION STATEMENT: Testified in support of HJR 39.

ASA DOWDY

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HJR 39.

LADD MCBRIDE

Fairbanks, Alaska

POSITION STATEMENT: Testified in support of HJR 39.

PATRICK COLE, Chief of Staff

City of Fairbanks

Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, reviewed the history of the proposed annexation.

LAREN ZAGER, Chief of Police
Fairbanks Police Department
City of Fairbanks
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, expressed his belief that the Fairbanks Police Department is prepared to provide service to the area proposed to be annexed.

BEN STEWART
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, expressed the need for there to be a vote on this matter.

ERNIE MISEWICZ, Assistant Fire Chief
Fairbanks Fire Department
City of Fairbanks
Fairbanks, Alaska

POSITION STATEMENT: During hearing of HJR 39, expressed concern about public safety were the annexation approved.

ACTION NARRATIVE

[8:03:01 AM](#)

CO-CHAIR BOB HERRON called the House Community and Regional Affairs Standing Committee meeting to order at 8:03 a.m. Representatives Herron, Munoz, Keller, and Gardner were present at the call to order. Representatives Harris, Millet, and Cissna arrived as the meeting was in progress. Also in attendance were Representatives Guttenberg, Ramras, Kawasaki, and Johanson as well as Senators Thomas and Paskvan.

HJR 39-DISAPPROVING FAIRBANKS ANNEXATION

[8:03:24 AM](#)

CO-CHAIR HERRON announced that the first order of business would be HOUSE JOINT RESOLUTION NO. 39, Disapproving the Local Boundary Commission recommendation regarding the annexation of territory to the City of Fairbanks.

[8:04:01 AM](#)

REPRESENTATIVE TAMMIE WILSON, Alaska State Legislature, speaking as the prime sponsor of HJR 39, explained that HJR 39 would disapprove the Local Boundary Commission's (LBC) decision to annex two territories in the Fairbanks North Star Borough. The disapproval, she related, is primarily based upon the fact that residents weren't provided the opportunity to vote on the annexation, which most oppose. Furthermore, the annexation would slow emergency response time to the annexed areas. Representative T. Wilson reminded the committee that the LBC is a statewide five-member commission that processes petitions on incorporation of cities, boroughs, and unified municipalities, reclassification of cities, and municipal annexations, detachments, dissolutions, mergers, and consolidations. She further reminded the committee that under Article X, Section 2, the legislature is the final reviewer of boundary change proposals. She then explained that there are two processes through which annexation can be initiated. One process is via a proposal that is ultimately forwarded to the legislature for review, which is the case with this resolution. The second process is local action in which residents vote on the boundary change. In either case, the LBC must approve and is involved in the process. In the case of the Fairbanks annexation, the residents didn't vote on a petition and thus the legislature serves as a substitute for the vote of the people impacted in this area. Regarding whether the residents in the affected areas want annexation, Representative T. Wilson related that over 90 percent of the residents living in and around the enclave lots and 100 percent of the businesses in the commercial subdivision oppose annexation. After approaching the enclave lot owners, it was determined that only one homeowner wanted to be annexed. That homeowner could be annexed into the borough because the LBC has a provision that those residents who desired becoming part of the city could do so by petitioning the city. She noted that the committee packet includes letters in opposition to the annexation from the three commercial entities that would be impacted. Additionally, the Fairbanks City Council has been split on the proposed annexation. The Fairbanks North Star Borough and Assembly have consistently opposed the annexation, she noted.

REPRESENTATIVE T. WILSON stated that there are a number of other reasons to disapprove the LBC's report, which are outlined in the sponsor statement. There were a number of legal standards that were misconstrued. For instance, as regulation specifies, annexation shouldn't take place if it causes a detriment to emergency services. She cautioned that she's not speaking about whether the city or the borough has better police or fire

service. The issue, she said, is the proximity of emergency services for the area to be annexed. The fire service area station is a few blocks from the area to be annexed while the city fire station is a few blocks away from the area to be annexed.

REPRESENTATIVE T. WILSON explained that at the beginning of session, the LBC report was [provided to the legislature]. If no action is taken in 45 days, the annexation would be approved. However, a resolution to disapprove the annexation can be introduced, which is the case with HJR 39. This resolution provides a venue for the residents of the area to be annexed to have their voices heard by the committee. In conclusion, Representative T. Wilson requested that the committee disapprove the LBC report by supporting HJR 39 because the annexation will harm public safety and negatively impacts the Fairbanks North Star Borough and fire service area budgets. Furthermore, an overwhelming majority of residents oppose the annexation. She reminded the committee that the legislature only has until March 4th to respond.

[8:09:39 AM](#)

CO-CHAIR HERRON recalled testimony that the annexation petition wasn't voted on by the residents.

REPRESENTATIVE T. WILSON clarified that the legislative review process doesn't allow a vote while the local process does. She informed the committee that the enclave lots have held a vote in which those residents voted down annexation by the city. The city, she opined, should be able to sell its services [in order for annexation to occur]. She further opined that the legislative review process should only occur when there are no residents in the area to be annexed.

[8:11:27 AM](#)

CO-CHAIR MUNOZ inquired as to the process that would've resulted in a vote by the area to be annexed.

REPRESENTATIVE T. WILSON explained that the process would've begun as a vote. A petition would've still been forwarded to the LBC for review and a decision as to whether the annexation did or did not meet the standards. Once the annexation met the standards, a vote would've been taken. In further response to Co-Chair Munoz, Representative T. Wilson clarified that the [petitioner, which is the entity that petitions for the

annexation] chooses the process. In this case, the City of Fairbanks chose the legislative review process under which a vote is not required.

[8:12:27 AM](#)

CO-CHAIR HERRON asked if the LBC could've asked the petitioner to utilize the vote process.

REPRESENTATIVE T. WILSON answered that she didn't believe so as she said she understands it was up to the City of Fairbanks, as the petitioner, to choose the process it wanted to follow. The LBC could've denied the legislative review, she offered.

