

775 SCRA

ANNEXATION / KODI AK

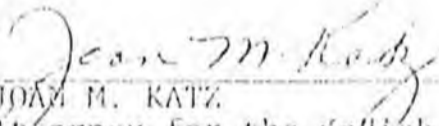
10072

13

with annexation, there will probably be differential taxation with inconsistent levels of service, and with unification, there would still -- and again -- be service districts. The difference between the present situation and annexation -- the only two options available to the Local Boundary Commission -- is in the degree of choice to be exercised in the annexed territory. And that choice of course translates into substantial impact on the pocketbooks of the property owners involved.

The Local Boundary Commission is undoubtedly cognizant of its significant power and responsibility in considering legislative annexations. Respondent urges the Commissioners to ask themselves the three questions posed in this Brief while deliberating the merits of this case. The answers, the Borough feels confident, will show no need for services that the Borough cannot provide at a cost comparable to or lower than the City; no inequity done to the City by non-City residents; and adverse effects on both territory residents and other Kodiak citizens alike should annexation be approved. In light of these realities, Respondent respectfully submits that legislative annexation in this case would be an abuse of discretion. Respondent requests that annexation be denied.

DATED this 17th day of May, 1978.

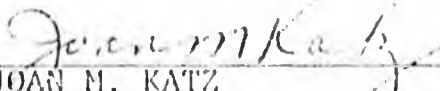

JOAN M. KATZ
Attorney for the Kodiak
Island Borough

BEFORE THE LOCAL BOUNDARY COMMISSION FOR THE
STATE OF ALASKA

Re: Proposed Annexation of)
Certain Lands in the Kodiak)
Urban Area to the City of)
Kodiak)
_____)

CERTIFICATE OF COUNSEL

I, Joan M. Katz, counsel for the Kodiak Island Borough,
certify that a copy of the Brief of the Respondent Kodiak Island
Borough was delivered to the staff of the Local Boundary Commis-
sion for service on the City of Kodiak this 19th day of May, 1978.



JOAN M. KATZ
Attorney for the Kodiak
Island Borough

JOAN M. KATZ
Attorney at Law
540 "L" Street, Suite 101
Anchorage, Alaska 99501
(907) 274-7634



Borough

City of Kodiak

PHONE (907) 486 - 3224
P.O. BOX 1397
KODIAK, ALASKA 99615

December 16, 1977

Mr. Sigvald J. Strandberg
Chairman
Local Boundary Commission
Department of Community and
Regional Affairs
511 West Fourth Avenue
Anchorage, Alaska 99501

Kodiak Island Borough
KODIAK, ALASKA
RECEIVED

DEC 19 1977

U.S. MAIL 1,2,3,4,5,6 PB

Dear Mr. Strandberg:

I do not envy the Commission's position when attempting to relate to the problems such as we have here in Kodiak. I respect your willingness to listen to many statements that are irrelevant; however, I do not believe they should bear much weight in your decision.

When I finished my initial remarks, I asked for an opportunity to reply to the Respondent's Brief. For one reason or another, you did not honor my request. I realize your desire not to prolong the hearing; however, there were many points that were made that were not true. It is too bad that you were not willing to give me an opportunity to clear them up for you and those attending the meeting.

I think it should be made known in what capacity your fellow Commission member, Ms. Gallagher, is working for the Borough. It is obvious that if her employment has anything to do with any of the issues mentioned in the annexation proceedings she should disqualify herself from any court proceedings, as well as Commission activities. Her ability to ask questions during the hearing that would bear on possible litigation would seem reason enough for her to disqualify herself. I would like to hear from you or Ms. Gallagher regarding this issue.

There are several points I would like to make that were brought out in the testimony of the citizens.

EXHIBIT A

Mr. Sigvald J. Strandberg

Page Two

December 16, 1977

1. The City sewage treatment plant is 100% funded by the Federal and State Governments and City of Kodiak. The City's portion is financed in part by general obligation bonds. There are no Borough funds involved in this sewage treatment plant.
2. It is obvious that the City is not going to reap any huge benefits from the annexation proposal. Half of the lots are in public ownership, there are no industries, pipelines, etc. that would constitute a windfall to the City if the annexation did occur.
3. Postponing the decision on this annexation until after the legislature begins is not fair. The merits are quite obvious. I should not have to go into any detail on this.
4. As far as I could ascertain, there was not one registered voter from the area in question who spoke against the annexation. If an election were held rather than the public hearing, none of those people would have been able to voice their opinions. I think it was incumbent upon the Commission to make this clear. One of the items I wished to make known was that no resident of the area spoke on the annexation. The only people involved were property owners and those renting or leasing for business purposes.
5. At the Borough meeting on December 1, I tried to explain that the annexation of the Mill Bay Road area was the only item to be considered at the hearing. The Borough overreacted and sent out notices to all post office box holders as well as the notices in the paper. I feel that it is this kind of activity that turns people off toward government and makes all our jobs more difficult.
6. As I understand it, there are five members of the Boundary Commission and since two can hold a public hearing but three need to make a decision, the other two members that were absent also need to concur in the decision to hold another public hearing on this annexation.

It is quite obvious that the residents of the Borough and City residents who own property in the Borough are against annexation because of the additional financial burden. As far as I am concerned, that is no reason for these people not to be annexed. From your comments, you seem to have similar feelings. I am going to ask the Council of the City of Kodiak to wait six months before meeting with the Boundary Commission again since no annexations can occur until 1979. The Borough will go ahead with their service areas and unnecessary duplication of taxing structures will automatically result. I am certain you are aware that as soon as an area gets water and sewer from the core City they have no need

Mr. Sigvald J. Strandberg
Page Three
December 16, 1977

to annex. This is especially true in the Kodiak urban area.

I would like to take this opportunity to thank you for visiting with us. I really feel that you have quite a burden on your shoulders. I appreciate that fact only too well; however, I still feel that you have accepted your positions of trust and you have a responsibility to the municipalities that are depending on you for proper decisions.

Very truly yours,

CITY OF KODIAK

Ivan L. Widom
City Manager

ILW/lp

cc: Commissioner MacAerny
Governor Hammond
Senator Poland
Representative Snider

KODIAK ISLAND BOROUGH

CONFIDENTIAL MEMORANDUM

TO: Borough Manager
FROM: Planning Director
SUBJECT: Individual Breakdown of City and Borough Taxes
RE: Information Required by Counsel
DATE: December 6, 1977

During our discussions with Mrs. Joan Katz, she requested I prepare a breakdown of my estimated Kodiak Island Borough Real and Personal Property Tax as well as the amount of Sales Tax collected by the City for goods and services.

The following reflects the assessed valuation of the real property I lease:

<u>Land</u>	<u>Building</u>	<u>Total</u>	<u>KIB Mill Rate</u>		<u>Amount of Tax</u>
\$8,900	\$32,890	\$41,790	\$9.50	=	\$397.00

Personal Property:

<u>Description</u>	<u>Valuation</u>	<u>Mill Rate</u>	<u>Amount of Tax</u>
1965 Dodge $\frac{1}{2}$ Ton P.U. w/Cap per	\$ 500		
1974 Buick 2 Dr. H.T.	2,975		
1973 Chevrolet K5 Blazer	2,900		
1969 5-HP Outboard Motor	<u>50</u>		
Total	\$6,425	x \$9.50	<u>\$ 61.04</u>
Total Amount of Tax Revenue Collected by K.I.B.			<u>\$440.04</u>

The following reflects the estimated Sales Taxes I pay:

CONFIDENTIAL MEMORANDUM

To: Borough Manager
From: Planning Director
Subject: City and Borough Taxes, Individual Breakdown
Date: December 6, 1977

Page 2

Sales Taxes:

<u>Item</u>	<u>Amount of Tax</u> <u>(Month)</u>
Food	\$ 21.00
Telephone	2.25
Electricity	2.55
Fuel Oil (Furnace)	7.50
Clothing	3.00
Automobile Gas and Oil	1.80
Tire Repair	.54
Cosmetics	1.00
Water	.42
Dry Cleaning	.60
Cable Television	.51
Entertainment (Movies)	.75
Appliances (Large & small, Replace & repair)	1.05
Cards, Gifts, Candy	1.50
Books, Magazines, Newspaper	1.00
Meals Out	6.00
Beverages	5.00

Average Amount of Sales Tax Paid to City of Kodiak, \$ 56.47 per Month;

Total Yearly Amount Sales Tax Paid to City (x 12), \$ 677.64

Average of Combined City and Borough Taxes for non-City Resident, \$1,117.68

Percentage of Total Tax Paid to the City of Kodiak, 60.629%

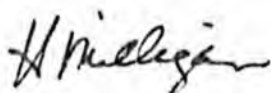
Percentage of Total Tax Paid to Kodiak Island Borough, 39.370%.

Of the \$440.04 paid to the Borough, 2.27 Mills or \$109.44 were paid over to the City of Kodiak for fire protection, thus leaving the Borough with a net tax collected in the amount of \$330.60, and the City of Kodiak with a total \$787.08.

Percentage of Adjusted Total Tax Paid to the City, 70.421%,

Percentage of Adjusted Total Tax Paid to the Borough, 29.579%.

Respectfully submitted,



Harry Milligan

CITY OF KODIAK
RESOLUTION NUMBER 23-77

A RESOLUTION OF THE COUNCIL OF THE CITY OF KODIAK REGARDING
THE ESTABLISHMENT OF A JOINT COMMITTEE TO STUDY UNIFICATION

WHEREAS, major changes are occurring in the entire Kodiak Island
Borough, and

WHEREAS, the tax base is not sufficient to support excessive government
and

WHEREAS, the relationships between the City of Kodiak and the Kodiak
Island Borough demand close cooperation and coordination, and

WHEREAS, unification of the two governments might be in the best interest
of the residents of the Kodiak Island Borough;

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Kodiak
wishes to participate in a study task force along with the Borough Assembly
members and private citizens to study the advantages and disadvantages of
unification and to recommend whether or not unification would be in the best
interest of the residents of the Kodiak Island Borough. The Council respectfully
requests the Borough Assembly to participate in this task force and to meet
with the Council in worksession to determine how best to implement this study
group.

PASSED AND APPROVED this 27th day of October, 1977.


MAYOR

ATTEST:


CITY CLERK

EXHIBIT C

KODIAK ISLAND BOROUGH
RESOLUTION NUMBER 78-34-R

A RESOLUTION PLACING BEFORE THE VOTERS OF THE KODIAK ISLAND BOROUGH THE QUESTION OF ELECTION OF A CHARTER COMMISSION TO PREPARE A UNIFICATION CHARTER.

WHEREAS, Alaska Statute 29.68 provides a method whereby a borough and the cities within it may be united into one government under a home rule charter, and

WHEREAS, the Assembly has determined that the voters of the Kodiak Island Borough should be given an opportunity to determine whether they wish to create a charter commission to prepare a home rule charter to be approved or disapproved by separate vote of the voters within and outside first class cities at a subsequent election.

NOW THEREFORE BE IT RESOLVED by the Kodiak Island Borough Assembly:

Section 1. The following proposition shall be submitted to the voters at the next regular Borough election to be held on October 3, 1978, which is at least 90 days after adoption of this resolution:

Shall a charter commission be formed (and charter commission members be elected as elsewhere provided on this ballot) to prepare, adopt and submit to the voters for their approval or rejection a proposed charter uniting Kodiak Island Borough and all cities within it as a single unit of home rule government having the powers, duties, and functions of a unified government as authorized by law?

Yes () No ()

Section 2. Effective upon the adoption of this resolution, a call is issued for nominations of charter commission candidates, specifying the filing deadline, and outlining the procedures for making nominations as follows:

- (a) Eleven qualified voters shall be elected to a charter commission. Three (3) at large and eight (8) from (1) cities, or (2) the area outside cities. The number of members elected from cities and from the area outside cities shall be proportionate to the respective populations, as determined by the Department of Community and Regional Affairs.
- (b) Charter commission candidates shall be nominated by petition signed by at least 50 qualified voters of the area from which the candidate seeks election, or by a number of qualified voters from that area equal to at least 10 per cent of the number of votes cast from that area in the last regular Borough election, whichever is less.
- (c) Nomination petitions shall be filed with the Borough Clerk not later than September 1, 1978, which date is at least 30 days after notice of the call for nominations has been given through the Borough. Nominating petition forms shall be provided by the Borough Clerk.

