

SB

208

Alaska State Legislature

SENATE DISTRICT 1

Bayshore	Abbott Loop
Campbell	Bear Valley
Dimond	Bird Creek/Indian
Independence Park	Girdwood
Klatt	Glen Alps
Old Seward	Hillside
Southport	Huffman/O'Malley
Taku	Portage
	Rabbit Creek



SENATOR SEAN PARNELL

716 WEST 4TH AVENUE, SUITE 530
ANCHORAGE, ALASKA 99501
(907) 258-8194

While in Session:
STATE CAPITOL
JUNEAU, ALASKA 99801-1182
(907) 465-2995 1-800-365-2995

SPONSOR STATEMENT

Senate Bill 208

"An act providing for voter approval of the alteration or abolishment of certain municipal service areas"

This legislation was introduced as a means of strengthening local control of service areas. These areas have enabled residents to assess themselves to the particular degree and scope of service they seek without the overhead that typically exists if service were provided by a larger governmental entity.

Essentially, SB 208 would prohibit a borough or municipality from absorbing or abolishing a service area without first requiring a vote of the people covered by the service area.

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SENATOR SEAN PARNELL

March 9, 1998

Representative Ivan Ivan
Chair, House Community and Regional Affairs
Capitol Room 418

Dear Representative Ivan:

I am respectfully submitting this request for a Community and Regional Affairs committee hearing on Senate Bill 208, an act providing for voter approval of the alteration or abolishment of certain municipal service areas. I would appreciate any effort that can be made to hear this bill as soon as possible.

Regards,



Senator Sean Parnell

0-LS0632\F

Cook

3/18/98

HOUSE CS FOR SENATE BILL NO. 208(CRA)
IN THE LEGISLATURE OF THE STATE OF ALASKA
TWENTIETH LEGISLATURE - SECOND SESSION

BY THE HOUSE COMMUNITY AND REGIONAL AFFAIRS COMMITTEE

Offered:
Referred:

Sponsor(s): SENATOR PARNELL

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to municipal service areas and providing for voter approval of
2 the formation, alteration, or abolishment of certain service areas; and providing
3 for an effective date."

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

5 * Section 1. AS 29.10.200 is amended by adding a new paragraph to read:

6 (54) AS 29.35.450 (voter approval of alteration or abolishment of
7 service areas).

8 * Sec. 2. AS 29.35.450(a) is amended to read:

9 (a) A service area to provide special services in a borough or unified
10 municipality may be established, operated, altered, or abolished by ordinance, subject
11 to (c) of this section. Special services include services not provided by the unified
12 municipality or a higher or different level of services. Special services include
13 services not provided by a borough on an areawide or nonareawide basis in the
14 borough [,] or a higher or different level of services [SERVICE] than that provided

1 on an areawide or nonareawide basis. A [THE] borough may include a city in a
2 service area if

3 (1) the city agrees by ordinance; or

4 (2) approval is granted by a majority of voters residing in the city, and
5 by a majority of voters residing inside the boundaries of the proposed service area but
6 outside of the city.

7 * Sec. 3. AS 29.35.450 is amended by adding new subsections to read:

8 (c) If voters reside within a service area, abolishment of the service area is
9 subject to approval by the majority of the voters residing in the service area who vote
10 on the question. A service area in which voters reside may not be abolished and
11 replaced by a larger service area unless that proposal is approved, separately, by a
12 majority of the voters who vote on the question residing in the existing service area
13 and by a majority of the voters who vote on the question residing in the area proposed
14 to be included within the new service area but outside of the existing service area. A
15 service area in which voters reside may not be altered or combined with another
16 service area unless that proposal is approved, separately, by a majority of the voters
17 who vote on the question and who reside in each of the service areas or in a proposed
18 service area affected by the proposal. This subsection does not apply to a fire service
19 protection area.

20 (d) This section applies to home rule and general law municipalities.

21 * Sec. 4. This Act takes effect July 1, 1998.

A M E N D M E N T

OFFERED IN THE HOUSE

TO: SB 208 am

- 1 Page 2, line 25, following "question.":
- 2 Insert "This subsection does not apply to a fire protection service area."

- 3 Page 3, line 8, following "question.":
- 4 Insert "This subsection does not apply to a fire protection service area."



Fairbanks North Star Borough

Office of the Mayor

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1300

Fax 907/459-1102

Email mayor@co.fairbanks.ak.us

March 12, 1998

The Honorable Sean Parnell
Alaska State Senate
State Capitol
Juneau, AK 99801-1182

Dear Senator Parnell,

After careful consideration, I have come to the conclusion that the Fairbanks North Star Borough **cannot support SB208**. During our discussion about the legislation yesterday we talked about amendments that would make SB208 work for the borough. Unfortunately, SB208, no matter how you look at it, will lead to the proliferation of service areas. It is our policy to attempt to curb the number of service areas in order to make service delivery more efficient. Fewer service areas provide economies of scale for limited road dollars and increased administrative efficiencies.

Should it pass in its current form, SB208 poses two problems for us - increased costs for both the annexation process and service delivery, and an increase in disparate levels of service delivery. To start, the Fairbanks North Star Borough has 116 of the 250 service areas statewide. We have over 466 service area commission seats.

Currently when a group or individual wishes to have service, they go through a fairly rigorous process that involves petitions and public hearings. The borough makes a determination on whether to annex them to an existing service area or form a separate service area. In either case, the group wishing to be annexed (or form their own service area) votes on the proposition and those in the original area do not.

