



Deborah B. Sedwick, Commissioner

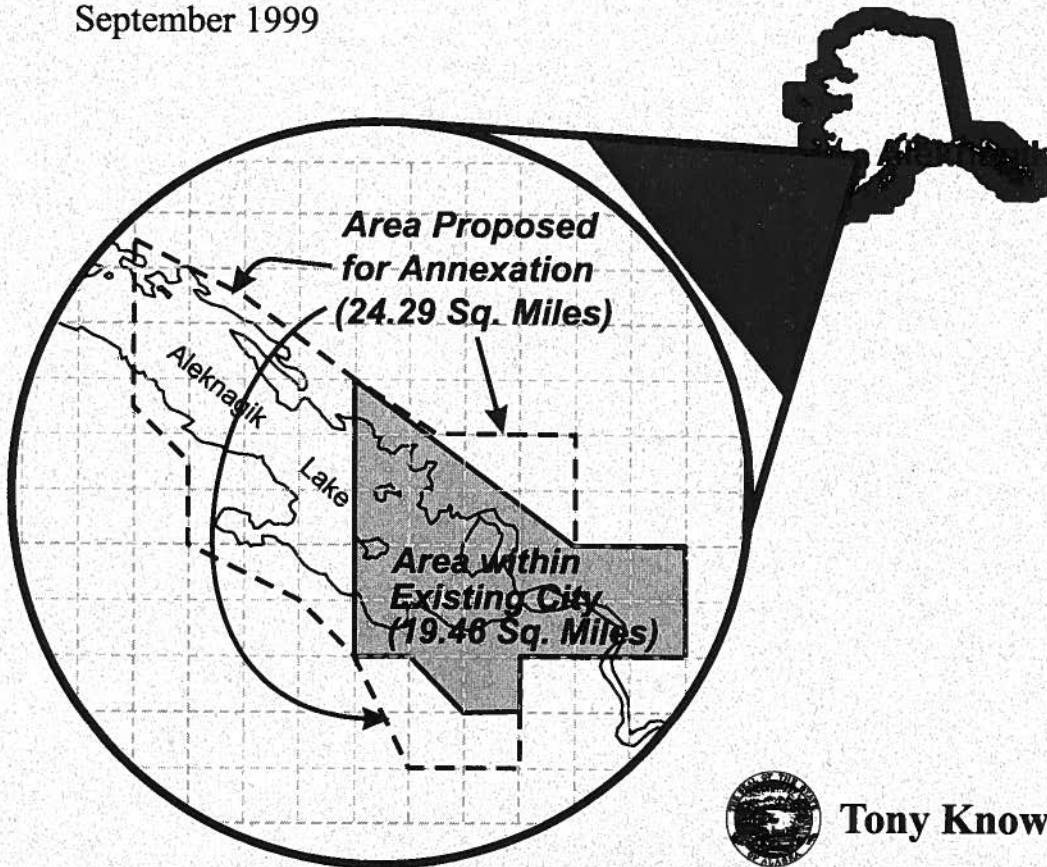
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# Preliminary Report Regarding the City of Aleknagik's Petition to Annex Approximately 24.29 Square Miles

September 1999



Tony Knowles, Governor

This is the Department of Community and Economic Development's executive summary and preliminary report regarding the City of Aleknagik's annexation petition. A copy of the report can be found on the Internet at the following address:

**[http://www.dced.state.ak.us/mra/Mrad\\_lbc.htm](http://www.dced.state.ak.us/mra/Mrad_lbc.htm)**

Copies of the report are also available for review through the Aleknagik City Administrator.

The report is preliminary in the sense that it is issued as a draft for public review and comment in accordance with 19 AAC 10.530(b). The law requires the Department of Community and Economic Development (DCED) to issue a final report after considering written comments on the preliminary report.

Occasionally, DCED's preliminary reports to the Local Boundary Commission become final with little or no modification. If such occurs in this instance, it will be announced by a letter that will serve to meet the requirement for a final report. If circumstances warrant otherwise, a separate final report will be published in this matter.

DCED 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. Requests for such should be directed to the Local Boundary Commission staff at (907) 269-4500, or TDD (800) 930-4555.



# Acknowledgments

Policy direction concerning DCED's recommendation to the Local Boundary Commission was provided by the following DCED policy makers:

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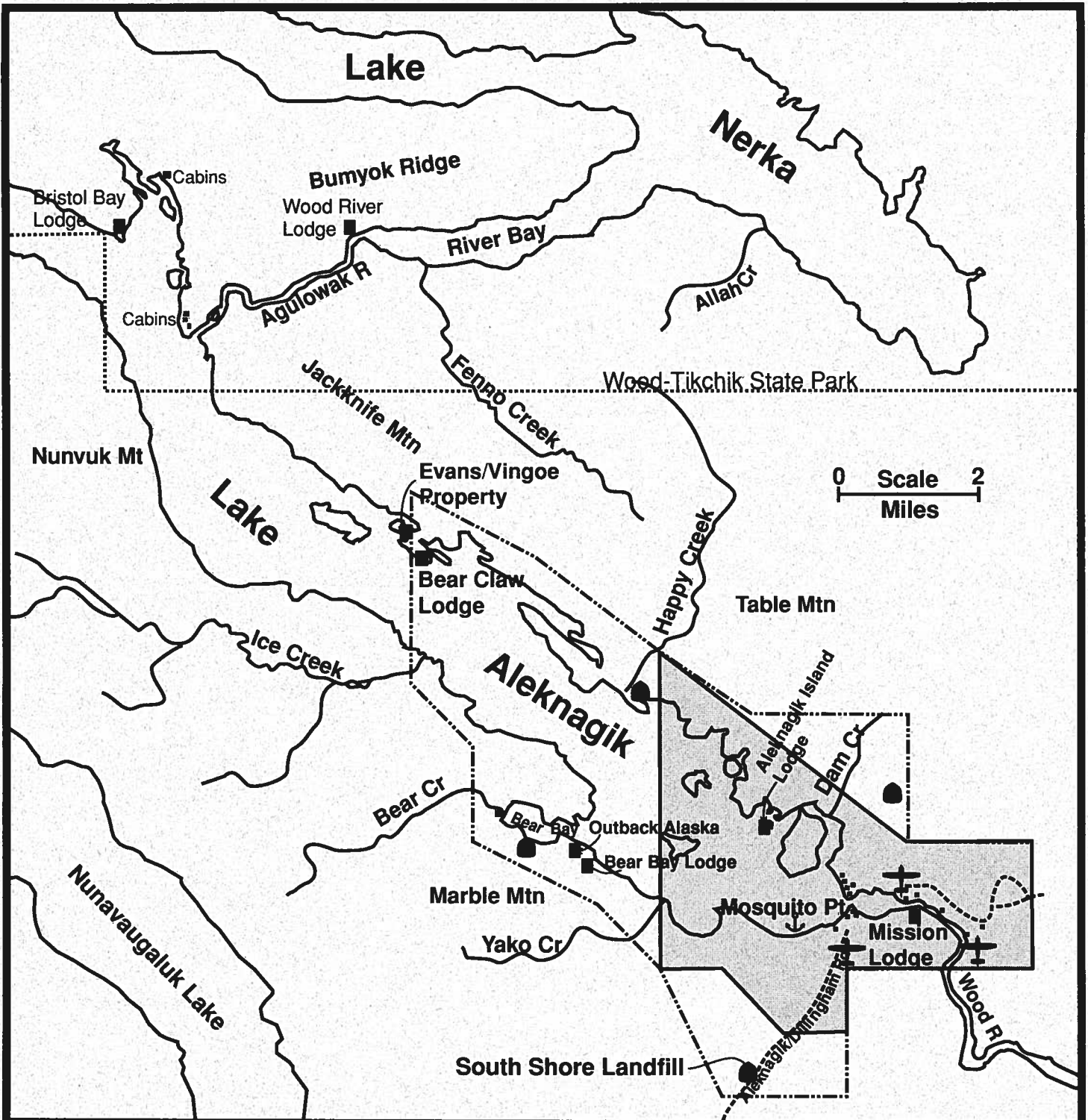
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## Legend



Existing Boundaries - City of Aleknagik



Area proposed for annexation



Point of Interest - Labeled on map



Landing Strip



Proposed Seaplane Base



14(c)(3) parcels



# EXECUTIVE SUMMARY

The issue is whether the boundaries of the City of Aleknagik should be expanded to include an additional 24.29 square miles with eight year-round residents and fifty seasonal residents. Disposition of that issue requires both judgments of fact and local political determinations. As discussed herein, the judgments of fact will be made by the Alaska Local Boundary Commission. Local political determinations with respect to annexation have been made by the City of Aleknagik as the local government directly involved in the annexation proposal. If the petition is granted by the Commission, the ultimate determination concerning the proposal will be made by the Second Session of the Twenty-First Alaska State Legislature.

## PLAYERS

The following is a brief listing of the entities and individuals who have significant roles with respect to the pending annexation proposal.

**City of Aleknagik** (hereinafter "City" or "Aleknagik") is the Petitioner in this proceeding. Aleknagik is a second class city government incorporated in 1973. Current bound-

aries of the City encompass approximately 19.46 square miles. The 1998 population of the City was 260.

**Alaska Department of Community and Economic Development** (hereinafter "DCED") serves as staff to the Local Boundary Commission, an autonomous State commission which must judge whether the City's annexation proposal meets criteria established in law that are required of annexations. In its capacity as staff to the Commission, DCED is required by law to evaluate annexation proposals and to present recommendations to the Commission regarding such. Appendix A of this report provides additional background information regarding DCED.

**Correspondents** are those individuals and groups who took advantage of the nine week-long opportunity to file written comments in support of or in opposition to the annexation proposal. No responsive briefs were filed in this matter. Timely written comments **supporting** the annexation proposal were received from:

- Aleknagik Natives, Ltd.;
- Chris Hladick on behalf of the City of Dillingham;

- Bobby Andrews;
- Roland Moody;
- Berna Rae Andrews;
- Tom Tinker;
- Nick Tinker;
- Shellie M. Aloysius; and
- Allen Ilutsik.

Timely written comments **opposing** the annexation petition were received from:

- Keith Evans;
- Billie Benedict;
- Miriam Olson on behalf of the Aleknagik Traditional Council;
- Cecilia Martin; and
- Mark Vingoe.

**Local Boundary Commission** (hereinafter "LBC" or "Commission") is the five-member State commission that will decide whether to grant the petition as presented, amend the petition, or deny it. The Commission may also impose conditions on the annexation proposal. The LBC's decision will be based strictly on criteria established in law governing annexation.

The LBC was created under Alaska's constitution. Of the 130 or so State boards and commissions, the LBC is one of only five with constitutional origins. The constitution provides, as a matter of public policy, that the Commission will judge the estab-

ishment and alteration of municipal boundaries throughout Alaska. LBC members are appointed by the Governor and serve without compensation. Appendix A of this report provides additional background information regarding the Commission.

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## **REASONS FOR ANNEXATION**

The City of Aleknagik has stated the following three principal reasons for its annexation proposal:

- growth and development is anticipated in the area proposed for annexation as Native allotments and village corporation lands are sold and subdivided;
- conveyance of ANCSA 14(c) land parcels outside the current municipal boundaries and the desire by the City to bring city owned property within the City's jurisdiction;
- the lack of municipal government oversight of lands adjoining the current City of Aleknagik Boundaries.

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## **EFFECTS OF ANNEXATION**

1. If approved as submitted, annexation would extend the jurisdiction of the City over:

- a portion of Lake Aleknagik and its shoreline encompassing about 18 square miles;
  - an area containing about 2.5 square miles north of the existing city boundaries containing City-owned land and City facilities, including the north shore landfill site;
  - an area containing about 3.5 square miles south of the existing City boundaries containing the City owned south shore landfill site.
2. The City would provide landfill service within the territory.
  3. The City would levy a 5% sales tax and a 5% bed tax in the area proposed for annexation.

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## **PROCEEDINGS**

Individuals and organizations have until October 19, 1999 to review and comment on DCED's draft report concerning the pending annexation proposal. The final DCED report will be issued after such comments are carefully considered.

The LBC will conduct a hearing on the annexation proposal in Aleknagik. The hearing time will be set by the

Chairperson of the Local Boundary Commission. At least thirty days notice of the hearing will be given. Further details about past, ongoing, and future actions relating to this particular annexation proposal are provided in Appendix B of the full draft report.

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## **ANNEXATION CRITERIA**

Decisions of the LBC must be based on criteria established in law. The Commission renders a decision on a petition only after it conducts a hearing on the proposal and reviews all written evidence, including the petition, responsive briefs, correspondence, reply brief, and reports from DCED. In summary, the criteria are outlined below:

- the territory must be compatible in character with the annexing city;
- the territory must exhibit a reasonable need for city government;
- the annexing city must be able to provide essential city services to the territory better than another existing city or an organized borough;
- the territory, in combination with the area inside the existing city, must have the human and



- financial resources to provide essential city services on an efficient, cost-effective level;
- the population of the territory, when combined with the population inside the existing city, must be sufficiently large and stable to support city government;
- the proposed new city boundaries must include all land and water necessary to provide the full development of essential city services on an efficient, cost-effective level;
- the territory must be contiguous (unless a compelling reason exists for annexation of non-contiguous territory);
- the proposed boundaries must include only the existing local community, plus reasonably predictable growth, development, and public safety needs during the 10 years following annexation;
- the proposed boundaries must not include entire geographical regions or large unpopulated areas, except when such is justified by other annexation standards;
- annexation must serve the broad public interest;
- annexation must be in the balanced best interest of the State of Alaska, the territory proposed for annexation and all political subdivisions affected by the annexation;
- the annexing city must present a suitable plan for the assumption of all appropriate powers, duties, rights, functions, assets, and liabilities relating to annexation; the plan must have been prepared in consultation with appropriate local government officials;
- annexation cannot deny any person civil or political rights because of race, color, creed, sex or national origin.

### **DCED'S ANALYSIS**

Sections 1 through 11 of DCED's full draft report on this matter analyzes the City's annexation proposal with respect to the standards. A summary of the conclusions reached in those sections follows.

#### **19 AAC 10.090—Need for City Government**

The proposed annexation fully satisfies the standard set out in 19 AAC 10.090 with respect to the areas north and south of the current boundaries. With respect to these areas there is a reasonable need for municipal government and the City of Aleknagik can best fulfill that need. The standard is not satisfied with respect to the 18 square mile area to the west of the existing boundaries.

#### **19 AAC 10.100—Compatibility of Area Proposed for Annexation with Existing City**

Portions of the territory are quite compatible in character with the annexing city. These include:

1. the 2.5 square miles north of the existing city boundaries containing the City-owned north shore landfill site;
2. the area containing about 3.5 square miles south of the existing City boundaries containing the city-owned south shore landfill.

This standard is marginally satisfied by the remaining 18 square miles. The Petitioner believes that development along the lake shore renders the area compatible with the area within the existing boundaries. However, the area's minimal population density is an issue.

#### **19 AAC 10.090(b)—Comparative Ability of City to Provide City Services**

On one hand, this standard is met, since essential city services cannot be provided more efficiently and more effectively by another existing city or by an organized borough. On the other hand, assertions that the City provides minimal services have a high degree of validity. Fur-

ther, the need for services in the 18 square mile area to the west of the existing boundaries is minimal. The only services that will be provided to the area consist of dump facilities and responding to certain public safety needs. Although the record contains extensive reference by the Petitioner to the need for municipal planning and land use regulation in the area proposed for annexation, it is not demonstrated that such service is provided to any significant extent.

#### **19 AAC 10.110— Resources**

The economy within the proposed post-annexation boundaries of the city includes the human and financial resources necessary to provide essential City services to the areas located north and south of the existing boundaries on an efficient, cost-effective level. References by the Petitioner to planning and public safety notwithstanding, such services appear to be limited, in practical terms, to operation of the dump sites on the north and south shore. Such operation of the landfills is already carried out by the City on an extraterritorial basis.

However, the standard is not clearly satisfied with the 18 square mile area west of the existing boundaries.

#### **19 AAC 10.120— Population**

It is questionable whether the minimal population within the full extent of the proposed boundaries of the city is sufficiently large and stable to support the extension of city government. Annexation would more than double the size of the area within the boundaries of the City and but bring only eight full-time residents into the City.

#### **19 AAC 10.130(a)— Boundaries**

The proposed boundaries of the City includes so much land and water as to challenge the City's ability to achieve the full development of essential city services on an efficient, cost-effective level. This applies only to the 18 square mile portion of the area proposed for annexation located west of the existing boundaries.

#### **19 AAC 10.130(b)— Contiguity**

The areas proposed for annexation are contiguous to the existing City boundaries.

#### **19 AAC 10.130(c)— Inclusion of Immediate Community and 10 Years' Growth**

The record suggests that over the next ten years, privately owned lands suitable for development in the territory

proposed for annexation may undergo residential and commercial development. However, the extent to which such growth and development will occur is a matter of conjecture. Numerous extraneous factors will play a role in determining the pace of development in the area. Thus, DCED concludes that while 19 AAC 10.130(c) may be marginally satisfied by the annexation proposal, the record does suggest that such growth projections are somewhat speculative and by no means assured. Again, this concern applies only to the 18 square mile area west of the existing boundary.

#### **19 AAC 10.130(d)— Exclusion of Large Unpopulated Regions**

The area proposed for annexation encompasses extensive areas with a very sparse and seasonal population. The question is whether inclusion of such unpopulated areas is justified by other annexation standards. DCED's view is that inclusion of the areas to the north and south of the existing boundaries, encompassing 6.29 square miles, is reasonably justified by other annexation standards, but that the annexation of the 18 square mile area to the west of the existing boundaries does not satisfy the other annexation standards.



**19 AAC 10.140—  
Balanced Best  
Interests**

The proposed annexation may serve the balanced best interests of the State of Alaska if annexation facilitates the delivery of public safety services to areas that require such services. Since public safety services to the area are not technically provided by the City at this time, but funded by the State and provided by the Bristol Bay Native Association (BBNA), justifying annexation on such grounds is somewhat disingenuous.

If growth and development occurs in the manner anticipated by the Petitioner, annexation of the 18 square mile area west of the existing boundaries would probably enhance the City of Aleknagik's finances over the long-term. However, short-term financial gains appear to be entirely absent or, if present, negligible. Since inclusion of its corporate land holdings within City of Aleknagik's jurisdiction is compatible with the stated interests of the major landowner in the area proposed for annexation, Aleknagik Natives, Ltd., annexation could be considered to be consistent with the best interests of the territory proposed for annexation.