[8:14:05 AM](#)

TERRY STRLE, Mayor, City of Fairbanks, reminded the committee that the City of Fairbanks lies within the Fairbanks North Star Borough. There are about 30,000 residents within the City of Fairbanks and 70,000 residents within the borough. Over the course of many years, the City of Fairbanks has used annexation sparingly. She explained that the part of the annexation referred to as the enclave lots includes a mix of houses in the city and out of the city, which she attributed to the utilities and utility services in the area. Mayor Strle acknowledged that the legislative process doesn't allow residents to vote on the annexation. The city didn't believe that the residents of the enclave community, who have received city services for free for many years, would've voted for the annexation. The enclave residents have their streets are plowed and potholes filled [by the city]. In fact, she related her understanding that many of the enclave residents take their garbage across the street to their neighbor for pickup. The enclave residents should be in the city as they have been benefiting from the city for many years. The other part of the annexation is the Fred Meyer subdivision, which has no [residents]. She informed the committee that as part of the annexation process, everyone who would be impacted was alerted. Prior to the council taking the vote to proceed with the annexation, Fred Meyer and Mt. McKinley Bank both wrote letters in opposition to the annexation. However, neither of those businesses or Taco Bell chose to oppose the annexation with the LBC. This has been a two-year process in which there were multiple opportunities for businesses and residents to oppose the annexation, but they chose not to do so. She referred to a map and binders that hold the lengthy amount of information on the annexation. She

characterized this annexation process as exhaustive and praised the LBC staff and commissioners for doing an exceptional job.

MAYOR STRLE emphasized that the City of Fairbanks has been providing services to the areas proposed for annexation for some time already. She noted that she attended a recent University Fire Service Area (UFSA) meeting during which the commissioners noted that there is currently inadequate commercial fire and building code inspections. The UFSA is the area that serve s the Fred Meyer subdivision. The commissioners were looking to the University of Alaska Fire Department to perhaps take on fire and building code inspections in the future. Mayor Strle told the committee that some of the commercial facilities in the area to be annexed have never been inspected, unlike those in the city. The aforementioned was considered by the LBC. The city wouldn't have started this process without having the confidence that it could provide full city services, including police, fire, and emergency medical service (EMS). She noted that she provided the committee with letters of support from an EMS doctor, a hotel and apartment complex, and the Alaska State Troopers. Having the City of Fairbanks annex this area would relieve a small portion of the burden on the Alaska State Troopers who currently provide services in the area to be annexed. There has been no formal opposition to this annexation. In conclusion, Mayor Strle reiterated that this has been an exhaustive and thorough annexation process during which the LBC acted appropriately. Therefore, she encouraged the committee to vote against HJR 39.

[8:20:59 AM](#)

MAYOR STRLE, in response to Representative Keller, clarified that the annexation does include the enclave lots and the commercial subdivision.

[8:21:33 AM](#)

MAYOR STRLE, in response to Representative Guttenberg, related that the UFSA is opposed to the annexation. However, during the aforementioned UFSA meeting there was discussion of the need for fire code inspections for UFSA businesses. These inspections were felt to be important in terms of the quality of service provided as well as the [safety it provides] for the volunteers who are the UFSA responders.

[8:22:34 AM](#)

REPRESENTATIVE GARDNER, referring to a document entitled "Fact Sheet City of Fairbanks Annexation," directed attention to the claims from Marc Dumas, MD, EMS, that city paramedics provide a higher level of service than the UFSA EMT students from a substation that isn't always staffed. However, the sponsor has pointed out that UFSA is located closer to the area to be annexed and can respond more quickly in the event of an emergency. She surmised that Dr. Dumas' comments seem to indicate that the medical response for UFSA by students.

MAYOR STRLE said that although she didn't want to discount the services UFSA provides, the station is mostly manned by students who are learning.

[8:24:50 AM](#)

REPRESENTATIVE GUTTENBERG expressed concern that the City of Fairbanks didn't bifurcate the proposal and have an annexation proposal for the enclave lots and another for the Fred Meyer subdivision.

MAYOR STRLE characterized this annexation, with a combination of residential and commercial areas, as a very common practice. When the city originally reviewed the annexation, the city focused on the Fred Meyer subdivision. However, when reviewing the map a question arose regarding the enclave lots. The LBC, in a previous annexation, recommended including the enclave lots in the annexation.

[8:25:41 AM](#)

REPRESENTATIVE GUTTENBERG pointed out that the areas within the annexation are so very different: a residential area and a commercial facility. He questioned whether it would've been more efficient to have separated the different annexation areas.

MAYOR STRLE replied no, both areas have received city services for many years and haven't contributed to the city's revenue stream for those services. For instance, city police respond to an accident on the corner of University and Airport Road even though it's a state-maintained road. Furthermore, the city police have the only technology to respond to a bank robbery; there are two banks in the area to be annexed. Both of the areas proposed to be annexed benefit from city services yet they don't contribute to the city.

[8:27:03 AM](#)

REPRESENTATIVE GUTTENBERG questioned whether that could be said about all of the communities along the city's boundary.

MAYOR STRLE acknowledged that such could be said, and added that the City of Fairbanks needs to receive revenue for those who benefit from its services. Therefore, she expressed the need to form a committee for future annexations as there have been comments regarding the need to look larger with future annexations. She told the committee that her philosophy has been to start small with annexation.

[8:28:49 AM](#)

CO-CHAIR HERRON characterized the City of Fairbanks annexation as an "interesting carve out." He inquired as to why the residents south of Fred Meyer weren't considered in this annexation.

MAYOR STRLE related that although the aforementioned area was considered for annexation, the area proposed for annexation was chosen because it's already receiving city services. She recalled that the residents behind the Fred Meyer subdivision have related that they receive response from the Alaska State Troopers, the University police, as well as the city police. However, the city is clearly [a responder] at the Fred Meyer subdivision.

[8:30:34 AM](#)

REPRESENTATIVE HARRIS inquired as to why the city is providing services to these residents who don't pay for them.

MAYOR STRLE replied that the city is part of a community and it cares about that community. The city has long had a working relationship with the Alaska State Troopers. In a situation in which the city police are closer for a particular call, the city police will respond. The majority of the residents of the Fairbanks North Star Borough think Fred Meyer West is part of the community. Furthermore, it would be a tragedy not to respond to an incident that's just across the street. In fact, Mayor Strle opined that when Fred Meyer chose the spot to construct it likely realized that as well.

[8:31:47 AM](#)

REPRESENTATIVE HARRIS inquired as to how long the city has offered its services to these residents for free.

MAYOR STRLE recalled that Fred Meyer has been there for more than 30 years. As a 30-year member of the community, Mayor Strle opined that the City of Fairbanks has been [providing services in the area to be annexed].

REPRESENTATIVE HARRIS surmised then that the City of Fairbanks has been offering services for some time and hasn't received any revenue for those services, which the city likely won't stop offering.

MAYOR STRLE noted her agreement with that assessment. She then reminded the committee that the quality of service the city provides is something that the borough isn't able to provide. The city is able to provide building code inspections and public works as well as fire and police services. The LBC reviewed the basket of services that the City of Fairbanks could provide to this very populated area. She opined that what the city can provide is in the best interest of residents of the borough.