In the case of fire service areas, this is relatively simple. For the last five years, all requests for new service have resulted in annexations to existing fire service areas as it is simply not practicable for a small neighborhood to form a new fire service area (in most cases, the annexation was to add ten lots or less to a fire service area). Current practice (after the above mentioned process) is to hold

the election with mail-out ballots, and depending on the results, annex the new areas to an existing fire service area. Should SB208 pass, it would be necessary to have the entire existing fire service area vote as well as those requesting new service. Using North Star Fire Service Area as an example, 7000 ballots would have to go out for an annexation of even one property at a cost of approximately \$5000. If those in the existing fire service area vote no on the annexation, we would be in the position of denying fire protection service to those who need it. The size of the group wishing service in this example would be nowhere near large enough to stand alone.

Road service areas are somewhat more complex. I readily acknowledge that the current system is not perfect. Existing service areas are sometimes required to accept annexations they do not want. One could argue that by giving both the existing and potential service area members the right to vote on an annexation is only fair. However, existing service area residents are not likely to support an annexation if they are happy with their service. They will not want to share with others, even if the source of their good fortune was state dollars. A frequent complaint from existing road service areas is that their roads are in better shape than those wishing to be annexed and limited dollars would have to go to upgrading those roads. I am sympathetic to this argument but am at a loss as to how to address that concern in a manner that does not encourage the proliferation of service areas. I originally discussed with you the idea of some sort of special assessment district that would allow those wishing road service to tax themselves for a period of time in order to get their roads up to par with those in existing service areas. There are two drawbacks to this. If such special assessment areas are formed and residents vote to tax themselves, they would have to wait until a fund balance was built up. They could then fix their roads and be allowed to annex to a service area. However, at this point, there would be no incentive to annex.

My concerns with SB208 are not all financial. If an annexation went to a vote and was turned down, the options for those not currently in a service area are limited. If the annexation is a small one, as most are, those residents would not have sufficient resources to form their own service area. It is a difficult balancing act - how to balance the wishes of those who have service against the needs of those who don't. SB208 definitely tips the balance in favor of existing service areas.

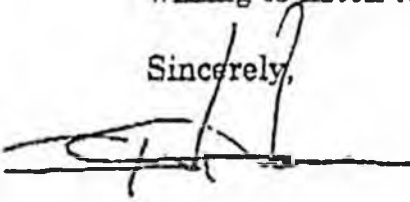
From a cost standpoint, there are benefits to having larger service areas. Average maintenance costs in a road service area decline noticeably the more miles are included in the area. For example, removing hardpack in the spring costs \$361.00 per mile for a road service area with less than a mile of roads. Service areas with 1 to 3 miles pay \$323.00 per mile. The costs drop to \$278.00

Letter to Senator Parnell
March 12, 1998
Page 3

per mile for areas with 3 to 6 miles of road, and \$253.00 per mile for areas with 6 to 20 miles.

I have heard that SB208 is a bill to provide more local control. That is certainly true - existing service areas would have more control. But, it can also be said that we have a responsibility to residents who need service and under SB208 would have a difficult time getting it. I must oppose SB208 and request that you exempt second class boroughs. I have outlined our concerns, perhaps in more detail than you needed. I do so in an attempt to convey our predicament. I am willing to listen to any suggestions that allow all residents access to services.

Sincerely,



Hank Hove
Borough Mayor

HH:rlf

cc: Interior Delegation
Fairbanks North Star Borough Assembly
Doug Blankenship
Rick Navin, Direct Services Director

CLERK'S OFFICE
AMENDED AND APPROVED
Date: 3-3-98

Submitted by: Assembly Members Clementson
and Von Gemmingen
Prepared by: Department of Law
For reading:

1 ANCHORAGE, ALASKA
2 AR NO. 98-72 (as amended)
3

4 A RESOLUTION OF THE ANCHORAGE MUNICIPAL ASSEMBLY OPPOSING SENATE
5 BILL No. 208 AND ITS COMPANION HOUSE BILL No. 365 WHICH PROPOSE TO
6 SEVERELY LIMIT MAXIMUM LOCAL SELF-GOVERNMENT AND HOME RULE
7 POWERS GRANTED BY THE ALASKA CONSTITUTION AND OTHERWISE IMPAIR OR
8 IMPEDE THE IMPLEMENTATION OF OTHER CONSTITUTIONAL MANDATES FOR
9 LOCAL GOVERNMENT.

10
11
12 Maximum Local Self-Government
13

14 WHEREAS, Article X., §1 of the Alaska Constitution provides for maximum local self-government
15 for both home rule and general law municipalities and Senate Bill 208 and House Bill 365 substantially
16 diminish the exercise of local self-government; and
17

18 WHEREAS, Article X., §1 also mandates that a liberal construction be given to the power of local
19 governments and Senate Bill 208 and House bill 365 restrict the liberal construction of local government
20 powers; and
21

22 WHEREAS, Article X., §2 mandates that local government powers be vested in boroughs and cities
23 and Senate Bill 208 and House Bill 365 derogates the local government powers of boroughs and unified
24 municipalities but not those of all local governments; and
25

26 WHEREAS, Article X., §5. mandates that the local assembly have the power to establish, alter and
27 abolish service areas and Senate Bill 208 and House Bill 365 substantially limits such assembly powers;
28 and
29

30 WHEREAS, the Alaska constitutional convention clearly intended that jurisdiction over service
31 areas in organized boroughs and unified municipalities was to be vested in the assembly of the local
32 government to assure a unified supervision of all municipal functions; and
33

34 Home Rule Powers
35

36 WHEREAS, Article X., §11 grants home rule municipalities all legislative powers not prohibited
37 by law or charter; and
38

39 WHEREAS, Article X. § 11 of the Alaska's Constitution allows municipal governments to take
40 on home rule status broader than those of any other state, it being the intent of the constitutional delegates
41 that the legislature should have authority to deny local exercise of specific powers only when necessary
42 for a greater state interest and that the legislature would not act to limit home rule powers except under
43 such special circumstances, and
44

