

force dual government in the valley. I don't think we're large enough yet to have dual government and this is the reason why we're asking just to have a city enlarged, just this far, for this particular time. I think that pretty well sums up our presentation.

Mr. Singleton: Thank you very much, Mr. Coghill. I will ask at this time if any of the members of the Boundary Commission have any questions they wish to direct to Mr. Coghill, they do so. Mrs. Johnson, did you have anything you wanted to ask?

Mrs. Johnson: No, thank you.

Mr. Singleton: Mrs. Stokke?

Mrs. Stokke: The talk of tax bases, that's for school purposes?

Mr. Singleton: Yes.

Mrs. Stokke: You don't plan to give other services on that area that you annex?

Mr. Coghill: We actually give this service now, in a limited manner. What we would probably do in this annexed area, we would pay for the street lights that the individuals now pays for themselves. We would, in part, help pay for the police protection. We had a contract state trooper living in Nenana and because of the financial burden, and because of other things, why the Public Safety Department decided not to contract anymore but to leave a policeman here and we'd provide certain services, we'd provide him with an office and such stuff as this, though, actually, the community is in effect in a small way, participating in this. The tax base, our tax base, is ten mills. Out of the ten mills, why we have our fire protection, we have our street snow removing of which would be extended into this area; we have our street light program which, of course, would be extended into this area.

Mr. Norton: That's volunteer - fire department?

Mr. Coghill: Yes, yes sir, in this type of thing. And we have our school. As I remember our income is basically around \$20,000 a year from our tax -

Mr. Norton: On the ten mill basis?

Mr. Coghill: On the ten mill basis. And out of that why we pay about 11 or 12,000 of the total paid. You know, a real interesting . . .

Mr. Norton: That's augmented by the 219 or 220 per student that comes in above the regulars?

Mr. Coghill: Oh yes, yes. We would never be able if we didn't have state tuition formula and the Public Law 874 formula and the school Foundation formula, why we would be a state operated school.

Mr. Norton: I can understand that.

Mr. Coghill: In fact, you know, I might digress for a minute - this is one of the problems that we have in the smaller communities - of being able to provide this basic function which is schools. If you go to some of the unincorporated areas, and George, I now talk about Big Delta, or Tok Junction, or Glennallen and you compare your school facilities with ours which we have built on our own - we've got - our assessed evaluation is around a million five hundred thousand and we have a million dollar school facility that was built by this community -

Mr. Norton: I know what you're talking about.

Mr. Singleton: George, did you have anything else you wanted to ask?

Mr. Norton: No.

Mr. Singleton: Vic?

Mr. Gill: Yes. How far does the North Star Borough, how far does it come,

how close does it get - what milepost maybe?

Mr. Coghill: You drove down?

Mr. Gill: Yes.

Mr. Coghill: Up on top of the rise as you come out of Fairbanks, and you pass the Curtis Lumber, I don't know whether you . . .

Mr. Gill: They don't have a sign here anymore.

Mr. Coghill: They don't have a sign there anymore but you pass a . . .

Mr. Gill: There's a little bar there. Did you notice that little bar there?

Mr. Coghill: Just off to the left there's a place that has an Olympia beer sign - and there's a couple houses there

Mr. Gill: Cripple Creek. Where is it in relation to Cripple Creek?

Mr. Coghill: Its more than 30 miles . . . Well, I'll tell you, if you notice where you hit the pavement, its about four miles before you get off the pavement.

?: Oh, is it on the top?

Mr. Coghill: It's on the top of the hill. It's barely in there - its barely in the borough.

Mr. Gill: That puts it roughly, how far away from here?

Mr. Coghill: Roughly, 22 miles away from here. I could show you on the map.

Mr. Gill: No, I just wanted to know how close it is.

Mr. Coghill: They cut across the hills there and cut in just below Saulich and Dunbar on the railroad, went over to the Chatanika River and followed the Chatanika River up behind Fairbanks and then cut off into down by Salcha - cut across and took in the whole bombing range and come down to the watershed of the Wood River and the Wood River comes into the Tanana River about twenty miles north of us.