[8:33:24 AM](#)

REPRESENTATIVE HARRIS surmised then that Mayor Strle believes the LBC hasn't done anything wrong and followed the letter of the law.

MAYOR STRLE replied yes, although she acknowledged that there are those who don't believe the legislative process is appropriate.

[8:34:59 AM](#)

CYNTHIA KLEPASKI, Assistant Borough Attorney, Department of Law, Fairbanks North Star Borough, informed the committee that the Fairbanks North Star Borough Assembly passed several resolutions opposing this annexation. The borough isn't opposed to all annexations; the borough doesn't oppose annexations that make sense. The borough doesn't believe the annexation of the Fred Meyer property to the city makes sense. Ms. Klepaski opined that the legislative review process is very important, especially when the area to be annexed has no voters and/or no vote of the residents in the area to be annexed is taken. She further opined that this proposed annexation of the Fred Meyer subdivision is going to create the same enclave situation that the city is trying to resolve. The Fred Meyer subdivision is

surrounded on three sides by the borough and the annexation doesn't include the residential subdivision to the south nor does it include the business district to the west of the Fred Meyer subdivision. The borough believes those residential areas aren't included because it would mean the city would face new streets to plow and garbage to collect. Furthermore, the businesses to the west of the Fred Meyer subdivision would require many services, much more than the Fred Meyer subdivision. All of the aforementioned would increase the city's costs. Ms. Klepaski said that there has been no showing of need for this annexation. Although Fred Meyer and Mt. McKinley Bank wrote letters opposing the annexation at the beginning of the process and made no comments since, those letters in opposition to the annexation are on the record. She then directed the committee's attention to an aerial map showing the distances between all the fire stations in the area and the Fred Meyer West subdivision. The University Fire Station 2 is .6 miles from Fred Meyer and is the closest responder. The City of Fairbanks main fire station is located 3.1 miles from Fred Meyer and would have to travel one of the busiest roads in Fairbanks and through 10 lighted intersections to access the Fred Meyer subdivision. Although the fire trucks and ambulances have the ability to change the light, one must slow down and manage through the intersections. The faster the response to a major medical incident, such as a heart attack, the more likely lives will be saved and people helped, she remarked.

8:41:10 AM

MS. KLEPASKI informed the committee that this proposed annexation would remove the second largest taxpayer in the UFSA. The municipality, she opined, believes it's poor public policy for one municipality to financially cannibalize another. She explained that borough residents would face an increase in taxation in order to cover the loss of revenue from the annexation. However, there would be an increase to the city coffers by over \$600,000, but only cost the city \$52,000. The \$52,000 is specified in the petition by the city. Therefore, the legislature should perform a cost benefit analysis, especially when there's no public vote on the proposed annexation. Ms. Klepaski opined that the taxpayers aren't obtaining a good deal as there are increases to the borough residents because of the loss of the alcohol tax and the nonareawide taxes charged in the area proposed to be annexed. Furthermore, there would be an increase in cost to UFSA because of the loss of the property taxes as well as an increase in costs to the Fred Meyer subdivision owners in terms of property

taxes, fees, and licenses. She estimated that the increase for the Fred Meyer subdivision owners would be approximately \$68,000 per year, although there is no significant increase in services. With regard to the mention of the building codes, Ms. Klepaski pointed out that the buildings are already built and unless there is new construction there wouldn't be an increase in those services. There are no streets to clear or maintain and no garbage collection within the subdivision and the subdivision already has fire and ambulance service, which is closer than the city's fire and ambulance service. Ms. Klepaski opined that there has been no showing of need for the annexation. The city is proposing to annex a high-income producing property and not the residential area to the south or the older commercial area to the west. Moreover, UFSA is closer to the Fred Meyer subdivision and can more efficiently provide services to it. In conclusion, Ms. Klepaski expressed hope that the committee will pass HJR 39.

[8:44:20 AM](#)

CO-CHAIR MUNOZ inquired as to how the borough mill rate compares to the city's mill rate.

MS. KLEPASKI clarified that the figures she has provided to the committee, the loss of \$480,000 by the borough and the increase to the city of \$600,000, don't take into account the areawide taxes that the borough would continue to charge in both areas. She explained that if the annexation passed, the EMS, solid waste, economic development, and UFSA taxes wouldn't be taxed to the Fred Meyer subdivision. However, the 4.9 mill rate that the city currently taxes its residents would tax the subdivision. Therefore, the difference plus the loss in alcohol tax would result in a total loss of about \$480,000 and the city would gain about \$660,000.

[8:45:50 AM](#)

REPRESENTATIVE HARRIS asked if Ms. Klepaski believes the LBC has followed the law.

MS. KLEPASKI replied yes. However, the borough believes the process was flawed in the following two ways. Firstly, the LBC didn't allow direct examination of the borough's witnesses although the LBC treated the process as quasi judicial. More importantly, neither party was allowed to cross examine the witnesses on the other side. The aforementioned can result in not airing all the information. Secondly, the LBC required that

the LBC member from the Fourth Judicial District, Tok, be recused, although he would be most knowledgeable of the area to be annexed. This LBC member was forced to be recused because his daughter worked for the Fairbanks North Star Borough.

[8:47:36 AM](#)

REPRESENTATIVE HARRIS expressed concern with the claim in the committee packet that if the proposed annexation is approved, the first response for fire service in the annexed area would be approximately eight times longer than the current response time. Is that the case because UFSA wouldn't respond if the area is annexed, he asked.

MS. KLEPASKI replied yes, adding that the city would be the first responder.

REPRESENTATIVE HARRIS asked if UFSA would stop responding if the annexation is approved.

MS. KLEPASKI replied no, and explained that there is a mutual aid agreement between the UFSA and the city, which would continue. During the testimony before the LBC, it was related that UFSA provides more mutual aid to the city than does the city to outside its boundaries. Ms. Klepaski said that under the mutual aid agreement, the UFSA would still respond in the city, when requested. However, when an ambulance is called, the city would be the first responder.

[8:49:59 AM](#)

REPRESENTATIVE GUTTENBERG inquired as to how much of the burden of making up the loss of revenue will be borne by the property taxpayers in the city.