- (d) Procedures for acceptance of petitions, withdrawal of petitions and other election matters shall comply with all requirements of State law, and with the requirements of Title 2 of the Code of Ordinances of the Kodiak Island Borough to the extent consistent with State law.

Section 3. The vote on the proposition stated in Section 1 shall be tabulated in two separate classification.

One classification shall consist of all votes cast in the (first class and home rule cities) of the Borough. The other classification shall consist of all votes cast in the remaining areas of the Borough. In order for unification to be approved, it is necessary that a majority of the votes in each classification favor unification.

If unification is approved, those charter commission candidates who received the highest number of votes from their respective areas shall serve as members of the commission.

PASSED AND APPROVED by the Assembly of the Kodiak Island Borough this 16th day of April, 1978.

KODIAK ISLAND BOROUGH

BY Betty J. Wallin
Mayor

ATTEST:

Shirley Miller
Borough Clerk-Treasurer

G. Hayden Green, Ph.D, MBA

University of Alaska, Anchorage
3221 Providence Dr.
Anchorage, Alaska 99504

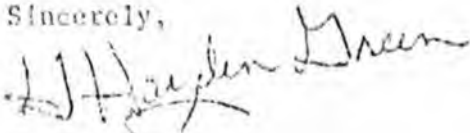
Betty Wallin, Mayor
Kodiak Island Borough
Kodiak, Alaska

Honorable Betty Wallin:

In accordance with your request, Dr. P.J. Hill and I conducted an analysis to determine the economic consequence with regard to the matter of annexation of portions of the Kodiak Borough by the City of Kodiak. To facilitate the study, we have thoroughly dissected the annual operating budgets of both governmental entities, that is, the Borough and City, and analyzed a substantial amount of information contained in reports produced by other consultants and government entities.

We have generally concluded that the residents in the area being considered for annexation will not derive appreciable economic benefit from the City's proposed boundary expansion. From an economic perspective, the only justifications for expanding the governmental and taxing authority of the City are: (1) if the residents outside the City are dissatisfied with the level of service they are receiving, (2) if the City can provide services more efficiently and economically than the Borough and (3) if residents inside the City are carrying a disproportional burden for service shared by area-wide residents. Relevant information suggests that none of these conditions exist; therefore, annexation is not warranted. The basis for these conclusions are summarized in numerical order throughout the remainder of this report.

Sincerely,



G. Hayden Green, Ph.D.



P.J. Hill, Ph.D.

KODIAK ISLAND BOROUGH ANNEXATION ECONOMIC ANALYSIS

1. Borough residents level of satisfaction with existing services:

Members of the Anchorage Urban Observatory research staff were commissioned to conduct a survey of attitudes of residents in the Kodiak Borough as part of an OCS impact study in 1977. As part of that study, respondents were asked questions regarding their level of satisfaction with services received. A total of 472 individuals completed the survey. To determine if the level of satisfaction with services received varies between residents within the City and those residents in the proposed annex area, some additional computer and statistical analyses were conducted of the original questionnaire responses.

Individuals living in the village who responded to the questionnaire were omitted. The balance of the respondents were separated into two groups, that is, those people within the City limits and those in the proposed annex area. One question asked was, "What do you dislike about your area?" Of the 199 respondents living within the City, 15.1% listed roads; and 13.1% listed litter as their main area of dissatisfaction. Of the 119 individuals responding to the questionnaire who live in the proposed annex area, 12.6% listed roads; while 13.4% listed litter. This was the area with which residents registered their greatest level of dissatisfaction (roads and litter). In the Table attached, it can be seen that very little difference exists between the level of dissatisfaction with services between individuals living within the City limits and those living outside. In fact it should be noted that, while 2.5% of the respondents living within the City listed police and fire protection as their number one concern, not one person living outside the City listed it as an area of dislike. (See Table 1)

In another question residents were asked to rank several factors which they considered major problems facing the Kodiak Borough. In Table 2 the percentage of individuals listing various factors as their number one concerns are shown. It should be noted that only 5 percent of the respondents living outside the City listed inadequate public facilities and services as a primary concern.

A third question queried residents about those areas they felt were the communities' most pressing needs. Again, we separated respondents within the City and those in the proposed annex area. The factors listed as being the most pressing need were housing and roads by both sectors of the areas' population. Nine percent of the City's residents listed public services, water and sewer as a pressing need; while only 4.2 percent outside the City listed it as their first concern. (See Table 3)

G. Hayden Green, Ph.D, MBA

In a subsequent question, residents were asked to rate community facilities and service as either presently being adequate, needing upgrading at the present time or needing upgrading in the future. A perusal of Table 4 suggests that residents outside the City have equal concerns with the level of services they receive. (See Table 4)

Several important implications pertinent to the issue of annexation are gleaned from the survey data:

1. Individuals within the City limits and those persons outside the City have similar attitudes towards the level of service they receive, that is, a comparable level of satisfaction with regard to public goods in relation to their cost.
2. The services of greatest concern to both City and Borough residents are roads and litter conditions. According to state records, the City maintains 13 miles of roads; while the Borough maintains 9 miles of roads. The remaining road system is state or privately maintained. The survey results suggest that residents do not perceive the City as doing a better job maintaining their road systems than the Borough is with its roads.
3. The survey results clearly suggest that the City is not more astute at providing services to local residences than the Borough government. There is some dissatisfaction among City residents with some services provided by the City of Kodiak, i.e. law enforcement, animal control, airport, parks, and roads. Within those services provided area-wide by the Borough, there exists a relatively high level of resident satisfaction, i.e. medical service and education.
4. The survey results indicate that individuals in the outlying areas are satisfied with the level of service they are receiving. This would suggest that the initiative to expand the boundaries of the City limits originated within the City or from a minority group.

TABLE 1

KODIAK ISLAND BOROUGH COMMUNITY ATTITUDE SURVEY

WHAT RESIDENTS DISLIKE MOST ABOUT AFMA

CATEGORY LABEL	RELATIVE FREQ (%) CITY	RELATIVE FREQ (%) BOROUGH
NR	3.5	1.7
Environment	6.5	6.7
Roads	15.1	12.6
Litter	13.1	13.4
Utilities	1.5	0.8
Poor Govt.	2.5	2.5
Animal Control	1.5	0.8
Pub. Transport.	0.5	0.8
Police-Fire	2.5	0
Lack Recreation	2.0	1.7
Trans. Facilities	1.5	0
Planning-zoning	1.5	4.2
Devpt.-Growth	3.0	3.4
Oil Devpt.	0.5	0
High Costs Goods	5.5	10.9
High Cost Land	2.0	0.8
High Taxes	0.5	0
Inflation	3.0	2.5
Lack Housing	5.0	5.0
Physical Isolation	6.5	6.7
Pop. Growth	4.5	7.6
Alcohol Abuse	3.5	1.7

TABLE 2

MAJOR PROBLEM FACING THE KODIAK BOROUGH

	City Residents	Outside City Residents
Inadequate Public Facilities and Services	10.6	5.0
OCS Impact	13.1	21.8
Shortage of Housing	48.2	41.2
Conflicting Land Use	13.1	15.1
Preservation of Cultural Diversity	4.5	4.2
Preservation of Natural Environment	8.5	10.9
Other	9.0	5.0

TABLE 3

COMMUNITIES' MOST PRESSING NEEDS

	RELATIVE FREQ. (%) CITY	RELATIVE FREQ. (%) BOROUGH
NR	8.5	8.4
Housing	36.7	42.9
Jobs	1.0	0.8
Roads	6.0	3.4
Road Maintenance	1.0	1.7
Road Constr.	0.5	0
Better Govt.	1.5	1.7
Open up Land	1.5	4.2
Land for Building	2.0	1.7
Boat Harbor	1.5	0.8
Env. Protection	0.5	0
Alt. Energy	0.5	0.8
Protect Fishing	0.5	0.8
Plan Slow Growth	4.5	5.0
Control Oil Devpt.	1.0	1.7
Interethnic Coop.	1.0	0.8
Enforce Zoning	1.0	0
Public Services	3.0	1.7
Water-Sewer	6.0	2.5
Pest Control	1.0	0
Alc-Drug. Rehab.	3.0	0

TABLE 4

ATTITUDE TOWARD COMMUNITY FACILITIES AND SERVICES

ATTITUDE TOWARD	PERCENT WHO RESPONDED PRESENTLY ADEQUATE		PERCENT WHO RESPONDED NEEDS UPGRADING NOW		PERCENT WHO RESPONDED WILL NEED UPGRADING	
	City	Outside	City	Outside	City	Outside
	Water Utility	30.2	16.8	37.2	39.5	25.6
Sewer Utility	29.1	14.3	40.7	47.9	20.6	16.0
Electric Utility	23.1	19.3	42.2	40.3	29.1	31.1
Refuse Collection	42.7	35.3	27.6	23.5	23.6	26.1
Telephone Utility	15.6	21.8	63.3	54.6	15.1	17.6
T.V. and Radio	25.6	22.7	53.8	58.8	12.1	13.4
Highway and Roads	11.1	10.1	72.9	79.0	9.5	5.0
State Airport	30.2	42.0	41.7	36.	20.6	19.0
City Airport	18.1	26.1	44.7	47.9	13.6	9.2
Kodiak Dock	37.2	45.2	31.7	26.1	21.1	21.8
State Ferry	52.8	55.5	28.6	22.7	11.1	17.6
Law Enforcement	25.1	31.1	51.8	45.5	16.1	17.6
Fire Protection	55.8	43.7	17.8	25.2	18.1	23.5
Animal Control	29.6	21.8	48.2	51.3	10.1	10.9
Emergency Medical	45.2	52.9	24.1	26.9	20.6	15.1
Court System	30.2	35.3	44.7	45.4	16.1	10.9
Elementary School	40.7	36.1	33.2	31.9	18.6	21.8
Secondard Education	36.2	32.8	37.7	37.0	18.1	20.8
Community College	44.7	47.9	23.6	25.2	21.1	20.2
Medical Service	43.2	50.4	35.2	28.6	16.1	12.6
Sanitation	29.1	23.5	45.7	47.9	15.1	18.5
Public Assistance	26.1	25.2	52.8	50.4	6.0	9.2
Employment	46.7	42.0	28.6	28.6	11.6	17.6
Social Services	43.2	44.5	31.2	26.9	12.6	16.0
Parks	28.6	28.6	41.2	47.1	22.6	13.4
Recreation Facilities	23.6	21.8	46.2	49.6	20.1	12.6
Open Space	44.7	37.0	27.6	31.9	11.1	10.9
Museum	67.3	62.2	12.1	19.3	16.1	12.6
Library	69.3	68.9	8.0	14.3	18.1	13.4
Postal	14.6	17.6	62.8	70.6	14.6	10.1

2. Can the City provide services more efficiently and economically than the Borough?

One other area upon which the annexation decision should be predicated is the cost of providing public services. The City asserted in the original petition that it could provide services to the area in question more efficiently through annexation than otherwise.

In discussing this, several things need to be well defined. First, it is desirable to separate public goods from public utilities especially with respect to governmental finance. There are some goods that local governments provide that are, in reality, public utilities. Sewer and water systems fall under this category. Those who receive the benefits from these goods are easily identified; and these systems should, if possible, be supported by user fees. These facilities should not be financed by general taxes.

Secondly, with respect to the financing of public goods, it is possible to go the service district route efficiently. All that is required is an institutional arrangement whereby those who receive the benefits can be assessed in proportion to the costs. (The costs would include some prorata share of the fixed plant, not just thin marginal cost.) There is no loss in efficiency in doing this through service districts, and there is no economic reason for necessitating annexation. Expansion of services may produce some economies of scale (the larger the operation, the lower is the cost per unit of output); yet these can be realized without annexation. The service district would seem a more desirable route because of the ability of the residents to choose which public utilities they want.

Public goods are those types of goods which must, by necessity, be provided through taxation (police, planning, general administration, parks, etc.); yet there is no reason to believe that they require the annexation process. They could be provided on the basis of service districts and differential taxation. It should be remembered that the benefits of the service (public good) do have geographical limitations.

Further, it is doubtful that any particular government has a unique advantage in terms of production costs. Both the Borough and the City have to buy their resources in the same market, and they face the same types of technology. There is probably no economic rationale for having a service provided by one government over another.

