



THE STATE
of **ALASKA**
GOVERNOR BILL WALKER

**Department of Commerce, Community,
and Economic Development**

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Final Report to the Local Boundary Commission

Concerning the Petition to the Local Boundary
Commission for Incorporation of Big Lake as a
Second Class City in the Organized Borough
using the Local Action Method

and

the Petition to the Local Boundary Commission
for Annexation to the City of Houston, a
Second Class City within the Matanuska-
Susitna Borough Using the Local Option
Method by Unanimous Consent

March 2015



This is the *Final Report to the Local Boundary Commission Concerning the Petition to the Local Boundary Commission for Incorporation of Big Lake as a Second Class City in the Organized Borough using the Local Action Method* (hereafter “Big Lake petition”) and the *Petition to the Local Boundary Commission for Annexation to the City of Houston, a Second Class City within the Matanuska-Susitna Borough Using the Local Option Method by Unanimous Consent* (hereafter “Houston petition”). The report was written by staff to the Local Boundary Commission (hereafter LBC or commission). The LBC staff is part of the Division of Community and Regional Affairs of the Alaska Department of Commerce, Community, and Economic Development (hereafter “Commerce,” “department,” or “staff”). This report will also be available at: http://commerce.state.ak.us/dca/lbc/2014_Big_Lake_Incorporation_and_Houston_Annexation_Petition/.

This report is issued in accordance with 3 AAC 110.530(d), which requires Commerce to issue a final report after considering written comments on the preliminary report. Three comments were received in response to the preliminary report.

Commerce complies with Title II of the Americans with Disabilities Act of 1990. Upon request, this report will be made available in large print or other accessible formats. Such requests should be directed to the LBC staff at 907-269-4559 or 907-269-4587, TDD at 907-465-5437, or LBC@alaska.gov.

Graphic illustration only - this publication’s maps are intended to be used only as general reference guides. Source documents remain the official record.

Chapter 1. Introduction

On December 17, 2015, the department issued its *Preliminary Report to the Local Boundary Commission Concerning the Petition to the Local Boundary Commission for Incorporation of Big Lake as a Second Class City in the Organized Borough using the Local Action Method and the Petition to the Local Boundary Commission for Annexation to the City of Houston, a Second Class City within the Matanuska-Susitna Borough Using the Local Option Method by Unanimous Consent*. In that report, Commerce recommended that the commission approve the Houston annexation petition without amendment. The report recommended that the LBC approve the Big Lake incorporation petition, but amend it by removing less populated territory north and west of Horseshoe Lake and north of the Papoose Twins Lakes, territory to the west of Burma Road and south of Diamond Lake, and territory east of Stephan Lake and Anna Lake. That report recommended that the territory for the proposed city should be approximately 68 square miles.

The public comment period on the preliminary report lasted until January 16, 2015. Three comments were received regarding these petitions. Copies of this report will be distributed to the petitioners, the LBC members, and others.

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Petition's Future Procedures

Public Hearing and the Decisional Meeting

The next step after the final report is the LBC's public hearing per [3 AAC 110.550](#) regarding the petitions. The public hearing will be held starting on April 15, 2015, in Big Lake. At the hearing the LBC will hear evidence presented by the petitioners, and any comments presented by the public regarding the petition. The hearing procedures are governed by [3 AAC 110.560](#). A copy of the notice for the hearing and decisional meetings is included in Appendix A of this report.

Immediately after the hearing in the same location, the LBC will convene decisional meetings under [3 AAC 110.570](#). At the decisional meetings, the commission will

DCRA final report on the Big Lake incorporation and the City of Houston annexation petitions February 2015

consider the entire record, and decide whether the petitions meet the detachment standards and the annexation standards. The LBC will then approve, amend, or deny the petitions.

After the decisional meetings, the LBC will meet telephonically in Anchorage to approve or amend draft written decisions stating the basis for its decisions. The final written decisions are issued within 30 days of the decisional meetings. Decision copies are issued to the petitioner, any respondents, and others who request them.

At that point the decisions become final, but are subject to reconsideration. Under specific grounds listed in [3 AAC 110.580](#), any person may ask the LBC to reconsider its decisions. The LBC may order reconsideration on its own motion as well. If the LBC does not act on a reconsideration request within 30 days of the decision's mailing date, the reconsideration request is automatically denied.

LBC Decisions Must Have a Reasonable Basis

LBC decisions regarding petitions must have a reasonable basis. Both the LBC's interpretation of the applicable legal standards and its evaluation of the evidence in the proceeding must be rational.¹ The LBC must proceed within its jurisdiction, conduct a fair hearing, and avoid any prejudicial abuse of discretion. Abuse of discretion occurs if the LBC has not proceeded in the manner required by law, or if the evidence does not support the LBC's decision.

Implementation

If the commission approves a petition, the proposal is typically subject to either voter approval, or disapproval by the legislature. This depends on whether the petition was filed as a local action petition or a legislative review petition, respectively. If an election is held, the Division of Elections director or the appropriate municipal official needs to certify that election. If all of the property owners and voters in a territory proposed for annexation have requested annexation, no further action is required after an LBC approval, and the end of the reconsideration period.

Conditions that must be met before an LBC approval becomes effective are specified under [3 AAC 110.630\(a\)](#).² If all of [3 AAC 110.630\(a\)](#)'s requirements have been met, the department shall issue a certificate describing the boundary change.

¹ See *Keane v. Local Boundary Commission*, 893 P.2d 1239, 1241 (Alaska 1995). When an administrative decision involves expertise regarding either complex subject matter or fundamental policy formulation, the court defers to the decision if the decision has a reasonable basis.

² 3 AAC 110.630(a)(1) states that notification of compliance with the Voting Rights Act of 1965 is required. Due to a recent U.S. Supreme Court ruling, that compliance is no longer required.

Chapter 2 – Department’s Analysis

Introduction

Only three comments were received regarding the petitions during the public comment period on the preliminary report. One comment was from the City of Houston. It agreed with the staff recommendation in the preliminary report. A second comment was from Mr. Bill Seitz. He suggested putting the Big Lake proposed incorporation on hold until the state was in a better financial position. A third comment was from Mr. Jim Faiks, the Big Lake petitioner’s representative. He pointed out that the correct mil rate for the proposed city is 2.57, and not 3.0 mil. As the financial analysis of both the Big Lake petition and the preliminary reports was based on a 2.57 mil rate, this correction should largely not change the proposed city’s finances.