[8:50:41 AM](#)

MICHAEL LAMB, Chief Financial Officer, Fairbanks North Star Borough, explained that basically four taxing jurisdictions would be impacted. [If the annexation is approved] the city residents would face an increase in the areawide total mill rate to help cover the loss of the alcohol tax revenue from Fred Meyer. Essentially, every taxpayer in the borough will pay more taxes, but city residents will pay proportionally less taxes than UFSA residents who will be hit the hardest. With regard to the earlier question about the differential, Mr. Lamb explained that if the areawide [tax] is set aside and the Fred Meyer

properties are only reviewed, the difference in the city mill rate versus the cost for EMS, there is a 2.112 mill difference increase in the cost to the Fred Meyer businesses, which is about \$52,000 per year in additional cost.

[8:53:20 AM](#)

ERLING JOHANSEN, Assistant Attorney General, Labor and State Affairs Section, Department of Law, interjected that the case is a 602 appeal to the superior court filed by the borough.

[8:53:35 AM](#)

LYNN CHRYSTAL, Chair, Local Boundary Commission, informed the committee that about a year-and-a-half ago the city approached the LBC staff and asked questions, which resulted in the beginning of the process. The process begins by the staff answering questions and holding short hearings that are held in the Fairbanks area after notice has been given. Eventually, the LBC receives a preliminary report that evolves into a final report. After the final report, there is a public hearing. This process evolves over the course of many months and the attorney general's office is closely involved. With regard to the earlier testimony that the LBC member was forced to recuse himself, Mr. Chrystal said that's false. The LBC member, Mr. Wilson, asked the LBC to be recused because his daughter is the Fairbanks North Star Borough attorney, which is reflected in a set of LBC minutes.

[8:55:37 AM](#)

CO-CHAIR HERRON asked if Mr. Wilson would've been able to remain involved if his daughter recused herself from anything regarding the petition.

MR. CHRYSTAL said he couldn't answer that question.

[8:56:28 AM](#)

REPRESENTATIVE GUTTENBERG asked if the LBC obtained a legal opinion regarding whether being bias or having a conflict of interest is a reason for recusal.

MR. CHRYSTAL deferred to Mr. Johansen.

[8:57:16 AM](#)

REPRESENTATIVE HARRIS related his understanding that the LBC is a five-member commission and it takes a normal majority, three members of a five-member committee, to pass any items.

MR. CHRYSTAL stated his agreement. In further response to Representative Harris, Mr. Chrystal informed the committee that it was a 3:1 vote [on the Fairbanks annexation].

[8:58:22 AM](#)

MR. CHRYSTAL recalled the earlier testimony regarding the small enclave lots that were mixed city and borough lots. He related that during the annexation hearing process, both the city and the borough agreed that the enclave lots should be annexed, although the testimony today indicates otherwise. Mr. Chrystal related that the LBC doesn't actively pursue annexations, rather it addresses those petitions for annexation that it receives.

[8:59:19 AM](#)

CO-CHAIR HERRON made the observation that the LBC consists of outstanding Alaskans, but most of the LBC members are relatively new to the process, save the member from Barrow.

MR. CHRYSTAL agreed, adding that he has only been with the LBC for three years. He acknowledged that there have been a few resolutions before the legislature, but none have been overturned in over 20 years.

[9:01:11 AM](#)

REPRESENTATIVE GUTTENBERG asked if the LBC considered including the residential subdivision to the south and the west of Fred Meyer.

MR. CHRYSTAL responded that the LBC reacted to what the City of Fairbanks proposed to the LBC. The LBC didn't try to change the City of Fairbanks area. In further response to Representative Guttenberg, Mr. Chrystal acknowledged that the LBC could have made changes to the proposal.

[9:02:13 AM](#)

CO-CHAIR HERRON asked if Commissioner Harrington's decision of dissent was discussed and debated at the commission level.

MR. CHRYSTAL replied yes, during the public hearing. In further response to Co-Chair Herron, Mr. Chrystal confirmed that the dissenting opinion was published at the same time as the majority opinion. He opined that it was a narrow dissent that focused on only one issue.

[9:03:31 AM](#)

MR. JOHANSEN, in response to earlier questions, referred to Article X, Section 3, of the LBC bylaws of June 2, 2009, in which it says:

(3) Unless exempted under (b) of this section, a member of the commission may not participate in a proceeding if the member has a personal interest in or is affiliated with a party to the proceeding or an organization that advocates a position with respect to the proceeding.

MR. JOHANSEN recalled that the authority for the recusal was referenced in the minutes addressing the recusal.

[9:04:28 AM](#)

REPRESENTATIVE HARRIS asked if Mr. Chrystal wanted to address the borough attorney's comments regarding the lack of cross examination of the witnesses.

MR. CHRYSTAL said he didn't want to comment on that matter because it's part of the lawsuit. In further response to Representative Harris, Mr. Chrystal clarified that the borough wasn't in favor of the Fred Meyer annexation, but the city and the borough agreed that the enclave lots should be annexed.

REPRESENTATIVE HARRIS related his understanding that the borough now opposes the entire annexation. He then inquired as to when that change of position occurred.

MR. CHRYSTAL answered that he didn't know when the borough changed its position on the enclave lots.

[9:06:05 AM](#)

CO-CHAIR HERRON informed the committee that it could go into executive session to ask questions of the LBC that it can't answer in a public hearing due to the administrative appeal.

9:07:34 AM

DOMINIC LOZANO, President, Fairbanks Firefighters Association; Member, Fairbanks Fire Department, related his opposition to HJR 39. Although this annexation has [resulted in accusations] that one fire department does a better job than another fire department, both fire department's have their advantages. Obviously, the UFSA department is much closer to the Fred Meyer commercial property. There has also been an argument that the City of Fairbanks Fire Department provides paramedic level service rather than EMT level service, which is provided by UFSA. Noting that he may be biased since he is a paramedic, Mr. Lozano opined that paramedics can provide better service, particularly for major life-threatening injuries. With regard to the fire department side of the matter, he pointed out that each department uses different strategies in terms of staffing and such. In fact, Mr. Lozano stated that a fire at the Fred Meyer property would result in the presence of both fire departments. Furthermore, a large fire at Fred Meyer would likely require every firefighter in the borough and there would still likely not be enough. However, he highlighted that the City of Fairbanks Fire Department would offer fire prevention in terms of inspections and code enforcement. He emphasized the importance of inspections, particularly at the Taco Bell property. He estimated that approximately 90 percent of the fire responses to commercial restaurants are due to grease concerns. With regard to the enclave lots, Mr. Lozano opined that it's a "no-brainer" that they should be part of the city. Technically, the City of Fairbanks Fire Department isn't supposed to respond to a fire that's not in the city limits. The borough has had this problem several times, and in fact it forced annexation of properties into fire service areas in order to avoid fire departments trying to determine which properties are under the city's purview and which aren't. Mr. Lozano expressed the need to move on from this two-year process and the need for the city to grow. In conclusion, he related that the firefighters oppose HJR 39.

