

PETERSBURG



January 4, 1978

Lars Eide
P. O. Box 942
Petersburg, Alaska 99833

Dear Mr. Eide:

This acknowledges receipt of your letter stating opposition to the City of Petersburg's proposal for annexation of the entirety of Mitkof Island. Be assured that your comments will be considered by the Local Boundary Commission prior to its entering a decision in this matter.

Sincerely,


Erik J. Simpson
Local Government Specialist

January 4, 1978

Enid Magill
Box 444
Petersburg, Alaska 99833

Dear Ms. Magill:

This acknowledges receipt of your letter stating opposition to the City of Petersburg's proposal for annexation of the entirety of Mitkof Island. Be assured that your comments will be considered by the Local Boundary Commission prior to its entering a decision in this matter.

Sincerely,


Erik J. Simpson
Local Government Specialist

6 January 1978

Mr. L. B. Jacobson
Attorney
City of Petersburg
Petersburg, Alaska 99633

Dear Mr. Jacobson:

I, Emily V. Merriam, Clerk, City of Kupreanof, hereby attest that the City of Kupreanof was in receipt of the petition of the City of Petersburg in the Matter of Annexation on or about November 23, 1977.

Sincerely,

CITY OF KUPREANOF

Emily V. Merriam

Emily V. Merriam
Clerk

Emily V. Merriam personally appeared before me, Notary Public, and subscribed and swore to the above statement, at Petersburg, Alaska, on this 6th day of January, 1978.

Harry R. Merriam

Harry R. Merriam

Notary Public



*My Commission Expires
4/20/79*

ROBERTSON, MONAGLE, EASTAUGH & BRADLEY

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

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W. R. HULEN (ANCHORAGE)
D. E. CUADRA (ANCHORAGE)

OF COUNSEL
M. E. MONAGLE

Erik Simpson
Local Government Specialist
Dept. of Community & Regional
Affairs
Pouch B
Juneau, Alaska 99811

January 11, 1978

Re: Petersburg Annexation Proposal
L.B.C. Supplemental Information

Dear Mr. Simpson:

This office as legal counsel for the City of Petersburg has been requested by members of the Local Boundary Commission to furnish additional data to supplement the hearing record. This letter constitutes a best-efforts basis to furnish that information and it should be mentioned that since a quorum of members were physically present for the hearing, the City of Petersburg waives any objection to the participation in the deliberations by absent member Sheila Gallagher conditioned on her reading of the documentation and listening to the tapes of proceedings at the hearing.

1. Lost School Revenue. The \$47,000 figure submitted by the City of Petersburg as revenue lost from the State for payment of non-resident student tuition is accurate. The figure of \$53,000 mentioned by the protestants at the hearing is based on the last school year (when enrollment was slightly up), coupled with failure to consider that five of the non-resident students are from Kupreanof in which case the non-resident payment from the State would continue in any event.

2. Sales Tax Revenues. The afternoon of January 10, I resolved to follow through the best I could on the request for additional sales tax data. Unfortunately, I report that my worst suspicions about obtaining hard information were confirmed. I instructed Patty Curtiss, secretary to

Erik Simpson
January 11, 1978
Page Two

the City Manager, to call out to all of the businesses and ascertain an estimate of gross sales tax revenues from each of them assuming that they were subject to the City's jurisdiction and imposing a 5% sales tax with a \$1,000 transactional ceiling. She reported back to me mid-morning of January 11, 1978 and advised that her responses fell into three categories. The first category was the "no contacts" where she was unable to contact the proprietor. The second and largest category was composed of those businesses who said they would call back later and one who requested that Patty call them back later. The third category, including the liquor store, flatly refused to divulge any information. The City of Petersburg is not in a position to obtain from the Alaska Department of Revenue the gross revenue figures reported by the various enterprises since that is privileged information. I am not sure that that would do too much good anyway, because I doubt if all of them file business license returns. For example, and the only enterprise on which I can furnish concrete data, specifically the Petersburg Consumer's Co-op, does not file a business license return notwithstanding that our litigation with them over the sales tax revealed that they order four or five shipments per year varying in range from \$14,000 to \$24,000 each. The lumber mill reported that it had no retail sales. The proprietors of the building stores were in the "call-back" category, and Sonny Hicks the owner of the Beachcomber could not be located by Patty. We are unable to furnish any meaningful data on the volume of business in the territory outside of the City to justify either an upward or downward adjustment in the original sales tax revenue estimate of \$149,000.

3. Property Valuation. Taxes on the total real property were calculated at a 7 mill levy against \$6,790,000 on real property and \$250,000 on personal property. As indicated in the earlier submitted "Affidavit re Information Sources", the real property was estimated by the City Clerk's taking and updating an appraisal submitted by Mr. Erroll Simmons in 1975. She used an inflation factor of 5% per year. The personal property valuation was predicated on an estimate of equipment owned by the two major logging companies, Reed Brothers and Olsen & Sons, Ltd. The personal property valuation is conservative. No attempt was made to adjust the real property valuation for senior citizen exemptions and leases of government property which would now be subject to tax.

Erik Simpson
January 11, 1978
Page Three

4. Bonded Indebtedness. The City of Petersburg's figures submitted on a separate sheet reciting the general obligation and revenue bond indebtedness are accurate. There have been no bond issues of either kind since June, 1977.

5. Financial Data Generally. To the extent that the City of Petersburg is remiss in submitting financial data to the Commission respecting the fiscal repercussions of the proposed annexation, the broad brush can be attributed to the fact that the City of Petersburg does not have a finance director, and secondly and more importantly, to me as the City's attorney who did not instruct the City Administration to be prepared on that issue any further than the documentation submitted. The reasoning for that was in the three annexation matters which I have previously participated or followed, such data was not requested, nor was I of the opinion that the financial viability of an annexation proposal was one of the standards promulgated in 19 AAC 05.010 or the Alaska Constitution. Inasmuch, however, as an annexation proceeding is a quasi-legislative or political act in contrast to a judicial proceeding, the Commission's concern on that issue is at least understandable.

6. Start-up Costs. The Commission is apparently concerned about the possibility that cost of extending general services circa March 1978 when the Alaska Legislature would approve any proposal would create a financial drain on the City of Petersburg's general fund which was unforeseen, unbudgeted, and could not be made up until the 1979 tax levy. I am strongly inclined to agree with that assessment about a short-term negative cash flow but similarly inclined to discount its magnitude predicated on the knowledge that many of the general services, including extra-territorial fire, police protection and ambulance service have been provided heretofore. In the event of annexation approval and the incurrence of a deficit later in calendar year 1978 and the first part of 1979, the City may issue bond anticipation notes at the time of incurring the deficit according to AS 29.58.070. Alternatively, the City of Petersburg, being a home-rule municipality is not limited to the conventional financing procedures enumerated in the statutes and Sec. 14.1(a)(3) of the City Charter expressly authorizes the issuance of revenue or tax anticipation notes. Moreover, that might not even be necessary since the Legislature's prospective approval of the annexation would be known by the end of February 1978, there is ample time for the City to accommodate any additional expenses foreseen as stemming from the additional services in the annexed area prior to formulation of its budget and adoption of such budget by the June 15 date mandated by Statute.

Erik Simpson
January 11, 1978
Page Four

7. Fifty Percent Tax Levy. The differential tax zones as originally proposed drew a close parallel to those utilized in Wrangell's annexation. Subsequently the Council at a meeting on January 3, 1978 determined that it did not want the tax levy pegged to the utility services afforded since they were at least in theory financially self-sustaining. The City accordingly submitted an Addendum dated January 6, 1978 deleting the tie-in of the tax levy to the utility services, and keeping the 50% tax levy for basic general services and administration. This seemingly comports with the question raised in the January 4, 1978 report to the Local Boundary Commission by the Department of Community & Regional Affairs Local Government Assistance Section wherein it stated:

"The Department raises the question of whether it would be appropriate for the City to collect property tax for the utility functions. The utilities would normally be considered an enterprise function which would be self-supportive from the user rates or surcharges associated with the particular utility."

The first year 50% figure is admittedly somewhat arbitrary and would invoke some isolated cases of unfairness. Working from the general 50% zone as a starting point, it was felt by the Council that it would be appropriate for the newly-enfranchised taxpayers to participate in the adjustments and fine tuning respecting the establishment of differential zones in tax year #2 (1980).

I apologize for not being able to furnish you with better data respecting the projected sales tax revenues, but please advise if you think I may be of further assistance.

Respectfully submitted,

ROBERTSON, MONAGLE, EASTAUGH & BRADLEY

By:



L.B. Jacobson

Of Attorneys for the City of Petersburg

LBJ:ss

cc: David Moffat
City Manager

Statement on Annexation - 1977-78

There are many aspects to be considered on annexation of the balance of Mitkof Island to the City of Petersburg before a final decision is made. As the ordinance now reads, if I understand it, I'm absolutely opposed to it.

Firstly, I'm opposed to annexation on a moral basis in that the residents of the area in question do not have any say-so in the process. In fact, even the citizens of the town itself, have no direct vote on the issue. It is a decision of six people on the council controlling the destiny of not only the people now living inside the present city limits, but also those living without. I am quite sure that if a poll were to be taken, those people living outside of the present city would vote 90% to 95% against annexation. To be not able to control your own destiny, is not the democratic way of life as we have known it in this great land of ours.

Now for the hard facts of the cost of this monstrosity. I'm quite sure that in the final analysis, it will actually cost the present residents of Petersburg more than if the area in question is not annexed.

As I understand it, the schools would lose about \$53,000.00 in state funds, which is paid to the schools for those children living outside the city. This is a considerable amount, and if the grapevine telegraph is correct, the present school administration is opposed to the move because of the loss of such a sum.

If we were to be annexed, there are services that must be provided. The two main services involved are water and sewer. Looking at the present high cost of construction, I'm quite sure that these two services can not be provided for less than \$7,000,000. And these are the two main services of any city!

Another service that must be provided is fire protection and there is not any way under the sun to give fire protection without an adequate water system, with hydrants located within reasonable distances of all homes. Also there must be a fire engine located within the area involved. Even though the City of Petersburg has the best volunteer fire department in the state, it is impossible to get true protection where the fire engines are located 1½ to 38 miles from the areas to be protected.

While on the subject of protection, let us go into police protection. To be properly policed and patrolled in the area that we are talking about, another police car would be needed, as well as three or four patrolmen. I'm sure that all we could get in the line of patrol, would be one or two tours per night if the police force were not increased and another police car not added to the fleet. Then also, while this area was being patrolled, the City itself would not be having any protection whatsoever. Now all of these so-called services would be costing you and I, the tax payer, more money.

Now if this business of annexation is to increase the tax base in order for the city to go in debt farther through bond issues, then I'm very much opposed to

annexation which I'm sure all clear thinking citizens of Petersburg would also be. It must be realized that all bond issues must be re-paid and the only way to repay those debts is by higher taxation. It must be very clear that the residents of Petersburg are highly incensed and opposed to paying more taxes.

In another area of services that are rendered, let us take the hospital for instance. From what I've been made to believe, it is on a paying basis. Perhaps it is not making a huge profit but nevertheless it is paying its own way. I'm quite sure that the Scow Bay residents who use this facility pay for the care given them and that because of the added revenue that is brought in, they help support and make this a going and profitable operation.

Now we will go into the operation of the power and light department. If we are to be annexed, the city will lose the surcharge that is added to our monthly bill. This alone will amount to a considerable amount of monies when added up at the end of the year. It must be remembered that the power lines from the Blind Slough hydroplant go through this area. Also if the area is annexed, I would presume that the city would put in street lighting of sufficient luminosity that we would have a well lighted street at all times. Personally, I would hate to pay for the capital expenditure plus the cost of energy on this operation.

It has been noted by some people that we would not receive all of the services and that we would be taxed only in proportion to the services that we receive. If so, what services will we receive? And also, will the taxes be arbitrarily set on these services? And will the taxes to pay for the administration and clerical work of these services be in proportion to the taxes paid by the city residents. If, for instance, we do not receive sewer or water, will we be taxed for administration of those services within the present city?

As another item of interest, it might be well to remember that the businesses that are bringing new monies into the area at all times, are the businesses that would be hardest hit by these taxes. With the timber industry in its present unsettled state, it would be almost criminal to saddle an industry with new taxes. Something like this might be the "straw that broke the camel's back" and there would be 40 to 50 men on unemployment rolls. And if that should happen there would be no monies coming in with which to pay taxes.

Again let me impress upon you the loss of state school funds, the added capital costs and maintenance of the services if and when provided. Also bear in mind that those people living outside of the present city limits did so at their own choosing, which is the great American way of life. Let us have a democracy where people control their own destiny and way of life. This is a moral issue concerning the very roots of democracy.



Lars Eide, P. O. Box 842, Petersburg, Alaska

Rec'd by
LBC 1/9/78
@ Petersburg Public Hearing

Dr. Richard Walsh
Box 652
Petersburg, Alaska 99833

December 21, 1977

Ms. Lee McAnerney, Commissioner
Community & Regional Affairs
Pouch B
Juneau, Alaska 99811

Dear Ms. McAnerney,

I am writing to let you know that I oppose the annexation of the remainder of Mitkof Island by the City of Petersburg.

For a municipality of just over 2000 people to try controlling all functions on a land area this large seems utterly ridiculous. The city provided services we would receive after annexation are minimum. We already have electricity for which we pay a 15% sur-charge. The extension of water and other services would be prohibitive in cost. We now provide these services on our own. Without a large piped water system fire protection, as provided by city trucks, is of little value. Sea water would provide a water source of limited value only at extreme high tide and then only a small number of houses are close enough to the water to be affected. Police protection would be limited unless new cars were purchased and more officers hired.

It is my understanding that we would lose our State Patrol Officer if the entire island was within the city limits. We would also lose about \$50,000.00 of state financial support to our schools.

Perhaps most important is the fact that many, living outside of the city limits on Mitkof Highway, have done so by choice. The annexation, if passed, would place a basically rural area under numerous rules and restrictions designed to help urban business and residential areas run smoothly. These rulings would only frustrate current out of town residents.

In a past election the voters of Petersburg turned down annexation. The vast majority of us, living outside of town, want no part of it. I really don't know who the main backers of this petition are or what they hope to gain.

Let me close by saying that I and all my neighbors are opposed to this petition. I hope it will not be passed in haste to the legislature without careful consideration of all the facts and the opinions of those affected.

Sincerely yours,
Richard J. Walsh, D.V.M.
Richard J. Walsh, D.V.M.

Electric System:
Self sustaining

Fire Protection:
VALUABLE
(1) SAUNA LIVES
(2) SAUNA PROPERTY

Water System
revenue sustaining
(100% Assess back)

Police: admitted
to be of value
although @ add'l
cost.

Pd 3, Uniform
building code
fire code

RECEIVED
JAN 6 1978

DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

Wrangell, Alaska
January 4, 1978

Dept. of Community & Regional Affairs
Div. of Local Government Assistance
Pouch B
Juneau, Alaska

Dear Sirs,

I am writing in regards to the proposed annexation of Mitkof Island. As part owner of U. S. Survey 1226 situated on the East side of Wrangell Narrows, Mitkof Island, Alaska. R.60E T61S abuts sections 20, 21, 28 and 29. I am opposed to the annexation of the Southwest portion of Mitkof Island in which the above survey is located. The area is not connected by road and I doubt if it will be in the foreseeable future. It does not require any municipal services nor does it put any demands on the municipality. My only information on the proposed annexation is from a legal notice in the Dec. 28, 1977 issue of the Petersburg Pilot, which I purchased on Jan. 2, 1978. I feel with my limited information that the area does not meet the requirements of annexation 19AAC 05.010.

I am also speaking for the other part owners in USS 1226. They are Lynne Campbell, Wrangell and Carolyn Buseman, Seattle, Wash.

Respectfully,

Kenneth C. Mason

Kenneth C. Mason
Box 229
Wrangell, Alaska 99929

Copy to City of Petersburg

January 6, 1978

Kenneth C. Mason
P. O. Box 229
Wrangell, Alaska 99929

Dear Mr. Mason:

This acknowledges receipt of your letter stating opposition to the City of Petersburg's proposal for annexation of the entirety of Mitkof Island. Be assured that your comments will be considered by the Local Boundary Commission prior to its entering a decision in this matter.

Sincerely,


Erik J. Simpson
Local Government Specialist

RECEIVED
DEC 16 1977

DEPT. OF COMMUNITY AND REGIONAL AFFAIRS
December 12, 1977

Ms. Lee McAnerny, Commissioner
Department of Community & Regional Affairs
Pouch D
Juneau, Alaska 99801

Dear Ms. McAnerny:

This letter is to inform you of the strong opposition in this area to the actions of the Petersburg City Council in the matter of the annexation of Mitkof Island to the City of Petersburg. It is in the records that the people of Petersburg (this does not include those people living outside the present boundaries) voted overwhelmingly against annexation of any more lands to the City. This vote was taken at a general or city election only about two and one half years ago. When talking to residents of the City, it seems that their opinions on the matter have not changed in the slightest. As no vote was taken with the people living outside the City boundaries, there is not exact figure that can be set on those that are "for or against" in that area. But in talking to these people, it appears that over 90% are not in favor of annexation but are in favor of leaving the area as it is.

The passing of the annexation ordinance was a "railroading" job of supreme political engineering. The whole process took about two weeks with only one public hearing immediately preceding the 2nd and 3rd reading, and passage of the ordinance. The public hearing, the 2nd and 3rd reading and vote for passage all took place within a time space of about 2½ hours!

We people who live outside of the present City boundaries and who would be most affected by annexation feel that our constitutional rights have been abridged in that we have no vote in the matter. If the area to be annexed were contiguous to the City in respect to homes and businesses, then perhaps there would be good cause for annexation. If such were true, I'm sure that there would not be the violent opposition to annexation as there is now.

The City Council and those people who are in favor of this annexation are jealous of the position that we outsiders are in. We chose this life style of living in a rural atmosphere. We do not have many of the amenities of living in a city but that is our problem and should not concern those within the city environs as long as we are not a menace to their health and safety.