There is, however, one change. The petition and report had both suggested that the LBC condition its approval of the Big Lake petition upon voter approval of a proposition authorizing the city to levy a *three* mil rate real property tax. Commerce now instead recommends that the LBC condition its approval upon voter approval of a proposition authorizing the city to levy a 2.57 mil rate real property tax. Mr. Faiks also requested that nine sections be added to the boundaries that the staff suggested in the preliminary report. Mr. Faiks also sent a both a map, and metes and bounds of his requested boundaries.

The purpose of the final report is to analyze the comments submitted that addressed the preliminary report. For the Houston petition, however, LBC staff received no comments contravening the preliminary report. *As the only comment received pertaining to Houston agreed with the preliminary report, and as staff has not changed its recommendation regarding Houston, it is unnecessary to repeat the analysis of the Houston standards.*

Regarding the Big Lake petition, Commerce finds it necessary to address the standards again in light of the comments received. The criteria used by the commission to evaluate the standards for incorporation of cities and the standards for annexation to cities are set out in AS 29.05.011 – 29.05.100, 3 AAC 110.010 – 3 AAC 110.042, and 3 AAC 110.900 - 3 AAC 110.990. A summary of those criteria follows:

Standards for Incorporation of Cities

AS 29.05.011. Incorporation of a city

(a) A community that meets the following standards may incorporate as a first class or home rule city:

(1) the community has 400 or more permanent residents;

(2) *the boundaries of the proposed city include all areas necessary to provide municipal services on an efficient scale;*

(3) *the economy of the community includes the human and financial resources necessary to provide municipal services; in considering the economy of the community, the Local Boundary Commission shall consider property values, economic base, personal income, resource and commercial development, anticipated functions, and the expenses and income of the proposed city, including the ability of the community to generate local revenue;*

(4) *the population of the community is stable enough to support city government;*

(5) *there is a demonstrated need for city government.*

(b) *A community that meets all the standards under (a) of this section except (a)(1) may incorporate as a second class city. (§ 4 ch 74 SLA 1985; am § 6 ch 58 SLA 1994)*

As [AS 29.05.011](#)'s requirements are addressed by and included in the regulatory standards, this report will not address [AS 29.05.011](#)'s standards separately.

3 AAC 110.005. Community

Territory proposed for incorporation as a city must encompass a community.

3 AAC 110.990. Definitions

Unless the context indicates otherwise, in this chapter

(5) *a "community" means a social unit comprised of 25 or more permanent residents as determined under [3 AAC 110.920](#);*

3 AAC 110.920. Determination of community

(a) *In determining whether a settlement comprises a community, the commission may consider relevant factors, including whether the*

(1) *settlement is inhabited by at least 25 permanent residents;*

(2) *the permanent residents live in a geographical proximity that allows frequent personal contacts and interaction; and*

(3) *the permanent residents at a location are a discrete and identifiable social unit, as indicated by such factors as resident public school enrollment, number of sources of employment, voter registration, precinct boundaries, permanency of dwelling units, and the number of commercial or industrial establishments, community services, and service centers.*

(b) *Absent a specific and persuasive showing to the contrary, the commission will presume that a population does not constitute a community if*

- (1) *public access to or the right to reside at the location of the population is restricted; or*
 - (2) *repealed 1/9/2008;*
 - (3) *the location of the population is provided by an employer and is occupied as a condition of employment primarily by persons who do not consider the place to be their permanent residence.*
- (c) *A city that absorbs one or more municipalities through merger comprises a single community. A city that is formed through the consolidation of one or more municipalities comprises a single community.*

Analysis

After analyzing [3 AAC 110.005](#), [3 AAC 110.920](#), and [3 AAC 110.990\(5\)](#) in the preliminary report, Commerce found that Big Lake comprised a community, and that the standards were met. After considering the comments received on the preliminary report, Commerce affirms that finding.

AS 29.05.021(b). Limitations on incorporation of a city

- (b) *A community within a borough may not incorporate as a city if the services to be provided by the proposed city can be provided on an areawide or nonareawide basis by the borough in which the proposed city is located, or by annexation to an existing city.*

3 AAC 110.010. Need

- (a) *In accordance with [AS 29.05.011\(a\)\(5\)](#), a community must demonstrate a reasonable need for city government. In this regard, the commission may consider relevant factors, including*
- (1) *existing or reasonably anticipated social or economic conditions;*
 - (2) *existing or reasonably anticipated health, safety, and general welfare conditions;*
 - (3) *existing or reasonably anticipated economic development; and*
 - (4) *adequacy of existing services.*
- (b) *In accordance with [AS 29.05.021\(a\)](#), and to promote a minimum number of local government units in accordance with art. X, sec. 1, Constitution of the State of Alaska, a community in the unorganized borough may not incorporate as a city if essential municipal services can be provided more efficiently or more effectively by annexation to an existing city.*
- (c) *In accordance with [AS 29.05.021\(b\)](#), and to promote a minimum number of local government units in accordance with art. X, sec. 1, Constitution of the State of Alaska, a community within an organized borough may not incorporate as a city if essential municipal services can be provided more efficiently or more effectively*

- (1) *by annexation to an existing city;*
- (2) *by an existing organized borough on an areawide or nonareawide basis; or*
- (3) *through an existing borough service area.*

Analysis

In its preliminary report, Commerce found that the Big Lake community demonstrates a reasonable need for city government because a city council can administer municipal powers more effectively than the existing community council, because of existing or reasonably anticipated economic development, and because of the inadequacy of existing services, particularly road service.³ For those reasons, Commerce affirms that finding, and finds that AS 29.05.011(a)(5) and 3 AAC 110.010(a) are met.

The proposed incorporation of Big Lake is not subject to 3 AAC 110.010(b) because Big Lake is within an organized borough.

Regarding 3 AAC 110.010(c) and AS 29.05.021(b), and in concordance with the above finding that existing services are inadequate, no other city or borough can provide Big Lake with essential municipal services, nor could any other borough or city provide those services more efficiently or more effectively than a city of Big Lake could. The essential municipal services proposed could conceivably be provided by annexation to the City of Houston, but the services would not be done as efficiently and effectively as a city of Big Lake could.

For the reasons shown above, after considering the comments received on the preliminary report, Commerce affirms that AS 29.05.011(a)(5), AS 29.05.021(b), and 3 AAC 110.010 are met for the Big Lake petition.