However, the record indicates that others with interests in the territory, such as the Aleknagik Traditional Council, consider that annexation of the 18 square-mile area west of the existing boundaries does not satisfy the balanced best interests requirements because extending City services to that large, sparsely populated area would be detrimental to the delivery of City services to the area presently within the jurisdiction of the City. The Aleknagik Traditional Council's concerns do not apply to the areas located north and south of the existing City boundaries.

Annexation of the areas to the north and south of the existing city boundaries would satisfy the balanced best interests of the State of Alaska, the territory proposed for annexation, and affected political subdivisions. However, annexation of the 18 square mile area to the west of the existing boundaries does not demonstrably meet the balanced criteria. Thus, the standard set out in 19 AAC 10.140 is satisfied with respect to only a portion of the area sought for annexation.

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**OPTIONS**

There are three options for the Local Boundary Commission in this case. These are:

1. approve the petition as submitted;
2. reject the petition;
3. amend the petition.

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**RECOMMENDATION**

DCED recommends that annexation of the areas to the north and south of the existing City of Aleknagik boundaries, collectively encompassing 6.29 square miles, be approved by the Commission and that such recommendation be forwarded to the Second Session of the Twenty-First Alaska State Legislature for consideration.

The 18 square mile area to the west of the existing City of Aleknagik boundaries should not be included in the area proposed for annexation unless the Commission determines that the absence of an organized borough in the area and other factors specific to the Aleknagik area warrant a liberal interpretation of the standards for annexation in this case.

DCED's recommendation that the Commission amend the City of Aleknagik's petition to exclude the 18 square mile area to the west of the current boundaries of the City of Aleknagik was influenced by the following considerations.

- Proponents of the pending annexation petition originally contemplated sub-

mission of a petition for a larger area of Aleknagik Lake and its adjacent shoreline, but were dissuaded from seeking a larger area after consulting with DCED staff. However, City officials continue to express strong interest in a much larger expansion of the City's boundaries. As stated in the Petitioner's reply brief, *"The Planning Committee recommended to the City Council that the entire lakefront be annexed in the next 10 to 15 years. This step is the first step in that plan. An aggressive annexation petition would possibly be dismissed by the LBC, so the Agulawok*

*and Junior Camp were not selected at this time."*

Thus, annexation of the entire area sought by the pending proposal would likely be construed as setting the stage for one or more future proposals to annex even more extensive areas to the City. Such could be seen as tacitly encouraging incremental annexations of extensive tracts of sparsely-inhabited territory.

- Establishment of such a precedent could have far reaching implications with respect to future annexation or city incorporation petitions as others seek to

include similarly large, sparsely inhabited areas within the boundaries of city governments. In Southwest Alaska and certain other parts of the unorganized borough, such could add to the existing substantial disincentives impeding borough incorporation.

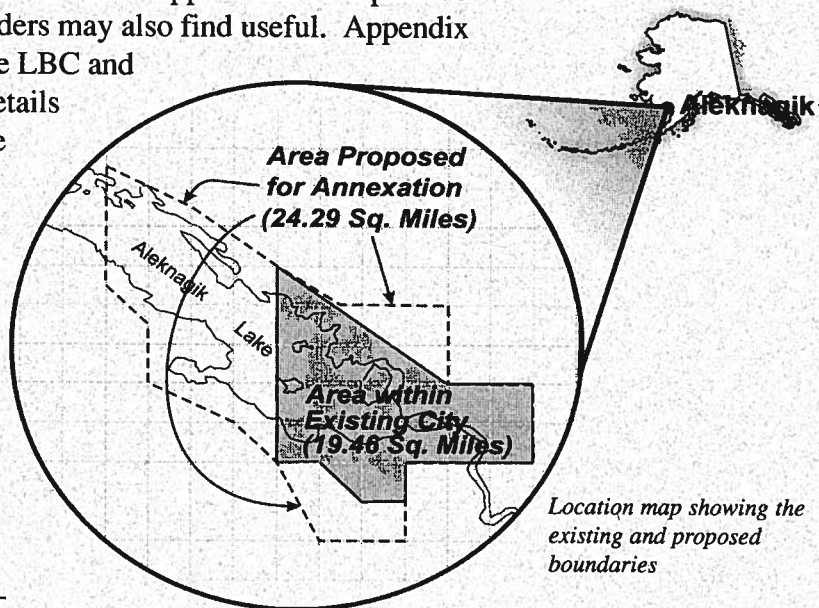
DCED recommends that the amended petition should be forwarded to the Second Session of the Twenty-First Alaska State Legislature for consideration and approval.



# Introduction

Sections 1 through 11 of this report examine the annexation proposal in terms of the annexation standards established in law that guide the Local Boundary Commission (LBC or 'Commission') in reaching decisions concerning annexation proposals. Section 12 conveys the preliminary recommendation of the Department of Community and Economic Development (DCED) to the Commission. Appendices A-C provide background information that readers may also find useful. Appendix A provides information about the LBC and DCED. Appendix B provides details about the past, current and future proceedings relating to this annexation proposal. Appendix C provides background information about the City.

On March 1, 1999, the City of Aleknagik petitioned the State of Alaska Local Boundary Commission to annex approximately 24.29 square miles. The petition was accepted for filing by the Department of Community and Regional Affairs (DCRA) on April 1, 1999.<sup>1</sup> Both the City of Aleknagik and the territory proposed for annexation lie within the unorganized borough.



*Location map showing the existing and proposed boundaries*

The territory proposed for annexation encompasses areas contiguous to the City's present northern, southern, and western corporate boundaries.

The City of Aleknagik offered the following three principal reasons for its annexation proposal:

- growth in the greater Aleknagik area, as reflected in the increase of private property ownership and development,
- conveyance of ANCSA Section 14 (c)(3) land within the territory proposed for annexation to the City,
- the lack of municipal governmental oversight of lands adjoining the current City of Aleknagik Boundaries.

<sup>1</sup> As of July 1, 1999, Local Boundary Commission administrative support functions previously provided by the former the Department of Community and Regional Affairs (DCRA) are provided by the Department of Community and Economic Development (DCED).

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## Public Comments

No responsive briefs were filed in this matter. Timely written comments concerning the annexation proposal were received from Aleknagik Natives, Ltd., Keith Evans, Billie Benedict, Miriam Olson on behalf of the Aleknagik Traditional Council, Cecilia Martin, Roland Moody, Berna Rae Andrews, Tom Tinker, Chris Hladick on behalf of the City of Dillingham, Nick Tinker, Shellie M. Aloysius, Allen Ilutsik and Mark Vingoe.

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# Section 1

## Compatibility of the Territory & Existing City

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### A. The Standard

State law allows that an area may be annexed to a city provided, in part, that the LBC determines that it is compatible in character with the annexing city. Specifically, the law states as follows:

#### 19 AAC 10.100- Character

The territory must be compatible in character with the annexing city. In this regard, the commission will, in its discretion, consider relevant factors, including the

- (1) land use and subdivision platting;
- (2) salability of land for residential, commercial, or industrial purposes;

- (3) population density;
- (4) cause of recent population changes; and
- (5) suitability of the territory for reasonably anticipated community purposes.

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### B. Views Expressed in the City of Aleknagik's Petition

The annexation petition asserts that: "*Historically, the lake has served as a transportation route - by boat in summer and with dog team and (lately) snow machine in winter, on the ice. The territory to be annexed is, for the most part, lakefront or actual lake. The exceptions are in*

*cases of property outside of City Boundaries - both North and South Shore Landfills.*" (Petition, page 5, #21.)

### Land Use and Subdivision Platting

The Petitioner's brief indicates that commercial lodges are being established in the area proposed for annexation and that an 80-acre parcel just outside the City boundaries has recently been subdivided into 2-acre lots.

### Population Density

The petition concedes that permanent resident population of the territory proposed for annexation is much less densely populated (0.32 year-round residents per square mile) than the area within the City's current boundaries



(13.3 year-round residents per square mile). However, the City advances the view that data on population density should be considered with the understanding that both the territory within the current City limits and the area proposed for annexation include large areas of Aleknagik Lake. Currently, about 34% of the territory within the existing boundaries of the City of Aleknagik is water. Further discussion of population density in the subject area is included in Section 6 of this report.

**Salability of Lands**

The Petitioner's brief provides the following statements regarding this factor.

- "With the completion of the surveys and conveyances of Native Allotment land, there is now available recreational land for purchase."

- "A developer purchased an 80-acre parcel and subdivided the lake-front area into 2-acre lots, with options for cabin purchase. (This development is just outside the City boundaries.)"
- "To our knowledge, 12 parcels of land (some quite large) in and around the City boundaries sold during the past year."
- "Aleknagik Natives Ltd, the local Corporation, may subdivide and sell land if there is road and bridge access to the North Shore of the lake. ANL has extensive land holdings inland from the lake, and north of the lake."

**Cause of Recent Population Changes**

The Petitioner's brief states that "There has been an increase in seasonal visitors, with many choosing to erect homes on lake-front or other land."

**Suitability of the Territory for Anticipated Community Purposes**

The Petitioner's brief notes that while most major facilities serving the community are located inside the corporate boundaries of the City, the north and south shore landfills are significant community facilities located in the area proposed for annexation.

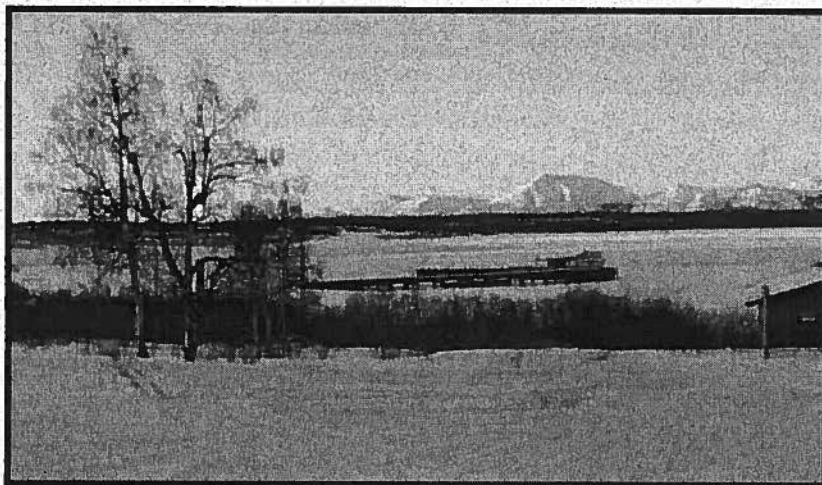
**C. Views Expressed by Others Regarding the Character of the Territory**

**Population Density**

Mark Vingoe's June 1 letter states "This land, while similar in terrain to the City does not have a similar population density."

**Land Use and Subdivision Platting**

Mark Vingoe's letter of June 1 stated "Also, it is my belief that the State has a more compelling interest in overseeing land development in the area, given the proximity of these properties to the Wood Tikchik State Park. This past legislative session a measure was passed which now authorizes the State to manage development of all



Winter shoreline of Aleknagik Lake

subdivisions in any unorganized lands. As future usage of the park will undoubtedly increase it would seem that the State's interest would be better served by continuing to maintain control of subdivision platting and building codes. Given its small size Aleknagik has neither the expertise, time or financial resources available for this purpose."

**Suitability for Reasonably Anticipated Residential, Commercial or Industrial Purposes**

Although the Aleknagik Traditional Council did not support annexation of the entire area, Miriam Olson's April 16, 1999 letter on behalf of that body suggests tacit support for annexation of the landfill sites. "However, they did not object to the city annexing the two landfill sites that they have currently acquired under the 14 C (3) process."

Shellie M. Aloysius' letter in support of the proposed annexation states, "There are a lot of Lodges, Homes, and Business that are going to be built on the proposed area." In terms of anticipated development, she states "Along the lake side, a few business were going to put "up" restaurants, and bars, (which sells liquor)."

Mark Vingoe's letter states "This land, while similar in terrain to the City does not have a similar population density or suitability for reasonably anticipated community purposes. The City does not rely upon this area for any of its needs and most members do not utilize the land unless they maintain ownership."

**D. Reply by the City of Aleknagik to the Comments by Others Regarding the Character of the Territory**

The City's reply brief notes the traditional use of the area proposed for annexation by Aleknagik residents for subsistence, "The Character of the land is similar, and is used by residents for traditional purposes, such as berry picking, fishing through the ice, and subsistence hunting."

**Land Use and Subdivision Platting**

The City's reply brief states, "As for the comment that the State would do better in overseeing development in the area, the State is actively seeking Boroughs or Municipalities to take over such functions. Indeed, State

Officials prefer local control, and taxation to continued subsidies based on declining oil revenues. The comment that the State would do better at Platting and Subdivision Management assumes that a huge bureaucracy, far away in Juneau, could have better input than residents living in the area could. Concern about the ability of a small town to plan, plat and manage building codes is valid- but only in regard to financial resources. An increased tax base would provide the finances to allow for residents and future residents to maintain the qualities that are sought by such people when they purchase property and build here."

**Salability of Land for Residential, Commercial or Industrial Purposes**

The Petitioner's reply brief states, "The City of Aleknagik feels that change has been occurring very quickly, with land sales creating two lodges in 4 months summer of '98, and two more planned for construction just outside current boundaries this summer."



## **E. DCED'S Views**

### ***Criteria for Judging the Compatibility of the Character of the Territory***

The standard at issue concerns whether the territory proposed for annexation is "compatible" in character with the area inside the corporate boundaries of the City of Aleknagik. "Compatible" is defined in *Webster's New World Dictionary* as, "capable of living together harmoniously or getting along well together; in agreement; congruous . . ."

The applicable standard does *not* require an area proposed for annexation to be identical or even similar in character with an annexing city. Rather, the character of the two areas must be harmonious — capable of working together.

### ***Land Use and Subdivision Platting***

The statement by the Petitioner's Representative that numerous parcels of lakefront property located within the area proposed for annexation have been subdivided is supported by Bureau of Land Management (BLM) records. BLM records indi-

cate that 33 Native allotments have been certified by that agency in the area proposed for annexation and a determination is pending on three others.<sup>2</sup>

The area within the *existing* boundaries of the City includes a 124.50-acre federal townsite on the north shore. A townsite patent on 124.50 acres was accepted by the BLM Townsite Trustee on November 4, 1970. The trustee, in turn, deeded occupied parcels to residents, and some vacant subdivided lots to the city. The townsite includes five shoreline municipal reserves totaling 14.39 acres, and a 55.96-acre airport site.

### ***Suitability of Land for Residential, Commercial or Industrial Purposes***

Most of the area proposed for annexation consists of the Lake Aleknagik and its shoreline. Much of the surface estate of lakefront property in the area proposed for annexation is owned by Aleknagik Natives, Ltd. and the corresponding subsurface estate is owned by the Bristol Bay Native Corporation. Aleknagik Natives, Ltd. has been conveyed surface estate ownership of 115,028.24 acres

pursuant to the Alaska Native Claims Settlement Act (ANCSA). (Ownership of the corresponding subsurface estate was conveyed to the Bristol Bay Native Corporation.)

### ***Population Density***

As noted, the year-round population density of the territory proposed for annexation is only 2.5% of the level of year-round population within the existing boundaries of the City. Population density in the area proposed for annexation is more fully examined in Section 6 and Section 9 of this report.

### ***Suitability of the Territory for Reasonably Anticipated Community Purposes***

The City of Aleknagik has been conveyed 550 acres by Aleknagik Natives, Inc., under provisions of Section 14(c)(3) of the Alaska Natives Claims Settlement Act and about 170 additional acres are slated to be conveyed to the City, bringing the total to about 720 acres.<sup>3</sup> The land acquired by the City in this manner includes several parcels in the area proposed for annexation which have been or will be

2 Personal communication, August 19, 1999, Allison Johnson, BLM

3 Minutes of May 13, 1999 Aleknagik Planning Committee meeting

utilized for community purposes. These consist of the following:

- **Happy Creek Campsite**, comprised of about ten acres located just west of the existing municipal boundaries, plus a 25-foot wide trail easement;
- **Bear Bay Campsite**, comprised of about ten acres southwest of the existing municipal boundaries, plus a 25-foot wide trail easement;
- **North Shore Landfill**, comprised of about 20 acres;
- **South Shore Landfill**, comprised of 22 acres.

### **Conclusion**

The following is a summary of the findings made by DCED in this section concerning the character of the territory proposed for annexation:

- ◆ The population density of the territory proposed for annexation is 97.5% less than that within the existing boundaries of the City of Aleknagik.
- ◆ Even though the area proposed for annexation has a minimal population, the pattern of development in the area proposed for

annexation is compatible with those in adjacent areas within the corporate boundaries of the City of Aleknagik.

- ◆ The territory proposed for annexation and the area within the current boundaries of the City of Aleknagik are interconnected and interdependent. Thus, the land use of the territory proposed for annexation and its suitability for reasonably anticipated community purposes are compatible with such characteristics of the area within the City limits.
- ◆ The fact that much of the land both within the area proposed for annexation and the City is owned by Aleknagik Natives, Ltd., is a factor that helps to render the territory proposed for annexation compatible in character with the area within the existing boundaries of the City of Aleknagik.

The Petition suggests that the area inside the current City limits and the territory proposed for annexation comprises a single sprawling community bound by shared proximity to Lake Aleknagik.

Based on the factors set out in 19 AAC 10.920, DCED finds that, in some respects, the territory proposed for annexation and the area within the current boundaries of the City of Aleknagik are indeed one in the same community. Although the territory in question is expansive, it is contiguous to the City of Aleknagik. The extent to which the eight permanent and 50 seasonal residents of the territory proposed for annexation utilize the limited social, economic, medical and governmental facilities of the City of Aleknagik is arguable. However, it is inconceivable that people in the area proposed for annexation do not frequent Dillingham for a wide range of services and commercial activities. Further, the Petitioner's reply brief states that 26 Aleknagik residents commute to Dillingham daily to work.

In the context of land use, DCED considers portions of the territory proposed for annexation to be compatible with portions of the area within the current boundaries of the City. Further, portions of the area proposed for annexation are suitable for



reasonably anticipated community purposes and other portions are currently being used for community purposes.