We feel that we will receive no benefits from this annexation without huge costs, not only to those living within the proposed annexation area but also to those who are presently living within the City. It is almost a certainty that no water or sewage facilities would be provided in years and then only with a

huge outlay of monies obtained by bonding, which is nothing more than a note of indebtedness which must be repaid through taxes or high utility rates. As to other services that would be rendered, there will be huge costs involved as to police protection; another patrol car would be needed plus three or more patrolmen to insure proper patrol and protection. An Alaska State Trooper is stationed in this area at the present time and is doing an adequate job and if past history bears us out, as in the case of Wrangell annexation, he would be gone within a month.

If this annexation becomes a reality, the City of Petersburg would become one of the largest area wise cities in the State of Alaska and at the same time it would be one of the smaller cities, population wise. It seems that this would be nothing but a huge "albatross" tied around the necks of not only those who would be annexed but also of those who are presently residing within the City of Petersburg.

Another service that would be "so-called" provided, would be fire protection. How can there be fire protection without hydrants within suitable distance of buildings and dwellings? Fire insurance companies do not recognize any protection unless there are adequate hydrants within 1,000 feet of a building. In order to get this protection, a whole new water system would have to be constructed. There is absolutely no promise of such construction for the future.

There are many, many more reasons against annexation, too many to enumerate in fact.

It is hoped that you and your cohorts in Community and Regional Affairs will give your utmost consideration to the problems involved in this matter. (Again, let me say that this involves not only the "outsiders" but also the "insiders" of Petersburg.

Very truly yours,



Lars Eide
Post Office Box 942
Petersburg, Alaska 99833

Ms. Lee McAnerny
Commissioner of Community & Regional Affairs
Pouch B
Juneau, Alaska 99801

Dear Ms. McNerny:

I would like to point out a few things I feel have not been adequately studied, pertaining to the proposed annexation of Mitkof Island by the City of Petersburg.

The school presently receives \$53,000 from the state for tuition per year for the kids living outside the city limits. This revenue will cease when annexation takes place. Assuming that the city figures are correct and that the assessed valuation outside the city is approximately \$7,000,000, at 50% the mill rate this amounts to \$49,000. This money will have to be made up by increased taxes. Assuming that the city will collect an additional \$25,000 from sales tax, if they are going to provide 24 hour police protection they will have to hire 4 additional patrolmen to adequately give this service. Any less will not afford the same protection the city now enjoys, this would add a minimum of \$60,000 per year in payroll plus one or two cars. Again the difference has to be made up in increased taxes.

I understand that many people are concerned about the people outside the city limits getting a free ride. Let's think about this for a moment, after long thought on this subject I can only think of one "the dump". I understand that is going to change shortly.

We may consider the Fire department or fire protection. I'm sure the people outside appreciate the fire department responding to their calls of fires, but in all fairness and honesty, using common sense it is only a token gesture by mere fact of the distances involved, if and when the city is financially prepared to run fire hydrants out to the proposed annexed area should they be thinking of annexation.

Let us consider for a moment the ambulance. Anyone using this service must pay for that service whether they live in or out of the city. This service is not provided for free to anyone.

Let's talk about the school for a moment. Yes, it is true the kids outside use our schools, however, the state pays the tuition for these kids in the amount of \$53,000 per year. The money comes from the state taxes that everyone pays whether they live inside or outside the city. If they don't work for a living chances are they aren't going to pay any taxes at all any way. The state pays 96% of the revenue the school uses now, again coming from state taxes. 4% comes from

a local effort. This 4% in the case of Petersburg, comes from sales tax, this means that those who live outside the city limits and shop inside do in fact contribute to the local effort for schools.

Let us consider water & sewer. The people who receive these services living outside the city limits are paying for these services. I understand that the people receiving water are paying 50% more for thier water than those living inside the city.

Last but not least is electricty. First it must be pointed out that the city did not run the lines out the M₁tkof Highway to service those pœple living out there, but in fact, ran the lines from 19 mile back to service the epole in town. It is only natural and goob business to supply those pœple on the way back to town. Especially, when you consider they charge them 15% more for their electricity.

Again, I would like to point out after annexation this lost revenue will have to be made up somewhere. I would think in increased power rate.

I would like to sum up by giving some figures I have compiled.

INCREASED INCOME		INCREASED COST	
Real & Personel property tax	\$49,000	Additional polic3	\$60,000
Sales tax	25,000	Capital Expenditures	6,000
Stumpage	838	Tuition	53,000
		Electric surcharge	29,780
		Water surcharge	<u>3,633</u>
TOTALS	<u>\$74,838</u>		<u>\$152,413</u>
NET LOSS	\$77,575		

These monies will have to be made up in increased taxes or a raise in power and or water rates or a combination of all three.

E. D. Lapierre
Box 852 PG5, AK

January 2, 1978

Ms Lee McAnerny
Commissioner of Community & Regional Affairs
Pouch B
Juneau, Alaska 99801

Dear Ms McAnerny,

This letter is regarding the proposed annexation of Mitkof Island by the City of Petersburg. While my comments shall generally be negative in nature concerning the annexation I must admit that I do not totally oppose the idea. However it seems to me that annexation should be of mutual choice and of substantial benefit to all groups involved. For the second time this does not seem to be the case. Once before while I have been living here annexation came before the people, who live in the city of Petersburg it was turned down. Now neither the citizenry of Petersburg or the rest of the people who live on Mitkof Island, who have never had the opportunity of choice, are not being given a voice via the ballot box. This one reason for my opposition. I do not like other people deciding what they think is best for me without my consent. Let the issue again be decided at the ballot box where it should be.

While I am a member of the group to be annexed my membership was not decided by having some strong desire to be on my own in the wilderness for there are far better places in Alaska to fulfill that desire than "Out the Road" in Petersburg. I simply purchased the first home that met my families needs after arriving in Petersburg three years ago. I am quite willing to pay my fair share for service received. But so far nobody has been able to tell me what my fair share is or will be or what services I might receive. This is my second reason for annexation opposition. At this time I get the feeling that annexation is being used as a bitter pill to cure our ills both in and out of town. Yet the reasons why have not fully been placed before the people who must take the pill. If I knew the answers to some of the following questions then maybe I could make a decision in favor of annexation, but until I have some answers I must remain opposed.

What type of fire protection will the community have? What is the cost now and after annexation? Will fire protection reduce my fire insurance.

What kind of police protection will I and the rest of the community receive? What is this protection going to cost me and the other tax payers. Will we continue to have a state trooper based here?

What will the tax structure be for those who will not receive full service from the community.

I could go on and on for there are I think the more unanswered questions come to mind. I thank you for your time and hope that you will also seek the answers before you act on this matter.

RECEIVED
JAN 6 1978

DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

Sincerely yours,
John G. Egeland
John G. Egeland
P.O. Box 251
Petersburg, Alaska 99833

Petersburg, Alaska #4
Dec. 30, 1977

Mrs. Lee Mc Anisny,
Commissioner of Community & Regional Affairs
Pouch B,
Juneau, Alaska 99801

Dear Mrs Mc Anisny,

I am writing this letter in opposition to
the City of Petersburg Annexing Matkal Island to
the City of Petersburg. My wife and I have lived
in the same place two and one half miles out of town
on Matkal Highway and have enjoyed our freedom and
yet have earned our living in town and spent our money
there. About a year and a half ago they had a poll
vote by ballot in town to see if the town wanted to
annex Seaw Bay and the vote was a very strong No.

Last weeks paper, The Petersburg Pilot, had a half
page ad against annexation paid for by City Residents
against annexation, P.O. Box 857, Petersburg, Alaska 99833.

Please leave us alone as we have been for over
forty years.

Yours truly
Royal B. Dunsal
Box 7-73
Petersburg, Alaska 99833

RECEIVED
JAN 3 1978

DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

January 6, 1978

Royal E. Duval
Box 273
Petersburg, Alaska 99833

Dear Mr. Duval;

This acknowledges receipt of your letter stating opposition to the City of Petersburg's proposal for annexation of the entirety of Mitkof Island. Be assured that your comments will be considered by the Local Boundary Commission prior to its entering a decision in this matter.

Sincerely,


Eric J. Simpson
Local Government Specialist

Ms. Lee McAnerny
Commissioner of Community
& Regional Affairs
Juneau, Alaska

January 3, 1978

Dear Ms. McAnerny:

This letter is in reference to the annexation of the Scow Bay area by the City of Petersburg.

I have lived in Petersburg for many years and watched the council attempt to annex this area by the vote of the people. This so far has failed and now they ignore this vote and attempt to do as they please.

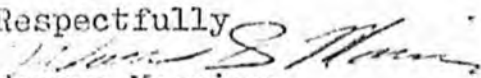
I realize I work in Petersburg and also spend most of my money there. I also pay the taxes except for the property tax. I also pay a penalty charge on any service I get from the city, such as power, because I live outside the city limits.

I also realize that in the near future I will probably have to pay a property tax to the state and I have no complaint on that.

The point I would like to make is that just last year I bought property and built a house in Scow Bay so as not to be controlled by the city council and now they want to annex us.

I don't believe this is quite right and I hope you will look at this situation very close before you make your decision.

Respectfully


Warren Morrison

Box 524

Petersburg, Alaska 99833

RECEIVED
JAN 5 1978

DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

January 6, 1978

Warren Morrison
P. O. Box 524
Petersburg, Alaska 99833

Dear Mr. Morrison:

This acknowledges receipt of your letter stating opposition to the City of Petersburg's proposal for annexation of the entirety of Mitkof Island. Be assured that your comments will be considered by the Local Boundary Commission prior to its entering a decision in this matter.

Sincerely,



Erik A. Simpson
Local Government Specialist

Subject Annexation of Mitkof Island by City of Petersburg

MAGILL TRAILER PARK
BOX 444
PETERSBURG, ALASKA 99833
Dec 29, 1977

RECEIVED
DEC 29 1977

DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

Mrs. Lee Mc Anerny
Commissioner of
Community and Regional Affairs
Pouch B
Juneau, Alaska

Dear Mrs. Mc Anerny:

In 1975 the Citizens of Petersburg voted No to annexation of areas outside their boundaries. Those of us adjacent the City were relieved. We were aware the Petersburg City Council wished annexation to occur to provide a broader property base, to be able to sell more bonds, for projects not necessarily approved by the Petersburg voters. We knew the City was already bonded to capacity and suffered a poor credit rating.

Once again annexation is being attempted by the City Council of Petersburg. This time they are not consulting the voters.

When a hearing was held by the council recently, the citizens outside of town were told they would receive no new services in the foreseeable future. Any services we now receive are revenue producing services. Some of which are very lucrative for the City. In the case of electricity for our Trailer Park, we have paid for both the poles and wires the City sells electricity from for eight customers.

All out of City people pay 50% more for water than City dwellers as well as a 15% surcharge on electricity. Since we put in our own water lines and maintain them, this is a lucrative water tax. Less than twenty out of City families are on the City Sewer system, and since Petersburg itself has large sections without sewer connections to the new sewer system, it will be years before additional sewer service can be granted out of town citizens. When the new sewer plant was built we asked to have our Trailer Park included in the plan, grant Federal funds were available. However the Petersburg City Council refused to give us this additional sewer service. Now the cost of putting in the lines and pumps would be prohibitive.

MAGILL TRAILER PARK
BOX 444
PETERSBURG, ALASKA 99833

Our property lies adjacent the southern boundaries of the City of Petersburg and there is vacant land surrounding ninety per cent of this area. We had planned to leave undeveloped seven or eight acres of our fifteen acres, possibly build some trout ponds, in this ravine filled area. We wonder how our plans would fare with a City planning and zoning board.

Mainly we do not feel we are being treated as American citizens when those with more power than we have, can simply annex our property. If we should be paying taxes, more than we do, with water and electricity tax, then let it be to the State of Alaska.

A small town always is prey to local politics. A small town on the end of an Island the size of Pitkof should not be allowed to make the major Coastal Management decisions for such a large area.

I was present when the Boundary Commission gave freedom to the people of Kuperanof. I still feel this was a grand decision, People should be free to choose their own destiny.

Respectfully,

Eric Magill
Eric Magill

27
Box 463.
Petersburg.
Ak. 99833

Mrs Lee Mc. Anony,
Commissioner of Community
and Regional Affairs,
Juneau, Ak.
99833.

RECEIVED
DEC 20 1977
DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

Dear Madam, I am writing you in regard
to the annexing of Seal Bay.

We feel the city is so in debt, all they
need is sur tax base. When we ask
what we can expect in return, their
answer is we don't know yet. All they
do know is we shall be charged 65% tax.
So all we will receive is the tax bill.
Anything we receive now we pay for
plus a sur tax too.

Our fire insurance which is now over \$500 a yr
will not go down, as there is no way we
can receive their protection.

We choose to live outside the city
30 yrs ago and hope to continue.

Sincerely,
Stanley W. Paul

January 4, 1978

Stanley D. Reid
Box 463
Petersburg, Alaska 99833

Dear Mr. Reid:

This acknowledges receipt of your letter stating opposition to the City of Petersburg's proposal for annexation of the entirety of Mitkof Island. Be assured that your comments will be considered by the Local Boundary Commission prior to its entering a decision in this matter.

Sincerely,

Erik J. Simpson
Local Government Specialist

Palmer McCarter, Director
Local Government Assistance

January 6, 1978

Erik Simpson
Local Government Specialist

Petersburg Trip Report
December 19-21, 1977

Monday, December 19, Doug Griffin and I left Juneau at 2:00 p.m. on Alaska Airlines, arriving in Petersburg at 2:30 p.m. Dave Moffet, the Petersburg City Manager, met us at the airport and drove us to the City offices. We talked informally with Dave, and several council members joined us in our discussion.

They had a few questions regarding borough formation, annexation procedures, loss of State school support for students outside present City boundaries and property taxes that can be gained from the annexed residents. The Department of Education estimated that the City of Petersburg would lose \$47,800 in tuition foundation support during the next fiscal year. However, an additional \$10,000 - \$15,000 in PL 874 payments would approximate 1 percent of the State foundation support for those children whose parents live or work on federal property. This means Petersburg could lose between \$32,800 and \$37,800 in school support monies as a result of the proposed annexation.

The estimated value of the real and personal property in the area proposed to be annexed is \$7,040,000. The initial proposed tax differential zone for basic general services at 7 mills would not bring additional tax revenues of \$49,280 until FY 78 - 79; however, an additional \$17,220 for State Revenue Sharing will be realized. The estimated loss for the first year would be between \$15,580 and \$20,580. Although sales tax has generally been used for purposes of providing local educational support, the effects of the proposed annexation may only be considered a trade off after FY 78 - 79.

The council members seemed a bit unsure of what annexation involved and were hesitant when it came to concrete budget figures to support annexation. This is primarily because the basic general services and administration costs have not been further enumerated. Doug explained that annexation of all of Mitkof Island would give the City more coastal zone management plan authority, strictly speaking, and that could be seen as an advantage for annexation. However, the City of Petersburg has not undertaken a coastal zone management plan primarily due to the problem of being able to determine what any of the federal guidelines might be.

Doug and I attended the City Council meeting at 7:30 p.m. and answered the same type of questions from the audience that was asked by the

Council earlier. Approximately 20 people were at the meeting, and none of the citizens were adamantly opposed to annexation. It was clearly stated at the meeting that we were there to answer questions and not to take testimony on the proposed annexation. The questioning was not as rough or as indepth as we had anticipated. Mayor Ted Smith did ask a question as to whether the Department of Education would continue to provide bussing of those students outside the City.

On Tuesday, December 20, Doug and I visited with Dave Moffet, City Manager and Ed Lapeyri, owner of the lumber yard - saw mill outside the City limits. Ed favors formation of a borough and is opposed to the proposed annexation. I explained to Mr. Lapeyri that the proposed changes in the regulations would preclude formation of a borough unless another incorporated area was included in the borough boundaries. Mr. Lapeyri said he would propose that Kake, Kupreanof, Petersburg and Wrangell be included in a proposed borough. It would provide adequate school support and municipal selection of land for private ownership which the timber industry could take advantage of.

We could not get out of Petersburg at 11:25 p.m. as scheduled due to the heavy snowfall. This gave Doug and me a chance to post additional notices about the local boundary hearing, and, we drove out the road to be annexed. We visited Alaska State Trooper Bowlington and Wildlife Protection Officer Russell to discuss how annexation would affect providing police protection. They concluded that, if the area proposed was annexed, at least 3 or 4 additional officers plus an additional patrol car would be needed to provide adequate patrol for the area. Trooper Bowlington explained that AS 18.65.010 of the Troopers Manual requires that State Troopers are also required to enforce municipal ordinances. The area proposed to be annexed would not preclude him doing the job for the entire region, which includes an area much larger than Mitkof Island.

We spent most of the afternoon driving out the Mitkof Road to inspect the area to be annexed. Due to the road and weather conditions it took a couple of hours just to drive to Mile 18 and back. We noted that there was no residential housing beyond Mile 7 1/2. On the way back we stopped to talk to Roy Sokol, the owner of the liquor store outside the present City limits. Mr. Sokol explained that people living outside the area would be opposed to annexation because they are presently contributing their local sales tax to support any municipal services they take advantage of while in the City limits. He feels strongly about having any organized government forced upon them.

Wednesday, December 21, I contacted the Planning and Zoning Commission to determine its involvement with any coastal zone management plan or State land selection. The local Planning and Zoning Commission was not involved in the decision for annexation and would be opposed to annexing all of Mitkof Island. We had an opportunity to look at a map of the

State land selection for the City of Petersburg. Dennis Murphy, a U. S. Forest Service employee and member of the Planning and Zoning Commission, provided us with this information. After Alaska Airlines overheaded for the second day in a row, Doug and I chartered out of Petersburg on Alaska Island Air. We left Petersburg at approximately 12:15 p.m. and arrived back at the office at 1:30 p.m.

Observations

Although we estimated that the City may receive \$49,280 in real and personal property taxes, this money could not be collected during the upcoming fiscal year. An assessment would first need to be provided of the actual real and personal property valuation in January 1978. The City Clerk, Jerry VanBleck, provided me with a copy of the estimated taxable property in the territory and the estimate of population based upon an actual enumeration prepared under the supervision of the City Clerk.

In talking with those people outside the city limits, they were opposed to annexation because they feel they are supporting Petersburg through their sales taxes and do not believe they will receive any additional services than they now have. Some feel that their 7 mill property tax will be used to bail Petersburg out of its financial problem and not provide them with a significantly higher level of service. At the present time the City of Petersburg does provide police protection, fire protection and ambulance service beyond the City limits despite any legal liability problems.