AR No. 98-72 (as amended)

Page 3

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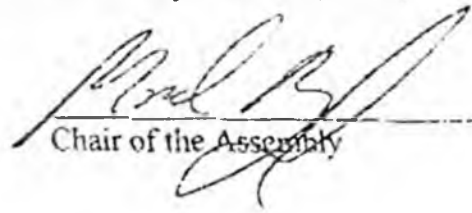
F. May severely restrict the authority of the Department of Community and Regional Affairs and the Department of Education to consolidate, alter or abolish Regional Education Attendance Areas in the unorganized borough which could adversely affect funding other school districts and constitute a detriment to the delivery of public education in the State, and

G. May severely restrict the authority of the Legislature to provide other services in the unorganized borough.

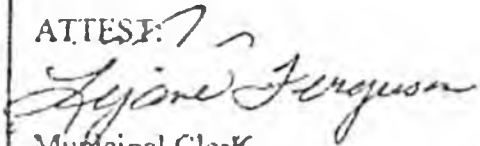
Section 2. That the Assembly of the Municipality of Anchorage hereby opposes the passage of any legislation which will unnecessarily impair the Alaska constitutional mandate of maximum local self-government, especially in home rule boroughs and unified municipalities, or which impedes or impairs the ability of local government to fulfill the Alaska constitutional mandate to minimize local government units and avoid duplication of tax levying jurisdictions.

Section 3. This resolution shall become effective immediately upon passage and approval by the Assembly.

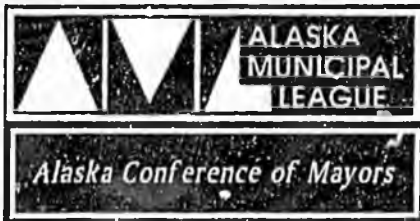
PASSED AND APPROVED by the Anchorage Assembly this 3rd day of March, 1998.



Chair of the Assembly

ATTEST:


Municipal Clerk



March 9, 1998

Representative Ivan, Chair
Community and Regional Affairs Committee
State Capitol
Juneau, AK 99811

Dear Representative Ivan:

On March 3, 1998 the AML Board of Directors held a meeting and **voted unanimously to oppose Senate Bill 208.**

This was a difficult decision because municipalities hold voting and public involvement as very important concepts. However, the effect of SB 208 would vest powers in service areas by precluding the local community from determining how service areas may be altered or abolished.

The Constitution states in Article X Section 2, "All local government powers shall be vested in cities and boroughs." It is of critical importance to make the distinction between municipalities and service areas. Municipalities are units of local government, while service areas are not units of local government. Passage of SB 208 would allow a minority of the population of a borough or unified municipality to essentially veto an action that may be in the best interest of the people of the municipality as a whole.

The framers of the Constitution addressed the issue of service areas as a dynamic local government process. The Local Government Committee's objective was to avoid having "a lot of separate little districts set up...handling only one problem..."; (P.2715 Proceedings). Instead, services were to be provided, wherever possible, by other jurisdictions capable of doing so. The AML feels that SB 208's impact is counter to the intent of the Constitution.

A summary of our concerns are:

- ◆ SB 208 does not appear to meet the intent of the Alaska Constitution.
- ◆ A small portion of residents may preclude an action that benefits the community as a whole.
- ◆ SB 208 requires that residents **and non-resident property owners** vote in service area elections. Consider the impact if Alaska voters were allowed to vote in every election district in which they owned property. In a service area consolidation, a

single individual (who may not even be a resident of the borough) **could have a vote in every service area.**

- ◆ At this point in time, it is not appropriate to change the ground rules for existing service areas. If an Assembly knew that the power to alter service areas would be removed, it may not have been in the community interest to create them.
- ◆ There will be substantial local costs in creating a new form of election that includes both residents and property owners, and holding service area elections.

In summary, this is a decision best left to all the local resident voters in each municipality and their elected officials.

Sincerely,



Kevin Ritchie
Executive Director

cc. Representative Con Bunde
Senator Sean Parnell
AML Board of Directors/ Legislative Committee Chairs
Education and Local Government Subcommittee

By: James Sampson
Introduced: 10/09/97
Advanced: 10/09/97
Adopted: 10/30/97

ORDINANCE NO. 97-047

AN ORDINANCE ALTERING THE BOUNDARIES OF THE
STEESE FIRE SERVICE AREA TO INCLUDE
TAX LOTS 104 AND 105, T1N, R1W, FAIRBANKS MERIDIAN

BE IT ORDAINED, by the Assembly of the Fairbanks North Star Borough:

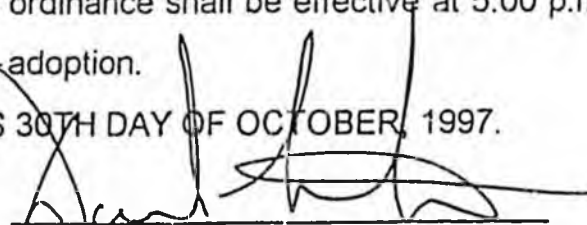
Section 1. Classification. This ordinance is not of a general and permanent nature and shall not be codified.

Section 2. Annexation. The boundaries of the Steese Service Area shall be amended to include Tax Lots 104 and 105, Section 1, T1N, R1W, Fairbanks Meridian, as reflected on the attached map, Exhibit A. The Clerk of the Assembly shall adjust the official map to reflect this alteration.