Considering the above findings, DCED concludes that the those areas north and south of the existing territory proposed for annexation are compatible in character with the territory inside the current boundaries of the City of Aleknagik. Even though the

18 square mile area west of the existing boundaries proposed for annexation includes two parcels of city owned property, (the Happy Creek and Bear Bay campsites) the 18 square mile area to the west of the existing boundaries does not exhibit the same degree of compatibility as the areas to the north and south of the existing boundaries. The two referenced campgrounds

collectively comprise about 20 acres, which is less than two-tenths of one percent of the 18 square mile western area sought for annexation. Thus, the standard set out in 19 AAC 10.100 is satisfied with respect to the 6.29 square mile area located to the north and south of the existing boundaries of the City.

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## **SECTION 2 NEED FOR CITY GOVERNMENT IN THE TERRITORY**

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### **A. The Standard**

State law specifies that an area may be annexed to a city provided, in part, that the LBC determines there is a reasonable need for city government in the area, and that the annexing city can provide essential services to the area more efficiently and effectively than another existing municipality. The particular standard is set out in full below:

#### **19 AAC 10.090. NEEDS OF THE TERRITORY.**

(a) The territory must exhibit a reasonable need for a city government. In this regard, the commission will, in its discretion, consider relevant factors, including

(1) existing or reasonably anticipated social or economic problems;

(2) existing or reasonably anticipated health, safety, and general welfare problems;

(3) existing or reasonably anticipated economic development;

(4) adequacy of existing services; and

(5) extraterritorial powers of adjacent municipalities.

## **B. Views Expressed by the City of Aleknagik in Its Petition**

### **Existing or Reasonably Anticipated Social or Economic Problems**

The City of Aleknagik indicates that the territory proposed for annexation has unmet requirements for municipal services including public safety, planning and land use regulation. The Petitioner infers that the negative effects of such unmet needs are being exacerbated by ongoing and impending growth and development in the area proposed for annexation.

### **Existing or Reasonably Anticipated Health, Safety, and General Welfare Problems**

The Petitioner's Brief states "With population growth, both tourist and resident, there will be trespass and environmental degradation. The City of Aleknagik proposes an environmental component to the annexation. Many residents have Native Allotment land along the shores of the lake. With increased use of the Park Access, and completion of the

Bridge, there will be many more non-residents and tourists trespassing, and using land for camping or hiking. The City of Aleknagik would like to be prepared for this increase by having a boat-based employee (Environmental Monitor- see job description Exhibit H) who picks up trash, monitors land use, and informs users of private ownership. The goal is to ensure that the property value of the residents' land is not degraded."

### **Existing and Anticipated Economic Development**

The Petitioner's transition plan states, "Most if not all development in the annexed areas will occur within one mile of the road or 1/8 mile of the Lake."

The Petitioner's brief predicts that "Growth will be influenced by the land available for sale but also by the following State projects; the Lake Aleknagik Scenic Overlook Project TEA-0410, and the Wood River Bridge. The Scenic Overlook project is part of the Parks and Recreation project for access to the Wood-Tikchik State Park. The project is in the design phase and a draft design is attached to Exhibit H, Other Information. This project will influ-

ence growth, as it will provide a concrete boat launch, and large paved parking area, along with a duplex for park headquarters, and a storage yard for Park equipment. The current access to the lake from the road to Dillingham is a small gravel pad, with parking for about 30 vehicles, as well as an area along the lakeshore that has about 350 feet of water frontage. Completion of this project, by Oct. 1, 2000, will provide paved parking for over 100 vehicles, many with boat trailers, and will increase the number of people using the lake. The current users of the State Park are summarized in a document provided by Dan Hourihan, the Park Ranger. (Exhibit H, Other Information, Summary of Wood-Tikchik Park Users.)"

### **Adequacy of Existing Services**

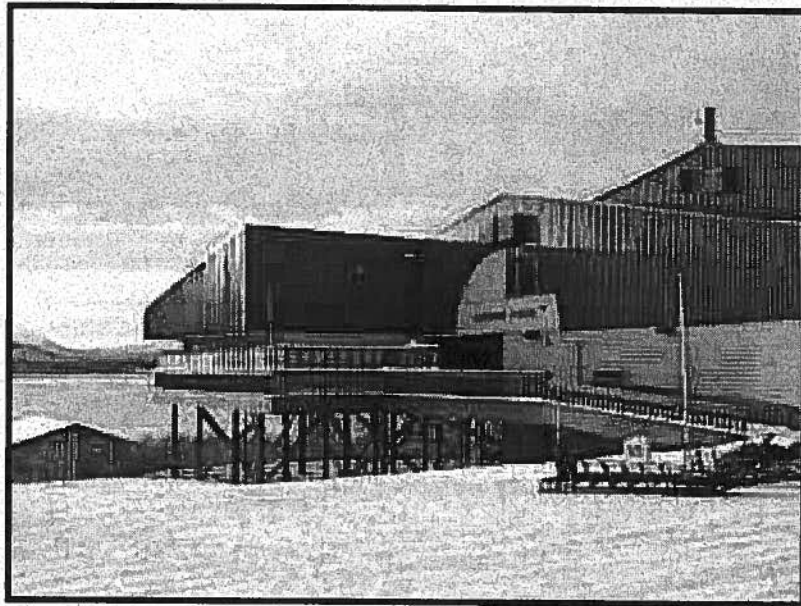
The petition for annexation indicates that the City provides the following services:

- landfill maintenance;
- equipment rental;
- dock services and maintenance, North Shore;
- small scow for barge transport;
- public safety;
- EMS transport;
- fire protection (volunteer).



### **Extraterritorial Powers of Adjacent Municipalities**

Since Aleknagik does not have a high school, Aleknagik students travel to Dillingham for secondary education. Thus, the City of Dillingham could be said to provide education services to Aleknagik in a de facto sense. Nothing in the record suggests that the City of Dillingham extends other services to the area proposed for annexation. The City of Dillingham has expressed support for the proposed annexation and stated that the proposed boundary change is in the best interest of "all political subdivisions" affected by the change.



*Aleknagik school*

### **C. Views Expressed by Others Regarding the Need for City Government of the Territory**

#### **Existing or Reasonably Anticipated Health, Safety, and General Welfare Problems**

In her letter of June 4, Shellie M. Aloysius stated:

*"My mother is a health aide, a few times we got into our motor boat and drove all the way up the lake (est. 25*

*miles) to help someone in need (an emergency). The Lake is like a Highway for tourists, campers, fishermen, etc. By annexing this proposed area, I think it will help others to take responsibility and think SAFETY COMES FIRST. Over the years we have had a fair amount of boating accidents, I think this annexation will lower the level of accidents and deaths.*

*Along the lakeside, a few business were going to put "up" restaurants, and bars, (which sells liquor). This will help the VPSO to patrol all areas, so that an emergency will not occur."*

In his letter of June 1, Mark Vingoe contends that the Petitioner has failed to establish "a compelling case for establishing the

*need for a city government. Their plan lacks specificity with regard to how services will be provided."*

#### **Population of the Territory**

The petition states, "The population within the current boundaries of the City is estimated to be: 260 year-round; 108 seasonal, a total 368. The population of the territory proposed for annexation is estimated to be 8 year-round and 50 Seasonal, for a total of 58. Population using the lake during the summer, that is not actually in city boundaries, and is non-resident is estimated to be 208."

The Petitioner supports this assertion with a local 1998 census.<sup>4</sup>

<sup>4</sup> see petition, Exhibit H, Head Count

### **Adequacy of Existing Services**

In her letter of April 4, 1999, Billie Benedict stated,

*"The City of Aleknagik does not provide services. The cabins on Huckleberry Island have been continuously ransacked and damaged, there has been a great deal of vandalism and the City has never shown any interest in landowners there even when it was shown in some instances that residents caused the damage. The funds of a VPSO have been cut and it is not likely that they would be able to provide protection for us as landowners. If we are going to be expected to contribute monetarily through taxes, it is only fair that we receive services in a non-biased manner in return."*

In her letter of April 16, Miriam Olson stated that *"There is no [City] water and sewer, and no trash removal."*

On April 16, Aleknagik Traditional Council President Miriam Olson wrote:

*"At this time the Aleknagik Traditional Council did not see a need for the City to extend its boundaries mainly because with the proposed cut in state revenue sharing that the City uses to operate and provide services is not enough to cover the need that cur-*

*rently exists. Therefore, by extending the boundaries and providing services to more may effect those presently being served."*

### **Existing or Reasonably Anticipated Social or Economic Problems**

In her letter of April 24, Billie Benedict states, *"The City of Aleknagik has a very contentious council. They have a very difficult time agreeing on issues and have a history of making decisions which are not in the best interests of many of their residents. I do not feel that I would have adequate representation, particularly as a non-Native, in the decision making process."*

### **Needs of the Territory**

Mark Vingoe's letter opposing the petition states *"Right now, the most crucial need in the area is for adequate police protection for the homes and cottages which are vacant for the most part during the wintertime. The cost projected by the City to pay for this protection is way beyond what would reasonably be expected of the typical community resident."*

### **D. City of Aleknagik's Reply**

In its June 24 addendum to its reply brief, the City of Aleknagik contends that *"A seasonal property owner indicated that the most compelling need for City Government was protection of property during the winter. Residents of Aleknagik would possibly disagree, but cannot control the extensive travel that occurs by snowmachine in the winter on the lake. The VPSO and Health Aides currently respond to all known emergencies on the lake. Vandalism has occurred in unoccupied dwellings on the lake but it also occurs in such buildings in Fairbanks, Anchorage, and Juneau. The Planning Committee recommended to the City Council that the entire lakefront be annexed in the next 10 to 15 years. This step is the first step in that plan. An aggressive annexation petition would possibly be dismissed by the LBC, so the Agulawok and Junior Camp were not selected at this time."*

### **Social or Economic Problems**

In its June 7, 1999 reply brief, the Petitioner stated *"There are only 4 residents who are employed in any activity related to hunting and*



*fishing tourism, which is the major official and unofficial activity of the seasonal visitors. Tensions that exist are probably best viewed not on an ethnic basis, but on a perceived or actual competition for fish and game resources."*

The reply brief also notes that *"The City of Aleknagik feels that change has been occurring very quickly, with land sales creating two lodges in 4 months summer of '98, and two more planned for construction just outside current boundaries this summer. The impact may seem to be small for seasonal property owners who come in for hunting season alone, but has a large impact on the City of Aleknagik."*

### **Adequacy of Existing Services**

In its reply brief, the City of Aleknagik challenged the assertions by Mark Vingoe and Billie Benedict that the city provides no services or minimal services. *"Further comments questioned the ability of the City to provide services to such a large area. The irony in the public comment received was obvious to 5 Council members at their 6/1/99 meeting, when they noted that they had provided emergency response (far outside current boundaries) to the person commenting- poten-*

*tially saving his life. The responsibilities of the VPSO and Health Aides take them in boats and snowmachines, to wherever their services are needed- in or outside of the current boundaries."*

### **E. DCED'S Views**

The legal standard at hand deals with two issues:

- whether there is a reasonable need for city government in the territory proposed for annexation; and
- if there is a reasonable need for city government in the territory, whether the City of Aleknagik can provide essential city services efficiently and effectively to the territory.

These two issues are addressed below.

### **Reasonable Need for City Government**

The area proposed for annexation is located in the unorganized borough and is too far from the neighboring City of Dillingham to facilitate delivery of routine municipal services from the City of Dillingham. Such circumstances may suggest a reasonable need for municipal government under the auspices of the City of Aleknagik

in the area proposed for annexation. On the other hand such an argument has is inherently limited, since taken to its logical conclusion, such would suggest that annexation of any territory that is closer to Aleknagik than another city could be justified, even if such an area were to include vast uninhabited lands.

### **Existing or Reasonably Anticipated Social or Economic Problems**

The Department of Natural Resources' February, 1987 *Wood-Tikchik State Park Management Plan* predicted that as native allotments in the area are transferred to developers, increased commercial use would lead to conflict and have negative impacts upon the subsistence lifestyle of local residents. *"Facilities attract visitation to an area. Improperly employed, facility development could create new recreational demand rather than simply respond to existing demand. One potential disadvantage is that new visitors will compete for limited fish and game resources with area residents or other visitors."*

*"Private lands are scattered throughout the [Wood-Tikchik] park. There are more than one hundred Native allotment applications in the*

park, representing the claims of more than 70 individuals (Figure 7, page 21 [Wood-Tikchik State Park Management Plan]). Most of the allotment applications will eventually be patented and become inholdings. There are

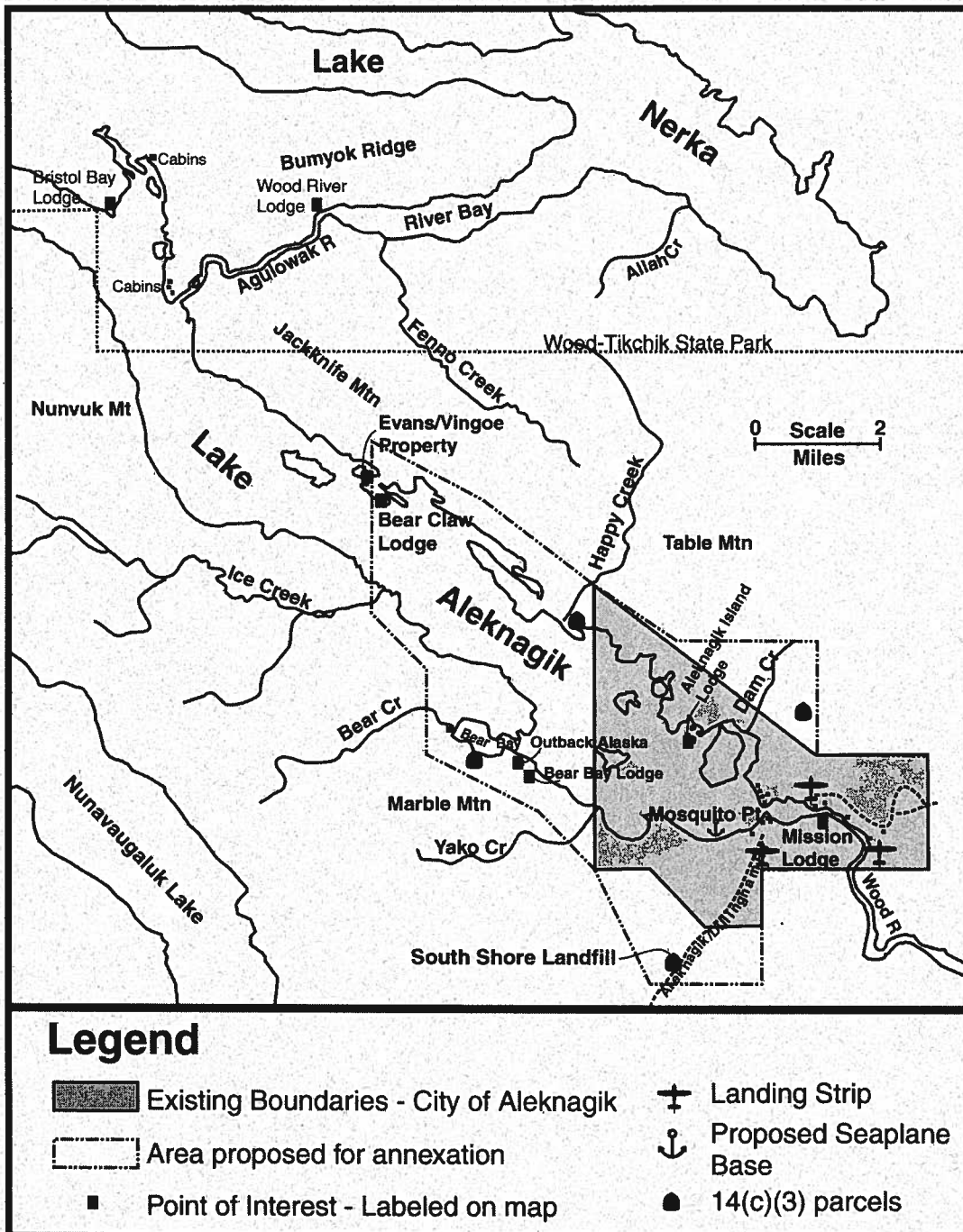
various other patented parcels in the park, and the Aleknagik Natives have substantial holdings in the lower Lake Nerka and Lake Aleknagik.

If private holdings were developed to their full poten-

tial for private or commercial purposes, the area's natural wilderness qualities would be affected. Fish and wildlife habitat could also conceivably be threatened. Native allottees enjoy a special trust relationship with the Federal

government and their parcels are considered exempt from the parkland zoning power of the Division of Parks and Outdoor Recreation. The trust relationship is extinguished upon sale of the land to a non-Native.

Impacts from the private and family use of inholdings will be minimal in comparison to commercial use of the same parcels. Individual and family use is not likely to conflict with park values





or management programs. Commercial development implies use of surrounding park lands and waters, and in greater amounts than those associated with private use." (at 22-24)

Much of the impetus for annexation appears to reflect local reaction to increasing public use and private development with attendant impacts upon areas of traditional local use. Aleknagik residents quite naturally desire to maintain a role in local land management and development issues in the vicinity. The record suggests that proponents of the proposed annexation view annexation as a means to empower the community in this context.

While DCED is sympathetic to such views and considers the Petitioner's motivation to be quite natural, such issues appear to be more regional than local in scope. The lack of an organized borough in the area is a factor that comes into play when framing this broad issue. Consideration of this factor raises the general policy question of whether city annexation standards should be applied or interpreted differently when addressing petitions in the unorganized borough vis-à-vis application

of city annexation standards to proposals for annexation to cities within organized boroughs.

**Existing or Reasonably Anticipated Health, Safety, and General Welfare Problems**

In its description of the Agulowak River area, located just north of the territory proposed for annexation, the *Wood Tikchik State Park Management Plan* describes the heavy visitor pressure already evident in the area in 1987, when the report was issued. "*The Agulowak River is one of the most popular sport fishing rivers in the region and is popular for subsistence fishing purposes also. Due to its location at the downstream end of the Wood River system, boaters destined for more remote areas in the park must also traverse this unit.*"

The report notes that the Agulowak River management unit "*receives more visitation than any other unit in the [Wood Tikchik] park. Users are diverse, including sport anglers, subsistence fishermen, hunters, kayakers and canoers, cabin owners, and lodge operators. They employ various modes of transporta-*

*tion, with varying degrees of compatibility. There is potential for competition over the same resources, either at the same time or during different seasons.*"

Environmental effects of such heavy use are also noted in the report "*Visitation in this unit might ordinarily indicate the need for park facilities to accommodate basic visitor needs and to prevent environmental degradation. However, facilities in this area might also attract additional visitation. There is the further consideration that the land is not publicly owned, nor is it presently within the park boundaries, so the Division has no authority to develop facilities here.*"

***Although the Aleknagik Natives do not profit from the visitation this unit receives, they must absorb some of the inevitable negative impacts. Other private owners must also contend with trespass recreation, although to a lesser extent since their improved parcels are clearly not public land.*** (emphasis added)

The record suggests that during the twelve years since the Department of Natural Resources issued the report, improved road access to the

Aleknagik area and increased recreational activity in the region have intensified the land use problems identified in the report.