ROBERTSON, MONAGLE, EASTAUGH & BRADLEY

R. E. ROBERTSON (1885-1961)
F. O. EASTAUGH
J. B. BRADLEY
W. G. RUDDY
L. B. JACOBSON
R. B. BAKER (ANCHORAGE)
M. T. THOMAS
L. J. BARKER (ANCHORAGE)
J. F. CLARK
P. M. HOFFMAN
J. P. TANGEN
L. G. BERRY (ANCHORAGE)
C. R. RICH (ANCHORAGE)
D. A. HOLBROOK
J. D. MILLER (ANCHORAGE)
T. A. SOFO

A PROFESSIONAL CORPORATION

ATTORNEYS AT LAW

200 NATIONAL BANK OF ALASKA BUILDING

PHONE (907) 586-3340

CABLE: ROMEA

TELEX: 099-45-376

P. O. BOX 1211

JUNEAU, ALASKA 99802

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DEC 21 1977
DEPT. OF COMMUNITY
AND REGIONAL AFFAIRS

ANCHORAGE OFFICE

510 THE FINANCIAL PLAZA
P. O. Box 679
ANCHORAGE, ALASKA 99510
PHONE (907) 277-6693
TELEX: 090-26-486

PLEASE REPLY TO

JUNEAU OFFICE

ANCHORAGE OFFICE

OF COUNSEL
M. E. MONAGLE

December 20, 1977

C
O
P
Y

Mayor or City Clerk
City of Kupreanof
P.O. Box 50
Petersburg, Alaska 99833

Re: Petersburg Annexation
Mailing of Petition and Brief

Dear Mayor or City Clerk:

This office is legal counsel for the City of Petersburg which is currently in the process of petitioning for extension of its municipal boundaries by annexation. We have a problem in connection with the annexation and its origin was right in this office.

On November 22, 1977, this office filed the City of Petersburg's Annexation Petition and Brief with the Department of Community and Regional Affairs. On that date copies of the Petition were mailed by regular mail to Kake, Wrangell, and Kupreanof. The next day, realizing that the regulations prescribed that the mailing shall be by registered or certified mail, this office again mailed copies of the Petition and Brief to Kake, Wrangell and Kupreanoff -- this time by certified mail. The problem was that, for reasons which remain unknown to me, the envelope addressed to Kupreanof was sent out without postage. Then to aggravate the problem, the Petersburg Post Office sat on it from receipt in late November until the present time, it not being returned to this office until December 20, 1977.

These factual circumstances give rise to major concern on the part of the Local Boundary Commission because notice to adjoining municipalities is a jurisdictional

Mayor or City Clerk
of Kupreanof
December 20, 1977
Page Two

precondition to the convening of a valid Local Boundary Commission proceeding. In yesterday's mail you probably received a copy of a letter which I addressed to Mr. Erik Simpson of the Department of Community and Regional Affairs which recited the problem which I was having with the return receipt of mail addressed to Kupreanof. With today's return of the envelope which was "returned for postage", I am perfectly aware of what the problem was and its origin. And now I convey my sincere apologies for having to trouble you.

It is my considered opinion that this defect can be remedied in either of two ways. The first is to have the Mayor or Clerk of the City of Kupreanof prepare a letter addressed to me which acknowledges receipt of Petersburg's Annexation Petition, Brief and Exhibits postmarked November 22, 1977, stating the approximate date on which they were received, probably around November 24 or 25, 1977, then have your letter notarized either by a Notary Public for the State of Alaska or by the U.S. Postmistress. It is essential that your statement be either notarized or sworn to by the postmistress. I would ask that you then send the letter back to me. That is the preferable procedure, I believe. The other alternative would be to have the City of Kupreanof take formal action in the form of a resolution waiving the requirement that the petitioner send copies of the Annexation Petition, Brief, and Exhibits to the adjoining municipality of Kupreanof at or about the time the petition was filed with the Department of Community and Regional Affairs. In such event, the resolution should also acknowledge that notice of the Petition had in fact been received by the City via mailing postmarked November 22 (or perhaps it was possibly even November 23 if the mail was picked up here in Juneau late that day).

I solicit your prompt attention and favorable cooperation.

Enclosed is another copy of the Petition, Brief, and Exhibits taken from the envelope which was returned to this office for postage.

Very truly yours,

ROBERTSON, MOLLAGE, EASTAUGH & BRADLEY

By:



L.B. Jacobson

LBJ:ss

cc: Dave Moffat
Erik Simpson, CR & R

LAW OFFICES OF
FAULKNER, BANFIELD, DOOGAN & HOLMES

HERBERT L. FAULKNER (1882-1972)
NORMAN C. BANFIELD
FRANK M. DOOGAN
MICHAEL M. HOLMES
RANDALL J. WEDDLE
WILLIAM B. ROZELL

SUITE 201, 311 FRANKLIN STREET
JUNEAU, ALASKA 99801

TEL. 586-2210
AREA CODE 907

December 6, 1976

JAN VAN DORT
LAWRENCE T. FEENEY
CHARLES N. DRENNAN
PATRICK E. MURPHY
TOM BATCHELOR

Local Boundary Commission
Department of Community and Regional Affairs
Pouch B
Juneau, Alaska 99811

Re: In the Matter of Annexation by City of Skagway, Alaska

Gentlemen:

This letter supplements the Brief of Pacific and Arctic Railway and Navigation Company filed in the above entitled proceeding.

Wherever throughout the railroad's Answering Brief reference is made to the distance from the northern boundary of the City to the U.S./Canada international border as "almost 20 miles", this should be amended to read "approximately 12 miles". However, where throughout the Answering Brief, reference is made to the distance from the City to the border via the railway, this remains "almost 20 miles".

In reply to the petitioner's Errata and Addenda filed the 26th day of November, 1976, the railroad submits the following:

1. Reference to a topographic map of the area submitted herewith shows that the only land which is not very steep hillsides is the valley of the Skagway River including the White Pass Fork and the Warm Pass Valley. The White Pass Fork is in a steep gorge. The Warm Pass Valley has steep hillsides and is boulder-strewn along the river. There is a small amount of land capable of being developed at the confluence of these two streams. Downstream the river is in a gorge all the way to the East fork within a distance of three miles from the northerly limits of the City of Skagway. There is a small amount

of land near the mouth of the East fork capable of development. From there down to the northerly boundary of Skagway there is an area of flat land occupied by the numerous channels of the Skagway River, which is a braided stream in this area. Its course changes constantly and only at a few places along the banks is there any chance of development. U. S. Survey 3312 is in one of these few places approximately two miles from the City's north boundary. The mountain sides are too steep for any development. Although the City is entitled to select 10% of the land owned by the State within its boundaries, it appears there is very little land which is of any value for development. In fact, the City could select all of the land suitable for development with little or no extension of its boundaries.

2. When the Legislature allowed the cities and boroughs to select 10% of the State land within their boundaries, it would have resulted in every municipality in Alaska extending its boundaries in order to create a right to selecting more land whether it needed the land or not, except for the fact that the local Boundary Commission had the duty to protect the State from such unnecessary acquisitions beyond the needs of the communities. If the City of Skagway is allowed to acquire an additional 106,000 acres and to select 10,600 acres in addition to the selections to which it is already entitled, then a city like Juneau should be allowed to annex Admiralty Island and all of the mainland half way to Petersberg and half way to Haines and Skagway. If such practice was allowed, the State would lose almost 10% of all its lands because there would be no end to the amount of land various communities would claim they are entitled to. It is your duty to protect the State while giving the city what lands it needs, if any.

The City of Skagway has not shown how the services will be provided to the territory it proposes to be annexed or when they will be commensed to be furnished or fully available although it plans to start taxation in 1978. 19 AAC 05.020 requires as a condition precedent to granting annexation that the services will be provided within a reasonable time or differential tax zones will be established. No such showing has been made so

therefore the application should be denied. Although the Commission may find that some services are needed and can be furnished under some plan which the City may furnish later, the fact remains that there is no need for any extension of municipal services more than one and one half miles from the corporate limits of the city. There must first be a need and then a plan capable of being implemented. Without a need the plan should be confined to the area which the Commission finds is in need of these services.

Respectfully submitted

N. C. Banfield

N. C. Banfield

Attorneys for

Pacific and Arctic Railway and
Navigation Company

NCB/bf

Nov. 24, 1977

Ladies and Gentlemen of the Local Boundary Commission:

On the evening of Monday, November 21, 1977 I was one of several out-of-city residents of Mitkof Island who attended the public hearing and Petersburg City Council meeting. The subject of the hearing was the first item on the agenda of the city council: A petition by the city council of Petersburg to annex Mitkof Island. The out-of-city residents had numerous questions concerning this important matter--unfortunately the city council was not prepared and so were unable to supply anything except vague generalizations.

Whereas the city council of the city of Petersburg has had two years in which to study the feasibility of the aforementioned annexation (two years having elapsed since the last time the city council tried to petition for annexation of the island), and whereas the city council of the city of Petersburg has by its own admission no idea whether such annexation is feasible, I therefore submit that the aforementioned petition is premature at best, and that until an in depth feasibility and impact study have been undertaken and completed and presented to the public, such a petition is at best ridiculous.

I further submit that whereas the overwhelming majority of the out-of-city residents of Mitkof Island are opposed to the aforementioned annexation, and that whereas many out-of-city residents of the island favor alternative methods of incorporation of the area, further feasibility and impact studies should be undertaken; to wit:

1. The creation of a unified first class borough, to include the city of Petersburg and Mitkof Island.
2. The creation of a unified second class borough, to include the city of Petersburg and Mitkof Island.
3. The creation of a second class borough, to include Mitkof Island and to exclude the city of Petersburg.
4. The creation of a first class borough, to include Mitkof Island and to exclude the city of Petersburg.
5. The creation of a first class borough to include Mitkof Island, the city of Petersburg, Kupreanof Island, Kuiu Island, the northern half of Prince of Wales Island and the southern half of Admiralty Island.

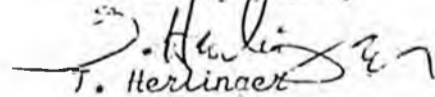
6. The creation of a second class borough to include Mitkof Island, the city of Petersburg, Kupreanof Island, Kuiu Island, the northern half of Prince of Wales Island and the southern half of Admiralty Island.

7. Further alternative methods of incorporating that part of Mitkof Island which lies outside the city limits of the city of Petersburg.

During the public hearing it became evident that while the city council of the city of Petersburg wants the taxes of the out-of-city residents of the island, they want to give these same residents no services. When asked how they could pay for the extra services which would be demanded by the residents of the area being considered for annexation the council seemed surprised that we should want or need any services beyond those now available. It should be noted that the services now available are inadequate for the area for which they are legally responsible, let alone the area being considered for annexation. If the area in question were annexed the State Troopers who now protect the island would almost certainly be withdrawn, and the present city police department of the city of Petersburg cannot even protect the post office, (which is across the street from the police department) from vandals; therefore the lobby of the post office must be locked after 6:00 P. M. Although the city has a fine volunteer fire department, it is physically impossible for them to protect more than the city proper--last Saturday they arrived at Sandy Beach (two miles from downtown) just in time to see Bill and Joyce Jenkins' house metamorphose into an excellent site for a wiener roast. While Sandy Beach is outside the city limits, the department, although it has no legal responsibility has a moral obligation which it cannot fulfill; if the area were annexed they would have a legal responsibility but lack the physical resources necessary to fulfill this responsibility.

In closing I should like to make a subjective observation: The city council of the city of Petersburg reminds me of a third class juggler, who unable to handle the objects now in motion, deems to turn the act into a comedy by calling for more objects.

Sincerely yours,



T. Herding

P. O. Box 378

Petersburg, Alaska 99833

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

In the Matter of Annexation)
by City of Petersburg, Alaska)
_____)

PETITION

1. PETITIONER'S NAME. The petitioner's name is City of Petersburg, Alaska, and mailing address is P.O. Box 329, Petersburg, Alaska 99833; Phone: 772-4511.
2. ATTORNEY. Petitioner's attorney is Robertson, Monagle, Eastaugh & Bradley, P.O. Box 1211, Juneau, Alaska 99802; Phone: 586-3340.
3. BOUNDARY DESCRIPTION. The legal description of the territory all in the First Judicial District, State of Alaska sought to be annexed is:

The entirety of Mitkof Island and contiguous waters extending a distance of 1,000 feet from line of mean high tide excepting in Wrangell Narrows which distance shall be the mid-points between Mitkof and Kupreanof Islands.
4. LAND QUANTITY. The quantity of land in the territory proposed for annexation is 211 square miles, excluding the tide and submerged lands and present municipal limits.
5. VALUATION. The estimated value of real property in the proposed territory is \$6,790,000, valuation of personal property being estimated at \$250,000.
6. POPULATION. The number of residents in the territory proposed to be annexed is 514.
7. PROPERTY TAX. There is no real or personal property tax levied against the property.

ROBERTSON, MONAGLE, EASTAUGH & BRADLEY
A PROFESSIONAL CORPORATION
200 N. B. A. BLDG. PHONE 586-3340
P.O. BOX 1211, JUNEAU, ALASKA 99802

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NOV 22 1977

DEPT. OF COMMUNITY

8. SALES TAX. There is no sales tax levied by or collected in the territory.

9. BONDED INDEBTEDNESS. There is no outstanding bonded indebtedness for which the territory to be annexed is currently responsible.

10. EXHIBITS. Incorporated by reference are the following exhibits:

- A. Legal description of present municipal boundaries.
- B. Map of existing boundaries.
- C. Map of proposed territory sought by annexation.
- D. Certified ordinance authorizing annexation procedures.
- E. City Attorney's affidavit respecting information sources.
- F. Attorney's certificate of service.

DATED this 22nd day of November, 1977.

CITY OF PETERSBURG, ALASKA

By



L.B. Jacobson
Of Robertson, Monagle,
Eastaugh & Bradley
Attorneys for Petitioner

ROBERTSON, MONAGLE, EASTAUGH & BRADLEY
A PROFESSIONAL CORPORATION
200 N. B. A. BLDG. PHONE 385-3340
P.O. BOX 1211, JUNEAU, ALASKA 99802

PETITION OPPOSING ANNEXATION TO

PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITROF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Stanley L Reed	PO Box 891		X
Joe Reed	"		X
Alton Stevens	Gen Deliv	X	X
Mrs Maat Stevens	Box 112		X
C. H. Lyons	Box 189		X
Mary F Lyons	Box 189		X
Paul Desjardis	P.O. Box 242		X
Flaxen Collier	Box 1051		X
Frank Collier	Box 1051		X
Kim a [unclear]	Box 1083		X
Linda Kearney	Box 204		✓
Kallen Beir	Box 871		X
Donald B Jackson	Box 812		X
Ralph W Temple	Gen Delivery		X
Bill B Lyons	Box 588		X
Mrs Shu Wayne	Box 1275		X
Pete Einfeld	Box 234		X
Marilyn Jackson	Box 234		X
N. N. Johnson	Box 532		X
M. Johnson	Box 532		X
Urm R. Sharp	Box 627		X
Marjorie Sharp	Box 627		X

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Bill Higdon	Box 1095		✓
Small Williams	Box 585		✓
W. A. Grannick Jr.	Box 1141	✓	
Donald Williams	Box 585		✓
Barbara Grannick	Box 1141	✓	
Faye Harris	Box 263 Petersburg		✓
Bill Ennis	Box 263		✓
James Hange	Box 983	✓	
Maureen Brown	Box 547 Petersburg		✓
DiAnne Brown	Box 547		✓
Lida Clark	Box 1332	✓	✓
Barbara Higdon	Box 1095		✓
Ed Murray	Peter 1168	✓	✓
Donald Hunt	Box 1075		✓
Bob Anderson	Box 42		✓
Helen Anderson	Box 42		✓
Jim Queen	Box 1159	✓	
Fusa Queen	Box 1154	✓	
Thomas Distleton	Box 421	✓	
Michael M.	Box 950	✓	
Richard M.	Box 950	✓	✓
Small Williams	Box 585	✓	

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PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
<i>Bartha T. Claypool</i>	<i>Box 1003</i>		<input checked="" type="checkbox"/>
<i>Ray [unclear]</i>	<i>Box 1336</i>		<input checked="" type="checkbox"/>
<i>Fay Willard</i>	<i>Box 941</i>	<input checked="" type="checkbox"/>	
<i>Robert [unclear]</i>	<i>Box 207</i>		<input checked="" type="checkbox"/>
<i>Ram School</i>	<i>Box 964</i>		<input checked="" type="checkbox"/>
<i>Frank [unclear]</i>	<i>Box 12</i>		<input checked="" type="checkbox"/>
<i>Marilyn Reno</i>	<i>Box 12</i>		<input checked="" type="checkbox"/>
<i>Bill [unclear]</i>	<i>Box 651</i>		<input checked="" type="checkbox"/>
<i>Donna [unclear]</i>	<i>Box 1251</i>		<input checked="" type="checkbox"/>
<i>William [unclear]</i>	<i>Box 566</i>		<input checked="" type="checkbox"/>
<i>[unclear]</i>	<i>Box 451</i>		
<i>Susan [unclear]</i>	<i>Box 1335</i>		<input checked="" type="checkbox"/>
<i>Bob Olsen</i>	<i>Box 55</i>		<input checked="" type="checkbox"/>
<i>Linnas Olsen</i>	<i>Box 55</i>		<input checked="" type="checkbox"/>
<i>[unclear]</i>	<i>Box 700</i>	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>
<i>Don [unclear]</i>	<i>Box 748</i>		
<i>Oliver Olson</i>	<i>Box 1135</i>		<input checked="" type="checkbox"/>
<i>Sam Lewis</i>	<i>Box 267</i>	<input checked="" type="checkbox"/>	
<i>Richard Russell</i>	<i>Box 70</i>		<input checked="" type="checkbox"/>
<i>Emoral [unclear]</i>	<i>Box 361</i>	<input checked="" type="checkbox"/>	
<i>Mervin Peterson</i>	<i>Box 376</i>	<input checked="" type="checkbox"/>	
<i>Don [unclear]</i>	<i>Box 984</i>		<input checked="" type="checkbox"/>
<i>John E. Jensen</i>	<i>Box 681</i>	<input checked="" type="checkbox"/>	