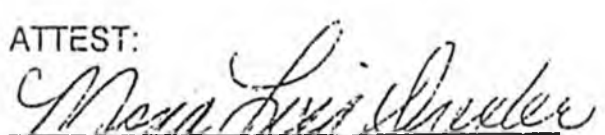
Section 3. Notification. Notwithstanding provisions of 14.01.171 (A), notification requirements are satisfied by the regular publication of the Assembly agenda, and written notification to commissioners of the affected service area.

Section 4. Effective Date. This ordinance shall be effective at 5:00 p.m. on the first Borough business day following its adoption.

PASSED AND APPROVED THIS 30TH DAY OF OCTOBER, 1997.

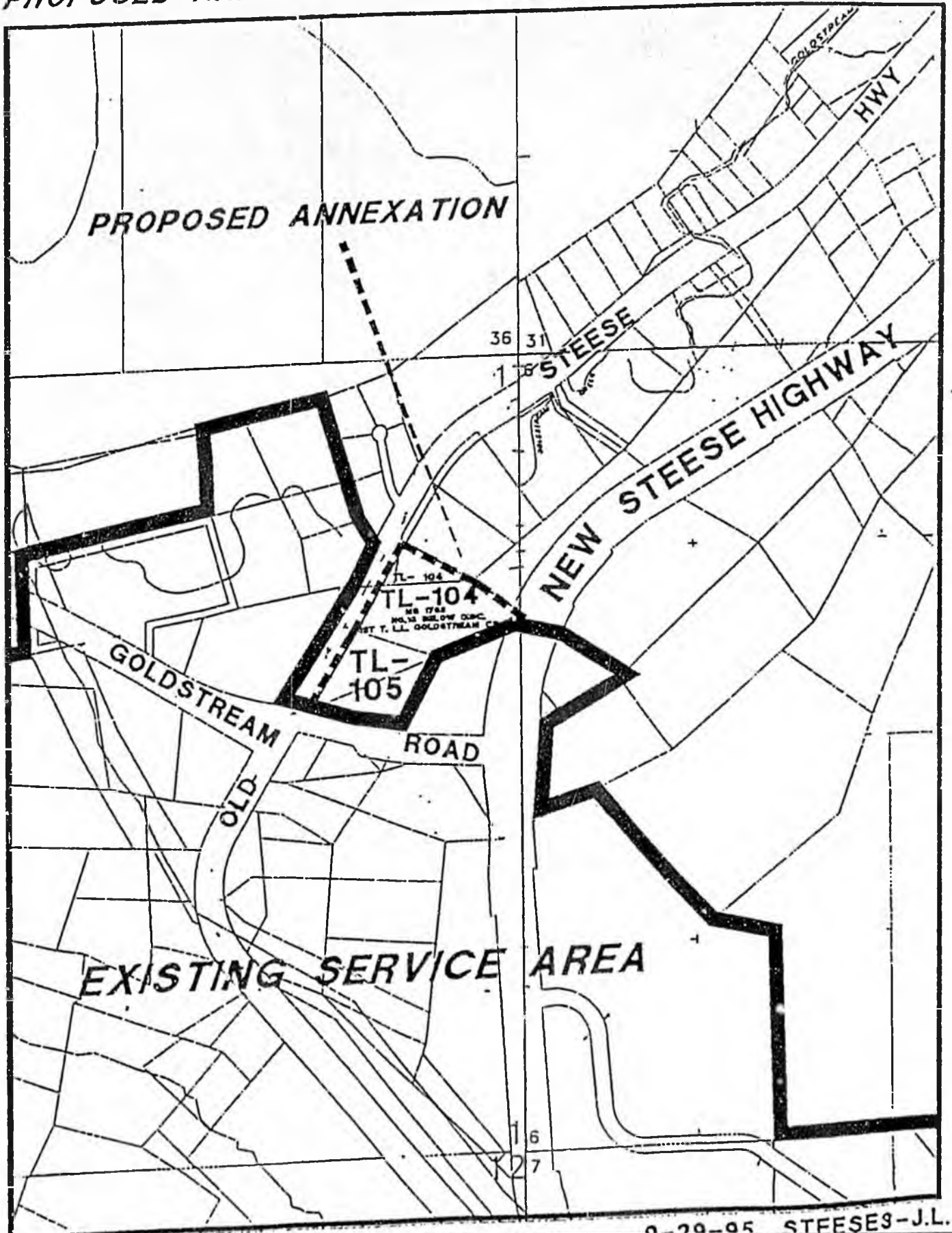

Dan LaSota, Acting
Presiding Officer

ATTEST:


Mona Lisa Drexler, CMC/AAE
Municipal Borough Clerk

Ayes: Bartos, Sattley, Quakenbush, Sonafrank, Parr, Prax, Webb, Young, McBride, Solie,
LaSota
Noes: None

PROPOSED ANNEXATION TO STEESE FIRE SERVICE AREA



Alaska Municipal Government

Organized Boroughs and Unified Home Rule Municipalities

Unified Home Rule	3
Home Rule	5
First Class	0
Second Class	7
Third Class	1
Total Boroughs	16

Incorporated Cities

	Within Boroughs	Within Unorganized Borough	Total*
Home Rule	7	5	12
First Class	8	13	21
Second Class	34	78	112
Total Cities	49	96	145

Total Cities and Boroughs = 161

*Does not include Metlakatla, a city organized under federal law.

*Does not include five Second Class Cities that were conditionally dissolved by the Local Boundary Commission in 1994

State Population: 611,300 (1997 estimated)
(Source: Alaska Department of Labor, Research & Analysis)

State Land Area: 570,833 square miles

Legal Basis of Municipal Government

The Alaska Constitution establishes the policy of maximum self-government for the people. This policy has been implemented through the creation of city and borough governments to provide for essential public services. Alaska is unique among the fifty states in that most of its land mass has not been organized into political subdivisions equivalent to the county form of government found in the majority of the states. This area of the state is called the "unorganized borough" and includes vast amounts of land which is sparsely inhabited.