3 AAC 110.020. Resources

In accordance with AS 29.05.011(a)(3), the economy of a proposed city must include the human and financial resources necessary to provide essential municipal services on an efficient, cost-effective level. In this regard, the commission

(1) will consider

- (A) the reasonably anticipated functions of the proposed city;*
- (B) the reasonably anticipated expenses of the proposed city;*

³ Commerce recommends in this final report that the city comprise roughly nine more square miles than it recommended in the preliminary report. This enables lakes which would straddle city boundaries to be wholly within the proposed city. The city can then have greater influence on any development on those lakeshores. This increased influence or “clout” demonstrates a reasonable need for city government. Further, homes in those sections can only be reached by city roads. That also indicates a need for city government in those sections under AS 29.05.011 and 3 AAC 110.010.

- (C) *the ability of the proposed city to generate and collect revenue at the local level;*
 - (D) *the reasonably anticipated income of the proposed city;*
 - (E) *the feasibility and plausibility of the anticipated operating and capital budgets of the proposed city through the period extending one full fiscal year beyond the reasonably anticipated date*
 - (i) *for receipt of the final organization grant under AS 29.05.180;*
 - (ii) *for completion of the transition set out in AS 29.05.130 - 29.05.140 and 3 AAC 110.900; and*
 - (iii) *on which the proposed city will make its first full local contribution required under AS 14.17.410(b)(2) if the proposal seeks to incorporate a home rule or first class city in the unorganized borough;*
 - (F) *the economic base within the proposed city;*
 - (G) *valuations of taxable property within the proposed city;*
 - (H) *existing and reasonably anticipated industrial, commercial, and resource development within the proposed city; and*
 - (I) *personal income of residents of the proposed city; and*
- (2) *may consider other relevant factors, including*
- (A) *land use within the proposed city;*
 - (B) *the need for and availability of employable skilled and unskilled persons to serve the proposed city government; and*
 - (C) *the reasonably predictable level of commitment and interest of the residents in sustaining a city government.*

Analysis

Per 3 AAC 110.010(a), Commerce finds that the proposed city includes the human and financial resources necessary to provide essential municipal services on an efficient, cost-effective level.

(A) the reasonably anticipated functions of the proposed city;

As it did in its preliminary report, Commerce finds that the community of Big Lake has a community inhabited by a diverse group of skilled and professional residents that possess the necessary skills to employ and fulfill the general administration, road maintenance, and parks and recreation services.

(B) the reasonably anticipated expenses of the proposed city;

The staff found in the preliminary report that the community is in sound fiscal shape, even given the smaller tax base (and smaller expenses) due to the decreased city size that Commerce recommended.⁴ The petition includes the proposed city's budgets for

⁴ In this final report, Commerce is recommending that the city comprise roughly nine additional square miles above what it recommended in the preliminary report. The new proposed boundaries comprise 76.8 square miles.

the first four years of incorporation. The budgets include general and capital revenue and expenses, and generate a surplus for the first four fiscal years. After reviewing the budget for the preliminary report, staff found a minor error in the addition of the second year's revenue. This offset the following years by a revenue decrease of \$22-26,000.

For the final report, staff has found an additional error—the proposed city's property tax did not include either the state mandated exemption for senior citizens and veterans or the borough exemption for seniors and veterans. This decreases annual revenue by \$100,500, according to borough budget documents.⁵ This means that at the end of the fourth year, the proposed city would have a deficit of \$19,476. As no other taxes are planned, this deficit can only be eliminated by reducing other expenses. Commerce notes that the budget shows capital expenses rising by \$50,000 in each of the first few years. But it is staff's understanding that the proposed city will not continue to make capital expenses at that increasing rate; the spending would only occur if there are sufficient funds to do so. If the proposed city were not to continue increasing capital expenses by \$50,000 annually, or if expenses were otherwise reduced, Commerce finds that the proposed city would be able to generate a modest surplus.

Staff would like to correct an error that was made in the preliminary report where staff said:

The staff recommends that the commission approve a city comprising about 68 square miles, instead of the 113 requested by the petition. The remaining territory includes the most of roads in [Road Service Area] RSA #21. While much of the territory not included in the recommended boundaries is untaxable state and borough land, there is some taxable property in that excluded territory. If that territory is excluded, it cannot be taxed by the city because it would lie outside the city limits. The city's revenue would be smaller due to the decreased tax base. Staff estimates that the lost taxable income would amount to about \$63,753.74, out of a first year property taxes income of \$1,277,584. That is about a 5% decrease. Staff verified with State Assessor Ron Brown that decrease in city revenue would be partially offset by decreased city expenses, including in the area around Miller's Reach Road. Miller's Reach Road is closer to the center of Houston than it is to the center of Big Lake. It can only be reached by driving outside of the proposed city limits. That distance would increase any road service expenses to Miller's Reach if it were in the city and provided with city road service.

The \$63,753.74, however, took into account *all* the taxes that RSA # 21 residents paid to the borough. Those taxes are based on a 12.752 mil rate. The only tax that residents of the proposed city would pay is based on a 2.57 mil rate. In order to determine the correct amount of tax revenue that the city would lose by the smaller boundary size, staff took the following steps:

⁵ <http://www.matsugov.us/budget>, pp. 421 – 425. The borough's budget is pertinent because the primary source of revenue for the proposed city is the same property tax that the borough's Road Service Area #21 (RSA) currently levies.

1. Dividing the tax residents of the proposed city would have paid (2.57 mils) by the rate required to be paid to the borough (12.752 mils), and multiplying that figure (20.15%) by the original amount (\$63,753.74), the correct tax revenue lost would be \$12,848.74.
2. As the size of the proposed city has changed, the city's property tax revenues will also change. The nine sections that Commerce now suggests be added to the city have a 2.57 mil rate tax of \$2,370.31. Staff subtracted \$2,370.31 from the figure for lost revenue (\$12,848.74) to get \$10,478.43. Rather than the figure (\$63,753.74) given in the preliminary report, \$10,478.43 is the correct amount of property tax the proposed city would be unable to collect based on the boundary changes recommended by staff. That figure can be offset in part by the savings from not providing road service in the sections Commerce recommends be excluded from the proposed city.
3. Based on data received from the Matanuska-Susitna Borough Public Works Department, there are 2.24 miles of road in the territory that Commerce recommends be excluded in the city. RSA #21 spends \$5,882 per road mile on routine maintenance, which results in a total of \$13,175.68 (2.24 times \$5,882) for the excluded territory. The proposed city's balance for those excluded sections is \$13,175.68 minus \$10,478.43, or \$2,697.25. The city comes very modestly ahead financially as a result of the smaller size. It is also possible that the road service contract cost could decrease due to possible lower expenses. The expenses could be lower because the proposed city does not include areas such as Miller's Reach that are further away, and take more time to drive to.