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Dennis Rogers	Box 524	X	
Carolyn Remy	593 City		X
Joe Remy	893 City		X
Rebecca Rose	Box 1222	X	
Evelyn Slechte	Box 1222	X	
James Hoyt	Box 828	X	
Harold Greenman	Box 551	X	
Walter King	Box 1043	X	
Ken Kullbacker	Box 936	X	
B. J. Joss	Box 1328	X	
Daniel J. Heizer	Box 495	X	
Ken Healin	Box 884	X	
Chris Hany			X
Bull F. Russell	Box 381		X
Neil Peterson	Box 355		X
John Eide	Box 101		X
W. Rielke	Box 511	X	
John Richmond	Box 857	X	
Al Peterson	Box 403		X
Bob Dennis	Box 1236		X
Steve Erickson	Box 177 P56.		X
Dick Somerville	Box 322 CITY	X	

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
William Thomas Shepard	PO Box 1004		✓
Arthur Gilbert	PO Box 1101	✓	
Thomas Monroe	PO Box 654		✓
Ruth Maurer	Box 654		✓
Jim Welch	Box 382		✓
Bob Glenn	Box 622	✓	
Frank Glenn	Box 622	✓	
James H. Birch	Box 34	✓	
Diana Balus	Gen Del	✓	
Margie Birch	Box 34	✓	
James Hammer	400 Lumber St. (Box 223)	✓	
John Lave	Box 983	✓	
Steven Fitts	Box 892	✓	
Eugene Lave	Gen Del	✓	
Larry Adams	Box 331	✓	
James Adkins	Box 484	✓	
James Andrade	Box 577	✓	
Bill Bar	Box 561	✓	
Ray Glenn	Box 622	✓	
Paul Masse	Box 405	✓	
Paul McDermott	Box 616	✓	
Wm Randolph	Box 347		✓

WE, THE UNDERSIGNED, BEING CITIZENS OF SEIKO ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED BY THE LOCAL TOURISM COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREA. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Leon Jansky	Box 133	X	
Arb Kurwata	Box 770	X	
Ben Lucas	Box 220	X	
Rudy Rammauck	Box 732	X	
Ben Beilley	Box 23	X	
Doug L. Ward	Box 1291 Petersburg		X
DAVID MACKENZIE	Box 553	✓	
Carroll Milken	Box 838	✓	
Ross Rammauck	Box 732	✓	
Joe Strachan	P.O. Box 981	✓	
Jerry Dobb	Box 128	✓	
Richard Thompson	1044	✓	
Bryde Martin	Box 492 PSG	✓	
Robert M. Mills	Box 837	✓	
Zerry Archuleta	Box 1010 PSG	✓	
Walter Jones	Box 1017 PSG	✓	
Theresa Lewis	Box 1134 PSG	✓	
Linda Dean	Box 1112 Box	✓	
Charles A. Walker	1112 Box	✓	
Devenly Boy	Box 325		✓
David Loy	Box 325		✓
May R. Kurwata	Box 770	✓	

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH AN ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Myron L. Lyons Sr	Box 588 PETERSBURG AAA.	X	
Beryl Hallingstad	Box 186 PETERSBURG AK	X	
Myron L. Lyons Jr	Box 938 Petersburg, AK	X	
Gertrude Lyons	Box 588 Petersburg, AK.	X	
James Hallingstad	Petersburg, Alaska	X	
Colyn Lopez	Box 588 Petersburg	X	
Carleen Dodge	Box 588 Petersburg	X	
James Kinnaman	Box 1102 Petersburg	X	
Richard Kinnaman	" # 1093	X	
James D. Hayes	Box 1252 "		X
Esther Soderate	P.O. Box 773		PSC
Janet Rankin	P.O. Box 114		PSC
Daphne Hallingstad	Box - 1342	X	
Bessie Hallingstad	Box 1342	X	
Nelen Bell	Box 208	X	
Charles Bell	Box 208	X	
Jim Baumgartner	Box 1355	X	
Judi Quinn	P.O. Box 1094	X	
Chris Lopez	P.O. Box 285	X	
Nelen Delpid	P.O. Box 833	X	
Nelen Lash	P.O. Box 165	X	
Donald E. Lund	Box 1026	X	

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

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NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Julia Bauer	Box 237	✓	
Rich Dumble	"	✓	
James F. Finney	Box 1244	✓	
Paul Russeth	Box 305	✓	
Bruce Franer	" 826	✓	
Michael Cooper	Box 227	✓	
Norris Wilson	Box 623	✓	
Thomas O. Dremman	Box 823	✓	
Thomas O. Dremman	Box 823	✓	
Steve V. Berrill	Box 1315		✓
Ethel Lynn Lopez	Box 285	✓	
Margaret de Leon	Box 1345	✓	
Julia de Leon	Box 96	✓	
Martha J. Jansen	Box 334	✓	
Loris S. Jansen	P.O. Box 311	✓	
Halder C. Veisteg	P.O. Box 1206		✓
Cynthia A. Young	Box 1348		✓
Kevin J. Bell	Box 1284	✓	
Karen Hill	Box 1284	✓	
Garry Bernaldo	Box 147	✓	
Deborah Bernaldo	Box 147	✓	
Kathy Hoppe	Box 1148	✓	

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITROP ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Louise N. Kite	Box 271, Petersburg, AK	✓	
Rosanne Anderson	Box 837, Petersburg	✓	
Lucy Kite	Box 287 Petersburg	✓	
Rock Kite	Box 271 Petersburg	✓	
Nancy Benson	Box 36 " "	✓	
Nancy Benson	Box 36 " "	✓	
Casper & Hallingstad	Box 186 " "	✓	
Clara Lewis	401 H Street Petersburg	✓	
David Wilton	Box 514	✓	
David Wilton	Box 661 - City	✓	
Michael Sterling	Box 1021 - City	✓	
Michael I. Wadsworth	Box 1052 - City	✓	
Tina Patis	Box 1226 City	✓	
Jeff Roth	1287 City	✓	
Linda Jagata	Box 565 City	✓	
Albert Sakamoto	Box 772 City	✓	
Arnold Haube	Box 736 City	✓	
Hester Kite	Box 384 City	✓	
Marita	Box 1225	✓	
Bernice Haube	Box 736 - City	✓	
Dann Just	Box 165 - City	✓	
Jimmy Kolasa	Box 384 - City	✓	

PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Joe Vukobrat	Box 241 - Petersburg		X
Thomas Morrison	Box 524 Petersburg		X
John C. Morris	Box 524 Petersburg		X
Ray B. Brown	Box 338		"
John J. Brown	Box 338 Petersburg		X
Lorraine M. Almy	Box 616, Petersburg	X	
Robert D. Erickson	Box 961 City		X
Andrew B. Thompson	Box 1355 - city	X	
Erica Nyberg	Box 445 Petersburg	X	
Jeff Reid	P.O. Box 914 Petersburg		X
Diane Erickson	Box 961 Psc		X
Sherry Hansen	Box 253 Petersburg	X	
Leite D. Silva	P.O. Box 58 Petersburg	X	
Rick Hansen	P.O. Box 253 Psc.	X	
Lill L. Lykens	P.O. Box 830 Petersburg	X	
Steve Erickson	P.O. Box 177 PSC		X
Billy Whitehorn	Box 834 Petersburg	X	
Clayde Lukem	Box 830 PSC	X	
Paul Macdonald	Box 435 Psc	X	
Richard S. Hansen	Box 253 Psc.	X	
Edward D. Hill	10910 PSC		X
Wendy K. Kuntze	Box 770 Psc	X	

PETITION OPPOSING ANNEXATION TO
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NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Arda Johnson	Box 910	✓	
Jill Johnson	Box 910	X	
Lela Seims	Box 183		✓
Larry Heines	Box 182		✓
Eleanor Thomassen	Box 1044		✓
Sally Sawyer	Box 810	✓	-
Y. Stenmark	Box 735	✓	-
Dev Reid	645		✓
Patricia James	764	✓	
Ronela K. Jensen	Box 681	✓	
Yvonne M. Thynne	Box 56	✓	
Judy Ohmer	Box 372	✗	✓
Lela Trask	Box 1333	X	
Patricia Nannush	Box 732	✓	
Julie - Jerry Dahl	Box 128	✓	
DeW. Sheppard	Box 312	✓	
Alvin Grant	Box 1143	✓	
Arden Davis	Box 208	✓	
Wileen Seer	Box 208	✓	
Margit Smith	Box 749	✓	
Annifer Cummins	Box 1131		X

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PETITION OPPOSING ANNEXATION TO
PETERSBURG, ALASKA

WE, THE UNDERSIGNED, BEING CITIZENS OF MIKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES AS PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION.

NAME	ADDRESS	RESIDENT	
		CITY	OUTSIDE
Jeff McEadyen	P.O. Box 592		X
Stephen Berry	P.O. Box 934		X
Jack Yancy	P.O. Box 1348		X
Herbert Hanson	Box 726	X	
Rosemary Hanson	Box 726	X	
Michael Hess	Box 1203	X	
Celis Rosenzweig	Box 1282	X	
Melvin Mill	P.O. Box 1363		X
Jim Wiley	P.O. Box 712	X	
Ken Baird	P.O. Box 343	X	
Kathy Johnson	P.O. Box 593		X
Chris Shapstein	P.O. Box 934		X
XXXXXXXXXX	XXXXXXXXXX		X
Heidi S. Quire	P.O. Box 297	X	
Wendy Gately	P.O. Box 1153	X	
Hubert Padde	P.O. Box 1023	X	
Bill Swanson	Box 233	X	
Francis R. Williams	"		X
John Otness	Box 1195	X	
Ralph A. Schuble	Box 614	X	
Scott A. Ross	Box 313	X	

TO: COMMUNITY & REGIONAL AFFAIRS COMMITTEE

ATTENTION: Honorable Joseph Orsini,
Chairman, and Committee
Members

From: Gertrude B. Lyons
P. O. Box 1128
Petersburg, AK 99833

Date: February 8, 1978

I am on the Board of Directors of the Petersburg Indian Association and have been a resident of the City of Petersburg all my life and have been authorized by unanimous vote of the Board to appear and protest to the Legislature any extension of the boundaries of Petersburg. The members of the Petersburg Indian Association are strongly opposed to the recommendations of the Local Boundary Commission to the Legislature of the State of Alaska concerning the extension of the boundaries of the City of Petersburg.

The Petersburg Indian Association was formed because of the various Alaska native groups, including the Tlingit-Haida Central Council, the Alaska Native Brotherhood, the Alaska Native Sisterhood, and Sealaska Corporation, which had programs to be administered within the Petersburg area. The Petersburg Indian Association is a combination and serves and represents all Alaska native programs administered in the Petersburg area. There are approximately one hundred eighty-five (185) adult members in the Petersburg Indian Association, all of whom are residents residing in the existing City of Petersburg.

The Petersburg Indian Association has reviewed the petition submitted by the City of Petersburg to the Department of Community and Regional Affairs for the annexation or expansion of the existing city limits of Petersburg and the recommendations of the Local Boundary Commission to the Legislature. The Petersburg Indian Association is strongly opposed to any expansion of the existing city limits of Petersburg.

The existing tax base for the City of Petersburg, including real property taxes, sales taxes, and utility charges is extremely high and before any of the existing utilities are expanded to additional areas, and before any additional police and fire protection services are expanded to additional areas, it appears to the Petersburg Indian Association that steps should be made to improve and reduce the charges to the existing residents within the present city limits of the City of Petersburg. The cost of expanding utilities and services to any additional areas could only be met by additional taxes far and above those which would be generated through the annexation of the additional area.

I was employed for eight (8) years as a dispatcher for the City of Petersburg Police Department, having left that position approximately one (1) year ago. In reviewing the petition of the City of Petersburg for additional areas to be annexed I noted the number of emergency medical treatment calls that they attributed to

Page Two
February 8, 1978

areas outside the existing city limits. Based upon my own observations and experience, by far the vast majority of these calls would have been to the Petersburg Municipal Airport or to the float plane charter services operated in and out of Petersburg, bringing injured or sick persons from other areas to receive treatment at the Petersburg hospital.

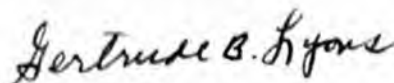
The existing fire equipment is inadequate to serve outlying areas without the addition of water lines and hydrants as the present tank trucks or pumper trucks would not be sufficient to fight any major fire without fire hydrants being located in the immediate vicinity.

If police protection is to be afforded in the additional annexed area it will require that at least one additional squad car be added to the existing police force and at least four (4) officers, one for each shift and one as a relief officer. The existing bonded indebtedness of the City of Petersburg is the highest per capita in the State of Alaska. It would seem apparent that if additional services and utilities are afforded to areas outside the existing city limits, that the only way this could be accomplished would be by incurring additional bonded indebtedness which would place an undue burden and hardship on the taxpayers and residents of the City of Petersburg. This is particularly true of our native residents who for the most part are employed on a seasonal basis, which severely limits their income and ability to pay any additional taxes or utility charges.

Before any additional areas are added to the City of Petersburg, the Petersburg Indian Association and myself feel that definite steps and improvements should be made within the city limits to reduce the taxes and improve existing services and utilities, particularly the electric utility services which, in my opinion, are the highest in the State. Presently people outside of the existing city limits of Petersburg pay a surcharge on top of their electric service charges for being rendered that service by the city; however, if these areas are included in the city this surcharge would be lost, and the only way that this could be made up is by adding to the already high electric service charges being taxed on the residents of the City of Petersburg.

For these reasons, the Petersburg Indian Association respectfully requests that the Senate and the House of Representatives pass a concurrent resolution rejecting the recommendation of the Local Boundary Commission.

Respectfully,



Gertrude B. Lyons

SUMMARY OF PROPOSED PETERSBURG ANNEXATION

Present area of Petersburg: 2.1 square miles

Area to be annexed: Northern half of Mitkof Island (approx. 45 sq. miles)

Property value for annexed area: Approximately \$7 million in real and personal property.

Present population of Petersburg: 2,126

Population in annexation area: 514

Purpose for annexation:

1. "Substantial population" exists in outlying area
2. Petersburg currently provides limited municipal services to the area.
3. Petersburg owns property in the area
4. Petersburg serves as the commercial center for the area.
5. Petersburg currently has jurisdiction in the area for parks, roads, trails, hydroelectric facilities, an airport, and its municipal water supply.
6. Petersburg residents use area for recreation
7. Annexation of area would provide logical and rational basis for Petersburg to plan and manage future growth, including:
 - a) Coastal Zone Management
 - b) Planning and Zoning
 - c) State land selections

Additional reasons for annexation:

The City already provides basic municipal services to Mitkof Island (fire, ambulance, public protection) whenever it can, but residents of outlying areas receive these services without paying taxes for them.

Reasons in opposition to annexation (by plaintiff in Court suit):

1. City violated procedural requirements by submitting information favorable to annexation after January 5 deadline.
2. Supporters of the annexation submitted erroneous and deliberately misleading information to the Boundary Commission, including:
 - a) Population figures for the City of Petersburg
 - b) Increase in power rates resulting from annexation
 - c) Requirement for increased sales taxes
 - d) Costs relating to the extension of sewer and water services
 - e) Adverse impact on the Petersburg School District budget
3. Plaintiffs were denied access to public information by the City of Petersburg regarding data submitted by the City to the Commission.
4. A previous election (August 26, 1976) showed 279 opposed and only 73 in favor of the expansion of the City's boundaries.
5. Boundary Commission has not correctly applied the statutory

standards for annexation to the Petersburg situation. (19 AAC 05.010.020)

Additional concerns expressed by letter of protest:

Taxes in Petersburg are already among the highest in Alaska yet municipal services are poor. Any attempt by the City to annex Mitkof Island would greatly extend the City's obligation to provide municipal services to outlying areas from which little or no revenue could be derived.

Ben Harding

2-6-78

SENATE COMMUNITY AND REGIONAL AFFAIRS
COMMITTEE MINUTES

FEBRUARY 7, 1978

Present: Chairman Orsini, Senators Willis, Hackney and Sumner. Wm. K. Mearig; J. R. Floden; Frances G. Westre; David A. Moffat; Gene Owens; Sigvald J. Strandberg; Erick J. Simpson; Sunny A. Hick; Gertrude Lyons; Lars Eide; Ed Lapeyri; James F. Petersen; Annette Smith; Bruce Aronson.

Absent: Senator Ferguson

Chairman Orsini convened the hearings at 3:15 PM. He announced that the Committee would take testimony on SJR 38, 29 & 40 but would take no action on the resolutions that day.

SJR 39 (Proposed Annexation by Haines Borough):

Chairman Orsini asked Sigvald Strandberg, Chairman of the Boundary Commission, to give the circumstances behind the proposed annexation of land on which stood fuel tanks formerly operated by the military. Mr. Strandberg described the action as pro forma in nature to allow the Haines Borough to eliminate a pocket of non-borough land inside its borders. He explained that the final disposition of tank farm property, which would be handled by the General Services Administration, would not be affected by the Borough's action and that the military had not objected to the proposed annexation. Mr. Strandberg also stated that no objections had been made by members of the public during the Boundary Commission's hearings in Haines. No one else wished to testify on SJR 39 and Chairman Orsini closed the hearings on the resolution.

SJR 38 (Proposed Annexation by the City of Skagway):

Mr. Strandberg noted that the City of Skagway originally requested to extend its boundary to the Canadian border and that of the Haines Borough. He noted that this raised the question in the Boundary Commission's opinion of what properly constituted city government versus that of a borough. The Commission therefore recommended a smaller extension of the City's boundaries and informed the City that it could, if conditions warranted, petition the Commission in the future to move its jurisdiction to the Canadian border. The City of Skagway supported this action by the Commission and agreed with the recommendation. Strandberg acknowledged that public testimony by persons residing outside the present City boundaries was opposed to annexations since they believed that they were already paying for municipal services through the sales tax. In response to questions from Committee members, he said that the Commission had not considered the inclusion of the Dyea area into the City of Skagway and that such an action would require separate Commission action.

William Ruddy, an attorney representing the City of Skagway, said that public opposition had been expressed to the proposed annexation but that it was not organized.

In the absence of further public testimony, Chairman Orsini closed the hearings on the resolution.