Cities and boroughs are distinct legal entities (municipalities) incorporated under the laws of Alaska to perform both regulatory (police, zoning, animal control, etc.) and proprietary (water, sewer, airport, etc.) functions. There are three types of general law boroughs and two types of general law cities. In addition, cities or boroughs may adopt charters providing for home rule. Most of the laws relating to the organization and operations of municipal government can be found in the State Municipal Code, Title 29, of the Alaska Statutes.

Types of Borough Government

Boroughs are units of government formed to provide services to persons residing in a large geographic area or region including two or more communities; they have some similarities to counties. Currently, sixteen organized boroughs cover about 39 percent of the state. The remaining area is considered a single unorganized borough. Approximately 89 percent of the state's population resides within an organized borough.

Mandatory Areawide Powers and Duties: First and second class boroughs must perform three areawide powers: (1) education; (2) planning/platting/zoning; and (3) tax assessment and collection. The single third class borough assumes only two mandatory areawide powers: education and taxation. This borough is not permitted by law to assume any other areawide or non-areawide powers, but it can create service areas.

Borough Comparisons: There are three classes of general law boroughs authorized by law. First class boroughs and second class boroughs are essentially identical, except that first class boroughs can acquire additional areawide powers by ordinance rather than referendum. Boroughs may provide additional services on an areawide basis, a non-areawide basis (outside cities), and/or a service area basis. The governing structure of a borough consists of an assembly (a legislative body ranging in size from 5 to 16), a school board (which operates the school system), a planning commission, and a mayor.

General Law Cities

There are two types of general law cities provided for by the Alaska Constitution: first class and second class.

City Powers and Duties: General law cities can only do what the law says they can do (AS 29.35). A city has only those powers given to it by the State. These include general governmental powers (financial, administrative, and legal), powers to provide public facilities and services, and regulatory powers. These powers can allow a city to provide a wide range of community services and facilities. In practice, however, population and fiscal constraints serve to limit the number of services provided by many cities.

City Comparisons: First class cities differ from second class cities in several ways. A community must have a minimum population of 400 in order to incorporate as a first class city as compared to 25 registered voters to become a second class city. The mayor of a first class city is elected by the voters and is not a member of the council. The mayor of a first class city may vote only in cases of a tie or to veto action of the council. If a first class city is located in the unorganized borough, it has the added responsibility of providing education and planning and zoning services for its residents.

Second class cities are the most common form of municipal government found in Alaska. Communities with at least 25 registered voters can petition the State to incorporate as a second class city in order to provide services and facilities to their residents. Alaska statutes require second class cities to conduct regular city council meetings, codify city ordinances, and establish local election procedures. The mayor of a second class city is elected by and from the council and may vote on all matters. Second class cities may provide other city services and raise revenue through a sales or property tax. Second class cities may levy a property tax only if it is approved by the voters and at a level no higher than 5 mills, except that the limit does not apply to millage levied to pay off bonds. All other municipalities may levy a property tax of not more than 30 mills, except to pay off bonds.

Home Rule Municipalities

A home rule municipality is a city or borough which has adopted a home rule charter through an election. The adoption of such a charter gives that local government "all legislative powers not prohibited by law or charter" (Article X, Section 11 - Constitution of Alaska). The charter provides for the governing structure, functions and services, and restrictions on municipal powers in accordance with the conditions, needs, and desires of the community. AS 29.10.200 (Limitation of Home Rule Powers) defines provisions of the State Municipal Code that apply specifically to home rule municipalities.

Unified Municipalities

Unified home rule municipalities are established when an organized borough and all cities within the borough unite, following an election, to form a single unit of government with a home rule charter.

Cities Organized under Federal Law

Metlakatla was organized by authority of federal statutes and is situated on the Annette Island Indian Reservation in Southeastern Alaska. The community has adopted a form of government similar in many respects to a municipality, but is recognized as a city under federal law only.

NOTE TO READERS: The population figures listed for municipalities have been certified by the Alaska Department of Community and Regional Affairs.

This *Directory* is updated annually and published in January.

CITIES WITHIN ORGANIZED BOROUGHS

Aleutians East Borough		Lake and Peninsula Borough	
Akutan	Second Class	Chignik	Second Class
Cold Bay	Second Class	Egegik	Second Class
False Pass	Second Class	Newhalen	Second Class
King Cove	First Class	Nondalton	Second Class
Sand Point	First Class	Pilot Point	Second Class
		Port Heiden	Second Class
Denali Borough		Matanuska-Susitna Borough	
Anderson	Second Class	Houston	Second Class
		Palmer	Home Rule
Fairbanks North Star Borough		Wasilla	First Class
Fairbanks	Home Rule		
North Pole	Home Rule	North Slope Borough	
		Anaktuvuk Pass	Second Class
Haines Borough		Atkasuk	Second Class
Haines	First Class	Barrow	First Class
		Kaktovik	Second Class
Kenai Peninsula Borough		Nuiqsut	Second Class
Homer	First Class	Point Hope	Second Class
Kachemak	Second Class	Wainwright	Second Class
Kenai	Home Rule		
Seldovia	First Class	Northwest Arctic Borough	
Seward	Home Rule	Ambler	Second Class
Soldotna	First Class	Buckland	Second Class
		Deering	Second Class
Ketchikan Gateway Borough		Kiana	Second Class
Ketchikan	Home Rule	Kivalina	Second Class
Saxman	Second Class	Kobuk	Second Class
		Kotzebue	Second Class
Kodiak Island Borough		Noorvik	Second Class
Akhiok	Second Class	Selawik	Second Class
Kodiak	Home Rule	Shungnak	Second Class
Larsen Bay	Second Class		
Old Harbor	Second Class		
Ouzinkie	Second Class		
Port Lions	Second Class		