G. Hayden Green, Ph.D, MBA

To provide a basis for comparing the cost and operating efficiency of the two governments, we used the 1977/78 operating budgets of the two entities. (See Table 5)

It should be noted that several duplicated positions exist within the Borough and City governments. These will not be eliminated if the City boundaries are expanded.

A preferable alternative to annexation would be unification. If the two governments were unified, the positions listed in Table 6 could be eliminated. It should be noted, however, that the historical experience of unification efforts have not resulted in substantial cost savings. Where costs are saved in one area, they are often absorbed in others. The primary advantage of unification is the elimination of the conflict that often arises where two governments serve the same citizenry.

TABLE 5

BOROUGH AND CITY BUDGETS

GENERAL COST Executive & Clerk	City	Borough
1. Travel & Per Diem	6,870	8,780
2. Compensation Mayor council	2,760	4,800
3. Legal	55,000	16,500
4. Capital Expenditures Office Machines, etc.	10,100	10,000
5. Manager's salary	39,500	42,462
6. Manager's Secretary		13,687
7. Clerk/Treasurer	27,687	18,331
8. Secretary	13,810	13,687
9. Bookkeeper		15,741
10. Benefits	24,319	6,103
11. Dues	6,190	4,200
12. Expenses (Mayor & Council)	4,800	2,000
13. Overtime	100	1,200
14. Supplies	5,350	8,000
15. Professional Services	7,000	5,000
16. Professional Development		5,000
17. Insurance & Bonding		2,500
18. Group Insurance		1,089
19. Communication, Adv.	4,490	6,790
20. Printing	8,000	

TABLE 5 (continued)

BOROUGH AND CITY BUDGETS

GENERAL COST Executive & Clerk	City	Borough
21. Repairs and Maintenance	500	2,000
22. Rentals	4,805	1,500
23. Equipment		
24. Vehicle Allowance		3,000
25. Post Audit		25,500
26. Election		7,000
27. Boards and Commissions		500
28. Termination Reserves		3,000
	Expenses 221,281	241,870
		86,648.48
		328,518.48
		102,575.00
		Expenses 431,193.48
Revenues		
earned	60,514	305,050
shared	36,546	750,000
taxes	124,221	51,143

TABLE 5 (continued)

CITY

Tax Collecting - Finance	Revenues	
Expenses	Earned	31,492
223,270	Shared	36,873
	Tax	154,904
Police Department	Revenues	
Expenditures	Earned	251,330
813,379	Shared	172,635
	Tax	389,414
Fire Department	Revenues	
Expenditures	Earned	59,150
333,241	Shared	55,042
	Tax	219,048
Public Works	Revenues	
Expenditures	Earned	296,142
631,401	Shared	144,279
	Tax	190,979
Parks & Recreation	Revenues	
Expenditures	Earned	20,500
128,946	Shared	21,295
	Tax	87,151
Library	Revenues	
Expenditures	Earned	15,000
137,351	Shared	22,935
	Tax	99,416
Museum	Revenues	
Expenditures	Earned	0
18,000	Shared	2,973
	Tax	15,027
Engineering	Revenues	
Expenditures	Earned	32,100
112,159	Shared	18,524
	Tax	61,535

TABLE 5 (continued)

Non Departmental		
Expenditures		Revenues
1,450,239		Earned 471,034
		Shared 239,518
		Tax 739,687
		Taxes (including tax on city utilities)
		2,081,385
		Earned and Shared
		1,987,882
BOROUGH		
Assessing Department		
Expenditures		Revenues
102,386		Taxes &
		Reserves 102,386
Planning and Zoning		
Expenditures		Revenues
173,949		Earned
		Shared 15,800
		Tax 158,149
School Support		
Expenditures		Revenues
851,498		Shared 248,033
		Tax 603,465
Health		
Expenditures		Revenues
226,850		Shared 162,000
		Tax 64,850
Building and Maintenance		
Expenditures		Revenues
191,344		Earned
		Tax 191,344
	Taxes & Surplus	1,171,337
	Earned & Shared	805,883

3. Are residents inside the City carrying a disproportional burden for services?

Kodiak is particularly concerned that they (City residents) are paying for many "public goods" that are used by people who live outside the City boundaries. The charge is that these non-city residents are "free riders." It would be useful to examine sources of revenue for the City and identify revenues that are paid by City residents and by non-residents.

The population of the respective areas (City and surrounding area) is computed as follows: The total population of the City (official population figures used by the State of Alaska for revenue sharing) and the Borough in 1977 is 4,960 and 7,901 respectively. The population of the five second-class cities in the Borough (these are Akhiok, Larsen Bay, Port Lions, Ouzinke and Old Harbor) totaled 940. It will be assumed that there are approximately 200 persons living in other areas (areas outside cities). Therefore, the total population living in the greater Kodiak (City) area is 7,901 less 1,140 or about 6,761. Of that total, 4,960 live in Kodiak city; and about 1,800 live in the surrounding area. Therefore, of the total resident population in the greater area, City residents account for approximately 73 percent which implies that the surrounding area holds about 27 percent of the population.

Additionally, the migratory labor force accounts for a significant portion of those people who are hit by sales taxes. Accounting for a trend, it would appear that, on average, the labor force is 13 percent higher than the permanent residents would support. This is due to the cyclic nature of employment.

Thus, there would appear to be a significant portion of the population that would be hit by the sales tax who are not permanent residents of Kodiak city. Assuming that there are not wide differences in the distribution of income between residents (of the City) and non-residents, it would not be unreasonable to assume that people would pay the same amount in sales taxes to the City, no matter where they lived either within the City, the surrounding area or were transient labor force. Conceivably, what I can account for would seem to indicate that residents of the surrounding area and transient labor force (in covered employment) would probably account for about 40 percent of the total sales taxes collected. Additionally, there are others who pay sales taxes who are not accounted for by this figure (any sales that are made to Borough residents outside the greater Kodiak city area which would include all the outlying villages and any purchases made by the U.S. coastguard personnel). Also, there are significant sales taxes paid by people who work in Kodiak in the summertime who are not in covered employment; this would include all the sales made to fishing boats from the outside. Thus, the portion of sales taxes paid by non-city residents is probably greater than 50 percent.

One of the traditional arguments for a sales tax, at least in this instance, would seem to hold true. Sales taxes can be levied to tax people who might otherwise escape taxation, notably, tourists, transients, and non-residents of a political jurisdiction.

Other taxes of the city that are ultimately paid by non-city residents would include their portion of the property taxes that are shifted forward by commercial businesses within the City. Traditionally, across the U.S., businesses account for about 50 percent of property taxes (see Advisory Commission on Intergovernmental Relations, Federal-State-Local Finances: Significant Features of Fiscal Federalism, 1973-74 ed., Washington, D.C., p. 173). It is commonly believed that businesses shift large portions of the property tax on to the consumer in the form of higher prices. For example, the Port of Kodiak included \$83,000 as a payment to City government in lieu of property taxes. This payment was included as part of the rate base in calculating charges for use of the terminal. This shifting is especially true in non-competitive market structures which is characteristic of the Kodiak economy. Thus if 50 percent of total retail sales which are made in Kodiak are made to non-city residents and are passed along in the form of higher prices, then it would be possible to conclude that approximately 25 percent of the property taxes paid to the city are, in fact, paid by non-city residents.

In terms of the total tax revenue Kodiak city collects, the City residents collect a significant portion of their taxes from people who do not reside in the City. Of total property taxes paid, we can attribute \$163,750 to non-residents; and, of the total sales tax revenue (\$1,250,000), approximately half (\$625,000) can be attributed to non-residents. Thus it would seem as though non-residents pay as much as \$788,000 into the purse of Kodiak city which accounts for almost 41 percent of total tax revenue. It can hardly be said that there is a significant "free rider" problem.

It is interesting to examine what would happen to property taxes in the area to be annexed if annexation were to take place and the City spread its property taxes out over a larger tax base. Currently, there are four service areas where differential taxation is imposed. These include: the City (TCA1), the fire district (TCA8), the road district (TCA9) and the villages (TCA9). The fire district and the road district property would be added to that of the City upon annexation; both of these areas hold about 12.85 percent of the total property in the Borough. The City, on the otherhand, contains 81.17 percent of total property in the Borough.

G. Hayden Green, Ph.D., MBA

By using the mill rate and the tax base of the areas to be annexed along with the City, it is possible to examine what would happen if the property tax of the City were spread over the whole area. Currently the City is taxed at a 16.33 mill rate; the surrounding area mill rate is 7.23 with an additional assessment of 0.75 mills in the road district and 2.27 mills in the fire district. If the focus of annexation were to simply shift some of the cost to the outlying areas, the same total amount would be collected with the mill rate of the various areas being equalized. The overall mill rate would be 15.19 mills -- a decrease of 1.14 mills in the City (a decrease of \$85.5 on a \$75,000 home), an increase of 5.69 mills in the fire district (a \$426.00 increase in property taxes on a \$75,000 home), and an increase of 7.21 mills in the road district (an increase of \$540.75 on a \$75,000 home) for residents outside the City.

Further, it might be noted that the area to be annexed includes the U.S. Coast Guard base. Thus the retail sales on the base would be subject to the City sales tax which would add to the City revenues significantly. It is difficult to know how much this will add to the City revenues. The Office of non-appropriated fund for the Coast Guard reported that this total operation was approximately \$3.5 million. While most of that was the BX and similar activity, the precise amount that would be hit by a retail sales tax would be difficult to determine. If, for example, \$2.0 million were covered by the retail sales tax, the City would collect \$60,000. This is about five percent of the total tax revenues for the City.

2/1/79

Ms. Kimberly Steven and
Mr. Randolph Davela
P.O. Box 3166
Kodiak, Alaska 99615

Mr. Dick Juelson, Chairman ✓
Borough Residents for Autonomy
P.O. Box 286
Kodiak, Alaska 99615

Mr. Norman D. Wooten
P.O. Box 3016
Kodiak, Alaska 99615

Mrs. June Juelson ✓
P.O. Box 286
Kodiak, Alaska 99615

Mr. and Mrs. D. Pistorese ✓
P.O. Box 37
Kodiak, Alaska 99615

MR. Bob Brooke 2/5/79
P.O. Box 232
Kodiak, Alaska 99615

Mr. and Mrs. Steven Olsen ✓
P.O. Box 1574
Kodiak, Alaska 99615

MS. Janet Wente "
P.O. Box 2791
Kodiak, Alaska 99615

Ms. Melissa Newton ✓
P.O. Box 773
Kodiak, Alaska 99615

MR. B.E. Nachtweih "
P.O. Box 1247
Kodiak, Alaska 99615

Mr. Ron Matsuoka ✓
P.O. Box 2078
Kodiak, Alaska 99615

Mr. John Morton ✓
P.O. Box 44
Kodiak, Alaska 99615

Ms. Sandy Kavanaugh ✓
212 Birch
Kodiak, Alaska 99615

Ms. Lorna-Lee Arndt ✓
P.O. Box 2069
Kodiak, Alaska 99615

Mr. Okey Chandler ✓
P.O. Box 1635
Kodiak, Alaska 99615

Ms. Margaret D. Duros ✓
P.O. Box 867
Kodiak, Alaska 99615

Ms. Jo Hajdu ✓
P.O. Box 627
Kodiak, Alaska 99615

Mr. and Mrs. Louie Horn ✓
Box 15
Spruce Cape Road
Kodiak, Alaska 99615

Sent 2/1/79

The Senate and House Community and Regional Affairs Committees have scheduled a Joint Committee Hearing in Kodiak on February 10, 1979. Subject of the meeting will be "Recommendation for Annexation of Territory to the City of Kodiak, Alaska" as submitted to the Eleventh Legislature by the State of Alaska Local Boundary Commission; Senate Joint Resolution No. 12 and House Joint Resolution No. 10 relating to the Local Boundary Commission Recommendation of January 23, 1979 for annexation of territory to the City of Kodiak.

For your information, both Resolutions, plus a list of Senate and House Committee members are being sent to you. I wanted to give as much advance notice as possible. Arrangements are being made to hold the Joint Public Hearing at the East Elementary School Auditorium at 2:00 P.M., February 10, 1979.

We will have a sign-in sheet at the Hearing for all individuals and groups wishing to testify.