Commerce finds that the community is in sound fiscal shape, even given the smaller tax base (and lesser expenses). For this report, Commerce still finds that the reasonably anticipated expenses of the proposed city demonstrate that the city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level.

(C) the ability of the proposed city to generate and collect revenue at the local level;

After analyzing the financial data, Commerce reaches the same conclusion that it did for the preliminary report—namely that the ability of the proposed city to generate and collect revenue at the local level that shows that the proposed city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level.

(D) the reasonably anticipated income of the proposed city

Commerce reaches the same conclusion that it did for the preliminary report: That the proposed city has the reasonably anticipated income to provide the development of essential municipal services on an efficient, cost-effective level. Please see (B) above for more detail.

(E) the feasibility and plausibility of the anticipated operating and capital budgets of the proposed city through the period extending one full fiscal year beyond the reasonably anticipated date

- (i) for receipt of the final organization grant under [AS 29.05.180](#) ;*
- (ii) for completion of the transition set out in [AS 29.05.130](#) - [29.05.140](#) and [3 AAC 110.900](#); and*
- (iii) on which the proposed city will make its first full local contribution required under [AS 14.17.410](#) (b)(2) if the proposal seeks to incorporate a home rule or first class city in the unorganized borough;*

Please see the analysis under (B) above. The anticipated operating and capital budgets of the proposed city are feasible and plausible through the period extending one full fiscal year beyond the reasonably anticipated date of receiving the final organization grant, and for completing the transition.

(F) the economic base of the area within the proposed city

Commerce reaches the same conclusion that it did for the preliminary report—namely that the economic base is sufficient so that the proposed city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level.

(G) valuations of taxable property within the proposed city

The levy of an *ad valorem* tax may not exceed two percent of the value of the property taxed (except for bonds and their indebtedness). The estimated RSA #21 fiscal year 2014-2015 assessed valuation (as of January 1, 2014) is \$497,434,200. A mil rate of 2.57 has been approved to fund the RSA #21 budget. The tax levy is \$1,277,600, the borough exemptions equate to \$100,500, and there is an estimated \$41,500 in uncollectable taxes. This results in a total RSA #21 total net tax levy of \$1,135,600.⁶ As found in (B) above, the proposed city would have about \$2,697.25 more in property tax

⁶ Based on RSA #21 estimates from the FY15, Matanuska-Susitna Borough Budget, p. 422.

revenue due to its smaller size. Similar to what Commerce found in (B) regarding city expenses, Commerce finds that the valuations of taxable property within the proposed city are such that the proposed city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level.

(H) existing and reasonably anticipated industrial, commercial, and resource development within the proposed city; and

Commerce reaches the same conclusion that it did for the preliminary report that the existing and reasonably anticipated industrial, commercial, and resource development within the proposed city is such that the proposed city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level.

(I) personal income of residents of the proposed city

Commerce reaches the same conclusion that it did for the preliminary report that the personal income of residents of the proposed city is such that the proposed city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level.

In sum, after considering the comments received regarding the preliminary report, Commerce affirms that the proposed city has the human and financial resources necessary to provide the development of essential municipal services on an efficient, cost-effective level, and that AS 29.05.011(a)(3) and 3 AAC 110.020 have been met.

3 AAC 110.030 Population

(a) In accordance with [AS 29.05.011\(a\)\(4\)](#), the population of a proposed city must be sufficiently large and stable to support the proposed city government. In this regard, the commission may consider relevant factors, including

- (1) census enumerations;*
- (2) durations of residency;*
- (3) historical population patterns;*
- (4) seasonal population changes;*
- (5) age distributions;*
- (6) contemporary and historical public school enrollment data; and*
- (7) nonconfidential data from the Department of Revenue regarding applications under AS 43.23 for permanent fund dividends.*

(b) To become a first class or home rule city, the territory proposed for incorporation must have a population of at least 400 permanent residents.

Analysis

After considering the comments received on the preliminary report, Commerce reaches the same conclusion that it did for the preliminary report—namely it finds that AS 29.05.011(a)(4) and 3 AAC 110.030 are met because the proposed city’s population is sufficiently large and stable to support the proposed city government.

3 AAC 110.040. Boundaries

- (a) In accordance with [AS 29.05.011](#)(a)(2), the boundaries of a proposed city must include all land and water necessary to provide the development of essential municipal services on an efficient, cost-effective level. In this regard, the commission may consider relevant factors, including*
- (1) land use, subdivision platting, and ownership patterns;*
 - (2) population density;*
 - (3) existing and reasonably anticipated transportation patterns and facilities;*
 - (4) natural geographical features and environmental factors;*
 - (5) extraterritorial powers of cities;*
 - (6) salability of land for residential, commercial, or industrial purposes; and*
 - (7) suitability of the territory for reasonably anticipated community purposes.*
- (b) To promote the limitation of community, the boundaries of the proposed city*
- (1) must be on a scale suitable for city government and may include only that territory comprising a present local community, plus reasonably predictable growth, development, and public safety needs during the 10 years following the anticipated date of incorporation; and*
 - (2) may not include entire geographical regions or large unpopulated areas, except if those boundaries are justified by the application of the standards in [3 AAC 110.005](#) - [3 AAC 110.042](#) and are otherwise suitable for city government.*
- (c) Absent a specific and persuasive showing to the contrary, the commission will presume that territory proposed for incorporation that is noncontiguous or that contains enclaves does not include all land and water necessary to allow for the development of essential municipal services on an efficient, cost-effective level.*
- (d) If a petition for incorporation of a proposed city describes boundaries overlapping the boundaries of an existing organized borough or city, the petition for incorporation must also address and comply with all standards and procedures to alter the boundaries of the existing organized borough or city to remove the overlapping*

territory. The commission will consider that petition for incorporation as also being a petition to alter the boundaries of the existing borough or city.

Analysis

In the preliminary report, Commerce had recommended that the LBC amend the boundaries of the proposed city by reducing its area from approximately 113 square miles to 68. The territory excluded is largely without roads and is less populated than the territory that Commerce recommended for the proposed city.

In his comment on the preliminary report, the Big Lake petitioner's representative, Jim Faiks, suggested that nine additional sections be added to the city limits to increase the proposed city's size to 76.8 square miles. After carefully examining aerial photos of those sections, their topography and geography, and the number of roads and buildings within those sections, Commerce concurs that those sections should be added.