### **Existing or Reasonably Anticipated Social or Economic Problems**

**Regarding Public Safety.** Aleknagik Village Public Safety Officer Jason Creasy advised LBC staff that he has been required to respond to "five or six" emergencies in the area proposed for annexation in the four months between March 1999 and August 1, 1999. He indicated that all had been search and rescue activities except for one fire emergency.

While public safety services are provided by the VPSO based in Aleknagik, the VPSO is an employee of the Bristol Bay Native Association and is funded by the State. Thus, services provided by the VPSO are not technically City of Aleknagik services. Consequently, the area served by the Aleknagik VPSO is not coterminous with the boundaries of the City. Delivery of public safety services to the area proposed for annexation would only be an issue relevant to the City of Aleknagik's municipal bound-

aries if the City employed police directly. Although the petition makes reference to retaining two "village police officers" two years after annexation, no such arrangement is currently in place.

### **Existing and Anticipated Economic Development**

Given the gradual improvement in public access and the increasing availability of land in the area, the expectation that development of additional private commercial recreational facilities such as fishing and hunting lodges and related services will occur in the area proposed for annexation appears reasonable to DCED.

### **Adequacy of Existing Services**

Assertions by correspondents such as Mark Vingoe and Billie Benedict that the City of Aleknagik provides a minimal level of traditional municipal services are not unfounded, particularly when compared to the neighboring City of Dillingham.

The City currently employs a city administrator, a city clerk, two maintenance workers, a village public safety officer, and two part-time custodians. One of the custodians maintains the north

shore city facilities and the other maintains the city facilities on the south shore.

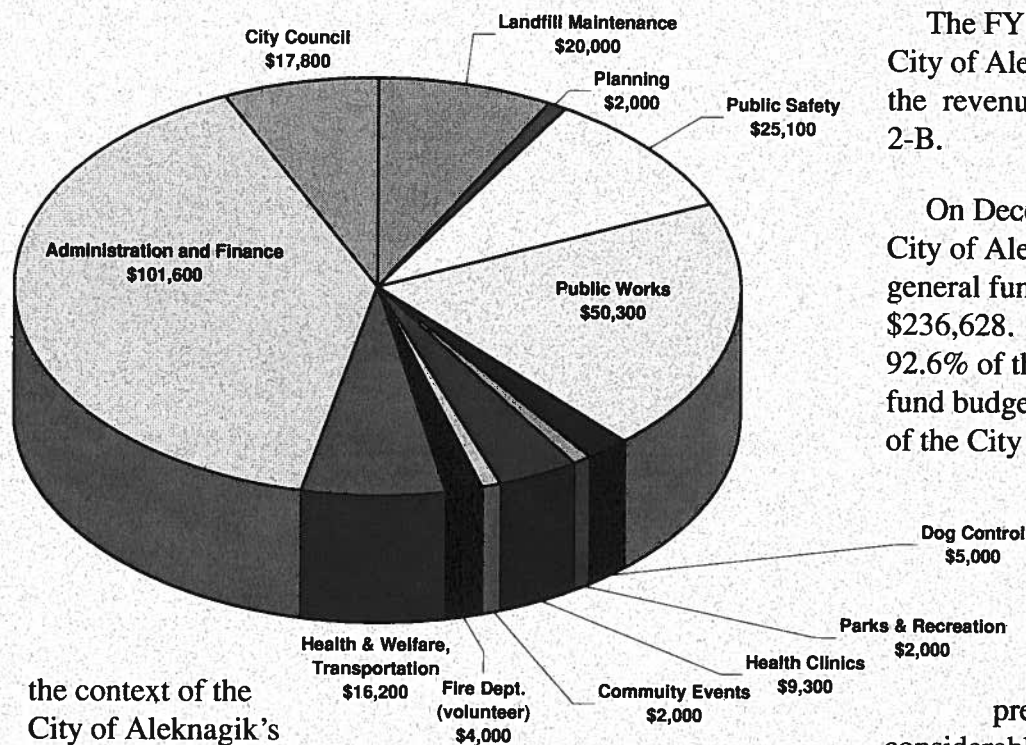
### **Extraterritorial Powers of Adjacent Municipalities**

AS 29.35.020(a) provides, *"To the extent a municipality is otherwise authorized by law to exercise the power necessary to provide the facility or service, the municipality may provide facilities for the confinement and care of prisoners, parks, playgrounds, cemeteries, emergency medical services, solid and septic waste disposal, utility services, airports, streets (including ice roads), trails, transportation facilities, wharves, harbors and other marine facilities outside its boundaries and may regulate their use and operation to the extent that the jurisdiction in which they are located does not regulate them. A regulation adopted under this section must state that it applies outside the municipality."*

Although duly cognizant of provisions of AS 29.35.020, DCED takes the position that it is reasonable, as a matter of general public policy, to promote direct territorial jurisdiction rather than extraterritorial jurisdiction over areas in which municipal services or regulatory powers are provided or exercised. In



**Chart 2A - FY 99 Anticipated Expenditures for the City of Aleknagik**  
**Total Expenditures: \$255,300**



**Current Financial Condition of the City of Aleknagik**

The FY '99 budget of the City of Aleknagik anticipates the revenues shown on Chart 2-B.

On December 31, 1998, the City of Aleknagik had a general fund balance of \$236,628. That figure equaled 92.6% of the FY 1999 general fund budget for expenditures of the City (\$255,300). DCED

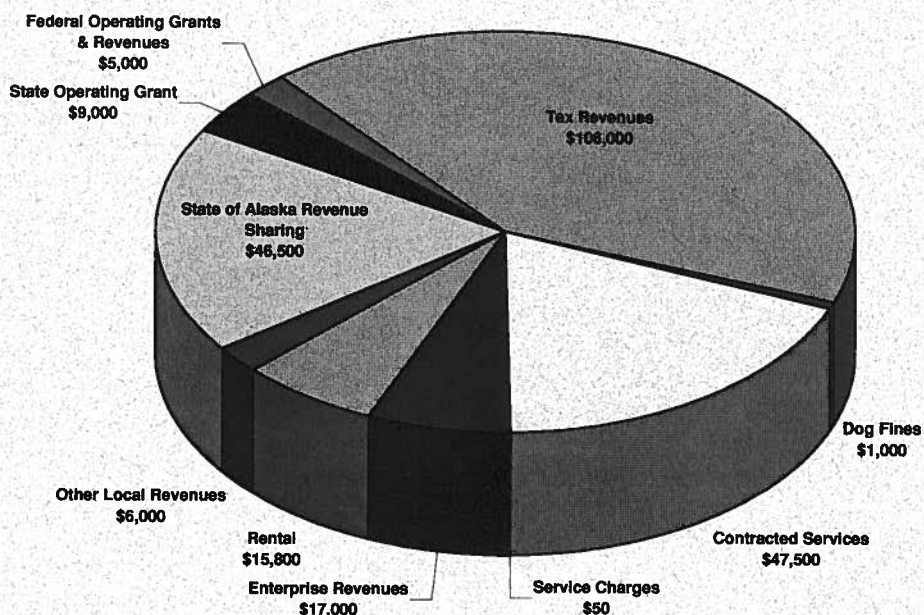
finds from the foregoing that the City of Aleknagik has a minimal operating budget at present, although it is considerably larger than the City's budget in recent years.

the context of the City of Aleknagik's annexation proposal, DCED notes that no party has proposed that the City deliver any municipal service or exercise any power extraterritorially. Further, DCED is aware of no specific benefit from extraterritorial jurisdiction.

**Services Provided by the City of Aleknagik**

The FY '99 budget of the City of Aleknagik anticipates the expenditures shown on Chart 2-A.

**Chart 2B - FY 99 Anticipated Revenues for the City of Aleknagik**  
**Total Revenues: \$253,850**



### **Regarding Planning and Land Use Regulation**

*McQuillin Mun Corp*, § 1.72 (3rd Ed), a treatise on municipal law, provides the following definition of municipal planning.

*"Broadly speaking, city planning is the discipline of programming urban growth so as to make urban living clean, healthful and convenient, and to provide facilities for education, recreation and intellectual stimulation in aesthetically attractive surroundings."*

Municipal planning and land use regulation powers are important tools to promote proper development of utilities, roads, and other public facilities, as well as to ensure logical and efficient development patterns. Often, the absence of planning and land use regulation lead to haphazard development, which has significant adverse long-term impacts for a community. The Petitioner's "Plan for Planning Committee" describes a planning committee as being comprised of seven members. Three of the seats are permanent and filled by the City Administrator, the Aleknagik Tribal Administrator, and an Aleknagik Natives, Ltd., administrator. According to the document describing the body, the group is scheduled

meet every two weeks during early 1999, once per month between March and June, and on a monthly basis between mid August and the end of the calendar year. The group makes recommendations in the form of resolutions, which are submitted to the City Council and affirmed or rejected by a vote of the City Council.

As a second class city, the City of Aleknagik is not required to assume or exercise platting authority. The Alaska Department of Natural Resources (DNR) has responsibility for platting in the unorganized borough areas outside first class and home rule cities where *municipal* platting is not required under Alaska law.<sup>6</sup> DNR records indicate that only seven second-class cities in Alaska exercise platting authority.<sup>7</sup> The City of Aleknagik is not among them, although the planning committee description referenced a proposal to "plan zoning".

Municipal planning and land use regulation are lacking in the area proposed for annexation. DCED agrees with the Petitioner that it desirable to provide those services at the local level rather than the State level since local delivery of such

service is consistent with constitutional emphasis upon maximum local self-government. However, as defined in the broad definition provided in *McQuillin*, the City is involved in planning, at least at an informal, elementary level. The City has budgeted \$2,000 this year for planning but the only expenditure from this planning budget as of August 20, 1999 was for publications. The City's 1997 certified financial statement indicates that the City spent \$5,053 for planning related services that year to employ a consultant who provided instructions to Bureau of Land Management surveyors regarding the City's 14(c) land selections. The Aleknagik City Council has conducted the first reading of an Ordinance establishing an advisory planning committee on June 1, 1999. The Petitioner's Representative indicated that the second reading and adoption of the planning ordinance was scheduled for September 14, 1999.

DCED concedes that there is a need for planning in the territory proposed for annexation but questions the extent to which City can deliver the service.

5 AS 40.15.300 and AS 40.15.900

6 Information provided by William Brown, Division of Land, DNR



### **Existing or Reasonably Anticipated Economic Development**

The Petitioner predicts that improved access to the north shore of Lake Aleknagik as a consequence of the proposed Wood River Bridge and access roadways will have a significant impact upon economic development in the general area. The Petitioner's brief states that "*The Wood River Bridge project has been the City of Aleknagik's number one Capital Project priority for the past 12 years. This project has been funded with estimated costs of \$4.3 million, with a design and construction phase beginning in the fall of 2000.*" However, an official of the Department of Transportation advised LBC staff, no design or construction funds have been appropriated for the bridge project to date, although funding prospects for the bridge should be somewhat clearer by the end of September, 1999.<sup>8</sup>

### **Regarding Public Safety**

In response to an inquiry from DCED staff, Aleknagik Village Public Safety Officer Jason Creasy indicated to LBC staff that he had responded to "five or six" emergencies in the area

proposed for annexation in the four months between March 1999 and August 1, 1999. He stated that all but one of those emergencies had involved search and rescue activities. The other incident involved a response to a fire emergency. However, the Aleknagik VPSO is an employee of the Bristol Bay Native Association and is not constrained by the municipal boundaries of the City of Aleknagik.

### **Summary of Findings Regarding Need for City Government**

The following is a summary of the findings made by DCED concerning the need for city government in the territory proposed for annexation:

- Commercial and recreational development is ongoing in the territory proposed for annexation and further development is reasonably anticipated. Municipal land planning and land use regulation are lacking in the area proposed for annexation, although platting in the area is provided by the Alaska Department of Natural Resources. The record suggests that the City's land planning can be fairly described as

being at a superficial or minimal level at this time, although the City is taking steps to develop its planning functions.

- Solid waste disposal services in the Aleknagik area require improvement. For example, the South Shore landfill is not operating under a permit from DEC.<sup>9</sup> It is reasonable and consistent with the State's long-term goals that regulation of solid waste disposal in the popular recreational area be assumed by a local government. The North Shore landfill and the South Shore landfill should both be within the boundaries of the City.

### **Conclusion Concerning the Satisfaction of the Annexation Standard at Issue**

The standard set out in 19 AAC 10.090 is satisfied with respect to the areas north and south of the current boundaries, comprising of 6.29 square miles. However, the standard is, at best, only marginally satisfied with respect to the 18 square mile area to the west of the existing boundaries.

7 Personal communication, Miriam Tanaka, Department of Transportation and Public Facilities, June 9, 1999

8 Personal communication, Paul McLaron, Alaska Department of Environmental Conservation, June 2, 1999

## Section 3

# Comparative Ability of the City to Deliver Essential Services

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### A. The Standard

19 AAC 10.090(b) provides that territory may not be annexed to a city if essential city services can be provided more efficiently and more effectively by another existing city or by an organized borough. The phrase "essential city services" as used in 19 AAC 10.090(b) is defined in 19 AAC 10.990(8) as those legal activities and facilities that are determined by the commission to be reasonably necessary to the community and that cannot be provided more efficiently and more effectively either through some other agency or political subdivision of the state, or by the creation or modification of some other political subdivision of the state; "essential city services" may include:

1. assessing, levying, and collecting taxes;
2. providing primary and secondary education in first class and home rule cities in an unorganized borough;

3. public safety protection;
4. planning, platting and land use regulation; and
5. other services that the commission considers reasonably necessary to meet the local governmental needs of the community.

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### B. Views Expressed in the City of Aleknagik's Petition

The Petitioners' brief states, "*There is no Governing body over the land surrounding the City. The City of Aleknagik has a Planning Committee, an elected Governing Body, and mechanisms in place to provide land use guidelines and some degree of regulatory control. In the absence of competing interests, the City of Aleknagik is prepared to support the annexed territory with improved fire, police and emergency response teams.*"

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### C. Views Expressed by Others

Although Mr. Vingoe's letter suggests that the State of Alaska can provide certain functions in the area proposed for annexation in a manner superior to that which could be provided by the City, no party has suggested that another municipal government could better serve the area.

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### D. DCED's Views

A city outside an organized borough is authorized to "exercise any power not otherwise prohibited by law." (AS 29.35.250) DCED finds from this that the City of Aleknagik enjoys the authority to provide any municipal service except for education, which is provided by the State of Alaska in the unorganized borough outside of first class and home rule cities. Education in Aleknagik is provided by the State through the Southwest Region School District.



The City of Dillingham's northern boundary is about ten miles from the area proposed for annexation. The lack of any other municipal service provider in the area renders the City of Aleknagik's willingness to assume responsibility for delivery of public services to the area a proposed for annexation useful and appropriate.

The question of the relative ability of the City of Aleknagik to effectively serve the area proposed for annexation is rendered moot, given the absence of current alternative service providers.

Although the City is admittedly limited in its ability to deliver services to the area proposed for annexation due to its small staff and limited

resources, the current absence of any other alternative municipal service provider virtually assures satisfaction of the standard. However, it does not necessarily follow that the City of Aleknagik would have adequate resources to deliver a high level of municipal service to the areas proposed for annexation. Discussion of the City's resources to deliver such services is provided Section 4 of this report.

### **Conclusion**

On one hand, this standard is met, since essential city services cannot be provided more efficiently and more effectively by another existing city or by an organized borough. On the other hand,

assertions that the City provides minimal services have a degree of validity. Further, the need for services in the 18 square mile area to the west of the existing boundaries is minimal. The only services that will be provided to the area consist of dump facilities and responding to certain public safety needs. Although the record contains extensive reference by the Petitioner to the need for municipal planning and land use regulation in the area proposed for annexation, it is not demonstrated that such service is provided to any significant extent, other than occasional meetings of a planning "committee" to discuss expanding the City's boundaries.

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# Section 4

## Resources of the Proposed Expanded City

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### **A. Annexation Standard at Issue**

State law allows an area to be annexed to a city provided, in part, that the LBC determines the area within the proposed *post-annexation* boundaries of the city have the human and financial resources necessary to provide essential city services on an efficient, cost-effective level. Specifically, the law provides as follows:

#### **19 AAC 10.110. RESOURCES.**

The economy within the proposed boundaries of the city must include the human and financial resources necessary to provide essential city services on an efficient, cost-effective level. In this regard, the commission will, in its discretion, consider relevant factors, including the

(1) reasonably anticipated functions of the city in the territory being annexed;

(2) reasonably anticipated new expenses of the city;

(3) actual income and the reasonably anticipated ability to collect local revenue and income from the territory;

(4) feasibility and plausibility of the anticipated operating budget of the city through the third full fiscal year of operation after annexation;

(5) economic base of the territory after annexation;

(6) property valuations in the territory proposed for annexation;

(7) land use in the territory proposed for annexation;

(8) existing and reasonably anticipated industrial, commercial, and resource development;

(9) personal income of residents in the territory and in the city; and

(10) need for and availability of employable skilled and unskilled people.

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### **B. Views Expressed in the City of Aleknagik's Petition**

The City of Aleknagik asserts that the area within the proposed new boundaries of the City includes the human and financial resources necessary to provide essential city services on an efficient, cost-effective level.

#### ***Anticipated City Functions***

The Petitioner proposes to perform the following functions within its proposed post-annexation boundaries:

1. public safety, including enhanced fire protection to areas accessible by boat and road and enhanced support for search and rescue and emergency telephone service;



2. municipal planning;
3. land use regulation;
4. general government administration; and
5. landfill.

**Projected New Expenses**

The City projected that it would incur additional expenses of \$46,000 as a result of annexation. Some of the services are recurring annual expenses while others are non-recurring equipment purchases, (i.e. the fire boat and snow machine). Increased costs were projected for the items in Table 4-A.