Mr. Gill: Well, my point was if it is close here, why maybe the North Star Borough could move in here because by the same token its a long ways away; it may be wiser, and you'd have to study the economy, to form your own little borough if it was forced upon you.

Mr. Coghill: I would imagine that if we were faced with this decision that you would find a south star borough.

Mr. Gill: Yea, yea . . . That was why I was wondering how far away it was. I have no more questions.

Mr. Coghill: I might add, Mr. Chairman, that I probably am the largest by far property holder in this area to be annexed, and as far as taxes are concerned, I would be paying probably 50% of the tax base earned in this particular area. I am building a \$60,000 home out, on, in the section 36 section.

Mr. Singleton: You don't contemplate any change in your mill rate or any change in your taxation level. You are just anticipating extending the tax level you have already reached to this new area.

Mr. Coghill: This is correct, we . . .

Mr. Singleton: Approximately how many people would be involved in the extension or the expansion, Mr. Coghill?

Mr. Coghill: I would say that probably about, about, 15 to 20 families.

Mr. Singleton: And they all use, shop in Nenana, they use the Nenana post office, is that right?

Mr. Coghill: That is correct, yes.

Mr. Singleton: In otherwords, they would have, the people in that area . . .

Mr. Gill: This says 45 persons.

Mr. Singleton: . . . the people would have . . .

Mr. Coghill: About 15 or 20 families would be about 45 or 50 people.

Mr. Gill: That's right.

Mr. Singleton: But, I assume that these people were aware of this meeting.

Mr. Coghill: It has been posted on our bulletin board. We have two of the members of the council here, Mr. Chairman, Mr. Burlingame and Mr. Speck.

Mr. Speck: It has been well talked about. I hear about it every night.

Mr. Coghill: Mr. Speck has the Moocher's Bar on the corner and of course, he is a very valuable person on the council because he is the buffer board for the council as far as public opinion. (laughs)

?: That's understandable.

Mr. Singleton: Alright, then if that's the end of your presentation and there are no further questions from the Boundary Commission, I would ask if there is anyone else here who wishes to speak on behalf of the petition.

Mr. Beard: Mr. Chairman, might I address one or two questions to Mr. Coghill?

Mr. Singleton: Oh, certainly.

Mr. Beard: Can you give us an idea - do you know how much area you are talking about? In square miles or acres? If you extend the boundaries proposed to the baseline of Section 36.

Mr. Coghill: We're talking about three sections.

Mr. Beard: Well . . .

Mr. Coghill: Our township is about three sections. Now a section has about . . .

Mr. Beard: 640 acres.

Mr. Coghill: 640 - so we're talking in the - probably around 2,000 acres.

Mr. Beard: Do you have any idea how this property will be assessed? What value, assessed value you're going to be picking up?

Mr. Coghill: It will be assessed in the same manner, I imagine.

Mr. Beard: No, but I mean do you now know what the value is? Can you project at this time what the additional city revenues will be?

Mr. Coghill: No, I don't have that information off hand - we could probably get a barnyard guess on it for you, but you see its not really a move to increase revenue as much as it is to zone and control.

Mr. Beard: That I understand, but as I understand it you're also talking about being able to make services available to this additional section and I wondered if you had any way of comparing the cost that the City would be called upon to expend with the revenues that it would generate.

Mr. Coghill: Oh, the City would make money off it, because the only things that you would be - they already have the volunteer fire department - they're already supporting the schools - the tuition rate from these children would not offset the personal property tax and the real property tax. A large portion of these forty-five people would be coming from the now FAA station, that is -

Mr. Beard: So there'd still be no federal money?

Mr. Coghill: But yes, we'd get this not only in taxes but we also get it in Public Law 874 fund.

Mr. Beard: How many students are there in this area?

Mr. Coghill: In this area? There are about 22.

?: Might I ask this, Jack? This section 36 that you're speaking of, of course, if its a section or whatever plot of ground it is, it isn't intersurveyed in lots or anything, is it?