Commerce finds that the present recommended size of 76.8 square miles includes the land and water necessary to provide the development of essential municipal services, including roads, under 3 AAC 110.040(a), and includes all areas necessary to provide municipal services on an efficient scale under AS 29.05.011(a)(2).

The proposed city boundaries of 76.8 square miles indicate that the petition meets the standards of 3 AAC 110.040(b)(1) because those boundaries are on a scale suitable for city government. Commerce affirms its finding that the proposed city includes only that the territory comprising a present local community, plus reasonably predictable growth, development, and public safety needs as defined by 3 AAC 110.040(b)(1). Commerce realizes that the proposed city boundaries are larger than may be typical; however, residents are attracted to live in Big Lake because of the lakes and ponds. Those lakes and ponds reduce the land for building, and so the proposed city necessarily has a larger size. Commerce further affirms its finding that the boundaries do not include entire geographic regions or large unpopulated areas under 3 AAC 110.040(b)(2).

Neither 3 AAC 110.040(c) nor 3 AAC 110.040(d) pertain to the proposed Big Lake incorporation.

For the reasons shown above, after considering the comments received regarding the preliminary report, Commerce reaches the same conclusion that it did for the preliminary report—that the standards are met. Commerce finds that AS 29.05.011(a)(2) and 3 AAC 110.040 are met for the Big Lake petition.

3 AAC 110.042. Best interests of state

In determining whether incorporation of a city is in the best interests of the state under [AS 29.05.100\(a\)](#), the commission may consider relevant factors, including whether incorporation

- (1) promotes maximum local self-government, as determined under [3 AAC 110.981](#);*
- (2) promotes a minimum number of local government units, as determined under [3 AAC 110.982](#) and in accordance with art. X, sec. 1, Constitution of the State of Alaska;*
- (3) will relieve the state government of the responsibility of providing local services; and*
- (4) is reasonably likely to expose the state government to unusual and substantial risks as the prospective successor to the city in the event of the city's dissolution.*

3 AAC 110.981(8) Determination of Maximum Local Self-Government

In determining whether a proposed boundary change promotes maximum local self-government under art. X, sec. 1, Constitution of the State of Alaska, the commission will consider

- (8) for city incorporation or annexation in an organized borough, whether the proposal would extend local government to territory or population of the organized borough where local government needs cannot be met by the borough on an areawide or nonareawide basis, by annexation to an existing city, or through an existing borough service area;*

3 AAC 110.982(6) Minimum Number of Local Government Units

Among the factors to be considered in determining whether a proposed boundary change promotes a minimum number of local government units in accordance with art. X, sec. 1, Constitution of the State of Alaska, the commission will consider

- (6) for city incorporation, whether incorporation of a new city is the only means by which residents of the territory can receive essential municipal services;*

Analysis

Commerce reaches the same conclusion that it did for the preliminary report—namely that the petition to incorporate Big Lake is in the best interests of the state because it promotes maximum local self-government, as determined under AS 29.110.100, [3 AAC 110.981](#), and art. X, sec. 1, Constitution of the State of Alaska. Including the additional nine sections enables lakes which would straddle city boundaries to be wholly within the proposed city. The city can then have greater influence on any development on those lakeshores. This increased influence or “clout” demonstrates a reasonable need for city government. Further, homes in those sectors can only be reached by city roads. That also indicates a need for city government which can be best provided met by maximum local self-government. Maximum local self-government is provided for by Alaska’s constitution, and so is in the best interests of the state. Commerce found above that

local government needs cannot be met by the borough on an areawide or nonareawide basis, by annexation to an existing city, or through an existing borough service area.

Mr. Bill Seitz had written expressing concerns about the state's finances, due to low oil prices. He wrote that the "responsible thing to do at this time is to put the City of Big Lake on hold until the state's finances are in order." The state is indeed suffering from a deficit at this time. While staff appreciates Mr. Seitz's opinion, it feels that the Big Lake citizens' right to have maximum local self-government should not be delayed. It is not their fault that the state is in deficit. Further, it is not clear to staff how incorporation would add to the state's fiscal woes, outside of the one-time incorporation grants of \$50,00 and \$25,000 each. That \$75,000 would be a very small part of the state's budget.

Commerce found in the preliminary report that [3 AAC 110.981](#) is met. After carefully considering the comments received regarding the preliminary report, Commerce affirms that finding.

The petition to incorporate Big Lake is also in the best interests of the state because it promotes a minimum number of local government units, as determined under [3 AAC 110.982](#) and in accordance with art. X, sec. 1, Constitution of the State of Alaska. Commerce found above that no other city or borough can provide Big Lake with essential municipal services, nor could any other borough or city provide those services more efficiently or more effectively than a city of Big Lake could. Commerce reaches the same conclusion that it did in the preliminary report—that 3 AAC 110.982 is met.

The petition to incorporate Big Lake is in the best interests of the state because it is not likely to expose the state government to unusual and substantial risks as the prospective successor to the city in the event of the city's dissolution.

Also, under AS 29.05.100(a), "After providing public notice of each proposed amendment or condition and an opportunity for public comment, the Local Boundary Commission may amend the petition and may impose conditions on the incorporation. If the commission determines that the incorporation, as amended or conditioned if appropriate, meets applicable standards under the state constitution and commission regulations, meets the standards for incorporation under [AS 29.05.011](#) or 29.05.031, and is in the best interests of the state, it may accept the petition. Otherwise, it shall reject the petition."

Under 3 AAC 110.570(c), "[i]f the commission determines that a proposed change must be altered or a condition must be satisfied to meet the standards contained in the Constitution of the State of Alaska, [AS 29.04](#), [AS 29.05](#), [AS 29.06](#), or this chapter, and be in the best interests of the

state, the commission may alter or attach a condition to the proposed change and accept the petition as altered or conditioned. A motion to alter, impose conditions upon, or approve a proposed change requires at least three affirmative votes by commission members to constitute approval. If the proposed change is a...

(2) municipal incorporation subject to [AS 29.05.060](#)-29.05.110, and if the commission determines that an amendment to the petition or the placement of a condition on incorporation may be warranted, the department shall provide public notice and an opportunity for public comment on the alteration or condition before the commission amends the petition or imposes a condition upon incorporation; if the department recommended the proposed change or condition and the public had an opportunity to comment on the proposed change or condition at a commission hearing, an additional notice or comment period is not required.”