9:12:21 AM

BILL SCHECHTER, University Fire Service Area Commission, related that the UFSA Commission's only concern is that the 8,000-plus customers of Fred Meyer and its employees plus the customers and employees of the other businesses in the area to be annexed will experience a change in the level of service they've come to expect. Fred Meyer was constructed in 1991 and the UFSA was constructed about four years ago. Those in the Fred Meyer

parcel have come to expect a rapid response, which is vital to the survivability of medical patients and fire suppression. Mr. Schechter agreed with Mr. Lozano's comments regarding that there are two excellent fire departments and that paramedics are trained to a higher degree than the EMT3 advanced level that staffs UFSA. However, since 1991, there has never been a case in which a paramedic was needed in a medical emergency that EMT3 advanced wasn't able to handle; there has never been any complaints from the family of the patient or the hospital. The purpose of the Fire Commission is to address the change in terms of the survivability of patients due to the distance of the [primary responder] if the annexation is approved. The LBC made a decision based on the parameters of the state constitution and statute, but the framers didn't foresee the future to the degree of complexity this matter faces today. He opined that he didn't believe the framers of the constitution intended for any citizen to suffer because of the actions of the LBC, which is what will happen [if the annexation is approved].

[9:16:18 AM](#)

VIVIAN STIVER, Member, Fairbanks City Council, City of Fairbanks, said that she doesn't oppose annexation, however, this annexation doesn't make sense, specifically tying the commercial and residential parcels together. With regard to the public safety aspect, Ms. Stiver agreed that Fairbanks has two excellent fire departments. The UFSA provides a minute response time to Fred Meyer due to its proximity to Fred Meyer. It's a known and proven fact that response time impacts survivability, and therefore [UFSA] is a huge blessing to public safety [in the Fred Meyer area]. Regarding the discussion about care from a paramedic versus an EMT3, Ms. Stiver highlighted the close proximity to the hospital. She then explained that although both a paramedic and EMT3 are trained in procedures, the EMT3 must have a physician on the phone to direct their activities whereas a paramedic doesn't. Since the hospital is in town, the difference between paramedic and EMT3 is not of concern as it might be in a rural area. Ms. Stiver said that she's not in favor of taking the [Fred Meyer] parcel because it will lower response time. Currently, the average response time of [the city fire department] is four minutes and forty-one seconds, which is at the far end of [acceptable] response time. She opined that it would be a different situation if UFSA didn't exist, but since it does it's paramount to the service the area receives. Furthermore, there are multiple calls in the city and thus there is risk when all the city fire department staff is out on calls. Ms. Stiver opined that the city has received

quite a bit of mutual aid, which doesn't kick in for a fire until the city is on the scene. However, for an ambulance call, the city responds if available or calls for help if not. In a fire, the city has to be on scene first to evaluate the situation and then call for mutual aid, which relates to the critical issue of response time. The city, she charged, missed the opportunity to annex this property when it didn't have the appropriate fire coverage.

9:20:05 AM

EDITH CURRY, Chief, University Fire Department, told the committee that the University Fire Department did seek deferred authority in [the parcel to be annexed] some years ago in order to provide a higher level of service to the service area residents. She acknowledged that the University Fire Department is staffed by students and have for over 50 years. These students complete the recruit academy and are State Firefighter 1 and nationally certified. The students go up to EMT3 advanced, and as mentioned earlier at all times they are under the guidance and supervision of staff. There is 11 staff who are assigned to each station with the University Fire Department. In fact, staff members usually ride along for any code 3, cardiac, or serious call. These staff have 20-plus years experience and can match any paramedic. She highlighted that although [the University Fire Department] has never needed paramedic level service, a couple are kept on staff. The trip to the hospital is only about five or six minutes. Ms. Curry told the committee that there have been a couple of fires at Fred Meyer that the University Fire Department has handled because it's a large enough fire department. Therefore, she emphasized that the University Fire Department does well with what it has. She noted her agreement with earlier testimony that this shouldn't be made to be an issue between the fire departments.

9:21:59 AM

BILL ZORB related his strong support for HJR 39, and therefore opposition to this proposed annexation. Since most of the reasons why this proposed annexation shouldn't occur have been addressed, he said that he would limit his comments to the two he felt are most important. First and foremost is the safety issue, the University Fire Service station is located less than a half mile from Fred Meyer West, and has a response time of less than a minute to that location. The closest city fire station is over three miles away, and thus will have a longer

response time. As stated earlier, that time difference can easily be the difference between life and death in some medical emergencies. As a frequent shopper at Fred Meyer West, he said he would rather have an EMT3 from the University Fire Service Department that can arrive in one minute as opposed to a paramedic that may not arrive until six to seven minutes or more. With regard to annexation without representation, Mr. Zorb highlighted that this annexation wasn't requested by any of those who would be impacted by it. He reminded the committee that Fred Meyer, Taco Bell, and other major businesses in the parcel to be annexed wrote letters opposing the annexation to the LBC. Likewise, only one of the owners of the enclave lots has expressed an interest in being annexed. Although the LBC and legislative processes don't require involving those in the area to be annexed, it seems to be common sense. In conclusion, Mr. Zorb related his strong support for HJR 39, which he encouraged the committee to forward.

[9:25:04 AM](#)

HANK BARTOS, Member, Fairbanks North Star Borough Assembly, related his support for HJR 39. He opined that this is a safety issue. He, too, highlighted the closer location and quicker response time from the University Fire Department for the area to be annexed. Mr. Bartos said, "Time is tissue. Finances are important, but life should triumph money." Furthermore, there has been no showing of need for this annexation. Mr. Bartos then said, "One municipality shouldn't be allowed to financially cannibalize another." Although this annexation would remove the second largest taxpayer from the service area and the borough would lose close to \$500,000 annually, the LBC determined that the impact to the borough's taxpayers was di minimus. Furthermore, Fred Meyer subdivision owners would face an increase in taxes in the amount of about \$68,000. Mr. Bartos then contended that the annexation didn't receive a fair hearing as there was no cross examination [of witnesses]. For instance, the box stores in the area that are within the city limits don't receive any road service or maintenance. Also, the LBC member from the Fourth Judicial District wasn't allowed to participate, even though he had no financial interest in the matter and his daughter, the Fairbanks North Star Borough attorney, recused herself from participating in the matter. Mr. Bartos opined that this LBC member should've been allowed to participate.