Sincerely,

Arliss Sturgulewski
Senator, District 10-H

Enclosures (3)

15 January, 1979
Box 3016
Kodiak, Alaska
99615

Chairman
Senate Committee on Community
and Regional Affairs
Pouch V
Juneau, Alaska
99811

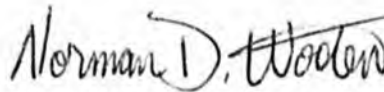
Dear Sir:

I am writing to request that you hold hearings on the attempt of the city of Kodiak to annex certain areas into the city.

I urge you to vote against this proposal. I am confident that if the residents of the area are allowed to testify at a hearing that your vote will be against the annexation.

Thank you for your consideration of this matter.

Sincerely yours,

A handwritten signature in cursive script that reads "Norman D. Wooten". The signature is written in dark ink and is positioned above the typed name.

Norman D. Wooten

16 January, 1979
Box 3016
Kodiak, Alaska
99615

Alaska State Legislature
Pouch V
Juneau, Alaska
99811

Dear Sirs:

As a resident of the Kodiak Island Borough I am appealing for your support in helping us to overcome a problem. The city of Kodiak is attempting by legislative action to annex the area in which I live into the city. The Local Boundry Commission is reccomending to the Committee on Community and Regional Affairs their approval of the proposal. I strongly urge that you vote against this proposal.

I am opposed to this annexation for the following reasons:

1. The residents of the area had their wishes totally ignored by the Commission. At the hearings in Kodiak on 16 August, 1978, not one resident testified in favor of this action. In fact, there was overwhelming opposition. If for no other reason I feel this fact should have a bearing on the decision.
2. I do not believe that we are urban in nature which is one of the criteria for annexation. The standard lot size is one acre or larger with one-third of the land being undeveloped.
3. I do not believe city services are required. The roads in the area are state or privately maintained. Police protection is provided by the State Troopers. Water is available through wells or user paid water lines. Sewer service will be obtainable at less expense through a service district plan.

Once again I ask that you cast your vote against the annexation proposal. Thank you for your time and consideration of this matter.

Sincerely yours,

Norman D. Wooten

Norman D. Wooten

1/32/79 - In my file - Please to give ~~copy~~ to Peggy for
Distribution to other Senators. Thanks a/

Kodiak ~~Post~~
#111111
Issue

P. O. Box 37
Kodiak, AK 99615

Chairman,
Senate Committee on Community & Regional Affairs
Pouch V
Juneau, AK 99801

Dear Sir:

In this day and age when the American government is supposed to be going back to the original ideals of our founding fathers of government for the people, by the people, of the people, Alaska seems to be somewhere back in the Dark Ages.

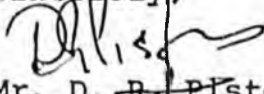
Recently here in Kodiak a local boundary commission was appointed to look into the annexation of several borough areas. For this purpose a hearing was held at which several residents of these areas in question participated. Every resident who testified at the boundary commission hearing was against annexation. Yet despite that fact, the boundary commission decided to go through with the annexation.

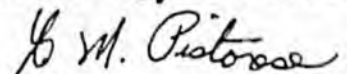
What does all this have to do with you and the Alaska State Legislature? You can set right this injustice by disapproving the annexation in this legislative session, otherwise we will have annexation forced down our throats.

We are totally against annexation - if for no other reason than the way our "local government" went about the procedure, disregarding the wishes of those citizens who are effected.

Hopefully, the Alaska State Legislature will demonstrate what democracy is all about by disapproving this forced annexation.

Sincerely,


Mr. D. R. Pistorese


Mrs. C. M. Pistorese

cc: Chairman
House Committee on Community & Regional Affairs

President
Alaska Senate

Speaker
Alaska House of Representatives

Chairman,
Senate Committee on Community
and Regional Affairs
Pouch V,
Juneau, Alaska 99801

RE: FORCED ANNEXATION IN KODIAK

January 15, 1979

Dear Sir:

We live in the sub-division known as Woodland Acres. It has come to our attention that this area is one of the areas that the Boundary Commission feels should be incorporated into the City of Kodiak.

A few months ago the Boundry Commission came to Kodiak and residents of the proposed areas of annexation by the City met in a public meeting. Of the more than 100 people present, the only person in favor of annexation was the City of Kodiak's City Manager. This should speak out as the view of the people involved in this annexation. Apparently, the Boundary Commission was blind and deaf for they still want to annex these areas into the City. How can this happen in a democracy? That is why we are writing this letter.

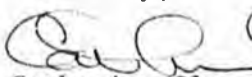
The reason we live in the area we do is for the privacy full acre lots afford. This is not our opinion alone, but shared by many of the people who live here. If our property was annexed into the City, we would be forced to sub-divide our property, or the taxes would be too costly for us to pay.

We have lived on our property for two years. In order to build our house, we had to spend \$6,000 for a well and \$1500 for our sewage system. Now the City wants to incorporate us and make us pay more money for sewer assessments and water assessments, both of which we probably won't see for 10 years. The City cannot even provide these services to all the residents within the City as the boundries stand now, how can they afford them for new residents.

The services the City says that it will provide are already received through the Borough. 1) Roads are presently State maintained or privately maintained. The City proposes to maintain only 2½ miles of road in the entire area. The City cannot even maintain roads that are within a half mile from City Hall! 2) Fire protection is presently provided through a service district. 3) Police protection is currently provided by the State Troopers.

WE DO NOT NEED OUR TAXES INCREASED!! WE DO NOT WANT TO BE INCORPORATED INTO THE CITY OF KODIAK!! Please hear our plea since the Boundary Commission ignored it!! Please do not force us from the land and privacy we, the residents of these proposed areas, want and need. Please hold a hearing on the Kodiak City annexation.

Sincerely,


Catherine Olsen
Steven Olsen
PO Box 1574
Kodiak Alaska 99615



January 27, 1979
Box 2069
Kodiak, AK. 99615

Arliss Sturgulewski
Chairman, Senate Community &
Regional Affairs Committee
Pouch V
Juneau, AK. 99811

Dear Ms. Sturgulewski:

I am against FORCED ANNEXATION. We in the area that the City of Kodiak and the Boundry Commission are trying to force into the City moved in this area to be outside the City, and enjoy the wide open spaces. If we wanted to live in the City we would have built a home there 15 yrs. ago and not where we all chose to live. Also I would have moved to Russia if I wanted to live under dictatorship.

Our Great Borough Government gave us an opportunity in Service District #1 to vote for or against a Service District and what improvements we wanted. The first was water; the second was sewer and the third was roads. The Borough was not biting off a bigger chunk than they can chew, like the City wants to. The Borough had Engineers draw up Plans and Specs for our Water and Sewer Service District and we are all set to go and then the City Convinces the Boundry Commission to Force us in as the City is broke and needs our tax money to bail them out; but we will not get the Services.

Furthermore no one wants to live under the City Charter as it reads now, as it is not according to Alaska State Statutes and someone in Juneau should look into this.

Please give us some consideration of "freedom to vote" as this is very important to all of us. Thank you for listening.

Sincerely,

Lorna Lee Arndt

Lorna-Lee Arndt
Block 1 Lot 12B
U.S.S. 3219

*I own a total of 12 Big lots in this
same area and my married son owns
13 lots next to mine.*

TELEGRAM

RCA ALASKA COMMUNICATIONS, INC.

PHONE: 586-8442

JUNEAU, ALASKA 99802

#

1979 JAN 17 PM 4 38

14006 NL KODIAK ALASKA 31 01-17 200P AST

PMS SENATOR ARLISS STURGULEWSKI

POUCH V

JUN 99811

PLEASE TAKE THE NECESSARY ACTION IMMEDIATELY TO DEFEAT THE
ANNEXATION PROPOSED BY THE CITY OF KODIAK AND RECOMMENDED BY THE
BOUNDARY COMMISSION. GIVE THE PEOPLE A VOICE IN THEIR OWN DESTINY.

SANDY KAVANAUGH

January 26, 1979

Honorable Jay S. Hammond
Governor
State of Alaska
Pouch A
Juneau, Alaska 99811

Attn: Bill Parker, Chairman
House Community & Regional Affairs Committee

Hon. Arliss Sturgulewski, Chairman
Senate Community & Regional Affairs Committee

Re: Opposition to City of Kodiak Annexation Attempt

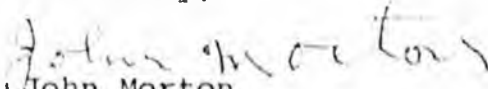
Dear Governor Hammond:

In 1965, I lived in the La Lande Addition, adjacent to the City of Kodiak. The lots were 50 X 100 feet and there was a trailer court in our vicinity. We petitioned the City of Kodiak to be annexed that year because of the need for sewer services. We were annexed in 1966.

We have a City water system that was installed with antique fittings. So poor is the City's public works capabilities that the Fitzgerald Welding Shop had a fire and was gutted because the fire department did not have the tools available to open the hydrants. It was only after the disastrous fire that modern hydrants were installed by the City. I continued to live in the same location until 1969, and the requested utilities had still not been installed. During the period of residence the only thing that I ever received were several tax increases from the City. The records of the City Public Works Department will show that the sewer was not installed until fall of 1973. The City of Kodiak's total lack of public works capability is not only well known, but easily documentable.

The City says they are broke and that they need the taxpaying participation of citizens outside the City to help underwrite the cost of services being rendered to City residents. The only thing that I can see that I will receive from the City of Kodiak are tax increases, as their past record shows. I request that you and your Administration and our Legislative representatives work aggressively against this forced annexation.

Sincerely,


John Morton
PO Box 44
Kodiak, Alaska 99615

cc: Hon. Bob Mulcahy, Alaska State Senate
Fred Zharoff, Alaska State House of Representatives
Community & Regional Affairs Committee Members -
State House & Senate
Alaska State Legislature

mw
2/6/79

Tim & Diane Haigh
1119 Mission Rd. (Box 34)
Kodiak, Alaska

99615
January 31, 1979

The Honorable Arliss Sturgulewski
The Honorable Bill Parker

Dear Senator and Representative,

I'm writing in the concern of our land which is in the area which Kodiak is trying to annex. We are in the process of building our house and hope to move into it by this spring. We bought this land because we wanted to live outside of the city. We do not want to be apart of the city. So we are making our voice heard.

Thank you for your concern on this matter.

Sincerely,
Mrs. K. Diane Haigh
Timothy A Haigh

Box 15
Spruce Cape Road
Kodiak, Alaska 99615

The Honorable Arliss Sturgalewski
Alaska Senate
Pouch V
Juneau, Alaska 99801

Dear Senator Sturgalewski:

This letter is in regard to the annexation of Spruce Cape, Mill Bay, and Island Lake into the City of Kodiak. We do not wish to be annexed as we do not feel the city can provide us with any better service than we presently have. We have voted against annexation twice but this time we were not allowed to vote. We feel we are being forced to become part of the City of Kodiak against our wishes.

I would urge the Legislature to overturn the decision of the Local Boundary Commission. I would also ask that a hearing be set so that testimony can be heard. Thank you for your attention.

Most sincerely,

Beverly R. Horn

Beverly R. Horn
Louie J. Horn

Samuel J. Horn

cc: Sen. Pat Rodey
Sen. Tim Kelly
Sen. Terry Stimson
Sen. Bob Mulcahy

TAX CONSULTANT
ACCOUNTANT

PHONE: 486-5359
BOOKKEEPER

"Jo" Hajdu

P. O. Box 627
Kodiak, Alaska 99615

January 25, 1979

Dear *Senator Stungulewski:*

I am greatly concerned about claims made by the City of Kodiak in the past several months concerning the underlying "necessity" for its annexation efforts. The City has alleged that annexation is required if it is to provide utility services sought by residents outside the municipal limits.

In fact, the City has every right to provide these services right now, without any annexation. Under Title 29 of the Alaska Statutes, municipalities owning or operating utilities are specifically authorized to extend their services outside the municipal limits. The City's own charter grants the identical power.

In addition, it is the Borough's position, currently being pursued in the courts, that the City not only has the "right" to provide these residents with water and sewer services, but is actually under an obligation to do so in light of agreements negotiated previously with the Borough and conditions attached to sewer and water funds provided the City under Federal and State grants.

Since utility funds are self-supporting, with the full costs paid by the users, there would be no cost to the residents of the City. I think it could be documented that the surcharge on the present water users outside the City results in a profit to the City. Further, until such time as sewer service is provided outside the City boundaries, the entire costs of the very expensive new sewerage treatment plant are being borne by the residents of the City, so it would be to the benefit of the users inside the City to expand the user base.