**Projected City Revenues as a Consequence of Annexation**

The City projects that commercial activity in the area proposed for annexation will generate \$12,500 in tax revenue, either from collection of the City's 5% sales and/or 5% bed tax. Since the City did not levy such taxes until

early 1999, there is an absence of historical tax data upon which to base estimates about annual revenues to be derived from this source. Since commercial activity in the area proposed for annexation is largely limited to lodges catering to clients engaged in sports hunting and fishing activity, most of the sales tax revenues generated by such enterprises would accrue from activities during the summer and autumn months.

The City has referenced plans to offer thrice-weekly fee-based property monitoring of an estimated fifteen properties during the off-season at \$250 per year, per property. The Petitioner projects that such fees would generate \$3,750 annually to support costs associated with provision of the service. This suggests that the service would be supported by an optional user fee system. That is, if a property owner did not accept the offer of property

inspection, the service and payment of the associated user fee could be declined by the property owner.

**Impacts on Existing Services**

The petition infers that the City can improve the level of services to the area within the existing City as a consequence of the retention of additional city staff for solid waste and public safety services.

**Property Tax Base**

The petition estimates that the area proposed for annexation contains real property valued at approximately \$5 million and personal property valued at \$30,000. The City levies no property tax, so this factor is not directly relevant to the annexation proposal.

**Land Use in the Territory Proposed for Annexation**

The Petitioner indicates that most of the area proposed for annexation consists of the Aleknagik Lake and its shoreline, and is similar, in terms of use, to less developed areas within the existing municipal boundaries. Further discussion regarding land use and land ownership patterns in the area proposed for annexation is included in Section 6 of this report.

**Table 4-A Projected New City Expenses After Annexation**

Fire boat	\$15,000
Search and rescue snow machine	\$7,000
Salary for refuse collector	\$15,000
Training for fire, search and rescue and first aid (per year)	\$4,000
Administration	\$5,000

(source: petition, at 3)

inspection, the service and payment of the associated user fee could be declined by the property owner.

DCED

### **Existing or Reasonably Anticipated Economic Development**

The City of Aleknagik states as follows regarding this standard:

*"The City of Aleknagik has been growing in population (year-round residents are up by about 1/5<sup>th</sup> in the past year and seasonal residents/tourists by about 40%) and in commerce in the last few years. There has been an increase in seasonal visitors, with many choosing to erect homes on lake-front or other land. With the completion of the surveys and conveyances of Native Allotment land, there is now available recreational land for purchase. Two new lodges, Bear Claw Lodge (outside boundaries), and Aleknagik Island Lodge (inside the boundaries) were completed in June of '98 and taking up to 10 guests at a time. A developer purchased an 80-acre parcel and subdivided the lake-front area into 2-acre lots, with options for cabin purchase. (This development is just outside the City boundaries.) To our knowledge, 12 parcels of land (some quite large) in and around the City boundaries sold during the past year. The commerce and traffic centers around the lake and the village with the road access to Dillingham,*

*and the starting of the Wood River in the City boundaries. Thus, residents of Aleknagik feel the increase in the population, and the strain on the services provided. The lake has historically provided the mode of transportation, with most homes built within 50 feet of the shore.*

*Growth will be influenced by the land available for sale but also by following State projects; the Lake Aleknagik Scenic Overlook Project TEA-410, and the Wood River Bridge. The Scenic Overlook project is part of the Parks and Recreation project for access to the Wood-Tikchik State Park. The project is in the design phase and a draft design is attached to Exhibit H, Other Information. The project will influence growth, as it will provide a concrete boat launch, and large paved parking area, along with a duplex for park headquarters, and a storage yard for Park equipment. The current access to the lake from the road to Dillingham is a small gravel pad, with parking for about 30 vehicles, as well as an area along the lake shore that has about 350 feet of water frontage. Completion of this project, by the end of 1999, will provide parking for 86 vehicles, many with boat trailers, and will increase the number of people using the lake. The current users of the*

*State park are summarized in a document provided by Dan Hourihan, the Park Ranger (Exhibit H).*

*The Wood River Bridge project has been the City of Aleknagik's number one Capital Project priority for the past 12 years. This project has been funded with estimated costs of \$4.3 million, with a design and construction phase beginning in the fall of 2000. The completion of this project, with access roadways, will greatly enhance access to the north shore of Aleknagik Lake, and the associated lands. This is likely to greatly increase the number of residents both within and bordering the current boundaries."*

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### **C. Views Expressed By Others**

Mark Vingoe's June 1 letter suggests that the area proposed for annexation has not been subject to extensive development and anticipates modest additional development "While there is potential for increased sales of property the actual amount of change has been quite minimal. These properties are remote, usable on a limited basis and subject to purchase by a limited group of individuals."



**D. Views Expressed in City of Aleknagik's Reply**

The Petitioner disputes the suggestions that the area proposed for annexation is not likely to be subject to residential and commercial development in the near-term. The City's reply brief states, "The year-round population in the territory to be annexed is small now, but is expected to increase in the next ten years, as Native Allotments are sold and developed.

*The City of Aleknagik feels that change has been occurring very quickly, with land sales creating two lodges in 4 months summer of '98, and two more planned for construction just outside current boundaries this summer. The*

*impact may seem to be small for seasonal property owners who come in for hunting season alone, but has a large impact on the City of Aleknagik."*

**E. DCED's Views**

**Reasonably Anticipated Functions of the City In the Territory Proposed for Annexation**

Based on information from the petition, if annexation occurs the City will extend the following services to the newly annexed territory in May, 2000:

1. public safety services, including enhanced fire protection to areas accessible by boat and road, enhanced support for search and rescue and emergency telephone service;
2. planning, although as noted, such is evident in only the broadest sense;
3. general government administration; and
4. landfill.

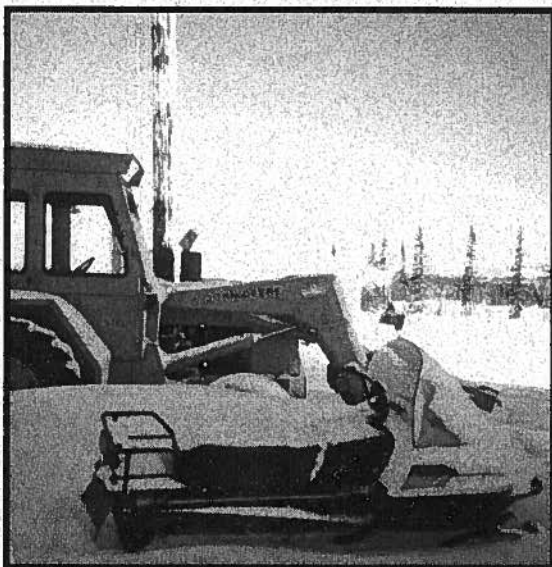
DCED finds from the foregoing that some, but not all of the functions and

facilities of the City of Aleknagik, are reasonably anticipated to be extended to the area proposed for annexation by July 1, 2000. For example, such functions as street maintenance and water-sewer which are referenced in the City's current budget, are not in proposed to be extended to the area proposed for annexation.

**Actual Income and the Reasonably Anticipated Ability to Collect Local Revenue and Income from the Territory**

Commercial transactions in the area proposed for annexation that will be subject to sales tax are estimated by the City to be \$250,000. Imposition of the City's 5% sales and 5% bed tax upon annexation would generate about \$12,500 annually from the area proposed for annexation, according to the City's projection.

Annexation would result in little or no increase the level of State aid provided to the City of Aleknagik under the State Revenue Sharing program or the State Safe Communities program (the latter program was formerly known as the Municipal Assistance program). For FY 1999, the City will receive \$25,605 in State Revenue Sharing funds, the minimal entitlement. The



City snowmobile used for EMS and rescues

addition of eight full-time residents would not alter the minimal entitlement status of the City in terms of the City's State Revenue Sharing Program entitlement.<sup>9</sup>

### **Reasonably Anticipated New Expenses of the City**

The purpose of this particular factor is to *reasonably* project the costs of extending City services to the territory proposed for annexation. It is not intended to be a detailed examination of whether DCED believes that a particular projected expenditure should be higher or lower than that estimated by the City of Aleknagik. For example, the petitioner projects that annexation will generate a \$46,000 increase in the City's expenses, although it appears that only \$24,000 of these additional expenses will be recurring. Unless some obvious facts or specific evidence suggests that such projections are inaccurate, the Petitioner's assertion will be accepted as a good faith estimate.

Generally, however, DCED'S analysis of this factor focuses on the total projected expenses. The City's prediction that it will

incur an additional \$46,000 in annual expenses to serve the area proposed for annexation equals \$5,750 per permanent resident of the area proposed for annexation.

The City's current budget reflects increased expenditures on public safety equipment and support. Such costs could be incurred whether or not annexation occurs.

The only public safety service extended to the area is provided by the Alaska State Troopers, the Aleknagik VPSO or Dillingham Police Department on an extraterritorial basis. It is fair to infer from this fact that a reasonable effort by the City of Aleknagik to provide such services on a systematic basis within expanded City of Aleknagik boundaries would likely represent an improvement over the current arrangement.

Aleknagik relies on a village public safety officer to deliver general public safety needs of the community and to act as support to the Alaska State Troopers serving the region. The VPSO is not an employee of the City of Aleknagik, but is employed by the Bristol Bay Native Association (BBNA).

Fiscal year data for 1995 show that 45 of Alaska's 161 cities and boroughs spent at least \$50,000 each on police and police dispatch services. The average amount spent by those 45 municipalities on such services was \$215 per resident. Anchorage and Juneau each spent \$213 per resident. The highest per capita expenditure in that category was by the Bristol Bay Borough at \$564 per resident. The lowest expenditure was by the City of Hooper Bay at \$68 per resident. The City of Aleknagik's current annual level of financial support for public safety is \$96.54<sup>10</sup> per capita. However, since BBNA is the organization that employs the VPSO, it is inaccurate to consider public safety services provided by the VPSO as a service of the City of Aleknagik.

### **Property Valuations in the Territory Proposed for Annexation**

Since the City of Aleknagik does not levy a property tax and is located in the unorganized borough, there are no accurate property tax assessment figures available for the area. Lands owned by Aleknagik Natives, Ltd. in the general area are presently

<sup>9</sup> Laura Walters, DCED.

<sup>10</sup> \$25,100 ÷ 260 = 96.54.



undeveloped and not subject to taxation until it is developed. As noted, the area proposed for annexation contains 33 certified Native allotments and a determination is pending on three others. Native allotments are not taxable unless sold.

### ***Sales Tax Base***

The petition for annexation indicates that if the area in question is annexed, the City's tax revenue would increase by an estimated \$12,500 annually, or \$48.26 per current resident. The level of increased tax revenue is not particularly significant. The Petitioner's representative has advised LBC staff that most revenue from the City's bed tax would be generated during the month of July. The City of Aleknagik did not levy a sales tax until January 1999. As of August 23, 1999, the City had collected \$4,750 in taxes from the area within the current City boundaries. Consequently, adequate historical data upon which to objectively base a determination of the per capita sales tax rate within the existing boundaries of the City of Aleknagik is lacking.

### ***Personal Income of Residents in the Territory and in the City***

Residents of the 145 communities in Alaska that are organized as cities exhibit a wide range of income levels. Based on 1990 federal census data, those living within the City of Kupreanof had the highest per capita income at \$34,334. On the other end of the spectrum, residents of the City of Lower Kalskag had the lowest per capita income at \$3,023. The Alaska statewide average per capita income in 1990 was \$17,610. The average per capita income for Aleknagik residents in 1990 was \$9,508.<sup>11</sup>

### ***DCED Conclusions Regarding the Human and Financial Resources***

The City of Aleknagik will realize a modest increase in annual revenue as a result of annexation. The City's projected expenses to extend services to the territory proposed for annexation also appear relatively modest.

The area within the proposed post-annexation boundaries of the City of Aleknagik

exhibits a minimal economy at present, although the Petitioner's projection of future growth appears reasonable. On a per capita basis, taxable sales in the area in question are not readily quantifiable, given the lack of historical sales tax records by the City.

The economy within the proposed post-annexation boundaries of the City of Aleknagik includes the human and financial resources necessary to provide essential city services to the areas located north and south of the existing boundaries on an efficient, cost-effective level. References by the Petitioner to planning and public safety notwithstanding, City services extended to the area proposed for annexation appear to be limited, in practical terms, to operation of the north and south shore landfill sites. The City already conducts landfill operations on an extraterritorial basis.

However, the standard is not demonstrably satisfied with respect to the 18 square mile area west of the existing boundaries.

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<sup>11</sup> Laura Walters, DCED.

# Section 5

## Population Size and Stability

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### A. Annexation Standard at Issue

State law allows an area to be annexed to a city provided, in part, that the LBC determines the population within the proposed *post-annexation* boundaries of the city is large and stable enough to support the extension of city government. In that respect, the law provides as follows:

#### 19 AAC 10.120. POPULATION.

The population within the proposed boundaries of the city must be sufficiently large and stable to support the extension of city government. In this regard, the commission will, in its discretion, consider relevant factors, including

- (1) total census enumeration;
- (2) duration of residency;
- (3) historical population patterns;

(4) seasonal population changes; and

(5) age distributions.

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### B. Views Expressed in the City of Aleknagik's Petition

The City of Aleknagik asserts that its proposed new corporate boundaries would encompass a large enough and stable enough population to support the extension of city government.

#### **Total Census Enumeration**

The City's petition indicates that Aleknagik has 260 year-round residents and 108 seasonal residents, for a total 368.

The population of the territory proposed for annexation is estimated to be 8 year-round and 50 seasonal.

#### **Predictable Growth**

The first page of the petition for annexation states

*"There are three main reasons for the annexation request: Growth, as reflected in the increase of private property ownership and development, Conveyance of 14 (c) land parcels outside the current Municipal Boundaries, and the lack of any type of governmental oversight of lands adjoining the current City of Aleknagik Boundaries."*

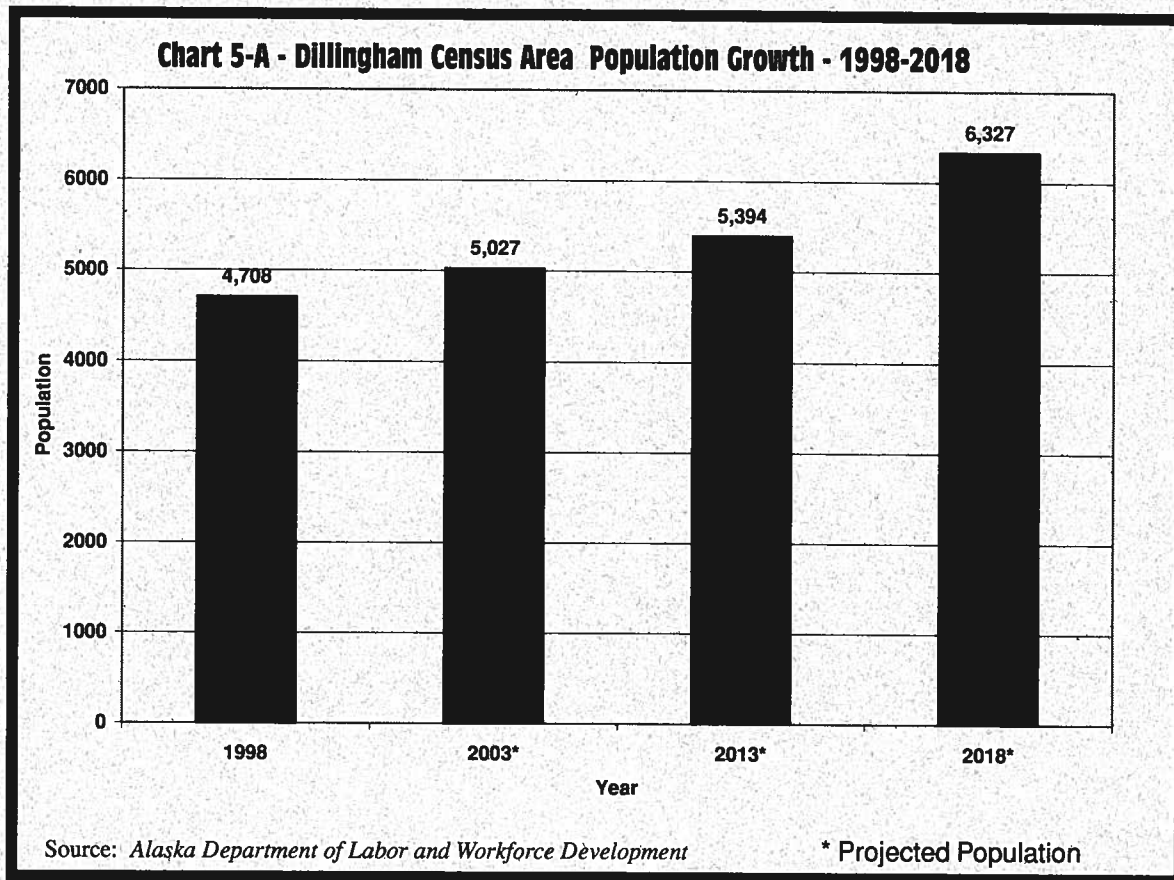
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### C. Views Expressed by Others

Mr. Vingoe's letter of June 1 stated, *"The population within the proposed boundaries is not sufficiently large and stable to support the extension of government. The duration of residency and seasonal population changes suggests a very limited basis for the proposed extensions."*

The Aleknagik Natives Ltd., resolution 99-1 submitted on April 5 states *"the new boundaries contain a sufficiently large and stable population to support the extension of city government."*





**D. DCED'S Views**

**Urban Character and Population Densities**

According to the Department of Labor and Workforce Development, the Dillingham Census Area, which includes Aleknagik, has been the fifth-fastest growing area in Alaska, in terms of population, from 1990 to the present.<sup>12</sup> The Dillingham Census Area has undergone total population growth of 17.3% during that

period. In the September/October 1998 edition of *Alaska Economic Trends*, the Alaska Department of Labor and Workforce Development projects the following growth in the Dillingham Census Area population during the next two decades.