Mr. Coghill: No sir, there is, there are five parcels of property on this school ground section 36 that the state subdivided about five or six years ago, and they were sold and they've just been sitting and nobody has done anything with them -

?: Yes, I can understand that type of operation. It happens every place.

Mr. Coghill: And what they've done is they've just plucked them off and let it sit . . .

? Speculation . . .

Mr. Coghill: . . . and they're just betting on the _____ and the thing is if we have some way or another of getting in there and say "Buster, you'd better start doing something" because you go try to buy one of these pieces of property and it's worth 20 times what they paid for it, alright, if its worth 20 times, they can pay taxes on it.

? Same thing exists at home.

Mr. Coghill: And its the same thing as is true around our airport. There's some property around the airport on this, in this, acreage addition. You try to buy a piece of that property and it's worth six - seven thousand dollars. Alright, this is worth six - seven thousand dollars, let them put it in their own self-assessment forms of which we - this is the form of which we operate.

? Self-assessment, huh?

Mr. Coghill: We have a self-assessment system.

? (laugh) That's pretty nice.

Mr. Beard: One more serious question.

Mr. Coghill: Yes, sir?

Mr. Beard: I take it this ground is on higher ground and will not be subject to flooding like the present town?

Mr. Coghill: Yes, we have, we have a series of plans that were projected by an engineering firm through the, through the Alaska State Housing Authority under a contract between the City, the state, and ASHA and they came up with, oh, four or five different plans. They came up with one of building up the community -- some of it was quite sophisticated.

Mr. Coghill Present.

? What?

Mr. Coghill: The present community.

Mr. Coghill: The present community.

Mr. Beard: A land fill.

Mr. Coghill: Some, one was a landfill, of different natures. I have those all right here before me, Mr. Chairman, I could present them to you.

Mr. Beard: Well, I wonder if you could just advise the Commission as to what effect this annexation will have on flood relief.

Mr. Coghill: This annexation thing, if we should have another flood this year and get into as much damages as we had before - we've all pretty much signed waivers that we're living in a flooding area and we're going to have to move, well, if the Tanana Valley is getting so saturated with dams, dikes and roads and stuff like this where this flow or this raise is a permanent type thing in the Tanana, why then we're going to have to move someplace.

Mr. Beard: And this will be safer ground?

Mr. Coghill: This did not get wet during, - it got wet from the rain because we had 22 days of constant rain but it was not innovated by the water.

Mr. Beard: Do you expect that by the very fact that it will be within city boundaries will help to generate movement on an individual basis from the present townsite, of individual.

Mr. Coghill: I think so, plus the fact that this will be an orderly movement, if it takes place.

Mrs. Stokke: You plan to zone the whole area before you start this movement?

Mr. Coghill: Yes, mam, yes, mam, this is probably one of the first issues

that would take place.

Mr. Singleton: Any further questions, does anyone else have any further questions? (To the Commission members) Was there anyone else who wished to speak on behalf of the petition? (To the audience) Have anything to say that Mr. Coghill hasn't covered? If there are none, is there anyone who wishes to speak against the petition. And if there are none, we wish to thank the people of Nenana for having us here for the hearing today and you will be receiving word of the Local Boundary Commission decision very shortly, Mr. Coghill. Thank you.

Mr. Coghill:

Thank you.

Transcribed from tape of Nenana Hearing of February 1, 1969 by

Loretta B. Wilke

MINUTES OF LOCAL BOUNDARY COMMISSION MEETING

NENANA, ALASKA February 1, 1969

Chairman Singleton convened the meeting of the Boundary Commission on February 1, 1969, at 1:55 P.M. in Nenana, Alaska immediately following the hearing on the petition to change the boundaries of the City of Nenana.

Members of the Commission present were Victor Gill, Bernice Stokke, Grace Johnson, George Norton, and James Singleton. Also in attendance was John Beard, Director of the Local Affairs Agency.

Chairman Singleton indicated that the purpose of the meeting was to discuss and reach a decision upon the proposed boundary change. A general discussion followed and it was observed that the necessity and desirability of the boundary change was fully documented in the presentation of Mr. Coghill, the only person who testified at the hearing. It was noted that no person had spoken in opposition to the proposal.