It is hard to believe that a municipal government such as the City of Kodiak would deliberately mislead the people of this area. Yet it is my opinion that such deliberate misrepresentation is precisely what has taken place. It is hoped that the municipal body which would seek to achieve annexation through such means will not be afforded the opportunity to govern those citizens it has attempted to deceive. Perhaps this is one of the reasons that the majority of the people living outside the City have elected to form service districts to take care of their needs as they perceive them.

Sincerely,


JO HAJDU

January 19, 1979

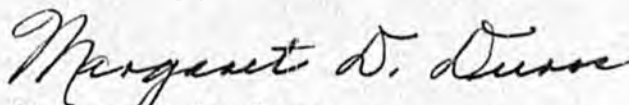
Honorable Arliss Sturgulewski
Chairman Community & Regional Affairs
Committee for the Senate
Pouch V
Juneau, Alaska 99811

Dear Sir or Madam:

I wish to state my opposition to forced annexation
by legislative action.

As a resident of Spruce Cape Road, Lots 8 and 9,
U. S. Survey 3100, Kodiak, Alaska, I am against
being annexed by the City of Kodiak.

Sincerely,



Margaret D. Duros
Box 867
Kodiak, Alaska 99615

29 January, 1979

Box 3016

Kodiak, Alaska

99615

The Honorable Arliss Sturgulewski
Alaska State Senate
Pouch V
Juneau, Alaska
99811

Dear Senator Sturgulewski:

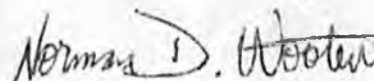
As you are chairman of the Senate Committee on Community and Regional Affairs I am appealing to you to overturn the decision of the Local Boundry Commission to annex a large portion of the Kodiak Island Borough into the city of Kodiak.

In my letter to you on January 16, 1979, I stated some of the reasons I was opposed to this action. The longer this issue goes on the more I feel as if I am being "railroaded" into something undesirable. If an election were held in the affected area and the majority were for annexation I would abide by that decision. However, having been in contact with most of those residents I find that the desire is to remain outside the city.

I am very concerned that our state system allows and encourages a five member commission who are not residents of an area to come in and make a decision so against the wishes of those who reside in that area.

I respectfully ask that you use your position as chairman of the reviewing committee to vote against the annexation into the city of Kodiak.

Sincerely yours,



Norman D. Wooten

23 January 1979
Kodiak, Alaska

The Honorable Arliss Sturgulewski
Alaska State Senate

Dear Senator:

I have been an Alaskan resident in Kodiak for 31 years and am in total opposition to the forced annexation of my area to the City of Kodiak for the following reasons:

1. The area is still very suburban in nature due to large lots, most of which are over one acre in size, one has 67 acres. In order to pay taxes and assessments on this size lot at this time, many of us would have to subdivide and sell part which would defeat the reason we moved out here.

2. The Antiquities Act -- Proposition 13 --- so many issues are showing us that people, yes Alaskans too do care "how" they are governed and when "enuff is enuff".

The people & their wishes should be important in decision making where their property and well-being is concerned. If people are so full of apathy that they don't express their opinions & wishes that is one thing. They deserve what they get. However, expressing such and being able to change inequitable laws and/or reverse decisions not representative of the people affected, is our right as citizens.

3. We know the City of Kodiak is in financial trouble - an article in our local papers now and again verifies this but must we pay for their mistakes and get nothing in return? We pay the city sales tax on everything we purchase in the city and everything that is delivered to us such as oil, propane, etc.... We also pay the Borough Personal Property Tax which city residents don't.... The Borough contributes to the city library on our behalf, swimming pool and gym are Borough. we who have city water pay a higher usage rate and we have and pay for a fire district.

People in the Borough recently voted for new service districts in the event they are needed, and only one area is in need of any particular service at this time which can be taken care of without being annexed. The Borough and City has an agreement contract stating the city will supply non-residents with services they are willing to pay for and want. Otherwise, the majority of the people are content with things as they are.

4. We residents organized and have circulated petitions in the affected areas and in the City. For myself I have had one person refuse to sign saying he was involved with the city over property he owns. Within the City I've only had two people not sign. Most people are well aware that the revenue the City would derive from our property couldn't pay for much service. I sincerely believe they only want us as a tax base for bonding purposes.

I am very suspicious of people or governments that go behind my back in order to get something done which affects me and mine so deeply.

If and when a majority of the people in my area by a vote feel it best to annex I would go along peaceably. None of the people in the City or in the affected areas were consulted on this matter - but treated like we weren't old enough to blow our own nose!!

Would much appreciate your careful consideration in helping to reverse the Boundary Commissions decision in this matter. Thank you for "listening".

ENC: Flyer put out & paid for
by organized residents
of affected areas.

Sincerely,

Jane Juelson
Mrs. Jane Juelson
Box 286, Kodiak, Ak. 99615

CAN YOU AFFORD FORCED ANNEXATION?

Despite what the City of Kodiak says, annexation will cost you money . . .

. . . The present City mill rate is 16.1; the mill rate outside the City is 7.0. The proposal for differential tax zones in the annexation area is only a recommendation of the City's annexation committee--six residents of the area to be annexed. The City Council is not obligated to accept the recommendation. AFTER ANNEXATION TAKES PLACE, THE CITY COUNCIL CAN LEVY ANY TAX RATE IT WISHES--REGARDLESS OF THE WISHES OF AREA RESIDENTS.

. . . Fire insurance rates will not decrease because of annexation. Insurance rates are set by a national rating association. Lower rates would require a fire substation and fire hydrants as well as fully maintained roads, higher water pressure and more fire equipment and personnel for the larger area.

. . . Assessments for water and sewer, to be based on the square footage of each lot, will be inequitable. A homeowner on a 200' x 150' lot will pay five times more for water and sewer than a homeowner on a 60' x 100' lot. Unimproved lots will also be assessed for water and sewer.

. . . New trailers will not be allowed in the area, causing housing costs to rise.

. . . Costs of government will increase. The Borough government will continue its present functions so its costs won't decrease, BUT the City's costs will increase with a larger area to be serviced.

Borough residents already pay for the services they use. Almost half the City's revenue comes from sales tax; only about 9% comes from property taxes. It has been estimated that more than half of the sales tax is paid by non-City residents. Why should you be forced to pay more money?

ANNEXATION WILL NOT NECESSARILY IMPROVE SERVICES

. . . The City's record on road service is poor. Many roads inside the city are unpaved and poorly maintained. Just a few examples: Cope Street, High Street, Baranof Heights, Russell Estates, East Addition, Leite Addition.

. . . The City plans to improve sewer and water service only in certain parts of the annexation area.

. . . Recreation facilities are already available through the Borough-donated swimming pool and gym. The Borough contributes to the support of the A. Holmes Johnson Library for use by Borough residents.

. . . The City police force may be adequate for the present city area, but it would not be able to cover the large area to be annexed.

. . . "Early and special representation" allowing a resident of the area to be a non-voting member of the City Council is an empty promise. Any person may attend Council meetings, and the inequity of not having a vote is the central issue in forced annexation.

WHAT CAN YOU DO?

This forced annexation can be overturned by the Alaska State Legislature if it acts to disapprove the annexation in the legislative session beginning January 15. If the Legislature does not act, the annexation will take place. YOU CAN INFLUENCE THE LEGISLATURE:

1. A petition opposing forced annexation is presently being circulated. Both residents of the area to be annexed and city residents may sign the petition.

2. Write to the Chairman, Senate Committee on Community and Regional Affairs and the Chairman, House Committee on Community and Regional Affairs, Pouch V, Juneau, AK. 99801. Request that the committees hold a hearing on the Kodiak City annexation and urge them to recommend that the Legislature disapprove the annexation.

PLEASE TURN THE PAGE FOR MORE STEPS YOU CAN TAKE TO DEFEAT FORCED ANNEXATION

Kodiak
Annexation

18 January 1979
Kodiak, Alaska

The Honorable Arliss Sturgulewski
Alaska State Senate

Dear Senator:

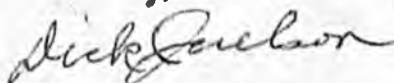
I am writing you as chairman of the committee for Community and Regional Affairs, to ask that your committee investigate the apparent loss of citizens right to be heard as regards the Boundary Commissions position on the forced annexation of the approximately 2,000 acre's north of the City of Kodiak. As a resident of Kodiak for over 31 years, I have never seen a more flagrant disregard for the people than this.

Although permitted by Alaska Statutes, the intent of the Legislature could not have been to put the residents of the whole community at the mercy of commercial interests and a few misguided local politicians.

As chairman of "Borough Residents for Autonomy" for the past two months, I have discussed this issue with hundreds of local residents. My findings to date are that 95% of those residing outside the city oppose this forced annexation and at least 85% residing inside the city also oppose it. If it's against the wishes of the majority of the people, why should it be allowed to happen?

Thank you for your careful consideration of this matter.

Sincerely,



Dick Juelson, Chairman
Borough Residents for Autonomy

DJ:jj

copy to committee members

R. D. "Dick" JUELSON
P. O. Box 286
Kodiak, Alaska 99615

26 January 1979
Kodiak, Alaska

The Honorable Arliss Sturgulewski
Alaska State Senate
Juneau, Alaska 99811

Dear Senator Sturgulewski:

Please place the names of: Dick Juelson, Okey Chandler, Lonna Arndt, and Nick Szabo as persons to be heard for testimony at any hearing held to investigate and/or gather information about the opposed forced annexation here in Kodiak.

Respectfully,

Dick Juelson
Dick Juelson, Chairman
Borough Residents for Autonomy
Box 286
Kodiak, Alaska 99615

Copy to: Bill Parker, Chairman CRA
House of Representatives

Kodiak Annexation

January 22, 1979

Honorable Guy Hammond
Governor
State of Alaska
Pouch A
Juneau, Alaska 99811

Dear Governor Hammond:

I am circulating a petition that opposes forced annexation. I have several hundred signatures from the proposed annexation area. Ninety-five percent of those contacted signed the petition. The remaining five percent did not sign for religious reasons and other affiliations.

About eighty-five percent of City residents contacted have signed the petition opposing annexation.

We solicit your assistance in defeating this issue.

Sincerely,

Okey Chandler

Okey Chandler
P.O. Box 1635
Kodiak, Alaska 99615

cc: Hon. Arliss Sturgulewski
Hon. Tim Kelly
Hon. Bob Mulcahy
Hon. Patrick Rodey
Hon. Terry Stimson

I think Mr. Chandler is trying to tell us something. I will have to write Kodiak this week but still prefer some action by Mulcahy. I will phone regarding



*File
Kodiak*

Ron Matsuoka
Box 2078
Kodiak, Alaska 99615

Melissa D. Newton
Box 773
Kodiak, Alaska 99615

January 22, 1979

Alaska State Senate
Pouch V
Juneau, Alaska 99801

Dear Sirs;

Although time is running short this letter is intended to bring about some action on the part of the State Legislature to help defeat forced annexation with the City of Kodiak. We are only two individuals living within the involved area, however we most certainly are not alone in our protest to this annexation.

To begin with let it be known that the wishes of area residents were totally ignored by the local boundary commission. Every resident of the area who testified at the boundary commission hearing spoke *against* forced annexation! It seems to us that our feelings and interests are being ignored by more powerful individuals who stand for annexation in the hope to gain a great deal for their own self-interests.

Another pertinent fact is that the area does not meet the standards for annexation. The area is not urban: the standard lot size in the area is one acre or larger, and one third of the land area is undeveloped.

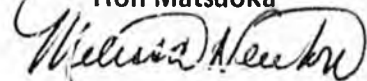
City services are not required in this area. Fire protection is presently provided through a service district; roads are presently State-maintained or privately maintained; police protection is provided by the State Troopers; water is presently available to the majority of the area and is paid by user fees; sewers can be provided through service districts in those areas where sewers are needed.

We have signed a petition opposing forced annexation and hope that it will give you some idea how many individuals hope to stop annexation. We need your help! Please act on the behalf of the residents of this area by overturning forced annexation.