SJR 40 (Proposed Annexation by the City of Petersburg):

Mr. Strandberg said that public hearings had been held by the Commission in Petersburg January 9 before an overflow crowd with the testimony being broadcast live over the local radio station. On January 16 the commissioners held a telephonic conference and approved a recommendation for the extension of the City of Petersburg boundary.

He explained that the Commission's recommendation called for the city boundary to be extended only over the northern portion of Mitkof Island, an area of approximately 45 square miles. The City had originally petitioned for the annexation of all Mitkof Island, an area of approximately 211 square miles. Mr. Strandberg said that the Commission respected the City's reasons for the larger request, which included concerns about Coastal Management and municipal selection of state lands. He said that this again raised the question of borough versus city government and that the Commission had recommended an area for annexation that would take in almost all residents, but not all the territory, of Mitkof Island. He noted that, in the Commission's view, the natural development of the City of Petersburg lay along Mitkof Highway and that the outlying areas did benefit from municipal services. The incorporation of this area would remove the present tax inequity between the residents of the City and the outlying district. Mr. Strandberg pointed out that the City of Petersburg has a narrow tax base, but a fairly heavy bonded indebtedness. The 2,126 City residents have a bonded indebtedness of \$3.7 million against a property valuation of \$34 million. This gives the City a debt/valuation ratio of approximately 11% as opposed to a 5.4% ratio for the City and Borough of Juneau and 3% for the City of Ketchikan. He noted that there were considerable private land holdings south of Petersburg along the Mitkof Highway.

In response to questions from Committee members, Mr. Strandberg made the following comments: The City indicated that it would assess one-half, or 7 mills, of the present City mill rate against the residents of the outlying area for the first year after annexation. Petersburg City Councilmen run at large and therefore there would be no council seat per se representing the annexed outlying area. During the public hearings in Petersburg, public sentiment ran about four to one against annexation. The August 26, 1975, election during which City voters rejected annexation was a straw vote on another proposed annexation and for which sketchy data had been gathered in regard to potential tax revenues. Service areas in the unorganized Borough could be established by the Legislature only if the same services could not be provided by annexation to existing local governments.

The vote of the Commission had been three to one for the proposed annexation. Children in the outlying area presently attend City schools which receive tuition payments from the State. The economic future of Petersburg lies fishing and some logging. Industry would find it attractive to locate in the outlying area following annexation.

William Ruddy, the attorney representing the City of Petersburg, and William Meariq, representing the Petersburg city government, testified

jointly. Mr. Mearig stated that the 1975 annexation vote concerned the proposed annexation of West Petersburg, which has now incorporated separately as the City of Kupreanof, and did not pertain to the present recommendation. He noted that the Environmental Protection Agency was requiring the extension of sewer and water facilities to outlying areas. Either the City of Petersburg would provide these services or they would be mandated at the state or federal level. In response to questions from the Committee members, Mearig concurred that Petersburg's economic future lay with fishing and stated that any expansion of fishing facilities would probably occur at the four plants currently within the City's boundaries. Because of environmental and esthetic concerns, little or no development is likely to take place in the Narrows. He commented that strictly speaking it was illegal for the City to provide municipal services to the outlying area.

James Petersen, the attorney representing the plaintiffs in the court suit opposing the proposed annexation, testified that his clients opposed the annexation on the grounds that insufficient study had been given to the revenue, tax burden, and expense of the action. He stated that the original petition requesting annexation had been hastily put together and that the municipal ordinance had had its first reading with no public input. The second and third readings took place on the same night. Studies were lacking on population density, cost of police protection, cost of water and sewer facilities, and cost of electric power extension. Peterson said that his clients were not opposed to annexation per se and believed that the establishment of a service district (outside of the municipal boundary) could provide a viable solution. He emphasized that it was not only residents of outlying areas who opposed annexation but the residents of the City as well.

Frances Westre testified, as a member of the Petersburg City Council, that the Council had unanimously approved the proposed annexation as being in the best interests of the community of Petersburg and its environs. She said that the apparent haste in acting upon the petition was due to the legal requirement to submit all annexation recommendations to the Legislature by the tenth day of session. She pointed out that Petersburg and Wrangel were jointly studying a proposal for hydroelectric development in the Thomas Bay area that would provide relatively inexpensive power for economic development in the area. Ms. Westre said that Bruce Aronson of the Department of Community and Regional Affairs had originally raised the annexation question in Petersburg several years ago.

Lars Eide read to the Committee a letter he sent on December 12, 1977, to Commissioner of Community and Regional Affairs Lee McNerney protesting the proposed annexation as contrary to the wishes of the majority of the people of Petersburg. He stated he was part owner of Mitkof Lumber Company which employes approximately 23 persons about 75% of whom lived in the City and 90% of the company's production was exported.

David Moffat, City Manager of Petersburg, said that the impetus for annexation had originated from residents in the outlying areas and that he had heard of little opposition to the proposal from within the City. He noted that, without the existence of the City of Petersburg, it would be unlikely that industries outside city limits would have located in the area. Moffat pointed out that the City has a

significant interest in exercising planning for Coastal Management for Mitkof Island as well as achieving a wider basis for future municipal selection of state land. He also noted that the possibility of a deep water port had been studied for the southern tip of Mitkof Island.

Ed Lapeyri, a resident and General Manager of Mitkoff Lumber Company, a plaintiff in a court suit against the annexation, testified that outlying residents did not receive municipal services for which they did not pay. He stated that residents outside city limits paid a 15% surcharge for electricity and a 50% surcharge for water. As for fire protection, the State paid the City \$7.50 per capita for residents outside City limits. He submitted to the Committee the following petition signed by 543 residents of the general Petersburg area:

"WE, THE UNDERSIGNED, BEING CITIZENS OF MITKOF ISLAND, BOTH INSIDE AND OUTSIDE THE PRESENT CITY LIMITS OF PETERSBURG, ARE STRONGLY OPPOSED TO THE PROPOSED ANNEXATION TO PETERSBURG AT THIS TIME DUE TO THE METHODS USED BY THE CITY IN DIRECT OPPOSITION TO THE DESIRES OF THE MAJORITY OF THE CITIZENS AND BECAUSE OF ERRORS IN THE FIGURES PRESENTED TO THE LOCAL BOUNDARY COMMISSION AND THE FAILURE BY THE CITY TO PROPERLY RESEARCH AND DOCUMENT THE ECONOMIC CHANGES SUCH ANNEXATION WOULD PRESENT TO THE CITY RESIDENTS AND THOSE IN THE ADJOINING PROPOSED AREAS. WE ARE EXTREMELY CONCERNED IN THE MANNER IN WHICH THE CITY HAS PRESENTED THIS ANNEXATION WITHOUT PROPER PUBLIC INPUT. WE ALSO PETITION THE HOUSE AND SENATE COMMUNITY AND REGIONAL AFFAIRS COMMITTEES TO HOLD A JOINT HEARING IN PETERSBURG IN ORDER TO OBTAIN THE TRUE FACTS AND PUBLIC INPUT REGARDING THIS PROPOSED ANNEXATION."

Mr. Lapeyri said that these signatures were obtained within three days last week and that every reasonable effort was made to insure that resident adults were the only persons who signed. He told the Committee that of the 543 petition signers, 193 lived outside the City and 350 lived within the City limits.

Mr. Lapeyri charged that during the City Council deliberations on the annexation petition, a show of hands indicated that only 11 of the 93 persons present supported annexation and that, of the 6 who testified in favor of the measure, four were city employees or relatives of Council members. He said that real property valuation for the 1975 proposed annexation was \$6.3 million and in 1977 only \$6.7 million for a slightly different area. He also cited an unidentified study undertaken by a local private firm that indicated no significant economic development in Petersburg in the future. In response to Committee members' questions he acknowledged that fishing was considerably more important economically to Petersburg than logging which he characterized as "shakey".

Gene Owens, a resident of Petersburg, testified in support of the proposed annexation. He stressed that the State had consistently urged localities to assume local government control in the Unorganized Borough in such matters as Coastal Management planning. Mr. Owens said that the annexation of land on Mitkof Island by Petersburg was consistent with that objective.

John Floden, city engineer for Petersburg, spoke in favor of the annexation recommendation and pointed out that the City had basically proposed a service area concept. He noted that 19% of the population

of Petersburg currently lives outside the city limits. This meant that those inside the city pay 19% more for municipal services than their just share, while those outside pay 19% less. Mr. Floden said that without the extension of planning and zoning powers to the present outlying areas they were likely to develop in a haphazard manner leading to severe water and sewage problems in the future. There were instances in the outlying area where land was being subdivided into lots too small handle on-site sewage and water. Mr. Floden said that the City's goal in the annexed area would be to maintain large lots so as to prevent the need to establish sewer and water lines to high density residential and commercial dwellings. Additionally the projected linkage of Mitkof Highway with a proposed Stikine Highway could result in unrestrained commercial development of gas stations, drive-ins, etc. along the way unless proper planning and zoning authority existed to control it. In response to Committee members' questions, he said he believed a comprehensive community development plan for Petersburg had been prepared in 1965/66.

Certrude Lyons, a plaintiff in the court suite against the proposed annexation and a member of the Board of Directors of the Petersburg Indian Association, testified that the increased costs association with the extension of services to outlying areas would work an undue hardship on Native residents of Petersburg who were primarily dependent upon seasonal employment. Ms. Lyons said that the membership of the Petersburg Indian Association was approximately 185 adult persons and that the Association was the combined organization for the Tlingit-Haida Central Council, the Alaska Native Brotherhood, the Alaska Native Sisterhood, and Sealaska Corporation.

Sunny Hicks, a resident of the Petersburg area and opponent of the proposed annexation, characterized the community atmosphere of Petersburg as a "local Watergate situation" where neighbors were divided against one another and conversations were surreptitiously recorded. She believed that local anti-sities had been inflamed by the City's handling of the annexation petition. She stressed that the residents of the outlying area considered themselves to be members of the general Petersburg community and were willing to assume their share for local services. She questioned whether the City was capable of efficiently carrying out its present obligations, much less undertake more extensive ones without the compensation of major new revenues.

William Mearig requested to testify a second time to present his views as a private citizen in addition to his capacity as a city official. He said that the proposed annexation offered outlying residents their first chance to participate in the political decisions affecting them locally, even in the absence of a separate election district for the area. He stated that participation in local government in such matters as Coastal Management offered residents more protection than if they remained unorganized and allowed either the State or federal government to impose regulations on them.

In the absence of further public testimony on SJR 40, Chairman Orsini concluded public hearings on the resolution and adjourned the Committee at 6:28 PM.

PREPARED BY: Ben Harding, Senate C/RA Committee Staff

DATE: February 16, 1978

SUMMARY OF ECONOMIC AFFECTS OF PETERSBURG ANNEXATION

GENERALRevenue Gains

High estimate:	\$238,600 *
Low estimate:	<u>\$139,600</u> **

(*using sales tax estimate of \$150,000 annually)

(**using sales tax estimate of \$50,000 annually)

Revenue Losses or Added Expenses

High estimate:	\$182,000 *
Low estimate:	<u>\$157,000</u> **

These estimates are based on the following assumptions:

- a) No added water and power services to annexed areas (per City policy).
- b) No added police, ambulance, or fire services (per City statements that these services are already funded through State revenues sharing).

(*using high estimate for increased administrative costs)

(**using low estimate for increased administrative costs)

FINANCIAL BREAK-DOWN BY CATEGORIESRevenue Gains

1) Sales Tax Revenues:	High estimate:	\$150,000
	Low estimate:	\$ 50,000

The City has estimated that a sales tax could raise approximately \$150,000 annually in new revenues from the annexed area. Annexation opponents contend that this figure is greatly inflated and that a more realistic estimate is closer to \$50,000. The City has acknowledged that its estimate is very rough and that it was not able to obtain full data on which to base its figures.

2) Electricity Rate Increases

\$1 a month for residential and
commercial users

\$2 a month for industrial users

Estimated revenue: \$19,000

It is the City's intent that electricity rate increases will equal and offset revenue losses from the elimination of surcharges on water and electricity to users in the previously outlying areas.

3) State Revenue Sharing (using a population increase of 500)

Police	\$6,000
Air and Water Pollution	1,000
Parks and Recreation	2,500
Transportation	2,500
Roads (est. 3 miles)	4,500
Health Service	1,000
Regular*	850
Liquor*	1,100
Amusement and games*	150
Gross receipts tax**	1,000
Total Revenue:	\$20,600

(*from Department of Revenue estimates)

(**Department of Revenue estimates \$2,000 in revenue sharing from gross receipts. However over \$1,000 annually appears already to have been inadvertently shared with the City)

4) Property Tax Revenue

7 mills on an estimated \$7 million in real and
personal property \$49,000

Revenue losses of Increased Expenses:

1) New Administrative Costs

High estimate: \$50,000 *
Low estimate: \$25,000 **

This figure is derived from the assumption that increased administrative responsibilities, such as Planning and Zoning, for the annexed area will require an increase in City administrative personnel.

(*using high estimate of 1 officer and 1 secretary plus office start up costs)

(**using low estimate of 1 secretary/clerk plus office start up costs)

2) Elimination of State Tuition Payments

\$97,700

This figure is based on the calculation that 100 students will come from the annexed area. For 1977/78 payments, the Department of Education is using \$976.74 per pupil. Currently 115 students from outlying areas (including 5 from Kupreanof) attend Petersburg schools. The City's own loss projection was \$47,000 which was calculated on the Department of Education payments per pupil of \$443.61. That was the rate of payment used by the State last year. These payments will more than double this year.

3) Other Expenses

- | | |
|---|---------|
| a) Electricity and water extension costs | \$ 0 * |
| b) Police, ambulance and fire service costs | \$ 0 ** |

(*City plans no extension of power and water service beyond present level)

(**City plans to maintain these services at present level using existing State revenue sharing funds)

BACKGROUND

In its original annexation petition, the City of Petersburg requested the annexation of all Mitkof Island, an area of approximately 211 square miles.

The Local Boundary Commission recommended instead the annexation of the northern end of Mitkof Island, or about 45 square miles. The Commission's rationale was that 211 square miles would have created a territory calling for a borough organization without Petersburg having gone through the borough government process. The Commission believed that a city government provides essentially direct services to its citizens whereas a borough exercises regional responsibilities. As a result, its recommendation provided for the City of Petersburg to annex areas containing virtually all the population of Mitkof Island, but excluded uninhabited or yet-to-be-developed areas.

Following annexation, the City has said that it would increase electricity rate charges by \$1 a month for residential and commercial users and be \$2 a month for industrial customers. The present surcharges to outlying residents for City water and electricity would then be dropped. The City's intent is that the rate increases would equal the loss of revenue resulting from the elimination of the surcharges.

The City has no plans to extend water or electricity, beyond its present service level, to the annexed area. Police, fire and ambulance services to these areas are projected to remain unchanged and funded through State revenue sharing. (Confirmed in telephone conversation with Petersburg City Manager by Staff)

Other revenue-raising means the City plans to use include: a 7 mill tax levy on approximately \$7 million in real and personal property located in the annexed area, a sales tax on transactions under \$1,000, and the receipt of increased State revenue sharing funds.

Major revenue losses or increased expenses resulting from annexation include the dropping of State tuition payments, surcharge elimination, and the cost of probable added administrative services.

The proposed annexation has been strongly opposed by plaintiffs in a court suit who charge that inadequate study and planning have gone into the proposal. They cite poor or expensive municipal services and a high bonded indebtedness as evidence of the City's inability to take on added municipal obligations. A petition containing the signatures of 543 Petersburg residents in opposition to the annexation was presented to the Senate Community and Regional Affairs Committee February 7.

ANALYSIS

A major charge made by opponents of annexation is that the City is presently overextended financially and could under no circumstances assume additional financial obligations without the assurance of at least matching revenues. The annexation opponents contend that any new sources of revenue in the outlying area are minor and would be more than off-set by increased expenses.

The City acknowledges that its data on the economic impact of annexation

are fragmentary and based on rough estimates open to challenge. In fact, the attorney for the City wrote to the Boundary Commission that "I am strongly inclined to agree with that assessment about a short-term negative cash flow but similarly inclined to discount its magnitude predicated on the knowledge that many of the general services... have been provided heretofore." The attorney, L.B. Jacobson, further noted, "...nor was I of the opinion that financial viability of an annexation proposal was one of the standards promulgated in (state regulations) or the Alaska Constitution."

A summary economic analysis indicates, however, that the City has a fair chance of breaking even financially in the event of annexation, provided it does not extend to the annexed area any services it is presently not making available. The annexation would reduce somewhat, the City's unusually high (11%) bonded indebtedness to property valuation ratio. It would also increase City valuation by an estimated \$7 million in real and personal property from the annexed area. (See attached table to compare Petersburg population and bonded indebtedness with similar Alaskan communities.)

It would appear from testimony presented by a number of city officials at the Senate hearings, however, that the proposed annexation does not directly address the real reasons which impelled the City to request the annexation of Mitkof Island in the first place.

Those reasons are threefold: 1) the desire to plan for the Coastal Management of Mitkof Island, 2) the desire to obtain an adequate land base for later municipal selection of state lands, and 3) the desire to plan for the rational and orderly development of Mitkof Island. None of these objectives is significantly met by the proposed annexation of the northern quarter of Mitkof Island. In fact, from one viewpoint, the recommended annexation only adds to the City's problems without providing any of the benefits which the incorporation of the entire island would entail.

Nevertheless, the Boundary Commission's question, i.e. would the annexation of the 211 square miles of Mitkof Island create a de facto borough government rather than a city?, appears valid.

The implementation of the proposed annexation would not however settle the issue. The City of Petersburg supports the Boundary Commission's recommendation for the smaller area annexation despite its desire to annex all of Mitkof Island. But the City has also expressed the intention to renew its petition next year for the incorporation of all Mitkof Island under the City's jurisdiction. At that time, the same issues and the same arguments of city versus borough government and the need for local regional control will have to be addressed again.