Here, Commerce finds that the staff recommended boundaries are necessary to meet the best interests of the state standard. It is necessary because it is in the best interests of the state for the proposed city to be as strong and self-sufficient as possible. Reducing the proposed city boundaries from the 113.2 square miles described in the petition to the present 76.8 square miles helps the petition meet the standards of 3 AAC 110.040 “*Boundaries*.” Further, amending the boundary size is in the best interests of the state because the proposed city would be a smaller and more cohesive unit that does not include more territory than necessary.

In conclusion, Commerce affirms its preliminary report finding that the proposed incorporation is in the best interests of the state under Alaska’s constitution, [AS 29.05.100\(a\)](#), [3 AAC 110.042](#), [3 AAC 110.981](#), and [3 AAC 110.982](#).

General Provisions

3 AAC 110.900. Transition

- (a) *A petition for incorporation, annexation, merger, or consolidation must include a practical plan that demonstrates the capacity of the municipal government to extend essential municipal services into the boundaries proposed for change in the shortest practicable time after the effective date of the proposed change. A petition for municipal detachment or dissolution under AS 29.06, or a city reclassification under AS 29.04, must include a practical plan demonstrating the transition or termination of municipal services in the shortest practicable time after detachment, dissolution, or city reclassification.*
- (b) *Each petition must include a practical plan for the assumption of all relevant and appropriate powers, duties, rights, and functions presently exercised by an existing borough, city, unorganized borough service area, or other appropriate entity located within the boundaries proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area and must be designed to effect an orderly, efficient, and economical transfer within the shortest practicable time, not to exceed two years after the effective date of the proposed change.*
- (c) *Each petition must include a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of an existing borough, city, unorganized borough service area, and other entity located within the boundaries proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city, and unorganized borough service area wholly or partially included within the boundaries proposed for change and must be designed to effect an orderly, efficient, and economical transfer within the shortest practicable time, not to exceed two years after the date of the proposed change. The plan must specifically address procedures that ensure that the transfer and integration occur without loss of value in assets, loss of credit reputation, or a reduced bond rating for liabilities.*
- (d) *Before approving a proposed change, the commission may require that all boroughs, cities, unorganized borough service areas, or other entities wholly or partially included within the boundaries of the proposed change execute an agreement prescribed or approved by the commission for the assumption of powers, duties, rights, and functions, and for the transfer and integration of assets and liabilities.*
- (e) *The transition plan must state the names and titles of all officials of each existing borough, city, and unorganized borough service area that were consulted by the petitioner. The dates on which that consultation occurred and the subject addressed during that consultation must also be listed.*
- (f) *If a prospective petitioner has been unable to consult with officials of an existing borough, city, or unorganized borough service area because those officials have*

chosen not to consult or were unavailable during reasonable times to consult with a prospective petitioner, the prospective petitioner may request that the commission waive the requirement for consultation with those officials. The request for a waiver must document all attempts by the prospective petitioner to consult with officials of each existing borough, city, and unorganized borough service area. If the commission determines that the prospective petitioner acted in good faith and that further efforts to consult with the officials would not be productive in a reasonable period of time, the commission may waive the requirement for consultation.

Analysis

After considering the comments received on the preliminary report, Commerce reaches the same conclusion that it did for the preliminary report—that the transition plan in the Big Lake incorporation petition is feasible, and meets the standard of 3 AAC 110.900.

3 AAC 110.910. Statement of nondiscrimination

A petition will not be approved by the commission if the effect of the proposed change denies any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin.

Analysis

After considering the comments received regarding the preliminary report, Commerce affirms its preliminary report finding that nothing in these proceedings suggests that the proposed city incorporation would deny any person the enjoyment of any civil or political right, including voting rights, because of race, color, creed, sex, or national origin. Commerce affirms that 3 AAC 110.910 is met.

3 AAC 110.970. Determination of essential municipal services [(c) and (d) apply to cities]

...

(c) If a provision of this chapter calls for the identification of essential municipal services for a city, the commission will determine those services to consist of those mandatory and discretionary powers and facilities that

- (1) are reasonably necessary to the community;*
- (2) promote maximum, local self-government; and*
- (3) cannot be provided more efficiently and more effectively by the creation or modification of some other political subdivision of the state.*

(d) The commission may determine essential municipal services for a city to include

- (1) levying taxes;*
- (2) for a city in the unorganized borough, assessing the value of taxable property;*
- (3) levying and collecting taxes;*

- (4) for a first class or home rule city in the unorganized borough, establishing, maintaining, and operating a system of public schools within the city as provided in AS 14.14.065;*
- (5) public safety protection;*
- (6) planning, platting, and land use regulation; and*
- (7) other services that the commission considers reasonably necessary to meet the local governmental needs of the residents of the community.*

Analysis

After considering the comments received on the preliminary report, Commerce affirms its preliminary report finding that the proposed city would offer essential municipal services such as levying taxes and road maintenance. Commerce further finds that those services are reasonably necessary to the community to promote maximum local self-government, and cannot be provided more efficiently or more effectively by the creation or modification of some other political subdivision of the state. For the above reasons, Commerce concludes that the petition meets 3 AAC 110.970.

Conclusion

Commerce finds that the Big Lake petition as amended meets the incorporation standards. Commerce recommends that the commission approve the petition after amending it to reduce the boundary size to the size shown in the map, of approximately 76.8 square miles. The staff also recommends that the LBC condition approval upon voter approval of a proposition authorizing the city to levy a 2.57 mil rate real property tax.

Commerce recommends that the commission approve the Houston annexation petition without amendment or condition.

APPENDIX A: Public Notice

Local Boundary Commission (LBC)

Notice of Public Comment Period on the Final Report Concerning the Houston Annexation Petition and the Big Lake City Incorporation Petition and

Notice of an LBC Public Hearing and Decisional Meetings Regarding the Houston Annexation Petition and the Big Lake City Incorporation Petition

The Local Boundary Commission (LBC or commission) staff final report concerning the petition to incorporate the community of Big Lake as a second class city, and the petition to annex to the City of Houston was released on March 6, 2015. Procedures governing departmental reports are set out in 3 AAC 110.530. The report recommends that the LBC approve the Houston annexation petition without amendment or condition.

The LBC staff final report also recommends that the commission condition the proposed Big Lake incorporation upon voter approval of a proposition authorizing the city to levy a 2.57 mil rate real property tax. The staff also recommends that the commission amend the boundaries of the proposed city of Big Lake by reducing the size to approximately 76.8 square miles. A map with the recommended boundaries is shown below.

The report and both petitions with related materials will be available on the LBC website at:

http://commerce.state.ak.us/dca/lbc/2014_Big_Lake_Incorporation_and_Houston_Annexation_Petition.