Sincerely,



Ron Matsuoka



Melissa Newton

cc: Chairman, Senate Committee on Community and Regional Affairs
Chairman, House Committee on Community and Regional Affairs
President, Alaska Senate
Speaker, Alaska House of Representatives (copies for the Senate and House enclosed)

Ron Matsuoka
Box 2078
Kodiak, Alaska 99615

Melissa D. Newton
Box 773
Kodiak, Alaska 99615

January 25, 1979

Arliss Sturgulewski
Senate Chairman Committee on Community and Regional Affairs
Pouch V
Juneau, AK 99801

Dear Chairman;

Although time is running short this letter is intended to bring about some action on the part of the Community and Regional Affairs Committee to help defeat forced annexation with the City of Kodiak. We are only two individuals living within the involved area, however we most certainly are not alone in our protest to this annexation.

To begin with let it be known that the wishes of area residents were totally ignored by the local boundary commission. Every resident of the area who testified at the boundary commission hearing spoke *against* forced annexation! It seems to us that our feelings and interests are being ignored by more powerful individuals who stand for annexation in the hope to gain a great deal for their own self-interests.

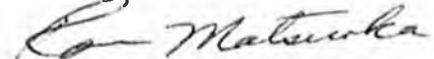
Another pertinent fact is that the area does not meet the standards for annexation. The area is not urban: the standard lot size in the area is one acre or larger, and one third of the land area is undeveloped.

City services are not required in this area. Fire protection is presently provided through a service district; roads are presently State-maintained or privately maintained; police protection is provided by the State Troopers; water is presently available to the majority of the area and is paid by user fees; sewers can be provided through service districts in those areas where sewers are needed.

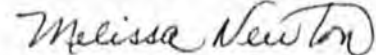
We have signed a petition opposing forced annexation and hope that it will give you some idea how many individuals hope to stop annexation. We need your help! Please act on the behalf of the residents of this area by overturning forced annexation.

Sincerely,

Ron Matsuoka



Melissa Newton



cc: Terry Stimson
Bob Mulcahy
Margaret Branson
Patrick O'Connell
Fred Zharoff
Bill Parker

Patrick Rodey
Tim Kelloy
Ray Metcalfe
Charles Parr
Patrick Carney

January 31, 1979

*ans
2/5/79*

The Community & Regional Affairs Committee
Arliss Sturgulewski: Chairman
Fouch, V.
Juneau, Alaska 99801

Attention: Arliss Sturgulewski;

This letter is to inform you and your Committee that the vocal minority, that is opposing annexation does not reflect the feelings of the majority in the city or the areas to be annexed. Nor do they offer an alternate solution to bringing about the badly needed services that Kodiak needs.

I am hopeful that in your wisdom or knowledge that you will base your support on the issue of facts in your inquiry, and not on the very vocal minority, as the majority is usually passive and not very vocal. Annexation is the last tool at our disposal to bring about the needed services, as a proposition to elect a unification charter commission and, or a proposition to grant service districts powers to the borough was voted down in our last election.

I leave the question to you; what other choice do we have other than annexation?

Sincerely,

Bob Brooks

Bob Brooks
Box 232
Kodiak, Ak.
99615

Resident: Spruce Cape area

c.c. to: Clem Tillion Pres. of the Senate
 Bob Mulcahy Senator, Vice Chairman of the Committee

 Terry Gardner Speaker of the House
 Bill Parker Chairman of the Committee
 Fred Zharoff Representative

January 31, 1979

The Community & Regional Affairs Committee
Arliss Sturgulewski: Chairman
Pouch, V.
Juneau, Alaska 99801

Attention, Arliss Sturgulewski;

This letter is to inform you and your Committee that the vocal minority, that is opposing annexation does not reflect the feelings of the majority in the city or the areas to be annexed. Nor do they offer an alternate solution to bringing about the badly needed services that Kodiak needs.

I am hopeful that in your wisdom or knowledge that you will base your support on the issue of facts in your inquiry, and not on the very vocal minority, as the majority is usually passive and not very vocal. Annexation is the last tool at our disposal to bring about the needed services, as a proposition to elect a unification charter commission and, or a proposition to grant service districts powers to the borough was voted down in our last election.

I leave the question to you; what other choice do we have other than annexation?

Sincerely,



Bob Brooks
Box 232
Kodiak, Ak.
99615

Resident: Spruce Cape area

c.c. to: Clem Tillion Pres. of the Senate
 Bob Mulcahy Senator, Vice Chairman of the Committee

 Terry Gardner Speaker of the House
 Bill Parker Chairman of the Committee
 Fred Zharoff Representative

3 January 1979

ans 2/5/79

RE: Local boundary commission proposal for Kodiak annexation

Dear Legislature:

I would like to go on record expressing my objection to the proposed boundary commission proposal for annexation to the city of Kodiak. In 1946, I obtained title to my homestead and have had continuous residency there since 1950. In 1973, I subdivided 19-one acre lots and have sold 12 of these lots. In 1973, I sold 100 acres to Mr. Al Schafer, who in turn, subdivided about 30-one acre lots. The remaining 67 acre parcel has been advertised for sale for six or seven months. However, the costs of development and the pending threat of annexation have discouraged buyers.

If there is a need for the development of this property, it can be developed through the Borough sewer, water and road service district, which we in the area voted for, without annexation, or the additional improvement, assessments and 9 mill city tax.

There is a 40 acre tract in USS 3515 adjoining my property with only one house. There are only 10 houses on my 160 acre homestead in US Survey 1682.

At this time, we feel the proposed annexation is premature. It should be postponed a few years until the need for full city services exists and the area has the population base necessary to support those services. Forced annexation to the city would leave me in dire circumstances, as I am 85 years old.

I think the members of the legislature should visit Kodiak prior to letting this happen. On that visit, I am sure you will discover many parts of the city which need and pay for city services, but are still waiting to receive them.

I respectfully request your support of a resolution rejecting this proposed annexation. If I can provide you with more information on this matter, please let me know.

Sincerely,

B.E. Nachtweih

B.E. Nachtweih, Alaskan
P.O. Box 1247
Kodiak, Alaska 99615

8 March 1978

no address

To Whom it may concern,

The purpose of this letter, is to illustrate, through relating a series of past events, what I perceive to be a general lack of concern for the other guy or what could be termed an "every man for himself," attitude.

I had heard of Russell Estates and their "sewer problems" but was assured that my new house (Jim Smith's old house-Lot 3 Block 3) had already experienced the local problems and through a new pump and line that was installed, should have no further problems. We moved into the house on the twelfth of August 1977.

Everything was going smoothly until November 17th when my neighbor's (John Pirak) and my sewer line froze, breaking my grinder pump and I assume his also. The history on the open sewer lines that froze is somewhat unclear to me but I shall give you an account as best I can determine.

When Jim Smith lived in the house the plastic sewer line was apparently shattered from the main line back-pressure. This caused my contractor, Richard Carr, and Tac Plumbing to arrange to have a copper line installed to withstand the high pressures introduced by the less-than-sufficient sewage system laid by Russell Estates. Perhaps a one-way check valve would have been in order, at the street connection. I don't believe this was done, as I have street pressure on my house line even now.

The new copper line rests mostly on John Pirak's land and is a common line for both our houses, with each house tapping into the system through a "Y" type connection to the single line. This single line concept was probably adopted in order to reduce the high costs of the special materials involved in the fix.

Now we know how and why the open copper sewer lines were there, but not why they were left uncovered or whose responsibility it was to cover them, nor has anyone involved accepted the responsibility.

It should also be mentioned at this point that John Pirak's grinder pump and lead-in lines were open to the elements and unprotected from any possible freezing situation. Sometime after the sewage line replacement and before I bought the house, my grinder pump lines had also blown and had been replaced by Tac Plumbing with copper lines. As can be confirmed by Bradley Plumbing, the heat tape previously installed on the plastic lines was left laying on the bottom of the pump housing and consequently those lines were frozen. No indication of these problems was related to me by Jim Smith so I had assumed they did not exist.

So much for the background. Now that my pump has quit and I have water all over my house (Nov 17), I called my contractor (Richard Carr) note- (house still under warranty) and explained the situation to him; careful to mention that I'm sure the line is frozen and the pump broken, and requested that he, as the contractor, make arrangements through the responsible parties, to repair the problem. The reason I suspected a broken pump is that I had the complete service manual and trouble shooting guide on loan from the neighbor on the other side of me (who had recently experienced a similar problem), which clearly explained that a blocked line would most likely cause the pump to fail.

Richard Carr called Bradley Plumbing and they arrived at the house some time later and examined the problem. He said, "the sewer line was frozen"!!! He then called his supervisor who apparently called Marine Welding Service to come and thaw the lines. Even though the line was then thawed, my pump, as suspected, failed to work: For that visit I was charged \$36.05 by Bradley Plumbing for the service call and \$30.90 by Marine Welding for thawing the line.

Bradley Plumbing ordered the repair parts for the pump; and I, as a back up, ordered them also. Our parts arrived at the same time about the 18th of December. This was for us, one month with no sewage. Not a pleasant experience when you've just bought an expensive house and its the holiday party season.

I had, in the meantime, talked with Richard Carr, still seeking his assistance in placing the bills in the hands of the responsible people.

I made arrangements with Bradley Plumbing to have the pump repaired the afternoon of 20 December but was greeted by the work crew at 08:30 a. m. when I was returning home from work. The men had just turned the circuit breakers off in the house and were ready to begin repairs. The next thing they did was cut the two electrical wires leading to the pump. One line was still hot and on the same line with my refrigerator. In my opinion a very dangerous and non professional approach. I mentioned I had the step-by-step instructions for pump removal and repair but they chose not to use them. They did remove the pump, take it to the shop, repair it, replace it, and it worked. The cost was \$200.87 for two men for three hours minus \$24.02 for parts. My neighbor indicated that he could do it in from one to two hours.

Incidentally, I covered the sewer lines myself to prevent freezing. Bradley Plumbing, after replacing the broken parts in the pump, re-installed the heat tape on the lead-in lines and confirmed it was working. These lines later refroze, even with the heat tape on, indicating the initial installation was not adequate to withstand the winter environment we experience in Kodiak.

Meanwhile, John Pirak's contractor (Mr Nylund), had put some heat tape and insulation on his pump and lines. They were, quite obviously, inadequate as their pump and lines refroze. John Pirak has had his problems too. After returning to Kodiak after his Christmas Vacation, he discovered his sewage system was not working properly. I don't know just what series of events led up to the present day situation, but I do know that about the fourteenth of February he began dumping raw sewage between our houses. The City was notified of this that day and a Mr. Herman Beukers came out and evaluated the situation and talked with John Pirak and myself. I had thought that this would be sufficient to "get the ball rolling" and clear up this problem. I was wrong, as I found out when I had returned home from an extended trip to Seattle on the 25th of February. Raw sewage was still being dumped between our houses routinely, and in its flow to Lily Lake was passing under my house. The stench was, and is, terrible. On Monday, the 27th of February, I called the City Manager and explained the situation to him and my displeasure that the situation had progressed unchecked. I had called John Pirak first to find out if anything was being done, to which he replied "no". It should be noted that even though I would not, and did not dump sewage during the month my system was out, there are people with different values, and under these circumstances, they cannot be faulted entirely in this matter. At least this time my phone calls prompted some action and the following day his system was again hooked into the sewer system and "magically" worked. If you should check with the weather bureau you would notice the temperature had been above freezing for several days and had undoubtedly thawed the lines allowing his pump to again work. I believe this whole evolution is based on the simple fact that liquids freeze when not properly insulated from the cold.

Everyone is again happy and contented for the moment but; wait a minute, are John's pump and lines freeze-protected? No! they aren't and he is gone out on another Crabbing trip. Effectively there has been no long term solution introduced and the situation is likely to occur again at any moment.

Although I discussed, in detail, all the aforementioned circumstances with each person involved, no one would acknowledge and accept the responsibility for the occurrences or admit to a lack of professionalism. The common putoff was "I'll look into it", "The City is responsible", or "The other guy should have done it".

I intend to send a copy of this letter only to the people mentioned on the distribution list for now and will hold my final judgements until everyone has had ample time to respond to this and possibly bring new light on the situation and work out a reasonable answer to why this has happened, and correct those discrepancies that now exist.

I have decided that the financial responsibility for my above mentioned problems, rests with Richard Carr and that he, in turn, should redeem whatever monies he feels he is due from the responsible individuals.