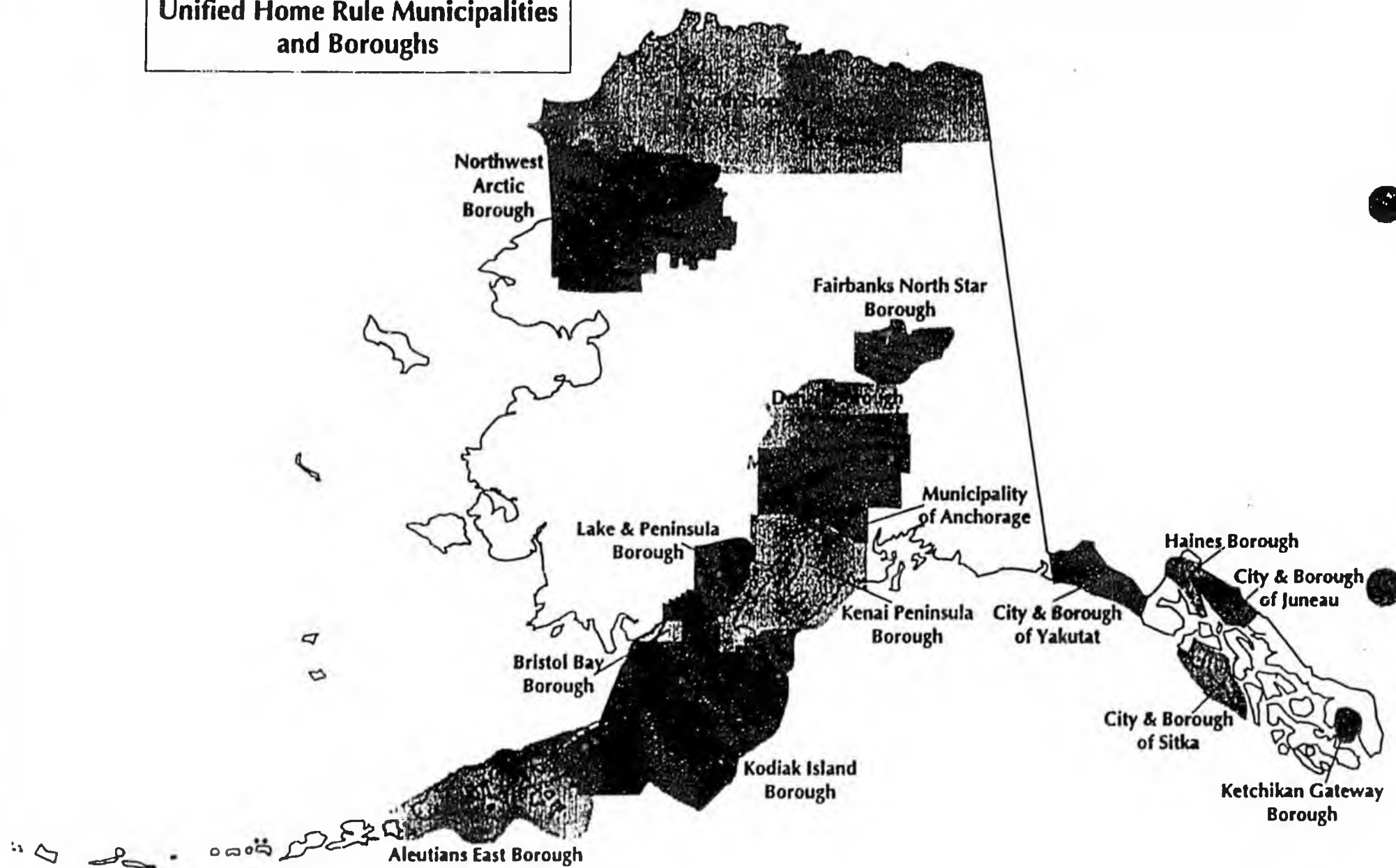
ORGANIZED BOROUGHS - UNIFIED MUNICIPALITIES

	<u>Classification</u>	<u>Page</u>
Aleutians East Borough	Second Class	1
Municipality of Anchorage	Unified Home Rule	2
Bristol Bay Borough	Second Class	3
Denali Borough	Home Rule	4
Fairbanks North Star Borough	Second Class	5
Haines Borough	Third Class	6
City and Borough of Juneau	Unified Home Rule	7
Kenai Peninsula Borough	Second Class	8
Ketchikan Gateway Borough	Second Class	9
Kodiak Island Borough	Second Class	10
Lake and Peninsula Borough	Home Rule	11
Matanuska-Susitna Borough	Second Class	12
North Slope Borough	Home Rule	13
Northwest Arctic Borough	Home Rule	14
City and Borough of Sitka	Unified Home Rule	15
City and Borough of Yakutat	Home Rule	16