[9:27:50 AM](#)

REPRESENTATIVE HARRIS recalled earlier testimony that at one point the borough supported the annexation of the enclave parcels, but opposed the Fred Meyer subdivision parcel.

MR. BARTOS said that he didn't know since he wasn't part of the assembly during that time. However, he recalled that when the LBC voted on this annexation, it was a tie vote. At that point, the LBC split the question and each question passed.

[9:29:23 AM](#)

SENATOR JOE PASKVAN, Alaska State Legislature, related his support of the LBC's determination on the proposed Fairbanks annexation. He said he has read the LBC's Statement of Decision, which includes over 30 pages of distinct analysis in which the LBC balances what services can and cannot be provided. The Letter of Dissent, by the one LBC member, is limited to a very narrow issue. Before going further, Senator Paskvan clarified that both the enclave lots and Fred Meyer lots are located in his district not in Representative T. Wilson's district. He then returned to the services offered. When one reviews the basket of services or overall services, which the law requires the LBC to review, the city does prevail on an overall balanced approach. He further opined that for the LBC to come to the conclusion, on a 4:0 vote, that the enclave lots were appropriate for annexation was a rational and reasonable conclusion. The same can be said for the LBC's decision to conclude, on a 3:1 vote, that the Fred Meyer subdivision lot was appropriate for annexation. He then pointed out that there is no borough police department to call, no borough access to provide any services. With regard to earlier statements characterizing this annexation as a land grab, Senator Paskvan pointed out that the LBC followed the constitution.

SENATOR PASKVAN then shared the following statements from former Senators Jack Coghill and Vic Fisher in 1985, as follows:

According to Senator Coghill, the concept of the Local Boundary Commission resulted from the Constitutional Convention's attempt to resolve jurisdictional conflicts between the different types of governmental entities that functioned under territorial law.

At times annexation issues became very controversial, Senator Fisher states that the commission was seen as a mechanism that circumvented local turmoil, brought the issues beyond vested local interest and prejudice,

and permitted implementation of the broad public interest. If the municipalities retain control over boundaries and annexations, there would be difficulty in altering boundaries once local interest became vested. Article X, Section 12 of the Alaska State Constitution, which established the Local Boundary Commission, was designed to overcome these types of roadblocks.

SENATOR PASKVAN then highlighted the recommendations given to the Alaska Statehood Commission with respect to the implementation of the LBC. Those recommendations were, as follows:

The Local Boundary Commission should operate so far as possible in the manner of a quasi-judicial body. Its determination should be based upon a careful assembling and weighing of relevant geographic, demographic, fiscal, and governmental facts.

SENATOR PASKVAN specified that his point is that the LBC complied with the state's constitution and laws. Therefore, one should tread very carefully when attempting to overcome a constitutional process that was well thought out. He highlighted that even the dissent says, "The city can provide police service and building code enforcement more efficiently and more effectively than can the borough or the State of Alaska." The dissent also goes on to say, "The Fred Meyer subdivision has a reasonable need for city government." Therefore, Senator Paskvan encouraged the committee to support the LBC's decision.

[9:35:10 AM](#)

REPRESENTATIVE HARRIS asked if Senator Paskvan was familiar with the charge by the deputy attorney that no cross examination of witnesses was allowed.

SENATOR PASKVAN said that he wasn't aware of that specific comment. However, he related his understanding that a court of law would be the appropriate venue to determine whether substantively and procedurally the law was followed.

REPRESENTATIVE HARRIS surmised then that the [administrative hearing] process is addressing the aforementioned.

SENATOR PASKVAN indicated his agreement. He added that he wasn't aware of anyone saying that either substantively or procedurally there was a defect in the constitutional or legal process that was followed in this LBC determination.

[9:37:09 AM](#)

CO-CHAIR HERRON returned to the discussion regarding the recusal of the borough attorney on matters pertaining to the Fairbanks annexation. He asked if Mr. Williams was aware of the aforementioned.

[9:37:26 AM](#)

BRENT WILLIAMS, Staff Supervisor, Local Boundary Commission, Division of Community and Regional Affairs, Department of Commerce, Community, & Economic Development, said that he wasn't aware of such a recusal. He noted that the LBC's contact was with Ms. Klepaski, the assistant borough attorney. Mr. Williams didn't recall receiving any communication that there was a recusal. However, he did recall receiving an e-mail from Rene Broker, borough attorney, when the borough's brief was submitted.

[9:38:27 AM](#)

CO-CHAIR HERRON said that although it's a fine point, it may be important later for the process.

[9:39:32 AM](#)

MIKE PRAX expressed concern that there seems to be too much emphasis on the financial needs of this annexation versus response time of fire and ambulance service. He opined that the public would be at greater risk if the city responds rather than the University Fire Service Department. He further opined that it's important for the legislature to vote on this matter one way or another. Therefore, he expressed hope that the committee forwards HJR 39 so that the entire legislature can have a chance to vote on this resolution.

[9:40:53 AM](#)

MERRICK PIERCE related his support for HJR 39. He opined that the proposed annexation establishes a terrible precedent and increases the costs of local government. Furthermore, the proposed annexation is opposed by those in the area to be

annexed. Moreover, the annexation hurts and is opposed by the University Fire Service District. The proposed annexation is also opposed by the Fairbanks North Star Borough, which would lose substantial revenue. The businesses involved in the area to be annexed will also be hurt as they will face substantial property tax increases. Therefore, many believe this proposed annexation is a money grab that allows the city to take some valuable commercial property and collect substantial additional property and alcohol taxes. Mr. Pierce related that for many years he volunteered to provide advanced cardiac life support, pre-hospital medicine. He, too, expressed concern with the response time of the city fire department to the area to be annexed. He told the committee that a patient in cardiac or respiratory arrest doesn't have five minutes. Therefore, approving this annexation may be the death penalty for those in the area to be annexed who need critical cardiac life support care in the future. Furthermore, every time a responding emergency vehicle uses flashing lights and sirens to traverse an intersection, the chances of a collision increases. The aforementioned is particularly true in Fairbanks where much of the year drivers face icy roads. Mr. Pierce reminded the committee that the LBC refused to accept public testimony before the 2009 comment period unless those comments were received by U.S. mail, which made it more difficult for the public to be involved in the process. In conclusion, Mr. Pierce urged the committee to forward HJR 39 from committee.