The members of the Commission agreed that the information presented to the Commission demonstrated that the area to be annexed would provide the City with land, free from flooding, in which to develop.

Mr. Gill moved, seconded by Mrs. Johnson, and it was passed without objection that the boundary change as presented in the petition be accepted and recommended to the Legislature.

It was then discussed that the recommendation must be submitted to the Legislature within the first ten days of the session. Mr. Gill requested that the Local Affairs Agency prepare a formal Memorandum of Decision, setting forth the findings of the Commission as previously discussed. Chairman Singleton directed Mr. Beard to prepare this memorandum and to circulate it for the signatures of the Commission members; and to draft a formal recommendation of the boundary change and submit the recommendation to the Legislature, on behalf of the Commission, within the 10 day requirement.

Meeting adjourned at 2:05 P.M.

ATTEST:

APPROVED:

Loretta B. Wilke
Secretary, Local Affairs Agency

James K. Singleton, Chairman
by: John R. Beard
John R. Beard
Director, Local Affairs Agency

LOCAL AFFAIRS AGENCY REPORT

to

LOCAL BOUNDARY COMMISSION

Nenana Annexation

January 27, 1969

Proceedings to Date

On December 20, 1968, the Local Affairs Agency received a petition, in the form of a letter from Ray Brown, Mayor of Nenana, on behalf of the Nenana City Council, for a boundary change that would effect an annexation of certain lands to the City of Nenana.

The Agency determined, upon review of the petition, that it was in proper form and that, there being no political subdivisions in and about the territory involved other than the petitioning city, proper service of the petition had been accomplished.

To date, no answer to the petition has been filed with the Agency.

From information contained in the petition, and from further information in the Agency's file, the Agency determined that it was highly desirable that the Local Boundary Commission hold its hearing in time for its recommendation to be submitted to the forthcoming legislative session. Upon ascertaining that a quorum of the Local Boundary Commission could be assembled in Nenana on February 1, 1969, the Agency sent notice of the hearing, by certified mail, to the city of Nenana. Notice was received by the petitioner on January 15, 1969. Notice was published in the Fairbanks News-Miner, a newspaper of general circulation in the Nenana area, on January 17, 1969. The City was requested to post copies of the notice in three public and prominent places in the City and was instructed to have a copy of the petition available for public inspection at the City Clerk's office. A copy of the Notice of Hearing is appended to this report.

It is the opinion of the Local Affairs Agency that all statutory and regulatory notice requirements have been complied with.

Introduction

Due to the limited time between receipt of the petition and date of hearing, the Agency has not had an opportunity to resort to all of the sources of information upon which it usually draws in preparing its reports to the Commission. The Alaska State Housing Authority is preparing a staff report on the Nenana economy, however, and has provided us a preliminary draft of that report. The draft, which is also appended, provides a great deal of pertinent information. This Agency's report will summarize ASHA's major findings and provide such supplemented information as is available.

Vital Statistics

Population of Nenana: 396. This figure was provided by Mayor Brown. It is assumed that it includes residents of St. Mark's native village, an area located east of (and not included within) city boundaries. ASHA study estimates 282 in City, 28 in St. Mark's as of August, 1968.

Population of area to be annexed: 45. (provided by Mayor Brown)

School enrollment: 210 (provided by Mayor Brown). ASHA estimates that about 100 students reside outside the City. The Agency has no figures on students residing in the area of proposed annexation.

School costs: \$1,012 per average daily member. The City is reimbursed by the state, for nonresident students, at the rate of \$219.72 per student.

Location: Bounded on the north by the Tanana River, on the west by the Nenana River.