INCORPORATED CITIES

HOME RULE CITIES	PAGE	SECOND CLASS CITIES	PAGE	SECOND CLASS CITIES	PAGE
Cordova	43	Bethel	32	Nightmute	104
Fairbanks	55	Bettles	33	Nikolai	105
Kenai	77	Brevig Mission	34	Nordalton	107
Ketchikan	78	Buckland	35	Noorvik	108
Kodiak	84	Chefomak	36	Nuiqsut	110
Nenana	101	Chevak	37	Nulato	111
North Pole	109	Chignik	38	Nunapitchuk	112
Palmer	115	Chuathbaluk	39	Old Harbor	113
Petersburg	117	Clark's Point	40	Ouzinkie	114
Seward	138	Coffman Cove	41	Pilot Point	118
Valdez	156	Cold Bay	42	Pilot Station	119
Wrangell	162	Deering	45	Platinum	120
FIRST CLASS CITIES		Delta Junction	46	Point Hope	121
Barrow	31	Diomede	48	Port Alexander	122
Craig	44	Eagle	49	Port Heiden	124
Dillingham	47	Eek	50	Port Lions	124
Galena	58	Egegik	51	Quinhagak	125
Haines	63	Ekwok	52	Ruby	126
Homer	65	Elim	53	Russian Mission	127
Hoonah	66	Emmonak	54	St. George	128
Hydaburg	71	False Pass	56	St. Michael	130
Kake	73	Fort Yukon	57	St. Paul	131
King Cove	80	Gambell	59	Savoonga	133
Klawock	82	Golovin	60	Saxman	134
Nome	106	Goodnews Bay	61	Scammon Bay	135
Pelican	116	Grayling	62	Selawik	136
St. Mary's	129	Holy Cross	64	Shageluk	139
Sand Point	132	Hooper Bay	67	Shaktolik	140
Seldovia	137	Houston	68	Sheldon Point	141
Skagway	144	Hughes	69	Shishmaref	142
Soldotna	145	Huslia	70	Shungnak	143
Tanana	147	Kachemak	72	Stebbins	146
Unalaska	154	Kaktovik	74	Teller	148
Wasilla	159	Kaltag	75	Tenakee Springs	149
SECOND CLASS CITIES		Kasaan	76	Thome Bay	150
Akhiok	17	Kiana	79	Togiak	151
Akiak	18	Kivalina	81	Toksook Bay	152
Akutan	19	Kobuk	83	Unalakleet	153
Alakanuk	20	Kotlik	85	Upper Kalskag	155
Aleknagik	21	Kotzebue	86	Wainwright	157
Allakaket	22	Koyuk	87	Wales	158
Ambler	23	Koyukuk	88	White Mountain	160
Anaktuvuk Pass	24	Kupreanof	89	Whittier	161
Anderson	25	Kwethluk	90		
Angoon	26	Larsen Bay	91	ORGANIZED	
Aniak	27	Lower Kalskag	92	UNDER FEDERAL LAW	
Anvik	28	Manokotak	93		
Atka	29	Marshall	94		
Atkasuk	30	McGrath	95		
		Mekoryuk	96		
		Mountain Village	98		
		Napakia	99		
		Napaskiak	100		
		New Stuyahok	102		
		Newhalen	103		
				Metlakatla	97

— State of Alaska —
Unified Home Rule Municipalities
and Boroughs



Board of Supervisors
R.S.A. #25 Bogard
P.O. Box 2274
Palmer, AK. 99645

January 24, 1998

TO: Senator Sean Parnell
State Capitol Room 504
Juneau, AK. 99801

Dear Senator Parnell,

The board of supervisors for R.S.A. # 25 Bogard has discussed Senate Bill 208 and we enthusiastically support it. We believe it is still important to allow taxpayers to have a voice in the spending of their tax monies. Local control is important to the residents of this road service area. Thank you for your assistance in maintaining it.

Sincerely Yours,

Valen C. Bair
Primary R.S.A. # 25

Valen C. Bair

William Larkin
Board R.S.A. # 25

William Larkin

Wrex Diem
Board R.S.A. # 25

Wrex R Diem

Law Offices of
Douglas L. Blankenship
406 Cushman Street, Suite 2
Fairbanks, Alaska 99701
907-452-4300 fax 456-2523
E-Mail Address: 104576.2433@compuserve.com

Via Facsimile -- 465-6592

January 26, 1998

JAN 26 1998

Senator Sean Parnell
State Capitol Room 504
Juneau, AK 99801

Dear Senator Parnell:

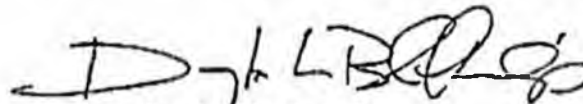
I am chairman of the Scenic Heights Service Area located in the Fairbanks North Star Borough. I support the amendments contained in Senate Bill 208. Several years ago, the Fairbanks North Star Borough mandated that the Scenic Heights Service Area include a noncontiguous subdivision located at approximately one-half mile from the border of the Scenic Heights Service Area. Although our service area objected, we were required to accept the Borough's decision.

The amendments requested in your bill are reasonable because, as you know, the members of the Service Area Commission volunteer their time to assist their community. It is inappropriate for a municipality to impose additional responsibility and time commitments upon the Service Area Commissioners who volunteer their time when the majority of the service area members object to a proposed action.

Thank you for your efforts.

Very truly yours,

LAW OFFICES OF DOUGLAS L. BLANKENSHIP


Douglas L. Blankenship

DLB/clm

cc: Senator Gary Wilken via facsimile 465-1714
Representative John Davies via facsimile 465-3519

1998 Officers
Pres. Bill Kuhlmann 694-2426
V. Pres. Jim Yeargan 694-2571
Sec. Barbara Ferrell 696-2570
Treas. Floyd Gori 694-6088



1998 Directors
Michelle Adams 696-1274
Dr. Gregory Culbert 696-4878
Jim Young 689-5200

EAGLE RIVER COMMUNITY COUNCIL
PO BOX 773952
EAGLE RIVER, ALASKA 99577

FEB 20 1998

12 February, 1998

Senator Sean Parnell
State Capital
Juneau, Alaska 99801-1182

Subject: Senate Bill 208

Dear Senator Parnell;

Eagle River Community Council supports the passage of Senate Bill 208. We agree that the abolishment or alteration of service areas within a borough or municipality should be prohibited without first requiring a vote of the people residing in or owning a business within that service area.