TABLE V

VALUATION, POPULATION AND G.O. BONDED DEBT

CITIES	FULL VALUE DETERMINATION 1-1-77	CIVILIAN POPULATION 7-1-77	G.O. BONDED DEBT 7-1-77	PER CAPITA DEBT	PER CAPITA VALUATION	DEBT % TO VALUATION
CORDOVA	33,047,580	2,406	1,169,200	486	13,735	3.54
CRAIG	5,295,655	467	143,040	306	11,340	2.70
DILLINGHAM	17,140,840	1,269	135,000	106	13,507	.78
EAGLE	1,413,250	145			9,747	
GALENA	2,670,800	631			4,233	
HOONAH	5,332,800	848			6,289	
HYDABURG	1,438,405	380			3,785	
KAKE	2,394,685	679			3,527	
KING COVE	2,863,490	408	393,860	965	7,018	13.75
KLAWOCK	1,025,850	323			3,176	
NENANA	5,373,975	433	253,000	513	10,901	4.71
NOME	33,747,720	2,585	830,000	321	13,055	2.46
PELICAN	4,639,275	169			27,451	
PETERSBURG	34,048,060	2,126	3,750,000	1,764	16,015	11.01
ST. MARY'S	1,415,000	415			3,410	
SELAWIK	1,250,005	521			2,400	
SKAGWAY	29,850,185	854	627,000	734	34,953	2.10
UNALASKA	16,571,530	510			32,493	
VALDEZ	1,211,561,410	7,483	13,036,000	1,742	161,909	1.08
WRANGELL	37,599,610	3,152	575,000	182	11,929	1.53
YAKUTAT	10,149,240	442			22,963	
TOTAL CITIES	1,458,829,725	26,306	20,912,100	795	55,456	1.43
STATE	17,105,126,829	398,983	530,008,000	1,328	42,372	3.10
MUNICIPAL	14,001,074,809	368,406	519,599,526	1,410	38,004	3.71
STATEWIDE TOTAL	17,105,126,829	398,983	1,049,607,526	2,631	42,872	6.14

Alaska Taxable 1977

(Issued January, 1978)

State of Alaska

LOCAL BOUNDARY COMMISSION

Petition from City of Petersburg)
Requesting annexation of)
remaining portion of Mitkof Island)

STATEMENT OF DECISION

Whereas, on November 22, 1977, the City of Petersburg submitted a petition to the Local Boundary Commission through the Department of Community and Regional Affairs in accordance with Title 29 of the Alaska Statutes requesting annexation of the area generally described as the balance of Mitkof Island; and

Whereas, on December 1, 1977, the Department found the petition in proper form with the requisite content and accompanying exhibits; and

Whereas, upon notification by the Department of the petition's sufficiency, the Local Boundary Commission scheduled a public hearing with notice as prescribed by law; and

Whereas, the Local Boundary Commission conducted a physical inspection of the proposed annexation territory and held a public hearing in the Petersburg City Council Chambers on Monday, January 9, 1978; and

Whereas, the Local Boundary Commission held a decisional meeting in Anchorage on January 16, 1978, to review the proceedings on the annexation petition;

NOW THEREFORE, the Local Boundary Commission makes the following findings of fact and enters its decision thereto:

The portion of the petition territory accepted by the Commission meets the regulatory standards for annexation as follows:

19 Alaska Administrative Code 05.010 (a) (3): The territory on either side of the Mitkof Highway within the recommended annexation, extending southerly from the current City of Petersburg limits is generally being utilized and developed for residential and business purposes and such growth generally represents an extension of the Petersburg community beyond current city limits.

19 AAC 05.010 (a) (4): The territory recommended for inclusion in the city is in need of City of Petersburg general fund services such as fire and police protection, land use planning and zoning and the City is the most appropriate local government entity for providing such needed services. The City is capable of providing such services and has presented a differential taxation plan which the Commission finds appropriate for integrating the territory with the present city.

19 AAC 05.010 (a) (5): Both the scarcity of developable property and the suitability of property along the Mitkof Highway southerly from the present city limits has resulted in Petersburg community growth in this direction. The Commission foresees continued community growth in the area defined for inclusion in the City by the recommendation, and finds that such growth warrants City of Petersburg jurisdiction.

19 AAC 05.010 (a) (8): The Commission finds that both residents of and property owners in the territory recommended for inclusion within the city benefit from the existence of the adjacent city and by inclusion in the city will make tax contributions commensurate with benefits derived from provision of city services.

On the basis of the foregoing, the Local Boundary Commission affirms its decision to accept, with Commission modification, the City of Petersburg boundary change petition in accordance with Exhibit "A" attached hereto.

LOCAL BOUNDARY COMMISSION.

January 30, 1978

Approved:

s/ Sigvald J. Strandberg
Sigvald J. Strandberg, Chairman

s/ _____
Josephine Anderson

s/ _____
Edward Hopson

Dissenting:

s/ _____
James Dodson

Absent & Excused:

s/ _____
Sheila Gallagher

RECEIVED
JAN 31 1978

STATE OF ALASKA

LOCAL BOUNDARY COMMISSION

JUNEAU, ALASKA

RECOMMENDATION FOR ANNEXATION OF TERRITORY TO THE CITY OF

PETERSBURG, ALASKA

SUBMITTED JANUARY 18, 1978

RECOMMENDATION FOR ANNEXATION OF TERRITORY
TO THE
CITY OF PETERSBURG

WHEREAS, petitioner, the City of Petersburg, has requested that the entirety of Mitkof Island be annexed to the City of Petersburg, including the contiguous waters extending a distance of 1,000 feet from the line of mean high tide excepting in Wrangell Narrows at which distance shall be the midpoint between Mitkof and Kupreanof Islands; and

WHEREAS, subject to proper notice, the Local Boundary Commission conducted a public hearing in Petersburg on January 9, 1978, to hear testimony from the public concerning the proposed annexation; and

WHEREAS, upon conclusion of the public hearing the Local Boundary Commission requested additional data to supplement the hearing record; and

WHEREAS, petitioner, City of Petersburg, submitted the supplemental information requested to be distributed to Commission members; and

WHEREAS, the Local Boundary Commission held a decisional meeting on January 16, 1978;

NOW THEREFORE, the Local Boundary Commission recommends that pursuant to Article X, Section 12 of the Alaska Constitution and Alaska Statute 44.19.260, the petition brief and reply brief of annexation to the City of Petersburg was approved and the Local Boundary Commission modified the boundary to include a portion of Mitkof Island north of UT59S, Copper River Meridian. The official description of the proposed boundaries of the City of Petersburg are as follows:

Beginning at the SW corner of Section 31, UT59S, R81E, Copper River Meridian, Alaska; thence in an easterly direction along the S boundary of Section 31 protracted to its intersection with the mean low water of Mitkof Island; thence in a northerly, northwesterly direction along the meandering mean low water of Mitkof Island to the northerly tip of Mitkof Island; thence in a northwesterly direction to the center of the mouth of Wrangell Narrows; thence in a southerly direction along the center line of Wrangell Narrows to the point of intersection on the S boundary of Section 34, UT59S, R79E; thence easterly along the S boundary of UT59S to the point of beginning, containing 46.1 square miles more or less.

In accordance with Article X, Section 12 of the Alaska Constitution, this recommendation shall become effective forty-five days after presentation to the Legislature or at the end of the Session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each House.

Report To Local Boundary Commission

Annexation
To
present limits
of
The 1st Class City of
Petersburg

Department of Community & Regional Affairs
Local Government Assistance

January 4, 1978

The City of Petersburg was organized in 1912 and exists as a first class city under the laws of Alaska. The City of Petersburg's boundaries encompass more or less 2.1 square miles excluding tide and submerged lands. The City's population for 1977 State Revenue Sharing purposes, as accepted by the Department of Community and Regional Affairs, is 2,126.

The City of Petersburg is situated on the northern end of Mitkof Island where the Wrangell Narrows connect to Frederick Sound. The City is located on a low lying plane extending between sea level and a general elevation of 200 feet. This area is approximately 5 square miles. The lack of topographical relief in this area has made it possible for Petersburg to expand beyond its present boundaries.

The City proposes to modify and extend its municipal corporate boundaries. The annexation of contiguous lands and adjacent waters to Mitkof Island will expand the existing general boundaries southward to encompass the entire island. Annexation was first contemplated in 1975 and proposed encompassing west Petersburg, which is now the City of Kupreanof. The City Council followed an October 1975 referendum mandate from its citizens not to pursue annexation, but the City now has current circumstances which it feels necessitates extension of the municipal boundaries to include the entire Mitkof Island.

On November 22, 1977, the Department of Community and Regional Affairs received a petition and brief for the annexation proposed by the City of Petersburg. On December 1 the Department accepted and found the petition and brief to be substantially in proper form and containing the factual information required.

Attached is a copy of the letter from L. B. Jacobson, petitioners' attorney, explaining the difficulty of mailing the petition and brief to the City of Kupreanof. However, the Department feels every reasonable effort was made to contact the City of Kupreanof.

Attached is a notice of filing the petition as published in the Petersburg Pilot, December 14, 1977. At the request of Representative E. J. Haugen and the City of Petersburg Erik Simpson and Doug Griffin scheduled a trip to Petersburg from December 19 through 21 to answer questions concerning annexation. On December 19, 1977, a notice of public hearing for the proposed annexation was submitted to the Petersburg Pilot. Since the notice could not be published in the newspaper until December 28, five notices of the public hearing were posted within the City at the post office, City Clerk's office, Archie's, The Trading Union and the Magistrate's office. Outside the City the notice was posted at Scow Bay Liquor, The Beachcombers and Mitkof Lumber on December 20, 1977.

In the petitioners' brief the City of Petersburg reports that seven annexation standards are satisfied for the territory proposed for annexation.

The City of Petersburg maintains that the annexation standards depicted by 19 AAC 05.010 of subsections (3) through (9) are applicable and satisfied. Realizing that the City of Petersburg may propose annexation if only one of these standards is met, the Department will indicate the applicable standards and summarize any issues raised as follows:

Under subsection (3), the petitioners claim that the standard is satisfied because the territory between Blind Slough and Petersburg is essentially urban in character.

The Department notes that this standard may only partially be satisfied because the territory proposed for annexation beyond Mile 8 of the Witkof Highway is not essentially urban in character.

Under subsection (4), the petitioners claim the residents of the area are presently in need of all the basic municipal services, and the City of Petersburg is in a most favorable position to provide them. The City has presently felt the necessity to provide a minimum level of police, fire and ambulance services outside the present City limits.

The Department raises the issue that police, fire and ambulance services cannot legally be provided outside the City limits according to AS 29.48.037. The above municipal powers are not extraterritorial powers granted to the City of Petersburg by state statute.

Under subsection (5), the petitioners maintain there is no doubt that the future growth of Petersburg will occur within the territory and that annexation will permit the City to plan and control its development. It is envisioned that State land selections under the Statehood Act and the municipal entitlement of 10 percent of the vacant unappropriated land within the annexed territory will cause a material deviation from the old patterns of growth and development.

The Department raises the issue that this territory could be annexed at a time when the State receives title to this land rather than second guess which lands will actually become available for State land selection and municipal entitlement.

Under subsection (6), the petitioners maintain that annexation will alleviate the condition presently jeopardizing the health and safety of the City residents, particularly nonresidents. The City feels that to deny police, fire and ambulance services and to not respond to residents who have accidents while outside the City does allow nonresidents to receive services without cost. The City simultaneously suffers substantial tort liability exposure.

Annexation would alleviate this problem if minimum level services are provided to the residents outside the City. Since no additional

tax levy may be collected in the territory proposed for annexation until Fiscal Year 1978 - 79, the Department is concerned about the ability of the City to pay additional school support from the sales tax and make any capital expenditures needed to effectively provide police, fire and ambulance services to those residents beyond Mile 8 of the Mitkof Highway.

According to 19 AAC 30.050.020 no annexation will be approved unless the annexing city demonstrates to the satisfaction of the Commission that it is capable of extending and willing to provide services to the annexed areas. The 50 percent property tax for administrative services may need to be further itemized depending on the capability and willingness of the city to provide specific services.

Under subsection (7), the petitioners feel that the extension of city water, sewer and garbage collection will inevitably follow annexation. The services are dependent upon obtaining a favorable cost benefit ratio both to the City and the consumer.

The Department raises the question whether it would be appropriate for the City to collect property tax for the utility functions. The utilities would normally be considered an enterprise function which would be self-supportive from the user rates or surcharges associated with the particular utility.

Under subsection (8), the petitioners maintain that the residents and owners of property in the territory to be annexed receive the benefit of City services without remunerative tax contribution.

The Department notes that the City sales tax collected from residents and nonresidents alike has been used to substantially support the school and pay for the hospital and swimming pool bonded indebtedness. Previously the Federal and State Revenue Sharing funds have adequately covered the cost of providing the operating expenditures for the library, museum and parks and recreational programs.

Under subsection (9), the petitioners state that annexation is otherwise necessary in three important aspects to accomplish valid public purposes:

(1) All of the City's various properties and facilities would be within the jurisdiction of its boundaries.

Although it may be argued that City-owned rock quarries and mineral sites should be within the City limits to provide direct jurisdiction, the Department notes that the territorial jurisdiction protecting the water supply and the watershed may be preserved by adopting an ordinance to enforce the jurisdiction outside the City's present boundaries.

(2) The City feels that to participate in the coastal zone management program the entire Mitkof Island should be annexed.

Although the federal guidelines have not been developed, the Department notes that the City has not budgeted for nor is presently engaged in an effort to develop a district coastal zone plan by December 4, 1979.

(3) The City could also acquire additional properties to facilitate its growth and development through the acquisition of public and private properties as a result of State land selection.

The Department notes that only after the State has received title to the property will the City finally determine which territory will facilitate growth and development either in the private or the public sector. The Department also has some questions as to whether the City would receive all the State lands selected, particularly the section at the southern end of Mitkof Island.

According to 19 AAC 30.10.120, the Department has summarized the issues raised in the petition and brief with comments to those issues which are deemed relevant to the proposed annexation. The Department issues no recommendation regarding this proposed annexation.

JAMES F. PETERSEN

ATTORNEY & COUNSELLOR AT LAW

319 SEWARD STREET

JUNEAU, ALASKA 99801

THOMAS G. NAVE, ASSOCIATE

(907) 586-3530

February 4, 1978

Senator Joseph Orsini, Chairman,
House Committee of Community and
Regional Affairs
Room 101, Assembly Building
Juneau, Alaska 99811

Re: Opposition to Local Boundary Commission's
Recommendations Regarding Petersburg
Annexation Area
Our File No. P-8706

Dear Senator Orsini:

Please be advised that this office represents a number of the residents in Petersburg who strongly object to the procedures utilized by both the City of Petersburg and the Local Boundary Commission in determining that the city limits of Petersburg should be extended. For your information, I have attached hereto and to the copies of this letter which is being furnished to each member of your committee, copies of the pleadings which were filed on behalf of these citizens with the superior court here in Juneau. A review of these pleadings will clearly demonstrate the basis for the objection of the people of Petersburg.

As you and the members of your committee are aware, the recommendations by the Local Boundary Commission automatically come into being forty-five days after they have been submitted to the legislature, unless the House and the Senate pass a concurrent resolution rejecting said recommendations. Because of the total lack of community input into both the City of Petersburg's petition to the Local Boundary Commission and the decision of the Local Boundary Commission, the people of Petersburg sought a temporary restraining order preventing the recommendations from going to the legislature; however, the superior court did not enter the temporary restraining order. In order for a restraining order to issue by the court, the parties seeking the same must show immediate harm. The court took the position that the mere

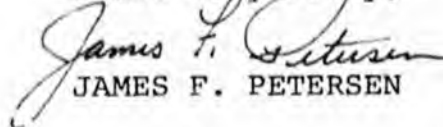
recommendations by the Local Boundary Commission to the legislature did not cause such immediate harm as to require the issuance of a temporary restraining order, and for that reason the same was denied by the superior court.

There is presently circulating in Petersburg petitions objecting to any annexation to Petersburg without having adequate studies made to determine the total impact that such an annexation would have upon the City of Petersburg and its citizens. At last report, these petitions have been signed by over half of the adult residents of the Petersburg area, and the indication was that by the time the petitions were presented to the House Committee on Community and Regional Affairs and the the Senate Committee on Community and Regional Affairs they would have better than 75% of the signatures of the adult population of the Petersburg area.

A number of Petersburg residents would like to attend the Committee hearings, but because of the time and expense involved, if at all possible they would like to have the committees meet jointly in Petersburg to enable the citizens to express their concerns over this proposed annexation. For instance, the Petersburg Indian Association is almost unanimously opposed to any expansion of the existin; city boundaries without adequate studies regarding the impact of such an expansion; however, the Petersburg Indian Association does not have adequate funding to send a delegate up to Juneau to testify before the committees. The Petersburg Indian Association is representative of all native organizations and groups in the Petersburg area and is responsible for administering the various native programs in the Petersburg area, they have a membership of over two hundred adults.

After reviewing the attachments to this letter, should you have any questions in reference to the same, please do not hesitate to contact me. Thank you.

Yours very truly,


JAMES F. PETERSEN

JFP/lm

Attachments - 1 Copy of "Complaint"
1 Copy of "Motion For Temporary Restraining Order And Preliminary Injunction"
1 Copy of "Memorandum In Support Of Motion For Temporary Restraining Order And Preliminary Injunction"
1 Copy of "Amended Complaint"

cc: Senators Willis, Ferguson, Hackney & Sumner

To: Ben Harding

SCRA

A large, stylized handwritten flourish or signature mark, possibly a stylized 'Z' or a similar symbol, located below the text 'SCRA'.

DEPARTMENT OF COMMUNITY AND REGIONAL AFFAIRS

In the Matter of the Annexation by)
the City of Petersburg, Alaska)

) PETITIONER'S BRIEF

I. In General. The City of Petersburg, Alaska is a first class city organized in 1910 and existing under the laws of the State of Alaska. The City of Petersburg's original municipal boundaries encompass 2.1 square miles more or less, excluding tide and submerged lands. They have remained unchanged. Petersburg's population for FY 1977 revenue sharing purposes as compiled for and approved by the Alaska Department of Community and Regional Affairs was 2,126.

Annexation was first contemplated in 1975, which proposal encompassed West Petersburg, now the City of Kupreanof. The Council followed an October 1975 referendum mandate from its citizens to not pursue annexation, but current circumstances warrant extension of municipal boundaries, albeit modified as to territory. The population residing in the territory sought to be annexed has mixed feelings about annexation and the passage of two years did not yield a consensus sufficient to proceed under local action.