I would hope to have more pleasant relations with everyone in the future but realize few people are appreciated by those who bring them to task. It should also be noted that throughout this affair I have not lost my temper and my primary concern has always been to correct those faults that should never have occurred in the first place.

Sincerely yours,

D. R. Jeffs
D. R. Jeffs

Distb:
Richard Carr
Bradley Plumbing
Tac Plumbing
City Manager
John Pirak

December 13, 1978

Legislator
Pouch V
Juneau, Alaska 99811

Dear Legislator:

On October 6th the Local Boundary Commission made a decision to propose the annexation of *Island Lake, Spruce Cape and Mill Bay to the City of Kodiak. As you know, this method of annexation does not give the affected resident a voice in that basic decision.

** all affected area*

When you take away someone's right of choice, even if sanctioned by State law, you had better have a good reason, a dire need. Because you have taken away something you can't give back.

I am the chairman of a group formed by a large number of residents in the area that has been recommended by the Local Boundary Commission. We will be forwarding information, facts and reasons why we feel so strongly that the Alaska State Legislature should disapprove that recommendation.

We request your serious consideration of this issue, as on the face it appears to be just an annexation, but in reality it threatens for us the very essence of representative government.

Sincerely,

Dick

Dick Juelson,
Chairman
Borough Residents for
Autonomy

cc: Governor Jay Hammond
Commissioner, CRA
Chairman, Local Boundary Commission

file

December 21, 1978

Dear Legislator:

On behalf of the residents of the Spruce Cape, Monashka Bay, Mill Bay and Island Lake areas, I am seeking your assistance and that of your colleagues in the State Legislature in requesting that you support a joint Senate/House resolution, overturning the Local Boundary Commission's recommendation that these areas be annexed into the City of Kodiak.

As expressed in the attached letter to the Boundary Commission, the residents of this annexation area have not voted for annexation. They feel they do not need and cannot afford the full range of City services at this time. They recognize the need for sewer, water and road services as expressed by their vote when they approved a Borough service area to provide these services.

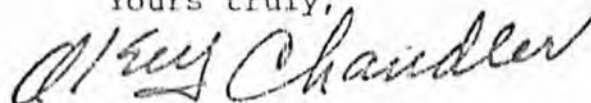
As you know, following that election the City of Kodiak took legal action to enjoin the election, even though their efforts to obtain a restraining order to bar the election were overruled by the Kodiak Superior Court. A final decision on this issue is still pending.

We recognize the State Constitution and the State laws of Alaska allow the Boundary Commission the power to annex areas regardless of the citizens' wishes; therefore, we ask your assistance in exercising your constitutional power to overturn this decision, by allowing free people the constitutional rights guaranteed by the U. S. Constitution to express themselves in a free election the type of local government they wish to represent them, and the types and levels of service from government they feel they need and can afford.

I am sending a copy of this letter to Governor Jay Hammond and each member of the Alaska State Legislature. I will also be forwarding additional materials to you during the discussions on this issue as I am sure other citizens of this area will also be doing.

Again, I ask your assistance and vote to undo what is about to be done to those of us who will be included in this annexation area.

Yours truly,



Okey Chandler

ANNEXATION HEARING

MAY 20, 1978

The Boundary Commission should not consider forcing anyone to be a part of the City before City government is in the framework of the U. S. Constitution.

October, 1977 City voters voted for everyone to pay their own personal property taxes instead of the City paying them. December, 27, 1977, several of the biggest businessmen, millionaire boat owners, etc., appeared before City Council and requested they override the referendum and they did. The City will pay their taxes until January 1, 1979.

Most cannery workers are paid \$4.00 to \$4.50 per hour. About 8 years ago, it was voted to tax rent. Labor in the City is taxed.

Last summer City Manager, Mr. Widom, stated that the City was going broke and found new things to tax: lawyer fees, Sears orders, freight and parcel post. A Sales Tax Inspector and Collector was hired.

At the last Council meeting, it came up to raise the sales tax \$.02.

After looking at tax assessments and large businesses in the core area, it is obvious that most of them are paying taxes on 1965 valuations. Land values have risen 5-30 times as much in outlying areas.

Approximately 20 years ago, residents of the Mission Road area voted to be annexed to the City. Lots in the area were 1,000 to 6,000 square feet. Land value doubled in a year or two. In 5 to 6 years, the assessed value went up 20 times more than they were when annexed to the City. Allman Addition was annexed in 1965. Several

hundred people lived in both of these areas.

Area: Catholic School - 80 Acres, Annexed 1967.

Area: Kodiak Community College - 80 Acres, Annexed 1965.

Area: Hospital and Graveyard - 50 Acres, About 1966 Annexed.

Sealand Cargo Dock was annexed in 1977. They were paying \$17,000 taxes and now pay no taxes.

Gibson Cove was annexed in 1976. No one lives in this area. The Borough is losing money.

There have been 15 to 20 other annexations. For various reasons quite a few were to keep from paying taxes on inventory and equipment.

The real property tax amounted to \$677,116 in the City in 1977. Sales tax was \$1,200,000. More than half of this was paid by people living outside of the City. Over 1/3 of City taxes are paid by people living outside of the City.

The Police Department is budgeted for \$813,379 which is \$136,000 more than all real property taxes collected in the City.

There were 3800 people living in the City in 1970. This is \$214.00 for every person living in Kodiak to support the Police Department. People living outside City limits do not need City Police protection. There hasn't been an act of violence that I have seen in the newspapers outside of the Kodiak area.

The City Manager is grossly exaggerating the facts about services. He stated that 40% of library services were for people living outside of the City. There are about 3 times as many people living in the City as in the immediate vicinity. He stated there were 26 fires outside the City in 1977. There have been 2 trailer fires in the Spruce Cape area since December 12, 1977.

The cemetery was public land which was given to the City. The

City doesn't dig any graves. There is another cemetery.

The Ram site is a community project. The City is paid for everything that is landed at the City Dock. I am sure the City makes out.

All of the land in the Monashka Bay area was bought from the Borough or BLM on contract. 70-80% are buying in new subdivisions on installment. Monashka Bay has about 300 acres and 15-20 houses. USS 1682 has 160 acres about a mile from Island Lake. It is very irregular to be included in Island Lake area and has about 12 houses on it.

USS 3219 - 10 acres, 30-40 houses. Lots are 50 x 100. Many lines were put in 20 years ago and were not buried deep enough.

Any areas that wants an improvement district petitions the Borough and it is placed on the ballot. All water and sewer lines are installed by the City and Borough and are done by contract.

I came to Kodiak February, 1946. There were 2,600 people here then. In 32 years it has grown to 3,800. The projected population growth in the various areas are pipe dreams.

The airport is 5 or 6 miles from Sealand Dock. This is several hundred acres in this area that belongs to the Federal government. No one lives on it. Wien Airlines has a contract for security check. The City is paid, if this is annexed the City will probably tax freight, and tickets and everything else they can tax.

The only government we have in Kodiak that abides by the U. S. Constitution and common law is the Borough government. If this vast area is annexed to the City it will destroy what is left of democracy in this area.

The City is broke and seeks this large annexation to bail them out. The City Manager and City Council that sent for you never spent a day on the firing line to keep democracy alive. I request that you deny this petition for annexation.

A handwritten signature in cursive script that reads "Okey Chandler". The signature is written in dark ink and is positioned above the printed name.

Okey Chandler

"Jo" Hajdu

P. O. Box 627
Kodiak, Alaska 99615

December 19, 1978

Dear Legislator:

I am a long-time resident of the area recommended by the local Boundary Commission to be forcefully annexed to the city of Kodiak.

I request your assistance in overturning the decision of the Boundary Commission. At the public hearing held by the Boundary Commission in Kodiak the only testimony offered in support of the annexation was given by members of the city council and the city manager, while the meeting place was jammed to overflowing with residents in opposition.

The city of Kodiak has not documented any threat so grave as to deprive the citizens of Alaska of the right of self-determination. The main reason advanced by the city seems to be the need for water and sewer in the area to be annexed, but they have not furnished a time table (or costs) for the provision of these services. Further, I'm sure you are well aware that these services can be provided by the city without annexation. In fact, some parts of the area already have city utilities and pay a surcharge for the privilege.

Utilities are force-fund accounting, paid for by the users, so there is no cost to residents of the city for us to have this service.

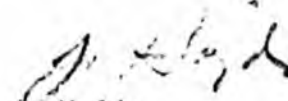
It appears to me that the real reason for the city's request to the Boundary Commission is that the city council fears that the Borough Assembly represents a threat to its' power structure. The hapless residents are therefore caught in the middle of this power struggle.

If the decision is allowed to stand, the taxes of the people in the existing city limits and the taxes of the residents outside the city will be increased to provide services which have not been requested and are not desired.

I would also appreciate your support in making statutory changes so that no other citizen of the state will ever find himself arbitrarily placed under a form of government without a majority vote of the persons affected.

Thank you very much for any assistance you may be able to render.

Very truly yours



Jo Hajdu

JH/smf

file

Chairman
Senate Committee on Community and Regional Affairs.
Pouch "V"
Juneau, Alaska
99801

Dear Sirs:

did like to request the committee hold a hearing
on the Kodiak city annexation.

I urge you to recommend that the legislature
disapprove of this annexation.

Thank you,

Randolph Buehler &
Kimberly Stever
Box 3164

Kodiak, AK,

99615

X Kimberly Stever

*Ans
2/6/79.*

Mr. and Mrs. Louis B. Lindsey
Box 951
Kodiak, Alaska 99615
February 1, 1979

The Honorable Arless Sturgulewski
Chairman
Alaska State Senate
Pouch "V"
Juneau, Alaska 99811

Dear Senator Sturgulewski:

We are taking this opportunity to express our feelings against being annexed to the city of Kodiak. We have lived in Kodiak 30 years--most of that time living in the Spruce Cape area-- on a homesite which we had "proved-up". There have been several attempts during the last few years to take us into the city. These attempts have been made more in the form of threats and untruths than in a co-operative workable arrangement.

Very truly yours,

Mrs. Lindsey
Mr. and Mrs. Louis B. Lindsey

cc: Clem Tillion, Pat Rodey, Tim Kelly

23 January 1979
Kodiak, Alaska

The Honorable Clem Tillion
Alaska State Senate
Juneau, Ak. 99811

Dear Senator Tillion:

I have been an Alaskan resident in Kodiak for 31 years and am in total opposition to the forced annexation of my area to the City of Kodiak for the following reasons:

1. The area is still very suburban in nature due to large lots, most of which are over one acre in size, one has 67 acres. In order to pay taxes and assessments on this size lot at this time, many of us would have to subdivide and sell part which would defeat the reason we moved out here.

2. The Antiquities Act -- Proposition 13 --- so many issues are showing us that people, yes Alaskans too do care "how" they're governed and when "cruff is cruff".

The people & their wishes should be important in decision making where their property and well-being is concerned. If people are so full of apathy that they don't express their opinions & wishes that is one thing. They deserve what they get. However, expressing such and being able to change inequitable laws and/or reverse decisions not representative of the people affected, is our right as citizens.

3. We know the City of Kodiak is in financial trouble - an article in our local papers now and again verifies this but must we pay for their mistakes and get nothing in return? We pay the city sales tax on everything we purchase in the city and everything that is delivered to us such as oil, propane, etc.... We also pay the Borough Personal Property Tax which city residents don't.... The Borough contributes to the city library on our behalf, swimming pool and gym are Borough. we who have city water pay a higher usage rate and we have and pay for a fire district.

People in the Borough recently voted for new service districts in the event they are needed, and only one area is in need of any particular service at this time which can be taken care of without being annexed. The Borough and City has an agreement contract stating the city will supply non-residents with services they are willing to pay for and want. Otherwise, the majority of the people are content with things as they are.


4. We residents organized and have circulated petitions in the affected areas and in the City. For myself I have had one person refuse to sign saying he was involved with the city over property he owns. Within the City I've only had two people not sign. Most people are well aware that the revenue the City would derive from our property couldn't pay for much service. I sincerely believe they only want us as a tax base for bonding purposes.

I am very suspicious of people or governments that go behind my back in order to get something done which affects me and mine so deeply.

If and when a majority of the people in my area by a vote feel it best to annex I would go along peaceably. None of the people in the City or in the affected areas were consulted on this matter - but treated like we weren't old enough to blow our own nose!!

Would much appreciate your careful consideration in helping to reverse the Boundary Commissions decision in this matter. Thank you for "listening".