Access: Highway (approx. 60-65 miles from Fairbanks on Anchorage-Fairbanks Highway); Air (City owned airport, located south of and contiguous to city boundary, in area to be annexed; no scheduled service); Railroad (passenger service to Anchorage and Fairbanks, daily in summer, twice weekly in winter; year-round freight service); River (railhead for Tanana-Yukon waterway)

The Annexation Proposal

Nenana is not located within an organized borough. The territory which the City proposes to annex is primarily rural in nature - the nearest "urban" development to the south being in the Anderson-Clear area, some 15-20 miles away. The present petition, then, does not represent an attempt to resolve jurisdictional disputes or to consolidate contiguous urbanized areas under a central governing authority. To this extent, the Commission is not being called upon to resolve the conflicting claims of City, Borough, and/or service area that each is best designed and most able to provide needed services to residents of the affected area. The considerations that would apply to a boundary change in the Anchorage area, for example, and that are anticipated in much of the Minnesota legislation, are not wholly applicable in this instance.

Nenana's petition appears to have been prompted largely, if not entirely, by the City's flooding problem. The nature of this problem is

discussed briefly on page 11 of the ASHA report, and its influence on Nenana's plans for the future is a continuing theme through that report. ASHA concludes (pp 37 et. seq.) that without flood alleviation, Nenana's population "could drop as low as 250-275 by 1971" and would be unlikely to grow "much beyond 350-400 by 1985", notwithstanding possible industrial development. Moreover, recurrent flooding would cause constant population fluctuation, with the probable gradual loss of business and population to the Anderson area.

The 1967 flood, by its severity, focused attention on Nenana's acute need for flood relief. Studies by the Corps of Engineers, ASHA, and private consultants resulted in four proposed flood protection programs (ASHA report, p. 29). The report discusses only the last two of the alternatives, considering them to be the most practicable; and by its petition and supporting information, the City indicates that it envisages the fourth - southward relocation - to be the more desirable.

No funds are currently available for a concerted relocation project. Quite possibly, monies would be more readily available once the land were brought under City's jurisdiction. The City feels, however, that individual residents would be attracted away from the river and into the safer Sand Hill area, even without financial assistance, if the area were annexed to the City. (It may be that such individual resettlement in this area is already occurring. The Commission will perhaps wish to inquire into this, for purposes of gauging the present need for City planning and zoning).

The economic effect of relocation in the Sand Hill area is also assessed by the ASHA study, page 37. Briefly, it is estimated that the City's population would stabilize at 400-450 people by 1985, barring significant industrial growth. Over the land-fill alternative, the annexation-relocation approach has the advantages of (a) being less costly and (b) affording room for additional growth in the event of rapid development.

Rapid development, as more fully explained in the report, is not to be expected, however. Of primary significance is Nenana's situation at the railhead of the Tanana-Yukon river highway. It is the staging area for river commerce to the interior. When the proposed North railway is constructed, Nenana will lose this advantage. Goods will be shipped by rail to the Yukon River and thence distributed downriver. (ASHA, pp. 33-35)

The City is hopeful, at least, that the northern spur will join the mainline at Nenana. This would generate substantial economic activity

during the construction period and would possibly retain for Nenana maintenance and storage facilities, with attendant jobs.

Conclusion

Nenana has been the subject of a good deal of economic and development study of late. Most of these studies have not been entirely finalized - and have been unavailable to the Agency - but the apparent lesson of all will be a need for flood protection. It seems, too, that accord has been reached on development of a "new city" in the area of proposed annexation as a viable answer to that need.

The Agency considers annexation to be a good first-step toward such development. It would enable the City to extend services - water, sewer, police, streets - into the protected area, thus encouraging individuals to remove from the present flood plain (and perhaps fostering, as well, an immigration of residents from further south). Should funds become available for a total relocation project, annexation will be essential.

The Agency does not have sufficient information on the residents and land owners in the area of expansion to determine how annexation will affect them. The Commission will want to know (and the City has been so informed) what services will be made available to this area and what the cost of these services - both to the City and to the residents - will be.

It should be noted, in addition, that the City has stressed, as a reason supporting annexation, its desire that the airfield be within city boundaries. The Agency understands that the airfield is city-owned, located on city property contiguous to the present boundaries. This being the case, the airport could be annexed by ordinance (AS 29.70.210). Should it develop at the hearing that the airfield is the only justification for annexation, the Agency recommends that the Commission deny the petition and make no recommendation to the Legislature.