II. Municipal Services Provided Within The City. The City of Petersburg currently provides electrical, water, sewer, garbage and solid waste disposal services to its residents. The City provides maintenance and repair services for city streets and rights-of-way, and the Public Works Department extends utility lines to new subdivisions and housing developments.

Law enforcement within its jurisdiction is undertaken by the Petersburg Police Department consisting of a chief,

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captain, sergeant, three officers, plus a public safety officer for canine control and parking. The Department has two patrol cars, a canine truck and an ambulance. The police department has paramedic capacity, and EMT's from the police department and fire department respond to ambulance calls. The police department offers 24-hour service 7 days a week with radio-equipped vehicles with CB backup.

Fire protection within the City is furnished by the Petersburg Volunteer Fire Department operated out of City Hall and which possesses major equipment as follows: 1963 American LaFrance pumper with 500 gallon tank, 1967 American LaFrance pumper with 500 gallon tank, 1975 American LaFrance pumper with a 750 gallon tank, 1952 Jeep pumper without tank, 1938 International Harvester pumper with a 100 gallon tank, and a 1969 Ford Rescue Van. The Department is staffed with one paid full-time lieutenant. The chief and two assistant chiefs are part-time, and the backbone of the department lies in its 22 volunteers. The volunteers meet weekly for fire and EMT training, and representatives regularly attend fire fighting schools within the State.

Petersburg's primary industry is fishing and the City has, in addition to a major port development project currently in progress, old and new boat harbors furnishing 220 stalls plus transient and floatsides moorage. The stalls are furnished with water hookups and electricity, and the harbors also have a pay phone, public lavatory, a refuse dumpster, and two boat grids.

The municipal library is located in City Hall, available to the public.

Petersburg General Hospital has 15 short-term beds and 10 beds for long-term care. It has an emergency room,

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operating room, delivery room, and possesses x-ray facilities, laboratory, blood bank, cardiac monitor, and defibrillator. Use of the hospital facilities is not limited to Petersburg residents and there is no surcharge for nonresidents. It has 28 employees, 15 full-time and 13 on a part-time basis. Two independent physicians reside in Petersburg. In the last fiscal year, the Petersburg General Hospital has accommodated 342 patients and treated 891 emergency and outpatient cases.

Clausen Memorial Museum is an entirely City operated entity both in terms of physical plant and personnel.

The City owns the physical plant and facilities of the local school system operated by the Petersburg School District through its School Board. The plant consists of an elementary school, an old and a new high school buildings, an old gym for community and gradeschool physical education, and a swimming pool and industrial arts building. The swimming pool is used by the students during the school day but is open to the public on evenings and weekends. Total enrollment is 613 which includes 105 students from Mitkof Island outside the city and 5 students from Kupreanof. There are 47 teachers including two principals.

III. Extra-Territorial Services. The City currently provides extra-territorial fire protection and ambulance response service to nonresidents on a gratuitous basis. The City earlier implemented a plan of contractual fire protection but found it administratively burdensome and politically untenable. There were no fires outside the City requiring response. The ambulance and EMT service responded to 73 calls in 1976, 20 of which were outside of the present city limits. In 1977 to date, the ambulance has responded on 56 occasions, 19 of which were outside the City.

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The City furnishes electricity to 215 extra-territorial customers and imposes a 15% surcharge above the normal in-city rate.

There are slightly in excess of 50 customers outside of the City who are connected to the City water utility and they pay a 50% surcharge over the in-city water rate.

There are 15 customers outside the present city limits connected to the municipal sewer utility and they pay no surcharge above the standard sewer rate.

The City affords garbage collection service to its residents, and while such service is not afforded to nonresidents, the garbage dump is operated and maintained by the City and is gratuitously available for nonresidents. The school district does not impose a nonresident tuition fee as to those students residing outside of the City nor is there any prohibition or surcharge imposed for use of school facilities such as the gym or swimming pool by nonresidents.

The hospital imposes no nonresident surcharge, and while the emergency and outpatient case records do not indicate a breakdown between resident versus nonresident, a substantial number of patients were treated at that facility, most commonly in connection with commercial fishing, logging and auto accidents. The City imposes no extra charge for nonresident's use of the municipal library, port facilities, cemetery, recreation areas, or other general services. Police protection outside the City is furnished by the Alaska State Trooper placed at Petersburg. The City has entered into a mutual aid agreement with the State of Alaska for fire protection at the airport which lies outside the City in exchange for the City's use of the State's major

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firefighting equipment for responding to in-City fires.

IV. City-Owned Properties Outside the Existing Boundaries. A substantial portion of the City's electrical system lies outside the City. The City of Petersburg owns and operates the Blind Slough Hydroelectric Project, the site of which is approximately 15 air miles south/southeast of the present City of Petersburg, or 17 miles via the Mitkof Highway. The power house generates 2,000 KW and lies on the west side of Blind River with the dam at Crystal Lake lying approximately a mile and a half via trail above to the southwest. Current estimated replacement value for the dam, penstock, generators, and miscellaneous equipment is \$6 million. A distribution line runs from the Blind Slough Hydro facility to the City of Petersburg with 5 substations inbetween.

The City of Petersburg operates a sanitary landfill which is approximately 1 mile south of the present city limits via Sandy Beach Road. This facility is operated 6 days per week and serves most of the disposal needs of the Mitkof Island population.

The rock quarry is approximately 1 mile south of the airport and the City of Petersburg has applied to the State of Alaska for continued use of the quarry, part of which will be exclusively for the City's use if the pending application is approved. This 15 acre quarry site is developed to provide shot-rock for the City's needs in road construction, gravel production, and land fill material for tideland development.

The Sandy Beach Recreation Area is owned and operated by the City through its parks and recreation board. It is just south of the present city boundaries and affords

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picnic tables, restrooms, and covered shelters at the beach which is also used by the hardy for swimming.

The Water Treatment Plant and City reservoir lie approximately 1 mile further south beyond the City landfill. The reservoir is approximately 5 acres and the treatment facility capacity is designed at 4 million gallons per day. A 750,000 gallon capacity storage tank is located between the treatment plant and the City. Estimated replacement cost for this system is \$1 million.

The Petersburg cemetery which is owned, operated and maintained by the City consists of 982 plots and lies approximately 1/4 mile south of the City boundaries on the Mitkof Highway.

V. What is in the Area Proposed for Annexation?

A total of 514 persons reside outside the City limits and within the area proposed for annexation.

In addition to City-owned facilities recited in the previous section, numerous federal, state and privately-owned properties and enterprises exist.

At the federal level, the Forest Service has most of the facilities. It operates and maintains campground and recreation areas known as the Blind Island Picnic area, the Blind Slough Recreation area, Ohmer Creek Campground, Sumner Strait Campground, Wilson Creek picnic area and the Three Lakes Recreation area. (See Appendix A) In addition to these, the Forest Service maintains the Three Lakes Loop Road which is available for recreational purposes, the collecting of wood for fireplaces, fishing and various other recreational activities, and is about 25 miles in length, going over toward the Ideal Cove vicinity.

The Forest Service also has the old University of Alaska Experimental Fur Farm, and the Forest Service operates

a warehouse at Scow Bay. The majority of land on Mitkof Island is under Forest Service jurisdiction.

The U.S. Coast Guard owns 41.25 acres in the vicinity of Mile 6 on the Mitkof Highway.

The Federal Power Commission still has a land withdrawal at the Blind Slough Hydro Electric facility and that is the land on which the City maintains its hydroelectric plant and where the Light & Power Department superintendent and his family reside.

The State of Alaska owns and operates the Mitkof Highway running along the west and south sides of Mitkof Island, approximately 30 miles in length. The State Department of Transportation also operates a maintenance facility outside the city limits where they keep their materials and equipment.

The Alaska Department of Fish and Game operates a major facility at Blind Slough, specifically a fish hatchery.

The Alaska Division of Lands controls various rock and materials quarries which are on state land in addition to the airport quarry which the City operates. All of these quarries are outside the present City limits.

The most heavily used state facility is the airport immediately south of the present city boundaries consisting of a gravel runway suited for 737 jet service by Alaska Airlines twice daily to Petersburg.

The majority of the remainder of the land on Mitkof Island not owned by the Forest Service is in State of Alaska ownership, earmarked as Mental Health land under the Division of Lands jurisdiction.

VI. Non-Governmental Property Ownership Outside.

There are approximately 182 houses, plus a few summer cabins.

There is also a church, four trailer courts, one cafe, two welding shops, a motor carrier transfer company, six warehouses, three construction companies, two building supplies, a consumers co-op, a liquor store, nightclub, general business, two logging companies, a lumber mill, marine transportation dock, and three airlines.

VII. New Developments. The City of Petersburg is presently advertising for construction of Phase I of the Port Project. This port will supply berthing facilities for the Coast Guard and possibly other federal and state agencies. A small boat moorage will be developed in the future and a docking facility and land fill with leasable land area and a lift-out facility with 100-ton capacity is envisioned in the prospective development. Total estimated construction costs for Phases I and II are approximately \$1.1 million.

The City has just completed construction of a major repair job on the Blind Slough Hydroelectric facility, the dam being faced with aluminum sheeting, reinforcement of the penstock supports, and spillway area capacity was increased.

Major construction on the municipal sewer treatment plant was completed and approved September 1, 1977 and the remainder is scheduled for estimated completion by January 1, 1978. It is an \$3 million project.

On October 1, 1976, the City of Petersburg completed construction on its new high school and the reconstruction of the swimming pool was undertaken concurrently. Phase II of the high school development is now in the planning stage.

The City of Petersburg has completed planning and is in the developmental phases of several new subdivisions which will open for construction as soon as utilities and access are complete. Road construction is currently in

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process as well as sewer line extension and water line development to the subdivisions.

The Petersburg Power & Light Department is in the process of installing an additional 1,200 KW diesel generator.

VIII. Ongoing and Future Non-City Development.

The U.S. Forest Service is in the final planning process for establishing a tree nursery to be undertaken at the site of the old University of Alaska experimental fur farm at approximately 9 Mile Mitkof Highway. This nursery will have a capacity of about 1 million containerized seedlings each year to provide planting stock for Forest Service activities, and private landowners and the State of Alaska will also be able to acquire planting stocks from this nursery.

There are presently two active timber sales at the south end of Mitkof Island, specifically Bear Creek No. 1 which is an independent sale being operated by Louisiana Pacific which has a log transfer point at Pape's Landing. The second is a Pacific Northern Timber Contract and it has a log transfer point at the south end of Blind Slough.

Forest Service also has an appropriation for installation of a boat ramp and dock on the extreme south shore of Mitkof Island, this project to be undertaken in conjunction with the State of Alaska.

The State of Alaska Department of Transportation has awarded a contract for construction of Phase II of the Mitkof Highway from the downtown Petersburg area out to Sandy Beach. The State Department of Fish & Game has ongoing construction of the fish hatchery at Blind Slough and will be working with the Department of Transportation to construct a new bridge over the Blind River for hatchery access and

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other public purposes.

Private subdivision development is also occurring outside the present city boundaries, the major growth area being in the vicinity of Skow Bay.

The Forest Service is currently cooperating with the City of Petersburg in repair and relicensing of the Blind Slough Hydro project. This project includes a man at Crystal Lake and a pipeline to the power house down to Blind Slough.

Intergovernmental cooperation at the local level is occurring by joinder of Petersburg with Wrangell in formation of the Thomas Bay Power Authority which will ultimately connect the Wrangell electrical system with the Petersburg distribution system, tying in somewhere on the south end of Mitkof Island in the vicinity of Blind Slough.

IX. Why the Boundaries Proposed?

The municipal boundaries of Petersburg have not changed for over 65 years. Until perhaps the last decade growth in and around the City of Petersburg has not warranted extension of the municipal boundaries based upon necessity of extension of municipal services in light of costs and service benefit to both the City and residents outside of the municipal boundaries. It became apparent to the City Council, however, that the City by reason of its serving as a major fishing port and as the commercial and industrial center of the area, has conferred substantial benefits upon the residents and owners of properties outside the City without corresponding tax contributions for municipally-provided services. Further, the apparent need for basic services such as the promotion and control of land and usage and development through planning and zoning authority and

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extension of full police and fire protection to the areas outside of the City which are, in part, urban in character, mandated consideration of an annexation proposal.

Petersburg's 1975 annexation proposal is a matter of record both in the files of Community and Regional Affairs and in the courts. Petersburg's own residents did not like the territorial boundaries described in the former proposal which included West Petersburg (now Kupreanof) and extended down to Blind Slough.

This proposal differs from the former in two significant respects: (1) West Petersburg is excluded from the proposal, and (2) all of Mitkof Island is included, not limited exclusively to the developed portions fronting Wrangell Narrows between Blind Sough and the present City.

The residents within the territory proposed for annexation naturally use the City-owned and maintained school, hospital, library, museum, cemetery, port facility, and all other municipal facilities, including city streets and roadways. The nonresidents benefit from the access to and actual utilization of the aforementioned municipal facilities but other than through payment of the local sales tax do not financially contribute to their establishment, maintenance or perpetuation in any manner corresponding with the contributions from local residents. It is felt by the Council that an annexation proposal encompassing a smaller territory would cause political foment to the extent that a proposal would include some residents and exclude others, and for the second reason that a small proposal at this time would merely be a piecemeal approach to the ultimate inclusion of the entire island at a future time anyway. Finally, the Council has determined that inclusion of Mitkof Island in

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its entirety as the municipal boundaries for the City of Petersburg are in the best interests when viewed in the light of Coastal Zone Management and State land selections.

X. Applicable Standards Satisfied.

19 AAC 05.010 describes the standards for annexable territory, subsection (a) reciting standards to be considered when the territory to be annexed is contiguous to present municipal boundaries. It is the City of Petersburg's position that subsections (3) through and including subsection (9) are applicable and satisfied as follows:

(3) The territory between Blind Slough and Petersburg proper is essentially urban in character. Virtually all of the extra-territorial population resides therein and the City provides electrical service to all dwellings and commercial enterprises therein. While it suffers from the lack of zoning control, it is accurate to state that the land is largely platted and held for sale and in fact the State of Alaska Division of Lands conducted a major land sale within the area in 1972. (See Appendix B). The population stems primarily from actual growth of the City beyond its legal boundaries, particularly the extension of population from Petersburg to Skow Bay.

(4) The residents in the territory need all of the basic municipal services, providing none to themselves and certainly the City of Petersburg is in a more favored position to provide them rather than some other municipality. An alternative is for residents in the territory to form their own municipal government, but it would invariably suffer from an inadequate population base and be capable of furnishing only very basic services. Formation of such local government would also run afoul of the constitutional

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mandate found in Article X, §1 of the Alaska Constitution,
to-wit:

"The purpose of this Article is to provide for maximum local self-government with a minimum of local government units, and to prevent duplication of tax-levying jurisdictions."

(5) There can be no doubt that future growth and development of Petersburg will occur within the territory. Annexation will permit the City to plan and control its development. The reason that growth and development have been limited to the "strip" on Mitkof Island adjacent to Wrangell Narrows is because the remaining land has been tied up in U.S. Forest Service jurisdiction and simply incapable of development from a legal standpoint of ownership. It is envisioned that state land selections under the Statehood Act and municipal entitlement of 10% of the vacant unappropriated lands within the annexed territory will cause a material deviation from the old pattern of development.

(6) It is entirely accurate to state that annexation will alleviate a condition presently jeopardizing the health and safety of city residents and particularly nonresidents. The issue of whether the City of Petersburg should expand its fire, police and ambulance protection service beyond the municipal limits has been a troublesome issue and one on which there has been much vacillation. To deny the service is to not respond to residents have an accident while outside the City limits, yet to provide the services gives the nonresidents something for nothing and the City simultaneously suffers substantial tort liability exposure. Even to provide such fire service on a contractual basis is to inevitably do nothing but watch in anguish over the house which burns without contractual protection while the volunteers hose down the protected neighboring properties. Perhaps the

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major "danger zone" outside the City is at the Airport and Petersburg's residents and nonresidents alike use this facility as well as the general sector. The State Troopers are to respond to criminal matters at the airport and presumably the State Division of Aviation handles fire control. The latter presumption is, however, largely a fiction and the interim patchwork takes the form of mutual aid agreement whereunder the City's volunteer fire department responds to airport fires and crashes.

(7) The extension of City water service, sewer service and garbage collection service will inevitably follow annexation albeit at disjointed times dependent upon attaining a favorable cost/benefit ratio both to the City and to the consumer. The electrical service is already areawide. The municipal water system has excess capacity as does the wastewater treatment plant and solid waste disposal plant.

(8) It is self-evident that the residents and owners of property in the territory to be annexed receive the benefit of City services without commensurate tax contributions. Illustrations abound where general services are provided to nonresidents without surcharge, yet it is the Petersburg real property owner who has unfairly shouldered the burden of establishing, operating and maintaining the general facilities.

(9) Annexation is otherwise necessary in three important respects to accomplish valid public purposes: (1) To have all of the City's various properties and facilities within its jurisdictional boundaries, (2) to participate in Coastal Zone Management affecting the entire island, and (3) to enable the City of Petersburg to acquire additional

properties to facilitate its own growth and development, for example, rock quarry and material sites.

It should be noted that snowmobiling, cross-country skiing, hunting, and summer recreational hiking occur on the virtual entirety of Mitkof Island and the police and fire departments' EMTs ought properly to be charged with responding to calls for assistance from their citizens.

XI. Taxes, Services and Benefits in Transition.

Upon receiving annexation authority the City of Petersburg proposes immediately to confer planning and zoning control, police and ambulance service, and fire protection throughout the enlarged jurisdiction. Garbage collection service throughout the area would be phased in as quickly as possible following annexation, consistent with the availability of the trucks and manpower. The City of Petersburg's fiscal year runs from July 1 through June 30 the next calendar year. Since the effective date of the annexation, if granted, would fall in the middle of calendar year 1978, and most probably at a time other than commencement of Petersburg's 1978-79 fiscal year, it is contemplated that the services which the City is to provide should be phased in on a schedule roughly commensurate with additional revenue which is generated from capital improvement. The City will not impose taxation, either on real or personal property, in the territory proposed for annexation until tax year 1979.