ENC: Flyer put out & paid for
by organized residents
of affected areas.

Sincerely,

Mrs. June Jackson
Box 286, Kodiak, Ak. 99615 -

an Senator Tillion:

P.S.

1-25-79

Rec'd your letter tonight & will answer your question now as best I can.

Spruce Cape: Has City water line put in by ASHA after '64 earthquake. We pay higher user fee. ASHA sold line to City for a very nominal cost. Sewer line is out as far as the treatment plant but no one is hooked up on that new line. A couple residents are hooked up from old line due to City moving out for the school or I believe. They had the chance to hook on & did. No immediate need for sewer but service district has been voted in it & when need arises. Island Lake - has temporary city water line, no sewer. A definite need in this area - that is why they voted for a service district recently. Property owners would be assessed for the line no matter who put it in. We feel the Borough is in better condition to get bonding than the City. Compact area around the lake only.

Mill Bay & Monashka - mostly very low density - have our wells and sewer systems. Content as they are. So is Spruce Cape.

We watch Capitol '79 and find it very interesting - sure helps to see you all in there doing your job. We feel closer to you and you must feel closer to us knowing we're watching.

Thanks for your care in this matter. *David Johnson*

P.O. Box 232
Kodiak, Alaska 99615
1 February 1979

The Community & Regional Affairs Committee
Bob Mulcahy, Senator
Vice Chairman of the Committee
Pouch V
Juneau, Alaska 99801

Dear Bob,

I feel the annexation of Spruce Cape, Island Lake and Millbay to the City is the only practical way to bring about the needed services; sewer, water, police protection and a better utilization of the land in these areas.

In a small community such as ours, two overstuffed governing bodies are both costly and unnecessary. Unifying these areas can and will reflect an overall improvement making these areas a better place to live.

Service Districts under the Borough would be too costly which when realized by the people in these areas would be turned down thereby continuing the unhealthy and undesirable conditions that exist.

Sincerely,



IRIS M. BROOKS

cc: Clem Tillion, President of the Senate
Terry Gardner, Speaker of the House
Arliss Siurgulewski, Chairman of the Committee ←

Note: Spruce Cape Resident

*ans
2/5/79*

June 2, 1978

TO WHOM IT MAY CONCERN:

From March of 1974 to September of 1976 I lived on Cope Street, the street that ascends the side of Pillar Mountain from the Sheffield House.

The conditions of the public works and utilities on Cope Street are poor. The road is very narrow allowing only one way traffic. It is seldom graded, and has very limited parking. Occasionally while I lived there the garbage truck could not make it up the road due to heavy snow or ice. This limited the service.

The water pressure on Cope Street is also very poor. Many times I had absolutely no water pressure when my neighbor was using water. This was most inconvenient when I was in the shower and my neighbor flushed his toilet.

Janet Wente
Janet Wente
P. O. Box 2791
Kodiak, Alaska 99615

Phone 486-5725 (office)
486-4991 (home)

E. Neseth

Box 456

Phone: 486 5681

TO WHOM IT MAY CONCERN

Mr. Neseth and I have lived at the end of Cope Street since the 1930's when the area was away out of town. Many homes have filled in the area since end Cope Street simply grew in by general use. It is grossly inadequate for the amount of traffic on it, especially in the winter when it is too hazardous to drive as serious icing occurs. The overflow from ditching (or whatever) has nowhere but the road to get on, and is an every winter condition. Such a vehicle as the garbage truck has great difficulty manuevering for a turn-- this is winter and summer. Our private steps from the Base Road level to the Cope Street level past our kitchen window becomes a public thorofare for foot travel at this end. This is naturally a nuisance besides an invitation to who-knows-what mischief in this day. We don't like it.

E. Neseth

Tempe Berestoff
Box 2196
Kodiak, Alaska 99615

June 2nd, 1978

TO WHOM IT MAY CONCERN:

I lived on High Street for five (5) years in house #306. The garbage truck and two wheel drive vehicles cannot travel up this road when deep snow or ice conditions prevail. The road is very narrow with no place to park. One house has no City water.

Sincerely,

Tempe Berestoff

Tempe Berestoff

Phone # 486-5922

June 5, 1978

TO WHOM IT MAY CONCERN:

As a resident on Cope Street from November 1, 1975 to January 4, 1976, I found the public works facilities in very poor condition. There was no water pressure and at best of conditions was not able to wash clothes or shower without being inconvenienced by poor water pressure. During our residency there we found that most times we had to park on Rezanoff and walk up the hill carrying groceries, etc., because there was no parking facilities available on the street. Snow removal activities prevented any parking during that period of time. Because of these conditions my family and I moved to another area.

Laurel Bolden

Laurel L. Bolden
Box 172
Kodiak, Alaska 99615

C. B. Radio Channel 11, call number KAIH 1687
Work Phone, 486-5725

February 2, 1979
P.O. Box 2683
Kodiak, Alaska 99515

House and Senate Community and Regional Affairs Committee
Pouch V
Juneau, Alaska 99311

Dear Committee Members;

The City of Kodiak's current taxation policy includes levy of sales tax on goods ordered directly from a point outside Kodiak (i.e. Seattle) when that firm has a representative in Kodiak. They justify this stand on a City Statute which permits such taxation when the goods involved are solicited for within the City proper. This policy results in City sales tax being charged for orders placed directly with the Sears-Roebuck office in Seattle. The City contends that Sears Roebuck catalogs and a Sears Catalog store being in Kodiak constitute sufficient solicitation to support such taxation.

I find this tax policy objectionable and question whether catalogs or the presence of a catalog store in Kodiak qualifies as solicitation - especially for those of us who live outside the city limits. It seems unfair that we Borough residents who live outside, but near the Kodiak City limits should have to pay this tax, whereas persons living elsewhere in the Borough do not.

I learned of this tax in April, 1978 when I placed a fairly large order directly with the Sears Roebuck office in Seattle. Even though I paid for this order (including freight) in advance, I was billed an additional 3% by Sears Roebuck for Kodiak City Sales Tax prior to delivery.

I would appreciate your assistance as a member of the Community and Regional Affairs Committee in looking into the propriety of this taxation. Hopefully, your upcoming visit to Kodiak may provide an opportunity to look into this matter in greater depth.

Your time concerning this matter is appreciated.

Cordially,



Peter B. Jackson

February 3, 1979

Senator Arliss Sturgulewski
Community & Regional Affairs Committee
Juneau, AK. 99811

Dear Senator Sturgulewski:

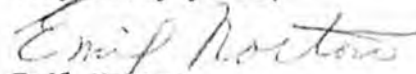
The anxiety and activity being generated by the Boundary Commissions annexation statement for an area in Kodiak is touching a lot of people. The flurry seen on top of the pile against annexation does not reflect the thinking of all of us residing in the area affected.

Our elected officials made a statement that they were going to abide by the majority of the voters they heard from. What they should have said is that they would act responsible to the needs of the area to be annexed. Both of our elected officials have lived in Kodiak a long time and are aware of the health problem in the Island Lake area. The Spruce Cape area also has a sewage problem. It is as critical as the Island Lake area but has not had the publicity. A lot of the effluent goes over the bank onto the beach or into swampy or creek areas. I am sure your group deserves a close look at this situation to make an intelligent judgement.

The State Health Department is acutely interested in what will happen. If this area is not annexed and the Borough government attempts to provide the service of sewer and water there could be legal problems to overcome. The services could be delayed and no telling how long it will take the court to come to a decision. Problems like this the officials are aware of and should be paying attention to and not just appeasing the voting public. The animosity against the city a few are carrying in the fight against annexation might cost us all a lot more than just taxes.

I truly think that your group coming to Kodiak and surveying and listening to the people will help the health and welfare of our neighbors. Thank you for your interest.

Very truly yours,



Emil Norton
Box 1002
Kodiak, AK.
99615

cc: Clem Tillion, Pres. of Senate
Bob Mulcahy, Senator & Vice
Chairman
Terry Gardiner, Speaker of the
House
Bill Parker, Chairman of the
Committee
Fred Zharoff, Representative

RESIDENCE: Cliffside Road
Miller Pt. 2nd Sub Div
Blk #1, Lot #7

February 2, 1979

The Honorable Governor Jay Hammond
Juneau, Alaska

Dear Governor:

We are opposed to the forced annexation being proposed by the City of Kodiak, and the specially appointed Committee on Annexation.

We own three lots within the affected areas and are very disturbed that we are not being allowed to vote on this issue or be taken seriously when we say we are not interested in being annexed into the city. Two of our lots are vacant and our home is on the third. We were planning to build a larger home to accommodate the needs of our family more adequately, but if we are forced into the city it is extremely likely that we could not afford the taxes and other assessments that would be required for sewer and water services (which it seems very unlikely we would receive within a reasonable amount of time). Forced annexation would very possibly force us to sell our larger lot and the hopes of a larger home.

Please take all due action to see that those persons affected by this action on the part of the Kodiak City Council will have their opinions and desires heard, and that an equitable solution be implemented.

Thank you for your interest in these matters and your subsequent intervention as needed.

Sincerely,

Mr. & Mrs. Glenn Dick

Mr. & Mrs. Glenn Dick

cc to all Community & Regional Affairs Comm. Members

Fadliak, Alaska

Feb. 3, 1979

Dear Gov. Hammond;

I am writing in regards to amputation. We have lived out of the city of Fadliak on Spruce Cape Road for 14 years. If we had wanted to be in the city we would of lived in the city. But we ~~can~~ struggle to live in Bar.

So would you please help us people on Spruce Cape + Island Lake.

Thank You

We Remain

Don & Mary Mack

P.O. Box 2108

Fadliak, Alaska

99615

P.O. Box 1114
Kodiak, Ak. 99615
3 Feb. 1979

The Honorable Governor Hammond
Pouch "A"
Juneau, Ak. 99811

Dear Governor :

I am a long time resident of Kodiak. I am unable to work due to a broken hip four years ago. My only income is a small Social Security check. My grandson lives with me and pays my taxes and helps with the groceries.

If this area is annexed to the City of Kodiak, I will have to go on welfare. I request your help in defeating the proposed annexation to the City of Kodiak.

Sincerely yours,
Tennie Riley
Tennie Riley

cc: CRA Committee members of
both Senate & House

Kodiak, Alaska

Feb. 3, 1979

Dear Sav. Hammond;

I am writing in regards
to annexation. We have lived
out of the city of Kodiak on
Spruce Cape Road for 14 years.
If we had wanted to be
in the city we would of
lived in the city. But we
~~you~~ prefer to live in Box.

So would you please
help us people on Spruce
Cape + Island Lake.

Thank You
We Remain
Don + Mary Mack
P.O. Box 2108
Kodiak, Alaska

99615

Kodiak Alaska.

Jan. 30. 1974

Governor Hammond.

Dear Sir:

I wish to object to the annexation of the lands outside of the City of Kodiak.

I am a 34 year resident of Alaska, all in Kodiak. I have lived in the same place for 30 years.

We, the resident voters, voted for a Service district, which will take care of our need for many years.

Most of us have spent many dollars developing our communities, and are happy as things are.

If we weren't we would move on.

Being dictated to goes against the grain, and our democratic way of life.

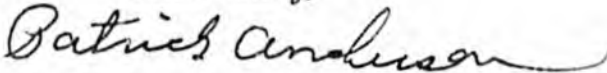
P.O. Box 1673
Kodiak, Ak 94615
3 Feb. 1979

The Honorable Governor Hammond
Pouch "A"
Juneau, Ak 99811

Dear Governor Hammond:

I am a life-long resident of Kodiak Island and I am opposed to being forced to join the City of Kodiak against my wishes.

It would cramp my life style as the City has too many restrictive ordinances. I would be very grateful if you would do what you can to stop this Forced Annexation.

Yours truly,

Patrick Anderson

cc: Committee on Community & Regional Affairs

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

CORRECTION

Kodiak Alaska.

Jan. 30. 1974

Governor Hammond.

Dear Sir:

I wish to object to the annexation of the lands outside of the City of Kodiak.

I am a 34 year resident of Alaska, all in Kodiak. I have lived in the same place for 30 years.

We, the resident voters, voted for a Service district, which will take care of our need for many years.

Most of us have spent many dollars developing our own utilities, and are happy as things are.

If we weren't we would move on.

Being dictated to goes against the grain, and our democratic way of life.