Subject to the above qualifications, it is the Agency's opinion that the proposed Nenana boundary change would serve a positive purpose and is in the best interest of the State and the City.

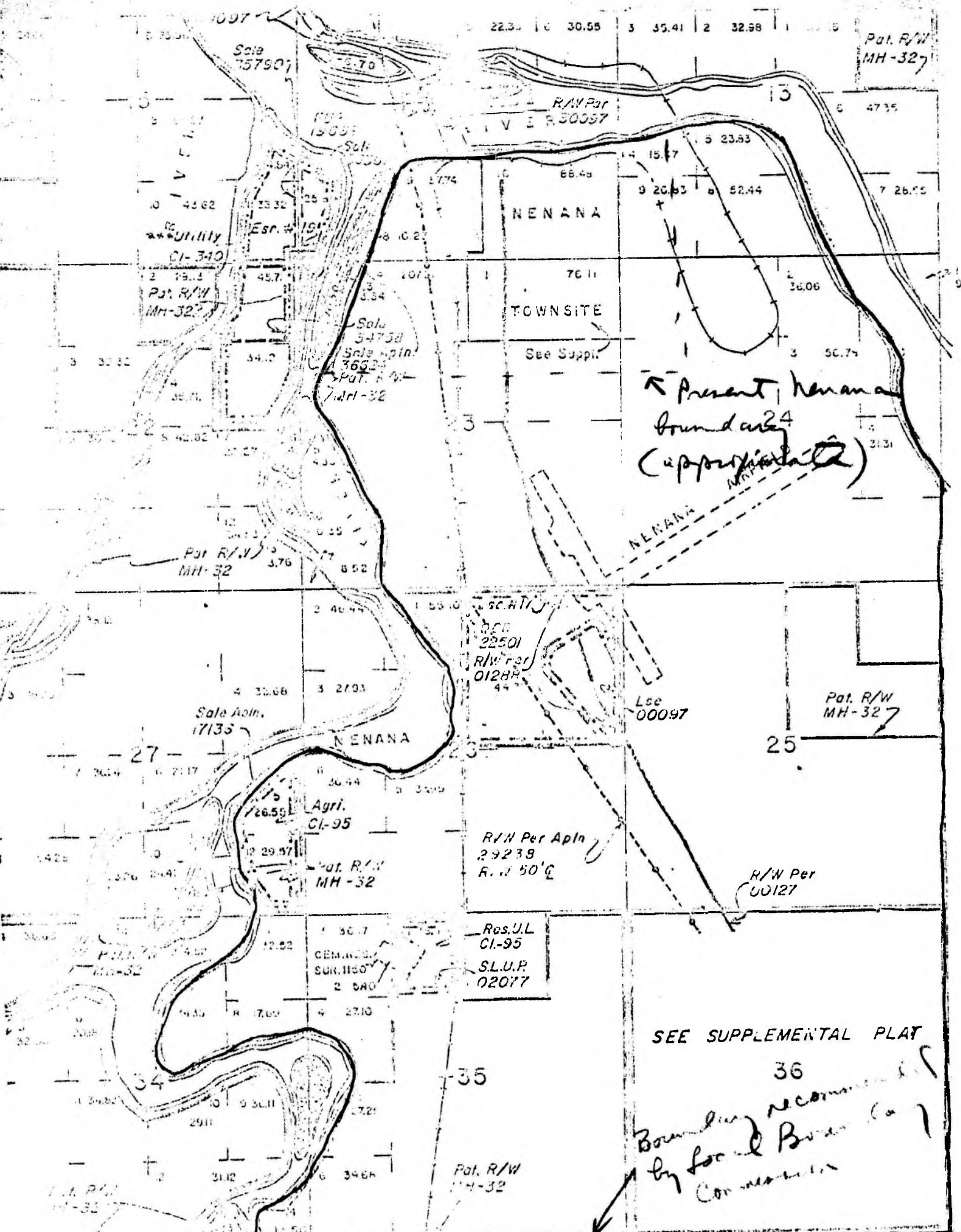
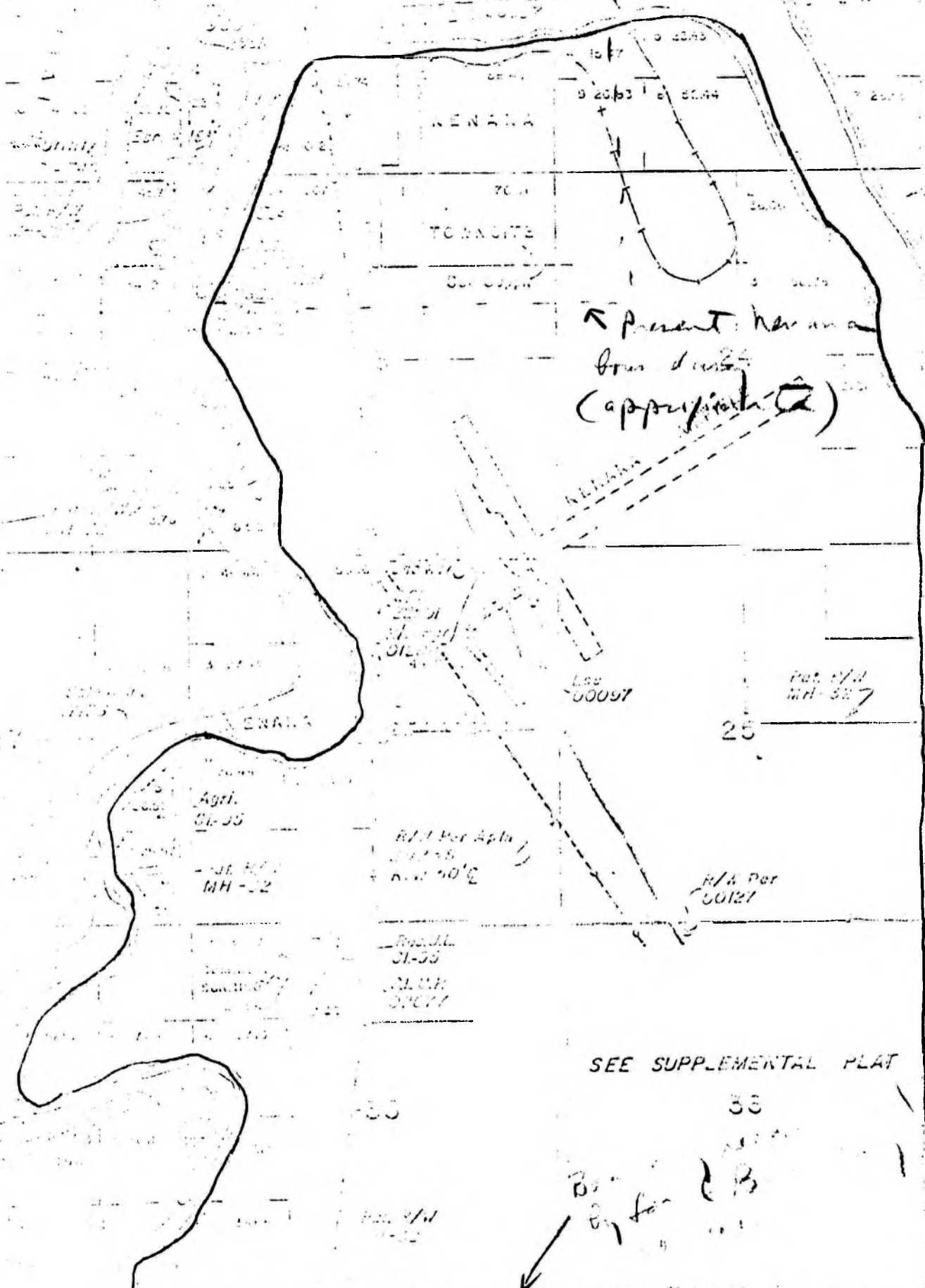


Exhibit A

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Pat. #11
MH-527



Sheet #1