[9:43:32 AM](#)

FRANK TURNEY recalled a number of years ago when he was involved with a consolidation to do away with the city government. Although the LBC approved the aforementioned, the voters rejected the idea. Those living in the enclave lots and the Fred Meyer subdivision should have the right to vote, he emphasized. Regarding the safety issue, the response time of the city to the area to be annexed would seem to be a large liability for the city. Mr. Turney opined that this proposed annexation is about a land grab and the fleecing of the alcohol tax without a vote. Mr. Turney concluded by relating his support for HJR 39 and encouraged this committee to forward the resolution.

[9:44:46 AM](#)

GLEN DESPAIN began by relating his strong opposition to mandatory annexation to any government organization. He urged

the committee to pass HJR 39 in order to have a legislative vote on the matter.

[9:46:10 AM](#)

HARRY DAVIS informed the committee that he served as the district attorney for Fairbanks in the Fourth Judicial District for 27 years and he presently owns the Public Safety Commission for the city. Mr. Davis related his support for annexation and noted that the Public Safety Commission also supports annexation. He said he found it ironic that the borough's primary opposition to annexation is based on public safety issues when the borough isn't in a position to provide public safety to the area to be annexed. The borough relies upon the Alaska State Troopers, who are understaffed and overburdened. The Alaska State Troopers are meant to be a rural police force and aren't properly equipped to address crimes arising in the Fred Meyer area. Furthermore, the borough can't provide fire protection unless it's subsidized by the University of Alaska Fire Department. He questioned why the university is providing fire protection to a portion of the Fairbanks North Star Borough when it's not doing so for other citizens of the state. He further questioned the authority of the University of Alaska to even provide fire service in Fairbanks because it's not a home rule city but rather is a corporate entity. Furthermore, the university hasn't received legislative authorization or authorization from the Board of Regents. Mr. Davis said that the state's clear interest in this area is annexation, which the state should encourage so that the city can expand its services to this area.

[9:48:17 AM](#)

SHERRELYN ARGEND informed the committee that she resides on Riverside Drive and although there has been testimony that the area receives city services, that's not the case. The residents on Riverside Drive pay for everything, including garbage and road services. As borough residents, she opined that she and [others in the area to be annexed] should be able to vote. She opined that this annexation will increase residents' taxes. She informed the committee that she has had two petitions, one signed by the enclave lots in which only one family agreed that the city annexation is appropriate. She related that when she attended the LBC meeting, she was discouraged from speaking because she wasn't expert testimony. In conclusion, Ms. Argend asked for the committee's help.

9:49:32 AM

JERRY CLEWORTH, Member, Fairbanks City Council, City of Fairbanks, noted that he has sat on the Fairbanks City Council for 20 years off and on. Over the years, the annexations that have occurred have been done by mutual consent of both parties, which is government at its very best. One of the provisions in the originating resolution that started the ball rolling for the city on this annexation reads: "WHEREAS in recognition of the potentially negative effect that annexation would have on the funding of the University Fire Service Area, annexation must be conditioned upon reaching a suitable intergovernmental agreement with the Fairbanks North Star Borough, which addresses the effects of UFSA." However, that point was never reached. The commissioners [of the UFSA] didn't believe the annexation made sense because it created an enclave in the existing service area, which the city doesn't desire in another parcel that it's annexing. Furthermore, the city was working on an agreement to hire the University Fire Department to continue, after the annexation, to provide service at the Fred Meyer parcel. The University Fire Department didn't agree to the aforementioned, and therefore the city had to rewrite the petition and disprove what had already been proven. The city then rewrote the petition to say that it could do a better job than the university. The city provides three basic services, of which the primary service is public works. The city can't provide any public works to the Fred Meyer subdivision. The roads adjacent to the subdivision are maintained by the state and there are no internal roads. With regard to earlier questions why the city didn't pursue obtaining the residential area south of Fred Meyer, he opined that the residents in that area aren't in favor of the annexation and they would be entitled to a vote. He characterized the proposed annexation as a "surgical strike by picking out the plum." On the matter of fire and ambulance service, the LBC's preliminary findings state, "Commerce refuted many of the city's positions, particularly the assertion that the Fairbanks Fire Department could provide better fire and rescue squad service than could UFSA." Furthermore, a letter received from Mt. McKinley Bank during public testimony related its opposition to the Fred Meyer subdivision annexation and that it would result in a reduction of the level of fire and emergency medical services the area currently receives from the University Fire Department. The testimony noted that Mt. McKinley Bank hasn't received any additional city services and the area receives adequate police protection from the Alaska State Troopers, which is located much closer to the branch than

the city police station. In conclusion, Mr. Cleworth characterized this annexation as about money not service.

[9:52:52 AM](#)

GLENN SHAW related his strong support for HJR 39. He opined that the city has committed a form of gerrymandering in which two dissimilar properties have been attached. The intent, with this annexation, is to catch a revenue stream. He opined that the proposed annexation should go to a vote of the people.

[9:53:38 AM](#)

ASA DOWDY related his belief that the proposed annexation would tax the citizens of the borough. He predicted that as a result of the annexation sales taxes will be added on. Therefore, Mr. Dowdy supported HJR 39 and bringing the matter to a vote.

[9:54:07 AM](#)

LADD MCBRIDE related his support for HJR 39 and opposition to the proposed annexation.

[9:54:29 AM](#)

PATRICK COLE, Chief of Staff, City of Fairbanks, informed the committee that he has been in government since about 1972 and has worked for the borough and the city. In fact, Mr. Cole wrote the petition after a lot of research and review of the law and precedent. He noted that he has learned that the annexation of property may, in the short term, cause local controversy. However, it may result in long-term acceptances. He pointed out that the Fairbanks North Star Borough was formed without a vote of the legislature. Furthermore, the borough has annexed territories to its fire service areas without a vote. He informed the committee that since the incorporation of Fairbanks in 1903, it has annexed territories 60 times. Many of those annexations were opposed, but not one has ever been detached from the city. In fact, Mr. Cole said that he couldn't find a case in the state in which a city had a detached territory. He opined that annexation is a forward effort to address future growth. He then told the committee that the City of Fairbanks has a very low tax burden per capita. Any time a city does annex territory inside a borough, there is some impact on the borough. However, in this case, the borough's vast size and budget results in a small, nearly invisible impact. Therefore, the LBC properly found the effect to be di minimus. Mr. Cole

emphasized that the city would've never proceeded with this annexation had its physician said it wasn't doable. No medical physician has spoken against this proposed annexation. Furthermore, this effort is supported by the city council majority, police and fire chiefs, and the employees that work in public safety. Mr. Cole noted that the city did try to work with the borough, but no [consensus] could be reached and thus the city proceeded with the conventional manner.