If growth in the Aleknagik population occurs at a rate commensurate with projected growth in the Dillingham Census, the population of the community (exclusive of the area proposed for annexation)

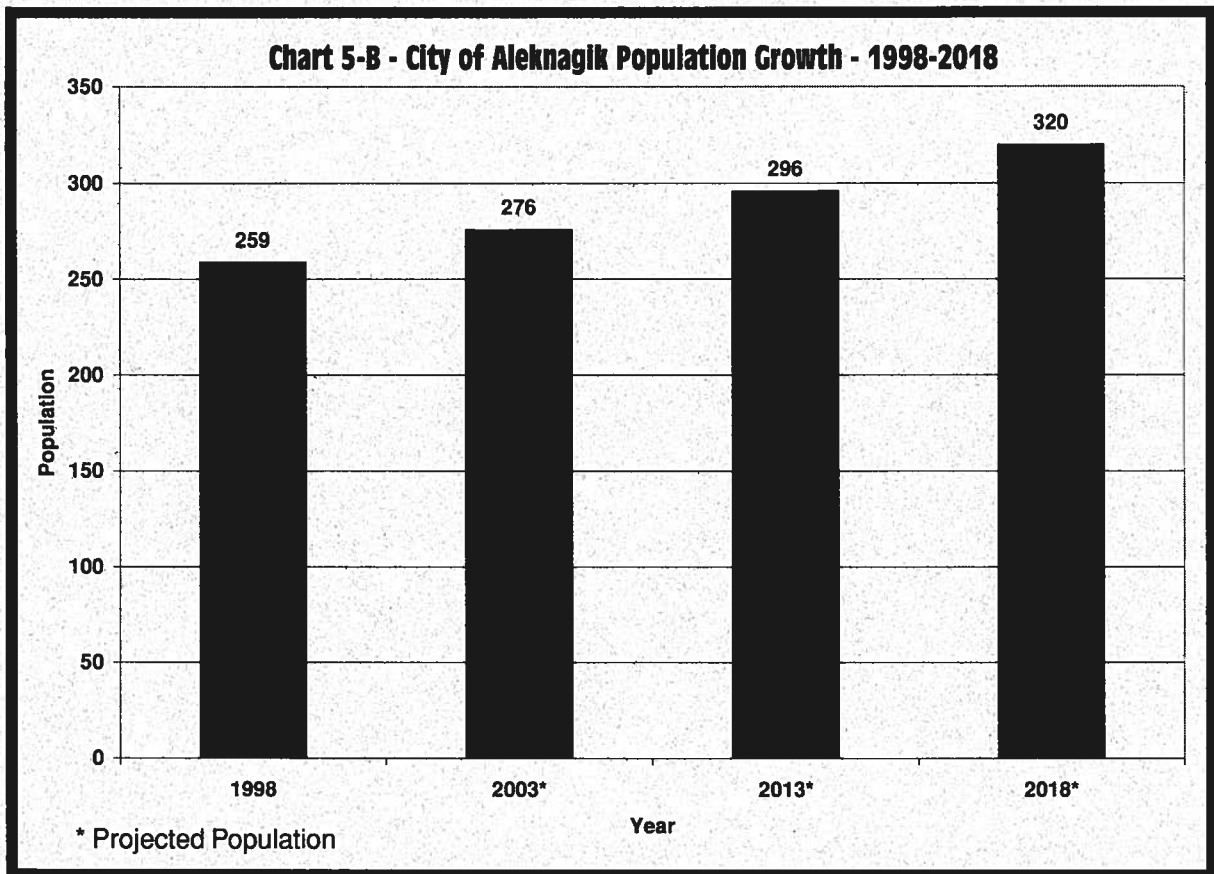
can be projected as shown in Chart 5-B on the following page.

**Total Census Enumeration**

The City's population estimate of 260 year-round residents within the City and eight year-round and fifty seasonal residents in the area proposed for annexation has not been challenged.

Annexation would increase the year-round population of the City of Aleknagik by only

<sup>12</sup> The only areas for which faster growth has occurred are between 1990 and 1998 have been the Matanuska-Susitna Borough (37.4%), North Slope Borough (23.8%), Wade Hampton Census Area (22.0%) and the Kenai Peninsula Borough (19.6%).



Source: Alaska Department of Labor and Workforce Development

3%. The combined year-round and seasonal population of the City would be increased by 15.7%. The City of Aleknagik is presently the 97th in terms of total population among the 145 cities in Alaska, it ranks 60th in terms of the size of territory within its corporate boundaries. If annexation occurs, the City would rank 79th in population and only 47th in terms of the size of its jurisdictional area among the 145 cities in Alaska.

***Duration of Residency, Historical Population Patterns, and Seasonal Population Changes***

Clearly, the population of the territory proposed for annexation is subject to seasonal fluctuations characteristic of an area used for recreational purposes.

The 1990 census recorded that 84 percent of the occupied housing units in Ale-

knagik at that time were owner occupied, which is suggestive of a stable population.

The City's population grew from 185 to 260 between 1990 and 1998. On this basis, the 1998 population of the City of Aleknagik was 40% more numerous than the City's 1990 population. However, the Department of Labor's 1997 population overview records a 1997 Aleknagik population of only 176. DCED understands that these divergent numbers may be a reflection of a



change in local census methods rather than a fluctuating population.

DCED finds from the foregoing that the duration of residency, historical population patterns, and seasonal population changes reflect a stable City of Aleknagik population. However, the area proposed for annexation has only eight year-round residents and 50 seasonal residents. Therefore the area proposed for annexation cannot be fairly described as exhibiting year-round stability.<sup>13</sup>

### ***Age Distributions***

Of the 185 residents in the City of Aleknagik that were counted during the 1990 census, 111 (60%) were between the ages of 18 and 74. Individuals in that age group

are most likely to be involved in operating and governing municipalities.

Assuming that the age distribution patterns have not changed since the last federal census, 156 current citizens of the City of Aleknagik are between 18 and 74 years old.

Given the minimal population in the area proposed for annexation, the proposed boundary change would increase the number of year-round citizens in the age group most likely to be involved in operating and governing of the City of Aleknagik by only 3%.

Whether expansion of the City's boundaries to include the entire area proposed for annexation would satisfy 19 AAC 10.120 is doubtful. Annexation, as proposed,

would more than double the size of the area within the boundaries of the city and but bring only eight full time residents into the City's jurisdiction. However, it appears that the City has sufficient population to support extension of city government to the more compact areas located immediately north and south of the existing boundaries.

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<sup>13</sup> 19 AAC 10.990(10) defines residence as follows:

"permanent residence" means a person who has maintained a principal domicile in the territory proposed for change under this chapter for at least 30 days immediately preceding the date of acceptance of a petition by the department, and who shows no intent to remove that principal domicile from the territory at any time during the pendency of a petition before the commission.

# Section 6

## Inclusion of All Necessary Areas

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### **A. Annexation Standard at Issue**

State law specifies that an area may be annexed to a city provided, in part, that the LBC determines that the enlarged boundaries include all areas needed to provide city services in an efficient and cost-effective manner. Specifically, the law provides as follows:

#### **19 AAC 10.130. BOUNDARIES.**

(a) The proposed boundaries of the city must include all land and water necessary to provide the full development of essential city services on an efficient, cost-effective level. In this regard, the commission will, in its discretion, consider relevant factors, including

- (1) land use and ownership patterns;
- (2) population density;
- (3) existing and reasonably anticipated transportation patterns and facilities;

(4) natural geographical features and environmental factors; and

(5) extraterritorial powers of cities.

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### **B. Views Expressed in the City of Aleknagik's Petition**

#### **Land Use and Ownership Patterns**

The City infers that the proposed new boundaries of the City include areas that comprise an existing local community. As noted previously, the City's brief indicates that land use and land ownership in the area proposed for annexation are becoming more like those within the City of Aleknagik. This is attributed to land sales in and around the community and the potential that Aleknagik Natives, Ltd., may sell certain corporate lands in the area for residential and commercial development.

#### **Existing and Anticipated Transportation Patterns and Facilities**

According to the Petitioner's brief, "there is a planned access road to a proposed City of Aleknagik Landfill that will be approximately 1 mile north of City Boundaries, in the Dam Creek Watershed area. This is identified on the plat map with an "x" and represents approximately 20 acres of 14(c) land. This road, along with a currently used trail (Okstukuk Trail) lead between Marsh and Table Mountains, and is the usual method for residents of Koliganek to travel the 40 miles between Dillingham and their home. In predicting the future, it is possible that there will be a road to Koliganek, planned along this route-Dillingham, Aleknagik, Aleknagik Bridge, then North through the Okstikuk trail. Aleknagik Natives Ltd., the local Corporation may subdivide and sell land if there is road and bridge access to the North Shore of the lake. ANL has extensive land holdings



*inland from the lake, and north of the lake. A bridge will make road construction on the North side of the Wood River much more likely."*

**Natural Geographic and Environmental Factors**

The Petitioner supplied the comparison of the territory within the current boundaries of the City and the area proposed for annexation shown in Chart 6-A.<sup>14</sup>

*is potential for increased sales of property the actual amount of change has been quite minimal. These properties are remote, usable on a limited basis and subject to purchase by a limited group of individuals.*

*In conclusion, it is my assertion that the time is not right for such an aggressive annexation of this territory."*

*purposes, such as berry picking, fishing through the ice, and subsistence hunting."*

**Extraterritorial Powers**

The Petitioner's reply brief states, "... comments questioned the ability of the City to provide services to such a large area. The irony in the public comment received was obvious to 5 Council members at their 6/1/99 meeting, when they noted that they had

**Chart 6-A - Comparison of the Territory Proposed for Annexation and the Existing City Boundaries**

<i>Existing Boundaries (square miles)</i>	<i>Area Proposed for Annexation (square miles)</i>
Total Area: ..... 19.7	Total Area: ..... 23.5
Submerged Lands: ..... 6.5	Submerged Lands: ..... 8.0
Developable Area: ..... 13.2	Developable Area: ..... 15.5

**C. Views Expressed by Others**

Mr. Mark Vingoe's June 1, 1999 letter states, "*The proposed boundaries do not include an area where reasonably predictable growth, public safety needs and development will occur within the next 10 years. While there*

**D. Petitioner's Reply Brief**

The reply brief states that although much of the territory proposed for annexation is presently undeveloped, Aleknagik residents utilize the area to harvest subsistence foods. "*The Character of the land is similar, and is used by residents for traditional*

*provided emergency response (far outside current boundaries) to the person commenting- potentially saving his life. The responsibilities of the VPSO and Health Aides take them in boats and snowmachines, to wherever their services are needed- in or outside of the current boundaries."*

<sup>14</sup> These figures differ slightly from DCRA's estimate of 19.9 square miles within the current boundaries and the estimate of 24.29 square miles for the area proposed for annexation.

## **E. DCED'S Views**

### ***Inclusion of all Land and Water Necessary to Provide the Full Development of Essential City Services on an Efficient, Cost Effective Level***

There appears to be a reasonable likelihood that lakefront property in the area proposed for annexation will be subject to development in the foreseeable future as more land is transferred into individual ownership.

### ***Population Density***

Population densities in other Alaska cities range from 2,226 persons per square mile (Ketchikan) to 0.9 square mile (Platinum). The average population density of all 145 city governments in Alaska is 41 persons per square mile, including water. Excluding water, the average population density of all cities in Alaska is 55.2 persons per square mile.<sup>15</sup>

The year-round population within the proposed post annexation City of Aleknagik boundaries would be only 6.61 year-round residents per square mile. The population within the post annexation

boundaries of the City would be 9.73 persons per square mile if the area's seasonal population is included. The year round population density within the proposed post-annexation boundaries of the City of Aleknagik would thus contain less than 12% of the average population density within all Alaska cities.

### ***Extraterritorial Powers***

Residents of the City have provided emergency assistance to persons in areas outside the boundaries of the City and the local Village Public Safety Officer has responded to public safety emergencies in the area proposed for annexation. However, as noted previously, the Village Public Safety Officer is an employee of the Bristol Bay Native Association and not a City employee. Therefore, activities of the VPSO outside the boundaries of the City cannot be characterized as delivery of services on by the city services on an extraterritorial basis. Further, emergency assistance rendered by Aleknagik residents to the area proposed for annexation appear to have been provided on an ad hoc basis by unpaid local volunteers motivated by altruism. While such is admirable, it is not a municipal service.

The existence of city-operated landfill sites outside the boundaries of the City constitutes provision of municipal facilities by the City on an extraterritorial basis. The City has not been issued a permit for operation of the south shore landfill site from the Department of Environmental Conservation. The Petitioner's Representative has indicated that the south shore landfill will close after bridge linking the north shore and south shore is completed.

### ***Existing Local Community Plus Reasonably Predictable Growth, Development, and Public Safety Needs***

The record suggests that the area proposed for annexation, particularly Lake Aleknagik, is subject to heavy and growing seasonal use, primarily for recreation and traditional subsistence purposes. It appears reasonable to DCED that any enhancement of the City of Aleknagik's ability to extend emergency response and search and search and rescue services to the area would be beneficial. As transportation infrastructure and population increases in the area, the demand for such services can only be expected to increase.

<sup>15</sup> Laura Walters, DCED



### **Existing and Reasonably Anticipated Transportation Patterns and Facilities**

The Petitioner suggests that construction of a Wood River bridge linking the north shore of Aleknagik factors is likely to result in increased development of the area proposed for annexation. This prediction may be premature and overly optimistic since the Wood River Bridge project is in the predesign phase and no design or construction funds have been appropriated for the bridge project to date.<sup>16</sup> Department of Transportation and Public Facilities staff has indicated that the bridge project will be examined by DOTPF during that agency's annual Statewide Transportation Improvement Program (STIP) review in September 1999.<sup>17</sup> After the STIP is concluded, the future of the bridge project should be clarified and reflected in the final DCED report and recommendation concerning the annexation proposal.

The petition states that the city does not intend to provide road maintenance in the area proposed for annexation, although the City's 1999 budget suggests that some minimal level of road maintenance is provided within the existing boundaries of the City

### **Aleknagik Airport**

The 2,000 foot gravel airport on the north shore of Aleknagik lake is state-owned.

### **Aleknagik Lake**

Aleknagik Lake comprises a significant portion of the area proposed for annexation. In its 1987 *Wood-Tikchik State Park Management Plan* the Department of Natural Resources commented upon the vital role of water transportation in the Aleknagik area, "*The rivers serve as the regional transportation network, equivalent to the road systems common to more urbanized areas.*" (at 5)

Water access to the Wood River lakes is from Dillingham via the Wood River or from the village of Aleknagik, 25 miles north of Dillingham by road. Shallow, swift moving rivers best navigated by jet-equipped watercraft connect the Wood River Lakes. Most recreational users often fly in and boat out.

### **Overlapping Boundaries**

The City of Aleknagik and the territory proposed for annexation are entirely within the unorganized borough and no other municipality adjoins the territory in question. The area proposed for annexation

does not overlap the boundaries of an existing organized borough, unified municipality, or city.

The inclusion of the uninhabited portions of the territory proposed for annexation, such as the uninhabited but developable privately owned lands is justified through satisfaction of other annexation standards.

The areas proposed for annexation located north and south of the existing boundaries of the City of Aleknagik exhibit similar characteristics and ties with the areas within the existing City boundaries to the extent that the standard is satisfied with respect to those areas. The 18 square mile area to the west of the current boundaries of the city may include so much land and water as to challenge the City's present ability to achieve the full development of essential city services to those areas on an efficient, cost-effective level. However, the intent of 19 AAC 10.130(a) is to determine if any areas vital to the City are inappropriately **excluded** from a city's post-annexation boundaries. Such is not the case with respect to the pending petition, thus, 19 AAC 10.130(a) is satisfied by the proposed annexation.

<sup>16</sup> Aleknagik Wood River Bridge State Project No. 53581

<sup>17</sup> Personal communication, Miriam Tanaka, Department of Transportation and Public Facilities, June 9, 1999

# Section 7

## Contiguity

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### **A. Annexation Standard at Issue**

An area may be annexed to a city provided, in part, that it is contiguous to the annexing city, unless a compelling reason exists for annexation of non-contiguous territory. Specifically, the law provides as follows:

**19 AAC 10.130(b).** Absent a specific and persuasive showing to the contrary, the commission will, in its discretion, presume that territory that is not contiguous to the annexing city does not meet the minimal standards for annexation.

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### **B. Views Expressed by the Petition**

The petition states that areas proposed for annexation are contiguous to the current City of Aleknagik's boundaries.

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### **C. Views Expressed by Others**

The issue of contiguity was not specifically raised as an issue, although Mr. Evans' letter of May 10 suggests that inclusion of areas not accessible by road in the area proposed for annexation is not appropriate.

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### **D. DCED'S Views**

The areas proposed for annexation adjoin the current northern, southern and western boundaries of the City of Aleknagik. Thus, DCED finds that the territory proposed for annexation is contiguous to the current City boundaries and requirements of 19 AAC 10.130(b) are satisfied by the annexation proposal.

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# Section 8

## Inclusion of Only Local Community and Ten Year's Growth

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### **A. Annexation Standard at Issue**

An area may be annexed to a city provided, in part, that it is limited to the "existing local community", plus areas projected for growth and service needs during the next ten years.

Specifically, the law provides as follows:

**19 AAC 10.130(c)** The proposed boundaries of the city must include only that area comprising an existing local community, plus reasonably predictable growth, development and public safety needs during the 10 years following the effective date of annexation of that city.

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### **B. View Expressed in the Petition**

The perception that growth and development along the shores of Lake Aleknagik is impending is one of the

primary reasons for submission of the annexation proposal, as stated on page 1 of the annexation petition.

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### **C. Views Expressed by Others**

Mark Vingoe wrote, "*The proposed boundaries do not include an area where reasonably predictable growth, public safety needs and development will occur within the next 10 years. While there is potential for increased sales of property the actual amount of change has been quite minimal. These properties are remote, usable on a limited basis and subject to purchase by a limited group of individuals.*"

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### **D. Views Expressed by the Petitioner in its Reply Brief**

The Petitioner's reply brief states "*The year-round popu-*

*lation in the territory to be annexed is small now, but is expected to increase in the next ten years, as Native Allotments are sold and developed. The City of Aleknagik feels that change has been occurring very quickly, with land sales creating two lodges in 4 months summer of '98, and two more planned for construction just outside current boundaries this summer. The impact may seem to be small for seasonal property owners who come in for hunting season alone, but has a large impact on the City of Aleknagik.*"

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### **E. DCED's Views**

The record suggests that over the next ten years, privately owned lands suitable for development in the territory proposed for annexation may undergo residential and commercial development. However, the extent to which growth and development will occur in an area such as that proposed for annexation is a

matter of conjecture. Numerous extraneous factors will play a role in determining the pace of development in the

area. Thus, DCED concludes that while 19 AAC 10.130(c) may be marginally satisfied by the annexation proposal, the

record does suggest that such growth projections are somewhat speculative and by no means assured.