Extension of the water and sewer utility services will be undertaken on a basis compatible with the City's financial ability with a view toward a favorable cost/benefit ratio. This will be done in piecemeal fashion and to adjust for the inequitable provision of utilities services, the

City proposes to implement a program of differential tax zones on a schedule to be from time to time amended as the scale of services changes. The initial proposed tax differential zones will be proposed as follows:

<u>Service</u>	<u>Percentage of Tax Levy</u>
Basic general services and administration	50%
Electrical utility service	15%
Sewerage and wastewater treatment	15%
Water utility	15%
Garbage collection	5%

The surcharges to nonresident consumers of water and electricity would all continue through 1978 and thence be discontinued.

The administration in the City of Petersburg recognizes the need for fire, rescue and ambulance service within the expanded jurisdiction; a plan will be formulated to ascertain how to best respond to the additional requirements, perhaps by creating one or more fire substations in the newly annexed area.

The construction of new residential and commercial structures and additions thereto in the new territory will be subject to the National Building, Plumbing and Electrical Codes as well as the Fire Prevention Code, thus ensuring greater value through compliance with recognized standards. The City's comprehensive zoning plan will have to be expanded commensurate with its enlarged jurisdiction. In undertaking this task, the City plans to (1) recognize non-conforming uses through "grandfather rights" and (2) amend the Planning Commission Ordinance to add at least two members residing in the newly-annexed territory prior to formulating enlargement

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of the comprehensive zoning plan for the entire area.

Members of the population currently residing outside of the City and using municipally-provided services are unable to play a role in the formulation of policy pertaining to those services. If authorized, the annexation would, in addition to the obvious benefit of the privilege of voting, allow those who are currently nonresidents of the City to participate in the policy making process through candidacy for elective office such as the Council and School Board and to serve on numerous committees and commissions.

There are no inter-municipal agreements regarding transitional provision of services and distribution of assets and liabilities because this proposed annexation does not affect any other City or Borough.

XII. Conclusion.

The territory proposed for annexation contains approximately 20% of Mitkof Island's total population. Although numerous and independent, the residents in the territory sought for annexation do not constitute a sufficient population base to warrant establishment of a borough and they accordingly rely upon the City to provide basic governmental services.

Growth is inevitable in the territory--both in terms of population and in terms of increased commercial and governmental activity. If the bottom fishery development progresses as contemplated, Petersburg's waterfront will be active to the point of excessive demand.

Acquiring jurisdiction to implement planning is desirable as to the entirety of Mitkof Island. The need for revision of Petersburg's comprehensive plan on an area-wide

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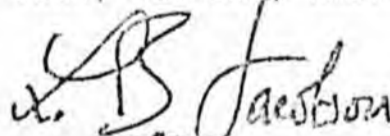
basis is indicated. New zoning is desirable to encourage organized growth and compatible neighboring uses. The expansion of municipal services into the annexed territory will inevitably bring the concomitant burden of taxation. The City is not engaged in an imperialistic plan to acquire properties by expanding its jurisdiction for the purpose of generating income. Its function instead is to provide for efficient, adequate and economical government operating on a break-even basis in accordance with the will of the populace. Those inhabitants of the territory and absentee property owners who would oppose the proposed annexation merely because of the necessary incident of taxation should be mindful of the fact that for years Petersburg's taxpayers have unfairly shouldered the entire financial burden of providing the municipal schools, library, boat harbors, museum, fire and ambulance and police services, streets and roadways, hospital, cemetery which they have used without commensurate contribution. Moreover, the establishment of differential taxation zones predicated upon services provided and benefits received will assure basic fairness.

Petersburg is a progressive community and Mitkof Island is on the threshold of imminent additional growth. Recognizing this, the City wishes to respond to this impact by enlarging its jurisdiction "to provide the maximum local self government" consistent with Alaska's constitutional mandate.

DATED this 22nd day of November, 1977.

ROBERTSON, MONAGLE, EASTAUGH & BRADLEY

By



L. B. Jacobson of Attorneys
for Petitioner

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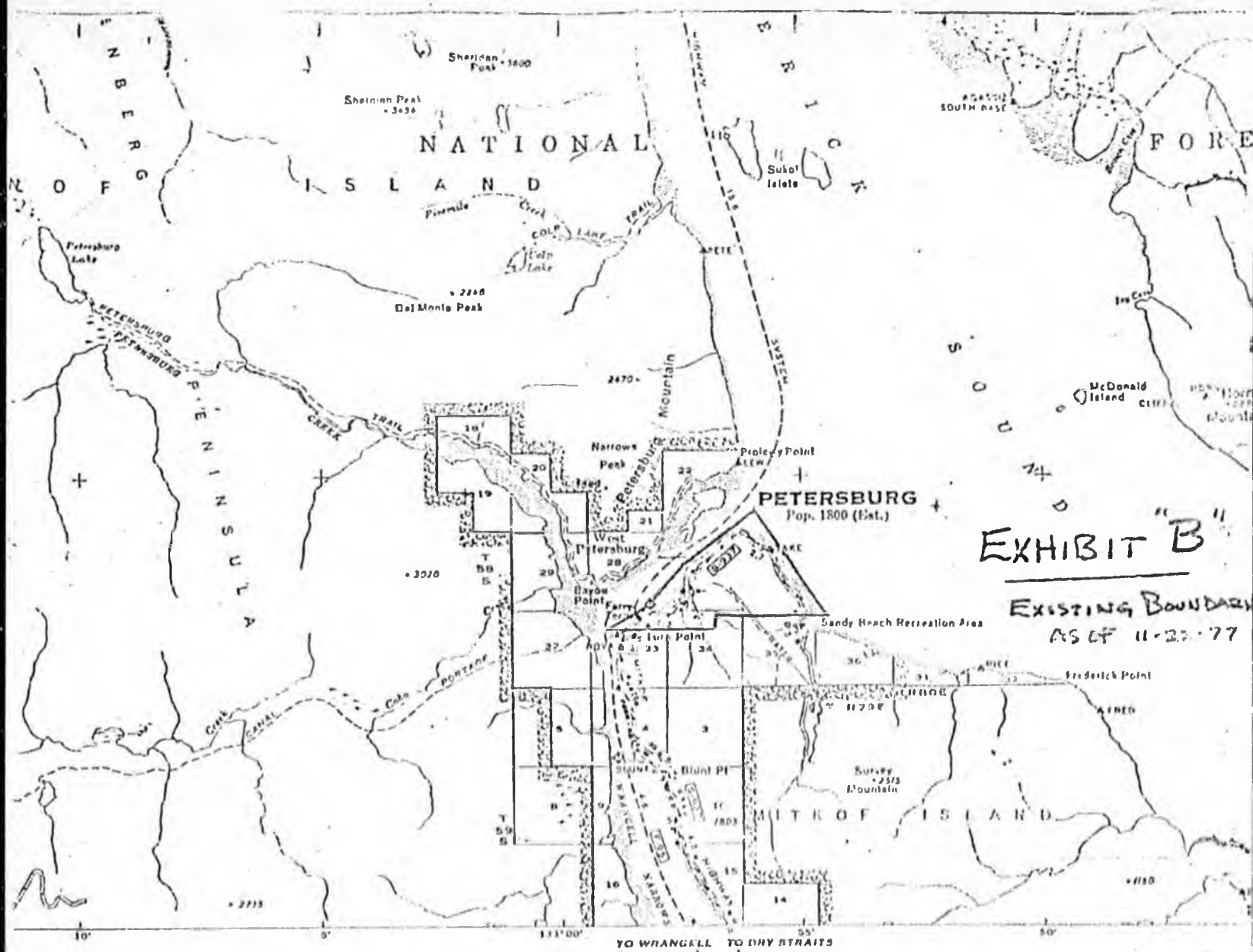
July 26, 1963

DESCRIPTION OF CORPORATE LIMITS OF THE TOWN OF PETERSBURG, ALASKA

Beginning at Corner No. 1, identical with Corner No. 3, N.C., U.S. Survey No. 1173; thence East a distance of 6,000.00 feet to Corner No. 2; thence North a distance of 920.00 feet to Corner No. 3; thence East a distance of 7,900.00 feet to deep water of Frederick Sound, Corner No. 4; thence North 35 degrees 37 minutes West parallel to the westerly shore of Frederick Sound a distance of 8,800.00 feet to the mouth of Wrangell Narrows, Corner No. 5; thence South 52 degrees 45 minutes West along Wrangell Narrows a distance of 6,300.00 feet to Corner No. 6; thence South 42 degrees 30 minutes West along Wrangell Narrows a distance of 3,300.00 feet to Corner No. 7; thence South 50 degrees 29 minutes 30 seconds West along Wrangell Narrows a distance of 3,496.50 feet to Corner No. 8; thence East a distance of 1,450 feet to Corner No. 1, the point of beginning.

Containing 2.10 Sq mi more or less.

EXHIBIT "A"
Municipal Limits of Petersburg
11-22-77

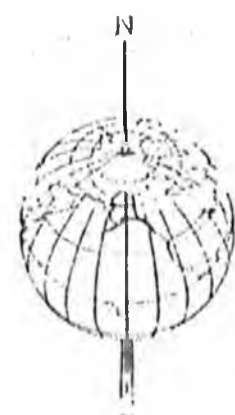


PETERSBURG SHEET B

END

- ADAPTIVE AND RECREATIONAL FACILITIES**
- 1. RECREATIONAL FACILITIES: BIRMINGHAM
 - 2. ICE STORAGE AND MELTING STATION
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- DRAINAGE**
- 1. STREAM
 - 2. INTERMITTENT STREAM
 - 3. DITCH OR CANAL
 - 4. FLOOD OR LAKE WITH DAM
 - 5. FOREST-DRAINAGE CANAL
 - 6. LAND SUBJECT TO FLOODING
 - 7. MUDFLAT
 - 8. SLUDGE
- BOUNDARIES**
- 1. INTERNATIONAL BOUNDARY
 - 2. STATE BOUNDARY
 - 3. COUNTY BOUNDARY
 - 4. SECTION BOUNDARY
 - 5. TOWNSHIP BOUNDARY
 - 6. NATIONAL FOREST BOUNDARY
 - 7. NATIONAL MONUMENT BOUNDARY
 - 8. NATIONAL RESERVE BOUNDARY
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- NEIGHBORHOOD**
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QUADRANGLE LOCATION



INDEX TO MAP SHEET

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9	10
11	12

INDEX TO MAP SHEET

Highway data and adjacent culture compiled from the Petersburg quadrangle dated 1922 and aerial photography dated 1947.

General topographic and relief photographs taken by the U.S. Army from 1947 to 1953. Aerial photographs dated 1947 (left) and 1953 (right), based on aerial photography dated 1948.

Universal Transverse Mercator Projection, Zone 8, 1927 North American Datum, 10,000 meter grid ticks shown.

Control by USGS and USACE.

Map first published 1947.

Entire land area is within the Tongass National Forest except the Petersburg urban area.

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PETERSBURG

EXHIBIT C

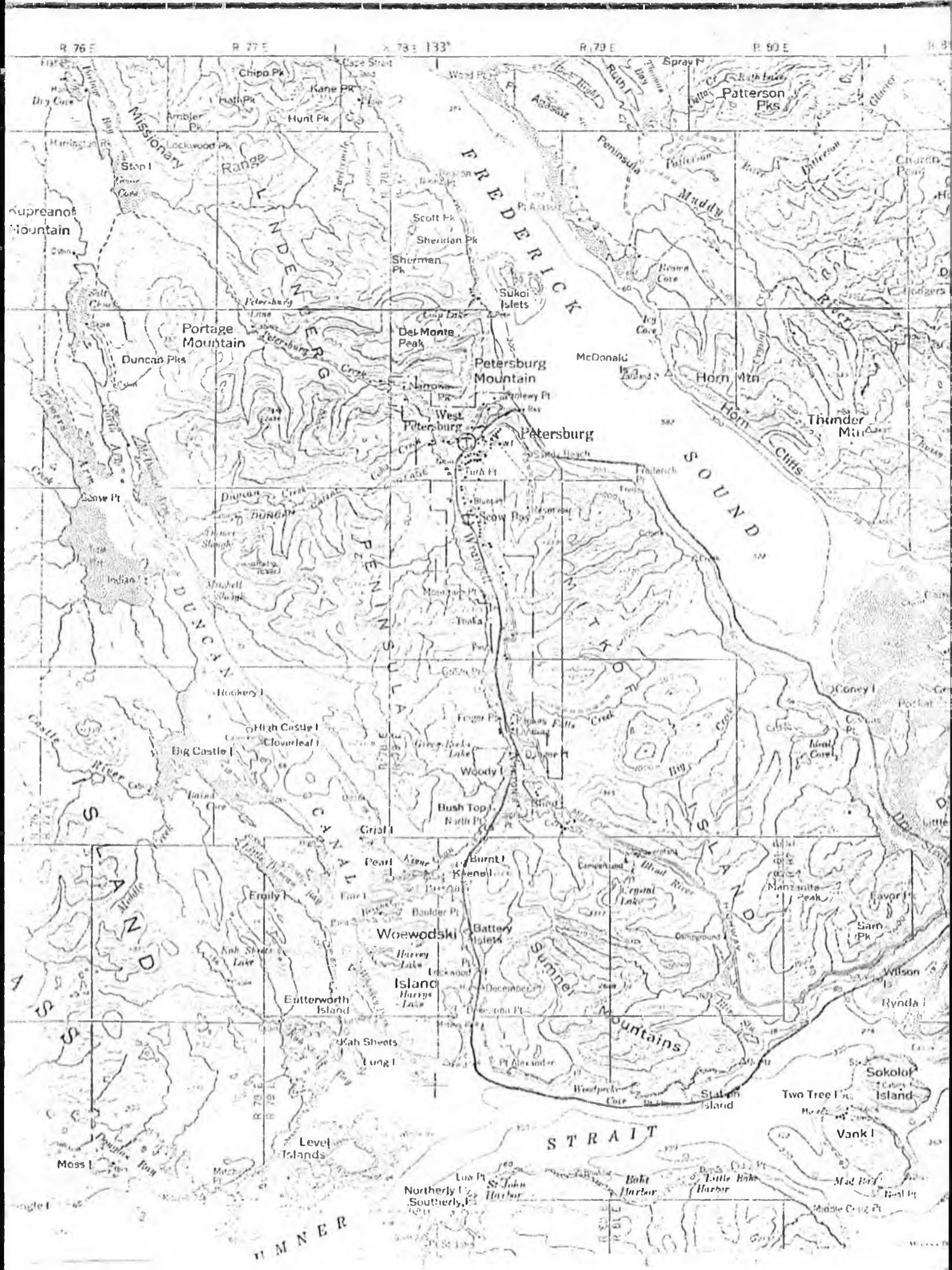


EXHIBIT D

ORDINANCE NO. 381
City of Petersburg, Alaska

AN ORDINANCE PROPOSING THE MODIFICATION OF THE MUNICIPAL BOUNDARIES OF THE CITY OF PETERSBURG BY ANNEXATION OF MITKOF ISLAND AND ADJACENT WATERS OUT TO THE CENTER OF WRANGELL NARROWS CHANNEL WHERE MITKOF ISLAND IS BOUNDED BY THE NARROWS AND OUT 1000 FEET FROM SHORE AROUND THE REMAINDER OF THE ISLAND PERIMETER.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF PETERSBURG, ALASKA:

Sec. 1. Classification. This Ordinance is of an impermanent nature and is not to be codified in the Petersburg Code of Ordinances.

Sec. 2. Declaration of Intent. The City of Petersburg proposes to modify and extend its municipal corporate boundaries and jurisdiction by annexation of contiguous lands and adjacent waters on Mitkof Island to expand the existing general boundary southward to encompass the entire island.

Sec. 3. Description. The proposed boundaries of the City of Petersburg, Petersburg Recording District, First Judicial District, State of Alaska, including the territories to be annexed by this proposal, are as follows:

The entirety of Mitkof Island out to the center of Wrangell Narrows Channel where Mitkof Island is bounded by the narrows and out 1000 feet from shore around the remainder of the island perimeter.

Sec. 4. Standards. It is verily believed that the territory proposed for annexation described in the preceding paragraph does and will comply with the annexation standards prescribed in 19 AAC 05.010.

Sec. 5. Procedure. The City of Petersburg shall forthwith petition for a local government boundary change pursuant to Chapter 10, Title 19, Alaska Administrative Code.

Sec. 6. Purpose of Annexation. The purpose of the proposed annexation is to extend the municipal boundaries and jurisdiction of the City of Petersburg, Alaska to comport with the essentially urban character of the territory for which annexation is proposed, and accordingly enunciates the following considerations:

1. There exists a substantial population in the territory for which annexation is proposed,
2. The City of Petersburg currently provides limited municipal services to the territory,

- 3) The City of Petersburg owns several properties in the territory which are outside the existing municipal boundary,
- 4) The City of Petersburg serves as the commercial and industrial center of the territory,
- 5) The City of Petersburg currently asserts extra territorial jurisdiction with respect to parks, roads, trails, hydro-electric facility, an airport, and its water supply in the territory proposed for annexation,
- 6) Recreational usages by municipal residents of the area proposed for annexation, and
- 7) An extension of municipal services to the territory proposed for annexation is logical and foreseeable, and the extension of municipal boundaries will enable the City of Petersburg to control and provide for the organized development of likely future growth,
- 8) Coastal Zone Management.....
- 9) Planning and Zoning.....
- 10) State Land Selections.....

Sec. 7. Annexation. The City Manager, Mayor, City Clerk, City Attorney and such other municipal officials as are deemed appropriate are authorized to initiate, petition, and implement such procedures as may be necessary to complete this annexation proposal and as may be modified by the Local Boundary Commission and Alaska State Legislature.

Sec. 8. Effective Date. This ordinance shall become effective on the third day after adoption, excluding the date of enactment. However, the official map and zoning map of the City of Petersburg shall not be modified except by subsequent ordinance enactment following consideration, hearing, and determination by the Local Boundary Commission and the Alaska State Legislature.

Sec. 9. Severability. If any provision of this ordinance or any application thereof to any person or circumstance is held invalid, the remainder of this ordinance and the application to other persons or circumstances shall not be affected thereby.

PASSED AND APPROVED by the City Council of the City of Petersburg, Alaska

this 31 day of November, 1977.

Howard W. Wright
Mayor

ATTEST:

Jerry T. Hunt
City Clerk

Certified copy to be
furnished 11/23/77.

L. B. Jacobson