9:56:40 AM

LAREN ZAGER, Chief of Police, Fairbanks Police Department, City of Fairbanks, informed the committee that although he has only been with the Fairbanks Police Department for nine months, he has spent six of his twenty-five year career analyzing public safety, both domestically and internationally. He then noted his agreement with Senator Paskvan that the entire issue of public safety is important and the police department's contribution can include several components. He reminded the committee that police officers are first responders to medical issues. Although police officers aren't as trained as medical staff, they do have some equipment, training, experience, and dispatch that provides protocol for many of the issues it will face. At the end of the day, the Fairbanks Police Department, he opined, can respond more quickly and reliably to the areas proposed for annexation because they are "already there." Other than heart attacks, Mr. Zager questioned consideration given to situations such as a bank robbery, hostage situation, dangerous drunk drivers, and fights in progress. All of the aforementioned are infinitely more likely and equally as life threatening when compared to a heart attack. In that regard, city law enforcement is superior to anything the borough can provide.

9:59:09 AM

BEN STEWART informed the committee that he lives behind Fred Meyer West subdivision and was one of the lucky few to testify to the LBC, which he likened to talking to a wall. Mr. Stewart said that although he thinks highly of Senator Paskvan, the people in the area to be annexed deserve a vote in this situation. Furthermore, he related that he has seen more Alaska State Troopers, university fire and police department, and airport police officers than responders from the City of Fairbanks. He told the committee that currently [the city has applied for] grants to hire new officers and firefighters for the city. However, grants only last for so long until residents

face increased taxes to cover the new positions. Mr. Stewart characterized the proposed annexation as a "smash and grab" by the City of Fairbanks. The city doesn't provide any services to Fred Meyer West and nothing can be gained other than taking tax money from the borough residents. He highlighted that the University Fire station is less than 200 yards from the Fred Meyer west subdivision whereas it's 7.3 miles to the city fire department. In conclusion, Mr. Stewart opined that all public service responders work together when something bad happens and thus the city receives tax money without providing the services.

10:03:21 AM

ERNIE MISEWICZ, Assistant Fire Chief, Fairbanks Fire Department, City of Fairbanks, informed the committee that he has worked in fire service for over 37 years and has worked in both fire operations and prevention. When discussing public safety, there's more to consider than just response times. When reviewing the entire fire protection concept, one must consider the following key points: plan reviews, which ensure that buildings are constructed properly and meet code; building and fire inspections, which is currently lacking in the areas to be annexed. Inspection ensures that buildings are constructed per the plan and inspections continue throughout the life of the building to lessen the chances of fire. He informed the committee that Fred Meyer West had no inspections during construction and was last inspected in 2002, Taco Bell in 2003, and the bank has never been inspected. In contrast, when Fred Meyer East was constructed in 2004, the Fairbanks Fire Department conducted 17 inspections, which doesn't account for the inspections performed by the city building department. Inspections are key to preventing fires. With regard to emergency response, Mr. Misewicz stated that the Fairbanks Fire Department response time is well within the national standards and the vehicles are equipped with systems that capture the traffic lights to allow for a faster response. He then highlighted that the staff at the Fairbanks Fire Department has, on average, 17 years of experience, 10 years of which has been with the Fairbanks Fire Department. The department has 17 paramedics with an average of 8 years experience, 10 employees are university instructors. Experience, he opined, improves situational awareness and thus responder safety, while the lack of experience significantly increases risk to responders and the public. Currently, there is no fire protection for the enclave lots and at least two buildings in that area have burned to the ground. He then turned to the issue of mutual aid, which is aid given or received by emergency service organizations. All

departments must rely on mutual aid because no one department in the state or nation can handle all emergency calls. In fact, when one reviews the percentage of calls for mutual aid over the last five years by the Fairbanks Fire Department it's no different than those by the University Fire Department. In summary, Mr. Misewicz said the Fairbanks Fire Department and the City of Fairbanks has the ability to provide the best service for the areas to be annexed.

[10:05:53 AM](#)

REPRESENTATIVE T. WILSON clarified that she has tried to avoid making this an issue between the fire departments and police departments. However, she pointed out that the University Fire Department has a better ISO rating than the city. Furthermore, the University Fire Department is closer [to the area to be annexed]. This is about public safety and if care isn't taken with this annexation, somebody is going to die, she opined. She then clarified that the Fairbanks North Star Borough has always opposed annexation because early on it was stated that there would be a deal with the University Fire Service Area and the City of Fairbanks. This \$52,000 deal could've resulted in [the area to be annexed] receiving EMS and fire service. She acknowledged that Fred Meyer and the enclave lots don't sit in her district, but her constituents shop there and travel on state roads to get there. The annexation won't result in any benefits to the commercial area and the fire department isn't making the safety checks it says it is, he charged. She concluded by emphasizing that this resolution is about public safety and the legislature is the last hope for the residents of Fairbanks who didn't receive a vote.

[10:07:23 AM](#)

[HJR 39 was held over.]

HJR 46-SUPPORTING DENALI COMMISSION

[10:07:36 AM](#)

CO-CHAIR HERRON announced that the final order of business would be HOUSE JOINT RESOLUTION NO. 46, Urging Congressional support for the reauthorization of the Denali Commission.

[10:07:47 AM](#)

CO-CHAIR MUNOZ moved to report HJR 46 out of committee with individual recommendations and the accompanying fiscal notes.

CO-CHAIR HERRON objected for discussion purposes.

[10:08:14 AM](#)

REPRESENTATIVE CISSNA spoke in favor of HJR 46. Drawing upon her experience traveling throughout the state, she related the need for health clinics that serve the entire community. She also related that she has been impressed with what the Denali Commission has been able to do in these communities.

[10:10:34 AM](#)

REPRESENTATIVE KELLER said he wouldn't stand in the way of HJR 46 and related his appreciation for the valuable work of the Denali Commission. However, he said it's difficult to sign a resolution encouraging the current [national] administration to spend more money.

[10:11:10 AM](#)

CO-CHAIR HERRON pointed out that there are six to seven other regional commissions throughout the nation and the Denali Commission is the only one that hasn't been reauthorized.

[10:11:43 AM](#)

CO-CHAIR HERRON withdrew his objection.

There being no further objection, HJR 46 was reported from the House Community and Regional Affairs Standing Committee.

[10:11:57 AM](#)

ADJOURNMENT

There being no further business before the committee, the House Community and Regional Affairs Standing Committee meeting was adjourned at 10:11 a.m.