We appreciate your sponsorship of this bill and look forward to its passage.

Sincerely,

A handwritten signature in cursive script that reads "Bill Kuhlman".

Bill Kuhlman, President
Eagle River Community Council

cc: Senator Rick Halford
Senator Randy Phillips
Representative Fred Dyson
Representative Vic Kohring
Representative Pete Kott

15120 Elmore Road
Anchorage, AK 99516

February 24, 1998

Senator Sean Parnell
State Capitol, Room 504
Juneau, AK 99801

Re: Senate Bill No. 208

Dear Senator Parnell:

The Board of Supervisors of the Birch Tree/Elmore Limited Road Service Area urges passage of SB 208 because it is necessary to preserve the purpose of limited service areas, which is local control of local government services by the residents of the service area. In this time of renewed dedication to the principle of returning political power, to the fullest extent possible, to the local level, it should be recognized that limited service areas such as the Birch Tree/Elmore LRSA are the most local of all local government entities, are extraordinarily efficient and almost instantly responsive to the requests and needs of the residents of the service area.

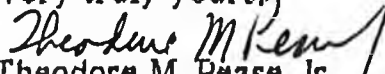
The Anchorage Street Maintenance Department, in those parts of the city which receive and pay taxes for municipal road service, has a stated policy of clearing all streets which it maintains within 72 hours of a snowfall. By contrast, the Birch Tree/Elmore LRSA's private contractor is required by his contract to respond to a call-out for snow clearing within four hours and is able to plow all eleven miles of roads within a maximum of nine or ten hours and usually less. Furthermore, the contractor only gets paid for work which the LRSA asks him to perform.

The five elected members of the Board of Supervisors all live in the LRSA and daily drive its roads. They are in a position to spot problems such as frozen culverts and mudholes as soon as they develop and call in the LRSA private contractor to correct them without delay. If the Board members fail to spot a problem, the residents can and do call it to the Board members attention. And if the LRSA residents decide the Board is not doing a good job, they can vote us out of office. Furthermore, the LRSA services are subject to a tax cap of one and a half mills which can only be increased by vote of the LRSA residents.

However, unless SB 208 is passed and becomes law, municipalities and boroughs have the power to combine and merge existing LRSA's into the municipal street maintenance department without the affirmative vote of the residents in the LRSA. If this occurs, the road taxes can be increased without a vote of the residents, and the street maintenance department, not the elected Board of Supervisors; decides what work is to be done and when. In short local control is lost and with it all of the above enumerated benefits of local control.

We urge passage of SB 208.

Very truly yours,


Theodore M. Pease, Jr.
Member, Board of Supervisors
Birch Tree/Elmore LRSA

cc. LRSA Board Members



Fairbanks North Star Borough

Office of the Mayor

809 Pioneer Road

P.O. Box 71267

Fairbanks, Alaska 99707-1267

907/459-1300

Fax 907/459-1102

Email mayor@co.fairbanks.ak.us

March 2, 1998

Representative Ivan
Chair, House CRA Committee
State Capitol
Juneau, AK 99801-1182

Dear Representative Ivan,

HB365, An Act relating to municipal service areas and providing for voter approval of the formation, alteration, or abolishment of certain service areas causes the Fairbanks North Star Borough many problems. Of the 250 service areas statewide, approximately 110 are in the Fairbanks North Star Borough. It has been our policy to attempt to curb the proliferation of service areas in the Borough. We do so in order to make service delivery more efficient. Fewer service areas provide economies of scale for limited road dollars. There are also increased administrative efficiencies.

Judging from the recent activity of HB365's companion bill, SB208, it is very popular. It is my understanding the legislation stems from recent policing issues in Anchorage. I request that HB365 be amended to exempt second class boroughs. I feel strongly that our current course of action in regards to service areas is in the best interests of borough government, while not infringing on the rights of our residents. Let the administration and Assembly make service area decisions in conjunction with local residents. I appreciate your consideration.

Sincerely,

Hank Hove
Borough Mayor

cc: Representative Tom Brice
Representative John Davies
Representative Jeannette James
Representative Pete Kelly
Representative Gene Therriault

FISCAL NOTE

Version: SB 208
(S) Publish Date: 2-10-98

Revision Date: 2/9/98 (form correction) Dept. Affected: Community & Regional Affairs
 Title: An Act relating to municipal service areas and providing for voter ... BRU: none
 Component: none
 Sponsor: SENATOR PARNELL
 Requestor: Senate CRA Committee COMPONENT SERIAL NO. _____

Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	0.0	0.0	0.0	0.0	0.0	0.0
CAPITAL	0.0	0.0	0.0	0.0	0.0	0.0

REVENUE FUND SOURCE:

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FUNDING: (Thousands of Dollars)

1002 Federal Receipts						
1003 GF Match						
1004 GF						
1005 GF/Program Receipts						
1006 GF/MHTIA						
Other						
TOTAL	0.0	0.0	0.0	0.0	0.0	0.0

POSITIONS:

FULL-TIME	0	0	0	0	0	0
PART-TIME						
TEMPORARY						

Estimate of current (FY98) impact \$ none

ANALYSIS: (Attach a separate page if necessary)

This legislation provides for voter approval of the formation, alteration, or abolishment of certain municipal service areas. This legislation would have no fiscal impact on the department.

Prepared by: Remond Henderson, Director *Remond Henderson* Phone: 465-4708
 Division: Division of Administrative Services Date: 2/05/98
 Approved by Commissioner: *Just for Mike Erwin* Date: 2/05/98
 Agency: Community & Regional Affairs