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## Section 9

### Exclusion of Large Unpopulated Regions

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#### A. The Standard

An area may be annexed to a city, provided, in part, that the proposed boundaries exclude large uninhabited areas, except when justified by other annexation standards. Specifically, the law provides as follows:

##### 19 AAC 10.130(d)

The proposed boundaries of a city must not include entire geographical regions or large unpopulated areas, except when boundaries are justified by the application of the standards in 19 AAC 10.090 – 19 AAC 10.130.

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#### B. Views expressed in the Petition

The Petitioner acknowledges that the area proposed for annexation is minimally

populated. *"There is a limited full-time population group in the area to be annexed. The population is expected to grow significantly in the next 5 years, as many parcels of land have just been conveyed as Native Allotments, and sold from public into private ownership."*

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#### C. Views Expressed by Others

In his May 5, 1999 letter, Keith Evans asks rhetorically, *"Why would a village as small as Aleknagik want to add such a large area to their current responsibilities?"*

Mark Vingoe's letter also suggests that the size and remote character of the area proposed for annexation militates against the proposed boundary change. *"These properties are remote, usable on a limited basis and subject to purchase by a limited group of individuals."*

*In conclusion, it is my assertion that the time is not right for such an aggressive annexation of this territory. The requested enlargement in fact more than doubles the size of the City."*

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#### D. Views Expressed in Petitioner's Reply Brief

The Petitioner's reply brief reiterates the assertion that anticipated development of the territory compensates for the acknowledged lack of significant population in the area at present, although projected the time frame for such development is extended. *"The year-round population in the territory to be annexed is small now, but is expected to increase in the next ten years, as Native Allotments are sold and developed."*



## **E. DCED'S Views**

When examining the population densities of the territory proposed for annexation by the City of Aleknagik, it is useful to first consider the population densities of other cities in Alaska. The 145 city governments presently existing in Alaska have wide ranging population densities. With nearly 2,226 residents per square mile, the City of Ketchikan ranks as the most densely populated city government in the state. On the other end of the spectrum, the City of Platinum is the most sparsely populated city government in Alaska with 0.9 persons per square mile. The average population density of all cities in Alaska is 40.6 persons per square mile, measuring both land and water within the jurisdictional boundaries of cities. Excluding water, the average population density of all cities in Alaska is 55.2 persons per square mile. (Laura Walters, DCED)

The City of Aleknagik presently ranks as the 37<sup>th</sup> most densely populated city in Alaska.

Using the previously noted population estimate of 58 combined seasonal and year round residents, the 24.29 square mile area proposed for annexation has a population density of 2.4 persons per square mile. Such population density is only 17.4% of the population density within the City of Aleknagik.

The terms "entire geographical regions" and "large unpopulated areas" are broad and should be examined in the context of other cities in Alaska.

The average size of the jurisdictional area of the 145 cities in Alaska is 27.1 square miles. If the annexation occurs, the new boundaries of the City of Aleknagik would encompass 43.75 square miles, 61% larger than the average of all cities. Of course, DCED recognizes that the jurisdictional needs of each city in Alaska are unique. Nonetheless, the statistical comparisons offered are useful in the context of applying the terms "entire geographical regions" and "large unpopulated areas."

There are an estimated 58 individuals living in the area proposed for annexation.

However, the vast majority of these (86.2%) only occupy the area on a seasonal basis. Clearly, such seasonal occupants of the territory do not have residence in the area as such is defined by 19 AAC 10.990(10).<sup>18</sup>

The existence of uninhabited areas within the territory proposed for annexation appears to be due in large measure to land ownership status and terrain. Much of the territory is submerged by Aleknagik Lake and thus not suitable for normal development.

The Aleknagik area exhibits certain similarities to the Lake Louise area, which was the subject of a city incorporation petition in 1996. That petition was ultimately denied by the Local Boundary Commission, but not on the basis of the Lake Louise area's minimal population or its expansive size, although concerns about such were raised during the incorporation proceedings.

Petitioners for incorporation of Lake Louise proposed municipal boundaries encompassing approximately 266 square miles occupied by only

18 19 AAC 10.990(10) provides the following definition: "permanent residence" means a person who has maintained a principal domicile in the territory proposed for change under this chapter for at least 30 days immediately preceding the date of acceptance of a petition by the department, and who shows no intent to remove that principal domicile from the territory at any time during the pendency of a petition before the commission.

45 persons on a year-round basis but containing numerous recreational cabins and six commercial business sites on Lake Louise. The Lake Louise area included four lodges, a guide and hunting service and one service station-storage facility.

The Local Boundary Commission's February 13, 1997 decisional statement regarding the Lake Louise proposal stated, "*Commission members unanimously agreed that although the population of Lake Louise was minimal, it was large enough — particularly given the skills that are evident in that population — to maintain a city government. Further, the Commission determined that while Lake Louise has characteristics of a recreational community, the community has a stable core population.*"

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*"Some Commission members expressed hesitancy with regard to the size of the area proposed for incorporation. Particular concern was expressed that the territory proposed for incorporation was disproportionately large for the population of the proposed city. One member characterized the boundary configuration as a mini-borough. The Commission recognized, however, that although the area is large in size it is a cohesive unit that is dominated by an interconnected system of lakes."*

The area proposed for annexation encompasses extensive areas with very sparse and seasonal population. The question is whether inclusion of such unpopulated

areas is justified by other annexation standards. DCED's view is that inclusion of the areas to the north and south of the existing boundaries, encompassing about six square miles, is reasonably justified by other annexation standards, but that the annexation of the 18 square mile to the west of the existing boundaries is not satisfied by other annexation standards.



# Section 10

## Balanced Best Interests

### A. The Standard

State law provides that the LBC may recommend a municipal boundary change to the State legislature pursuant to Article X, § 12 of Alaska's Constitution as long as the proposal satisfies the annexation standards set out in 19 AAC 10.090 - 19 AAC 10.130. Additionally, the LBC must determine that annexation will serve the balanced best interests of the State of Alaska, the territory proposed for annexation, and affected political subdivisions. Specifically, the law provides as follows.

#### 19 AAC 10.140. LEGISLATIVE REVIEW.

Territory that meets all of the annexation standards specified in 19 AAC 10.090 - 19 AAC 10.130 may be annexed to a city by the legislative review process if the commission also determines that annexation will serve the balanced best interests of the state, the territory to be annexed, and all political

subdivisions affected by the annexation. In this regard, the commission will, in its discretion, consider relevant factors, including whether the

(1) territory is an enclave surrounded by the annexing city;

(2) health, safety, or general welfare of city residents is or will be endangered by conditions existing or potentially developing in the territory, and annexation will enable the city to regulate or control the detrimental effects of those conditions;

(3) extension of city services or facilities into the territory is necessary to enable the city to provide adequate services to city residents, and it is impossible or impractical for the city to extend the facilities or services unless the territory is within the boundaries of the city;

(4) residents or property owners within the territory receive, or may be reasonably expected to

receive, directly or indirectly, the benefit of city government without commensurate tax contributions, whether these city benefits are rendered or received inside or outside the territory, and no practical or equitable alternative method is available to offset the cost of providing these benefits;

(5) annexation of the territory will enable the city to plan and control reasonably anticipated growth or development in the territory that otherwise may adversely impact the city; and

(6) territory is so sparsely inhabited, or so extensively inhabited by persons who are not landowners, that a local election would not adequately represent the interests of the majority of the landowners.

## **B. Views Expressed in the City of Aleknagik's Petition**

The City implicitly addresses the "best interests" standards by acknowledging that benefits would accrue to area residents and owners of property in the territory proposed for annexation from the extension of municipal government to an area where such is presently lacking.

### **Rationale for Petitioning Under Legislative Review Process**

The City notes that it chose the legislative review method of annexation in order that its proposal would be reviewed in an impartial manner based on state-level considerations. In that regard, the City notes that the Alaska Supreme Court has ruled that expansion of municipal boundaries is a matter of statewide concern, and those who reside in the area proposed for annexation have no vested right to insist that annexation take place only with their consent.

Additionally, the petition indicates that the State Supreme Court has held that the legislative review method of annexation stems from the conviction among those who

wrote Alaska's constitution that local political decisions do not usually create proper boundaries and that boundaries should be established at the state level.

### **Services Provided Without Commensurate Tax Support**

Residents of the area proposed for annexation contribute in support of City services and capital improvements by paying City sales tax for purchases made in the City. The petition notes also that three weekly inspections of remote properties will be conducted during the winter months per property for an annual fee of \$250 per property.

### **Liabilities Associated with Services Provided Outside the City's Corporate Boundaries Without Extraterritorial Jurisdiction**

The City of Aleknagik indicates that it provides search and rescue services outside its corporate limits. Additionally, the City notes that several of its facilities are outside its corporate limits. Those include the north and south shore landfills, two campgrounds and associated easements.

### **Need to Include Areas of the Community that are the Result of Growth and Development Outside the Corporate Boundaries of the City**

The City suggests that development of City-owned public facilities, particularly the landfill sites, outside its corporate boundaries, provided the impetus for proposing annexation of areas to the north and south of the existing municipal boundaries.

### **Balanced Best Interests**

The City's petition asserts that annexation is in the balanced best interest of the State, the territory to be annexed, and all political subdivisions affected by the annexation based on the following anticipated results of the change:

- reduction of governmental units;
- promotion of delivery of cost-effective delivery of services;
- reduction of local demands on State services provided now at no cost to the area proposed for annexation;
- satisfaction of State constitutional provisions regarding local boundaries.



## **C. Views Expressed by Others**

In its her letter on behalf of the Aleknagik Traditional Council of April 16, 1999, Miriam Olson stated:

*The Aleknagik Traditional Council held their regular monthly meeting on April 12, 1999. At that meeting the petition to annex territory to the City of Aleknagik was discussed. All the council members present were in opposition to the petition and did not support the draft resolution, most particular the Whereas, the annexation will serve the balanced best interests of the State, the area to be annexed and all political subdivisions affected by the annexation.* (emphasis in original)

Ms. Olson suggests that the Traditional Council considered the **best interests of the residents of Aleknagik** would be ill-served by the annexation, since: "At this time the Aleknagik Traditional Council did not see a need for the City to extend its boundaries mainly because with the proposed cut in state revenue sharing that the City uses to operate and provide services is not enough to cover the need that currently exists. Therefore, by extending the boundaries and providing services to more may affect those presently being served."

As noted previously, such concerns on the part of the Aleknagik Traditional Council did not apply to the City-owned property in the area proposed for annexation, since, "they [the Aleknagik Traditional Council] did not object to the City annexing the two landfill sites that they currently have acquired under the 14 C (3) process."

In Resolution 99-01, dated April 5, 1999, the Aleknagik Natives Ltd. Board of Directors resolved, in part, "Whereas, the annexation will serve the balanced best interests of the State, the area to be annexed and all political subdivisions affected by the annexation."

According to Dillingham City Manager Chris Hladick's June 4, 1999 letter, the Dillingham City Council considers the proposed annexation to "be in the best interests of the state, the area proposed for annexation and all political subdivisions affected by the annexation."

Mark Vingoe's June 1 letter stated, ". . .it is my belief that the State has a more compelling interest in overseeing land development in the area, given the proximity of these properties to the Wood Tikchik State Park. This past legislative session a measure was passed which now authorizes the State to manage development of all subdivisions in any

*unorganized lands. As future usage of the park will undoubtedly increase it would seem that the State's interest would be better served by continuing to maintain control of subdivision platting and building codes."*

## **Services Provided and Commensurate Tax Support**

Billie Benedict's letter opposing the petition contends that the City of Aleknagik provides no services. Thus, in her view, current local services would not justify imposition of any municipal tax.

In his letter of June 1, 1999 Mark Vingoe stated "right now, the most crucial need in the area is for adequate police protection for the homes and cottages which are vacant for the most part during the wintertime. The cost projected by the City to pay for this protection is way beyond what would reasonably be expected of the typical community resident."

## **Best Interests of the Area Proposed for Annexation**

In his letter of June 4, 1999, Allen Ilutsik stated "The City of Aleknagik has transportation for future development, medical emergency situations, state and local law enforcement, and the ability to respond with complete efficiency and authority.

*If the City Government were to have control of the new area it would serve the residents' best interests."*

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#### **D. Views Expressed by the City of Aleknagik In Its Reply Brief**

##### ***Best Interests of the State of Alaska***

The City's reply brief argues that increasing local control over the area is in the best interests of the State. "As for the comment that the State would do better in overseeing development in the area, the State is actively seeking Boroughs or Municipalities to take over such functions. Indeed, State Officials prefer local control, and taxation to continued subsidies based on declining oil revenues. The comment that the State would do better at Platting and Subdivision Management assumes that a huge bureaucracy, far away in Juneau, could have better input than residents living in the area could. Concern about the ability of a small town to plan, plat and manage building codes is valid- but only in regard to financial resources."

##### ***Services Provided Without Commensurate Tax Support***

The Petitioner's reply brief discounts concerns held by owners of property in the area proposed for annexation regarding the potential for future imposition of a property tax by the City. The reply brief states, "The potential exists for future Aleknagik City Council Members to adopt an ordinance imposing a property tax, and as members of a second class city, the voters could approve such a tax up to 2 % of the appraised value of the property. The State Legislators would no doubt be very supportive of such an attempt, as the amount of Administration financial support for rural communities is declining annually. However, the current City Council has not investigated this option, as the City does not have the resources to administer such an ordinance at this time.

*As noted in the petition, Aleknagik voters did impose a 5% Bed and Hotel and 5% Sales taxes at their 11/3/98 election. The public process surrounding that action was initiated 2/98, with public notice, and public comment requested from the community (intermittently) until the Council adoption 8/28/98. No written comment was received*

*in regard to this action, and no person spoke against the Ordinances at any time- even after voter approval when the Sales tax was amended- 12/98 through 2/99! This time frame was adequate to allow seasonal residents and property owners, as well as all businesses, to respond in person and in writing to the proposal. The same public process would apply for a property tax ordinance. As a non-native resident, and respondent to the negative comments regarding the City Council, I would encourage any member of the public with property that potentially could be taxed, to get involved with local government process and voice their concerns."*

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#### **E. DCED'S Views**

##### ***Services Provided Without Commensurate Tax Support***

Residents of the area proposed for annexation indeed pay sales taxes levied by the City of Aleknagik whenever they make taxable purchases of goods and services inside the City's corporate boundaries. Anyone, regardless of residency, who makes such purchases pays the City's sales tax.



### **Best Interests of the City of Aleknagik**

Annexation will probably enhance the City of Aleknagik's finances over the long-term, although short-term financial gains appear to be entirely absent or, if present to be negligible. Annexation of relatively compact areas to the north and south might strengthen local government in Aleknagik since such would bring existing and planned municipally-owned land and facilities (i.e. the two dumps, campsites and access roads) within the jurisdiction of the City. It is not evident that annexation of the 18 square mile area to the west would produce such clear benefits since it would not result in significant increased revenues to the City. Impetus for the proposed annexation of the 18 square mile area to the west seems to spring from a parochial impulse to further local control over development activities. The validity of such motivation is somewhat tenuous in this case, given the western area's scant year-round population, scattered and minimal development of the western area and meager resources and services of the City of Aleknagik.

### **Best Interests of the Area Proposed for Annexation**

Municipal planning and municipal land use regulation are basic services lacking in the area proposed for annexation. However, platting in the area is administered by the Department of Natural Resources, as is the case throughout areas outside of cities in the unorganized borough. The fact that the City of Aleknagik does not provide platting services is not considered by DCED to be a deficiency, since only seven (8.9%) of second class cities in the unorganized borough exercise platting powers.<sup>19</sup>

### **State Investment in Aleknagik Infrastructure**

The State of Alaska has a vital interest in strengthening local municipal governments to deliver local services and maintain local public facilities. The State of Alaska has invested considerable resources to promote development of facilities to benefit Aleknagik area residents. Certain of these facilities are operated by the City of Aleknagik in the area proposed for annexation. Chart 10-A on

the following page outlines State discretionary grants fund that were dedicated to the area during the past three years.<sup>20</sup>

Such an investment in the community not only result in increasing use of the area proposed for annexation, but also enhance the importance of strong local municipal government in the area to ensure that such projects are completed in an efficient and effective manner. A financially strong City of Aleknagik delivering necessary municipal services to the area is the desired return on public investment sought by the State of Alaska. To the extent that annexation helps in the attainment of such objectives, the proposed boundary change is in the best interests of the State of Alaska.

### **Conclusions**

- Residents and property owners in the territory proposed for annexation benefit only minimally, if at all, from services and facilities funded by the City of Aleknagik's general fund, without commensurate tax support. Such benefits appear limited to landfill services.

<sup>19</sup> The Department of Natural Resources Division of Lands reports that only seven class cities exercise platting authority. These are the City of Angoon, the City of Bethel, the City of St. George, the City of St. Paul, the City of Tenakee Springs, the City of Thorne Bay and the City of Whittier.

<sup>20</sup> DCED Rapids Database

**Table 10-A - State Discretionary Grant Funds Dedicated to the Aleknagik Area during the Past 3 Years**

Lead Agency	Fiscal Year	Project Status	Project Description	Project Stage	Agency Cost	Total Cost
DOA	1999	Funded	Wood River Bridge Design and Construction. Capital Matching	Preliminary	\$25,000	\$26,316
DOT&PF	1999	Funded	North Shore Landfill Access Road. Construct 1.5 miles of road to access a new landfill and sewage lagoon	Construction	\$109,700	\$1,215,000
DOT&PF	1999	Funded	Airport Snow Removal Equipment	Construction	\$20,000	\$200,000
DOT&PF	1999	Funded	Aleknagik Lake Wayside & Trailhead, Ph II Design. Construct parking, toilets, public water system, picnic shelter, improvements to caretakers building, boat launching facilities, circulation roads, pathways, and landscaping and interpretive displays. Ad	Construction	\$66,300	\$1,288,000
DCRA	1998	Funded	North Shore Community Hall Improvement; South Shore Foxville Roadway Extension; N & S Shore Road Improvement; Landfill Improvement.. Magnuson-Stevens Act 1997 Fish Disaster Grant	Construction	\$30,018	\$120,071
DOA	1998	Funded	Steel Two-Lane Bridge with Concrete Foundation. Capital Matching	Preliminary	\$12,437	\$13,092
DOA	1998	Funded	North Shore Landfill Relocation. Capital Matching	Preliminary	\$19,000	\$20,000
DOT&PF	1998	Funded	Wood River Bridge, Ph II Design. New 2-lane bridge between North Shore Aleknagik and the Dillingham-Aleknagik Road. Site has not been selected	Design	\$140,000	\$700,000
DOA	1997	Funded	North Shore Landfill Relocation. Capital Matching	Preliminary	\$19,000	\$20,000
DOA	1995	Funded	North Shore Landfill Relocation. Capital Matching	Preliminary	\$19,000	\$20,000

Source: DCED RAPIDS Database

Although funding for landfill operations could be funded by user fees, inclusion of the two areas north and south of the existing boundaries containing City-owned lands and landfill facilities appears consistent with the best interests of those areas and the City.