If the report is not immediately available on the LBC website, contact the LBC staff to request a copy. These recommendations differ from those in the preliminary report. For that reason, interested persons or entities may file with the LBC written comments regarding the final report recommendations. Comments should also be served on (sent to) the applicable petitioner(s). Comments submitted to the LBC staff should be accompanied by a statement that the comment was served on the applicable petitioner(s), or the commenter should notify LBC staff of an inability to serve comments on the petitioner. Public comments must be filed and served in accordance with 3 AAC 110.480(d) and 3 AAC 110.700. The LBC has waived the requirement that commenters send a paper original of an electronically submitted comment. Oral comments on the recommendations for amendment and conditional approval may be given at the hearing under 3 AAC 110.560. Written comments on the recommendations must be received by 4:30 pm, Friday, March 27, 2015 at:

LBC Staff

550 W. 7th Ave., Ste. 1640, Anchorage, AK 99501-3510
Phone: 907-269-4559 • Fax: 907-269-4563 • LBC@alaska.gov

and

Houston Annexation Petition

Mayor Virgie Thompson, Petitioner's Representative

13878 W. Armstrong, Houston, AK 99694

vthompson@houston-ak.gov

and/or

Big Lake Incorporation Petition

Jim Faiks, Petitioner's Representative

19559 W. Bryant Road, Big Lake, AK 99652

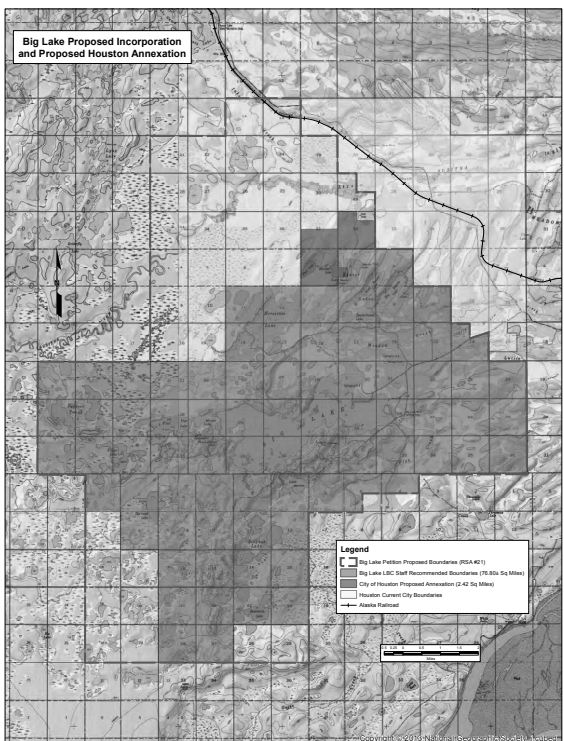
alaskalpaca@mtaonline.net

It is recommended that persons interested in receiving future LBC notices, updates, and materials by email subscribe to the LBC notice list server by visiting <http://list.state.ak.us/index.htm>, selecting "DCED-Local Boundary Commission," clicking "join or leave," and following the instructions. The LBC chair consolidated the two petitions because their proposed territories overlapped, and because the petitions were accepted for filing at the same time. The commission will convene a public consolidated hearing under 3 AAC 110.560 regarding the City of Houston annexation petition, and the petition to incorporate Big Lake. The public hearing will be held in the:

Big Lake Lions Recreation Center
2939 Lions Court, Big Lake, AK 99652
April 15, 2015 at 1:30 pm

If necessary, the LBC will reconvene at the same location the next day, April 16, 2015, at 10:00 am. The commission will convene a decisional meeting for each petition under 3 AAC 110.570 immediately after the hearing in the same location. Once prepared, hearing and decisional meeting materials will be available from LBC staff, or at http://commerce.state.ak.us/dca/lbc/2014_Big_Lake_Incorporation_and_Houston_Annexation_Petition.

LBC staff is working to make the hearing and decisional meetings available via teleconference. Please contact the staff for further information if you are interested in participating by teleconference. Individuals with disabilities who need auxiliary aids, services, or special modifications to participate must contact LBC staff by Friday, April 3, 2015.



APPENDIX B

Public Comments on the Preliminary Report

Appendix B

To: Alaska State Dept. of Commerce, Local Boundary Commission

Re: Comments on Preliminary Report to LBC, Big Lake Incorporation

Date: January 15, 2015

Dear Sir:

The Big Lake Incorporation Team feels that the staff of the LBC did a very professional and thorough analysis of the petition to incorporate Big Lake. We do, however, have a few corrections to make on the preliminary report and a suggested adjustment to the report's proposed boundaries.

Community Council Formation:

On page 13 of the report it states that the Big Lake Community Council was formed in 2010. That is the correct date when the CC became a registered non-profit corporation. The date, however, when the Community Council was established by Borough Resolution was March 5th, 1985.

Mill Rate:

The mill rate used to determine revenue in the report's financial analysis is 3 mills. Page 26 of the Big Lake petition used 2.57 mills to determine our \$1,277,584 in tax revenue. Unfortunately, also in our petition, on page 30, we stated 3 mills in error. We understand how this was misinterpreted in your report. It has always been the objective of the petitioners to form and operate a limited city government with the road service funds paid as part of our property taxes to the Borough. In this way there is no increase in taxes for property owners, but we believe better service. We apologize for our oversight and understand that the LBC will need to reevaluate their financial conclusion.

Boundaries:

The Preliminary Report recommends changes to the boundary of the proposed city. The incorporation petition used the road service boundaries which contained excess and unpopulated land area. The petitioner's representative and incorporation team accepts your proposed changes as being appropriate, but we would like to propose three changes.

The report's amended boundary will cut across portions of three different lakes, making part of the lake within the city, and part outside the city. Property owners outside the city will be using the city roads to access boat launches to travel to their properties. In addition, having a lake divided could make it difficult for the city to properly address resident's concerns when non-residents are using the same resource.

The three lakes and sections we are requesting to be added back into our boundary are:

Stephan Lake, Sections 12, 13, 23 and 24 of Township 16 North, Range 4 West.

Diamond Lake, Sections 7 and 8 of Township 16 North, Range 4 West.

Appendix B

Papoose Twins Lakes, Sections 19 and 20 of Township 17 North, Range 4 West and Section 24 of Township 17 North, Range 5 West.

I have attached a new metes and bounds description that incorporates these suggested changes. I have also attached a map showing the specific areas.

We look forward to continuing to work with the Boundary Commission as we move forward in the incorporation process.

Sincerely,

Jim Faiks

Petitioner's Representative

EXHIBIT B-1.

**LEGAL METES AND BOUNDS DESCRIPTION OF THE BOUNDARIES OF
THE TERRITORY PROPOSED FOR INCORPORATION**

Big Lake City Boundary Legal Description, located within Township 16 North, Range 3 West; Township 16 North, Range 4 West; Township 17 North, Range 3 West; Township 17 North, Range 4 West; Township 17 North, Range 5 West; Seward Meridian, Third Judicial District, Alaska, more particularly described as follows:

Beginning at the southwest corner of Section 28, Township 16 North, Range 4 West, which is the true point of beginning of this description;

Thence north approximately 3 miles to the northwest corner of Section 16, Township 16 North, Range 4 West;

West approximately 1 mile to southwest corner section 8, Township 16 North, Range 4 west;

Thence north approximately 1 mile to the southwest corner of Section 5, Township 17 North, Range 5 West;

Thence west approximately 1 mile to the southwest corner of Section 6, Township 17 North, Range 5 West;

Thence north approximately 1 mile to the northwest corner of Section 6, Township 17 North, Range 5 West;

Thence west approximately 1 1/4 miles to the southwest corner of Section 36, Township 17 North, Range 5 West;

Thence north approximately 3 miles to the northwest corner of Section 24, Township 17 North, Range 5 West;

Thence east approximately 5 miles to the northwest corner of Section 23,
Township 17 North, Range 4 West

Thence north approximately 2 miles to the northwest corner of Section 11,
Township 17 North, Range 4 West;

Thence east approximately 3 miles to the northwest corner of Section 8,
Township 17 North, Range 4 West;

Thence east approximately 2 miles to the northeast corner of Section 4,
Township 17 North, Range 3 West;

Thence south approximately 1 mile to the northeast corner of Section 9,
Township 17 North, Range 3 West;

Thence east approximately 1 mile to the northeast corner of Section 10,
Township 17 North, Range 3 West;

Thence south approximately 1 mile to the northeast corner of Section 15,
Township 17 North, Range 3 West;

Thence east approximately 1/2 mile to the north 1/4 corner of Section 14,
Township 17 North, Range 3 West;

Thence south approximately 1/3 mile to the north right-of-way line of Big Lake
Road located in Section 14, Township 17 North; Range 3 West

Thence northeast approximately 1/2 mile along the north right-of-way line of
Big Lake Road to the west right-of-way line of Wasey Way common to the north-
south section line common to Section 13 and Section 14 in Township 17 North,
Range 3 West;

Thence south approximately 3/4 mile along the north-south section line
common to Section 13 and Section 14, Township 17 North, Range 3 West, to the
northwest corner of Section 24, Township 17 North, Range 3 West;

Thence east approximately 1 mile to the northeast corner of Section 24,
Township 17 North, Range 3 West;

Thence south approximately 3 miles to the southeast corner of Section 36,
Township 17 North, Range 3 West;

Thence west approximately 3 miles to the northwest corner of Section 3,
Township 16 North, Range 3 West;

Thence south approximate 1/2 mile to the west 1/4 corner of Section 3,
Township 16 North, Range 3 West;

Thence west approximately 1 1/2 miles to the center 1/4 corner of Section 5,
Township 16 North, Range 3 West;

Thence south approximately 1/2 mile to the south 1/4 corner of Section 5,
Township 16 North Range 3 South;

Thence west approximately 1 1/2 miles to the northeast corner of Section 12,
Township 16 North, Range 4 West;

Thence south 3 miles to the southeast corner of Section 24, Township 16
North, Range 4 West;

Thence west approximately 2 miles to the southwest corner of Section 23,
Township 16 North, Range 4 West;

Thence south approximate 1 mile to the southwest corner of Section 26,
Township 16 North, Range 4 West;

Thence west approximate 2 miles to the southwest corner of Section 28,
Township 16 North, Range 4 West, which is the true point of beginning of this
description; said parcel containing approximately 79 square miles.

Approx. 25 River Miles from Skeetna the Parks Highway. Canoeing down the Little Susitna Riv the Parks Highway to the Denaina La head can be made comfortably in 2 The Little Susitna River is most traveling, but some canoeing exper advisable.

3 sections Papoose
Twins Lake

2 sections
Diamond
Lake

4 sections
Stephan Lake

Appendix B

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We look forward to continuing to work with the Boundary Commission as we move forward in the incorporation process.

Sincerely,

Jim Faiks

Petitioner's Representative

PO Box 521152

Big Lake, AK 99652

Greetings,

1-10-15

With the continuing low oil prices, the State of Alaska is in a fiscal crisis. This will impact all people, all families, and all communities in Alaska for quite a while.

The responsible thing to do at this time is to put the City of Big Lake proposal on hold until the State's finances are in order.

Sincerely,
Bill A. Seitz

S Bill A. Seitz
6528 Cimarron Cir.
Anchorage, AK 99504

RECEIVED
JAN 13 2015
Local Boundary Commission



City of Houston

PO Box 940027 (907) 892-6869 Direct
13878 W Armstrong (907) 892-7677 Fax
Houston AK 99694

Comments on the Preliminary Report to the Local Boundary Commission on the Houston Annexation Petition and the Big Lake City Incorporation Petition

January 15, 2015

Petitioner's Representative:

Mayor Virgie Thompson
PO Box 940027
Houston, AK 99694
(907) 892-6869
vthompson@houston-ak.gov

Petitioner's Co-Representative

Deputy Mayor Lance Wilson
PO Box 940027
Houston, AK 99694
(907) 892-6869
lwilson@houston-ak.gov

Honorable Members of the Local Boundary Commission:

The City of Houston is very appreciative of the high degree of dedication and professionalism demonstrated by the Local Boundary Commission Staff as they process our petition. Without reservation, we heartily agree with the LBC Staff recommendations contained in the Preliminary Report, dated December 16, 2014.

In closing, the City of Houston thanks the Local Boundary Commission for this opportunity to submit comments concerning our petition, and we hope to conclude action on our request at the earliest opportunity.

Respectfully Submitted,

A handwritten signature in blue ink that reads 'Virgie Thompson'.

Virgie Thompson
Mayor, City of Houston

Lance Wilson
Deputy Mayor, City of Houston

Copy Furnished:
Jim Faiks, Petitioner's Representative
19559 W. Bryant Road, Big Lake, AK 99652
alaskalpaca@mtaonline.net

Appendix C

Maps