- If the City of Aleknagik performed the services of planning, land use regulation and/or platting and zoning, annexation would

enable the City of Aleknagik to plan for and control reasonably anticipated growth and development in the territory proposed for annexation that otherwise might adversely impact the City. However, the City does not perform platting or zoning, and planning services are performed at a rudimentary level. Therefore annexation of the 18 square mile area to the west of the existing city is

not considered compatible with the best interests of that area.

- The territory is so sparsely inhabited that a local election would not adequately represent the interests of the majority of landowners. Such fulfills the requirement of 19 AAC 10.140(6).
- The proposed annexation may serve the best interests of the State of Alaska if it facilitates the delivery of public safety services to



areas which appear to require them. However, it should be recognized that the services provided by the Village Public Safety Officer are delivered under the auspices of the Bristol Bay Native Association and the area to which the service is provided is thus not necessarily relevant to the boundaries of the City.

- Annexation would probably enhance the City of Aleknagik's finances over the long-term, although short-term financial gains appear to be entirely absent, or if present, negligible.
- To the extent that it would benefit the principal property owner in the territory proposed for annexation, the boundary change may be considered to be compatible with the best interests of that territory. However, if the

territory is subjected to a level of sales tax and bed tax that is not commensurate with the types and levels of services provided by the City, annexation of the 18 square mile area to the west of the existing boundaries could prove incompatible with the best interest of the territory proposed for annexation.

The proposed annexation would serve the balanced best interests of the State of Alaska if annexation facilitates the delivery of public safety services to areas outside the existing City boundaries requiring such services.

However, since public safety services to the area are not technically provided as a City at this time, but by the Bristol Bay Native Association, for DCED to justify annexation principally on such grounds is somewhat disingenuous.

Annexation would probably enhance the City of Aleknagik's finances over the long-term, although short-term financial gains to the City appear to be entirely absent or, if present, to be negligible.

DCED concludes that annexation of the areas to the north and south of the existing city boundaries would serve the balanced best interests of the State of Alaska, the territory proposed for annexation, and affected political subdivisions. However, annexation of the 18 square mile area to the west of the existing boundaries does not demonstrably serve the best interests of that area. Thus, the standard set out in 19 AAC 10.140 is satisfied with respect to only a portion of the area sought for annexation.

# Section 11

## Transition Plan

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### A. The Standard

19 AAC 10.900 provides:

(a) A petition for incorporation, annexation, merger or consolidation must include a practical plan in which the municipal government demonstrates its intent and capability to extend essential city or essential borough services into the territory proposed for change in the shortest practicable time after the effective date of the proposed change. A petition for detachment or dissolution must include a practical plan demonstrating the transition or termination of municipal services in the shortest practicable time after detachment.

(b) A petition for a proposed action by the commission 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, service area, or other entity located in the

territory proposed for change. The plan must be prepared in consultation with the officials of each existing borough, city or 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) A petition for a proposed action by the commission must include a practical plan for the transfer and integration of all relevant and appropriate assets and liabilities of an existing borough, city, service area or other entity located in the territory proposed for change. The transition plan must be prepared in consultation with the officials of each existing borough, city, or service area affected by the 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 occurs 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 will, in its discretion, require that all affected boroughs, cities, service areas, or other entities 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.

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### B. Views Expressed in the Petition

*"The Annexation, if approved, will become valid in 2 years, and allow adequate time for increased funds from collection of sales and bed taxes to support the proposed Environmental Monitor/ Refuse Collector. This position would be funded by the City and be a FT position in*



summer and 3 days per week in winter. Police Services, supervised by the VPSO, would be increased by 2 Village Police Officers, a concept that has been tried in other villages. VPO's are funded by Tribal Grants, and provide back-up support to the VPSO's in villages such as Manokotak. The City of Aleknagik has been interested in pursuing this course of action as well. The plan is to have a funded start-up and in three years, support the program. The City of Aleknagik would merge Animal Control into the VPO position, as well as water safety monitoring during the summer months.

*There has already been requests for a type of ambulance that could be used for patient transport to Dilling-*

*ham. Currently, the City owns a 1991 Suburban that can be used for Ambulance transport. The Emergency Services Committee is considering an upgrade to a fully functioning ambulance, with crew. Most if not all development in the annexed areas will occur within one mile of the road or 1/8 mile of the Lake. Budgeted for 1991 is a speedboat that would be kept equipped with a pump and Lake Rescue equipment would enhance fire response to homes on the lake.*

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### **C. Views Expressed by Others**

Mark Vingoe's June 1 letter states that the petition "lacks precision in its description of how and when services could be reasonably expected to be received."

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### **D. Views Expressed by the Petitioner's Reply Brief**

The City of Aleknagik did not comment regarding Mr. Vingoe's criticism of its plan for extension of municipal jurisdiction over the area proposed for annexation.

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### **E. DCED'S Views**

DCED does not consider the proposed annexation to raise any significant issues with respect to transition.

### **Conclusion**

DCED finds from the foregoing that the City's petition and existing code provide suitable transition provisions as required by 19 AAC 10.900.

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## Section 12

# Recommendation

DCED recommends that annexation of the areas to the north and south of the existing City of Aleknagik boundaries, collectively encompassing 6.29 square miles, be approved by the Commission and that such recommendation be forwarded to the Second Session of the Twenty-First Alaska State Legislature for consideration.

The 18 square mile area to the west of the existing City of Aleknagik boundaries should not be included in the area proposed for annexation unless the Commission determines that the absence of an organized borough in the area and other factors specific to the Aleknagik area warrant a liberal interpretation of the standards for annexation in this case.

DCED's recommendation that the Commission amend the City of Aleknagik's petition to exclude the 18 square mile area to the west of the current boundaries of the City of Aleknagik was influenced by the following considerations.

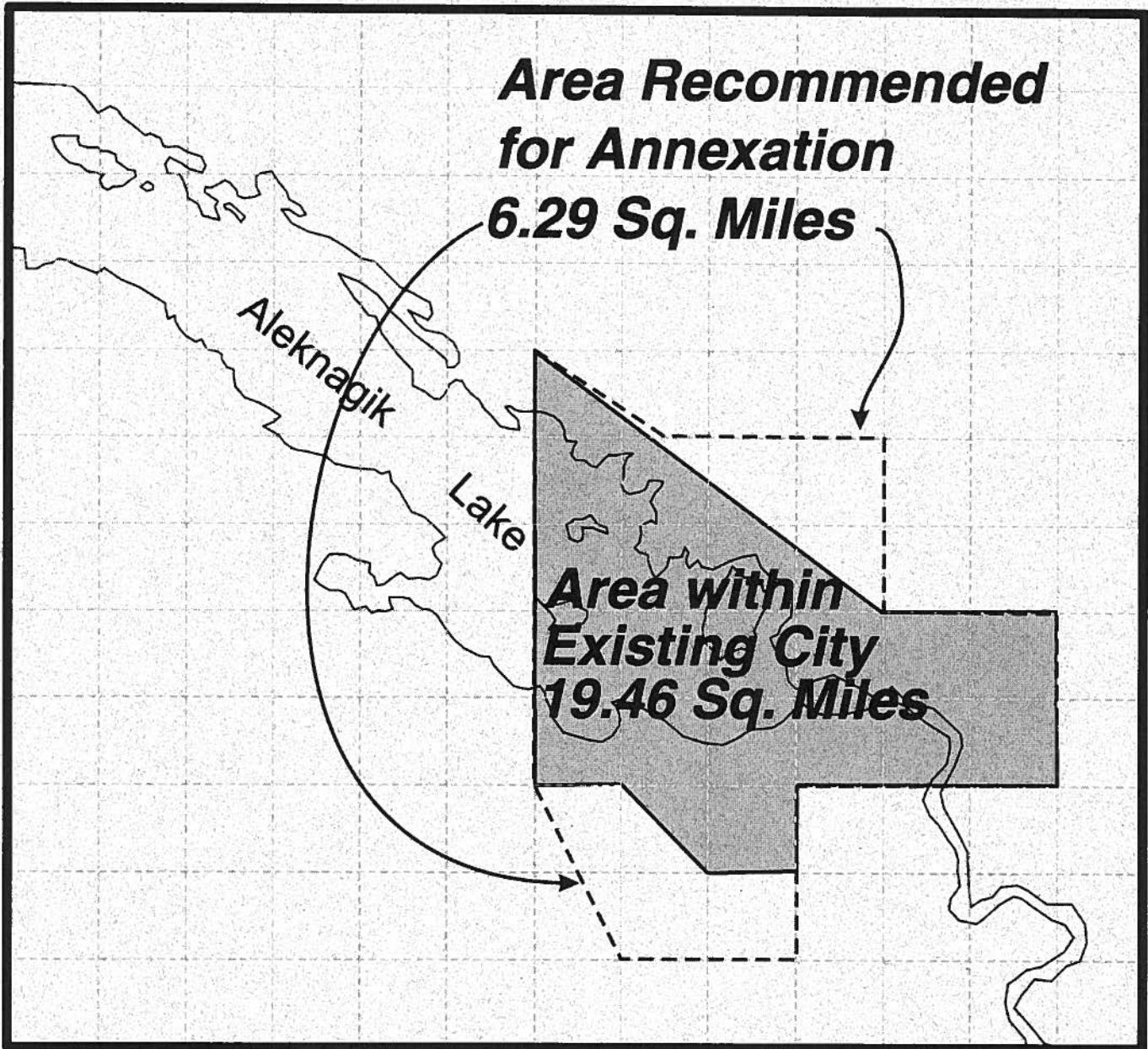
- Proponents of the pending annexation petition originally contemplated submission of a petition for a larger area of Aleknagik Lake and its adjacent shoreline, but were dissuaded from seeking a larger area after consulting with DCED staff. However, City officials continue to express strong interest in a much larger expansion of the City's boundaries. As stated in the Petitioner's reply brief, *"The Planning Committee recommended to the City Council that the entire lakefront be annexed in the next 10 to 15 years. This step is the first step in that plan. An aggressive annexation petition would possibly be dismissed by the LBC, so the Agulawok and Junior Camp were not selected at this time."* Thus, annexation of the entire area sought by the pending proposal would likely be construed as setting the stage for one or more future proposals to annex even more extensive areas to the City. Such could be seen as tacitly encouraging incremental annexations of extensive tracts of sparsely-inhabited territory.
- Establishment of such a precedent could have far reaching implications with respect to future annexation or city incorporation petitions as others seek to include similarly large, sparsely inhabited areas within the boundaries of city governments. In Southwest Alaska and certain other parts of the unorganized borough, such could add to the existing substantial disincentives impeding borough incorporation.

DCED recommends that the amended petition should be forwarded to the Second Session of the Twenty-First Alaska State Legislature for consideration and approval.

DCED's recommended post-annexation boundaries for the City of Aleknagik are shown on the following page.



**DCED's Recommended Boundaries for the City of Aleknagik**







# Appendix A

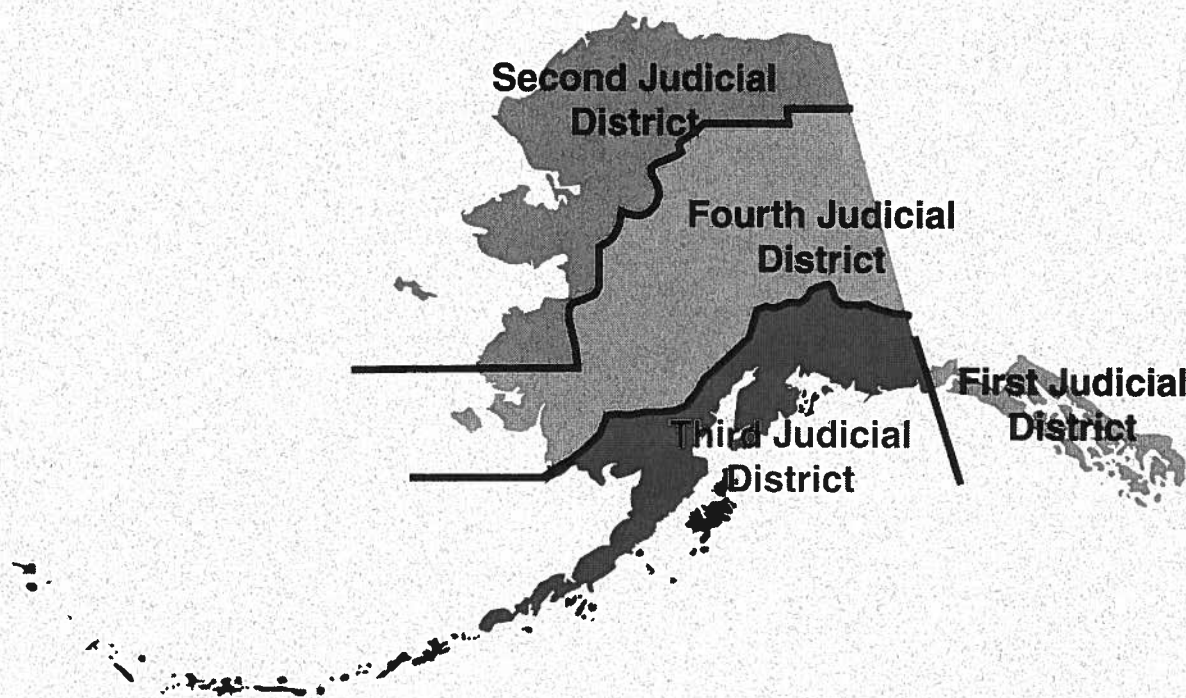
## Local Boundary Commission and Department of Community and Economic Development

**P**etitions for annexation to cities in Alaska are subject to review by the Local Boundary Commission (LBC). The LBC is a State board with jurisdiction throughout Alaska. (Article X, Section 12, Ak. Const., AS 29.05, AS 29.06, and AS 44.47.565 - 44.47.583.)<sup>1</sup> In addition to petitions for annexation to cities, the LBC acts on petitions for the following:

- annexation to boroughs;
- incorporation of cities and boroughs;
- consolidation of cities and boroughs;
- detachment from cities and boroughs;
- merger of cities and boroughs;

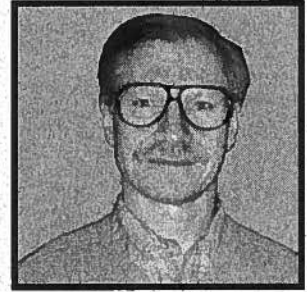
- dissolution of cities and boroughs; and
- reclassification of cities.

The LBC consists of five members appointed by the Governor for overlapping five-year terms. Members are appointed, “. . . on the basis of interest in public affairs, good judgment, knowledge and ability in the field . . . and with a view to providing diversity of interest and points of view in the membership.” (AS 39.05.060) Members serve at the pleasure of the Governor. The Chairperson is appointed from the state at-large and one member is appointed from each of Alaska's four judicial districts. Members serve without compensation.



<sup>1</sup> Effective July 1, 1999, AS 44.47.567 – 44.47.583 is renumbered as AS 44.33.810 – 44.33.828 under the provisions of Chapter 58, SLA 1999.

**Kevin Waring**, a resident of Anchorage, has served on the Commission since July 15, 1996. He was appointed as Chairperson of the LBC on July 10, 1997. He was reappointed to a new term as Chairperson effective January 31, 1998. Commissioner Waring was one of the former Department of Community and Regional Affairs' original division directors (1973-1978). Between 1980 and the spring of 1998, he operated a planning/economics consulting firm in Anchorage. Commissioner Waring is now manager of physical planning for the Municipality of Anchorage's Community Planning and Development Department. Mr. Waring has been active on numerous Anchorage School District policy and planning committees. His current term on the LBC expires January 31, 2003.



**Kathleen S. Wasserman**, a resident of Pelican, is the Vice-Chairperson of the Commission. She serves from Alaska's First Judicial District. She was first appointed to the Commission for an unexpired term on September 14, 1995. She was reappointed to a new term beginning January 31, 1996. Commissioner Wasserman also serves as the current Mayor of the City of Pelican. In the past, Commissioner Wasserman has served as a member of the Assembly of the City and Borough of Sitka and as Mayor of the City of Kasaan. Additionally, she has served as president of the Southeast Island Regional Educational Attendance Area School Board. Commissioner Wasserman works as the Southeast Alaska Projects Director for Ecotrust. Her present term on the Commission expires January 31, 2001.

**Nancy E. Cannington** serves from the Second Judicial District. She was appointed to the LBC on September 14, 1995 and reappointed to a new term effective January 31, 1999. Formerly Special Assistant to the Commissioner of the Alaska Department of Labor, Ms. Cannington now serves as the Manager of the City of Kotzebue. She is currently Second Vice President of the Alaska Municipal Managers Association. Ms. Cannington was a member of the Alaska Safety Advisory Council for eight years and currently serves as Vice Chair of the Alaska Municipal League Joint Insurance Association. She also served as a member of the State's Task Force on Education Funding in 1995. Ms. Cannington's current term on the LBC expires January 31, 2004.



**Allan Tesche** serves from the Third Judicial District and is a resident of Anchorage. He was appointed to the LBC on July 10, 1997. In April 1999, Mr. Tesche was elected to the Assembly of the Municipality of Anchorage. In the past, Mr. Tesche has served as Deputy and Assistant Municipal Attorney in Anchorage and Borough Attorney for the Matanuska-Susitna Borough. He is a founder and past president of the Alaska Municipal Attorneys' Association and served as a member of the attorneys' committee which assisted the Alaska legislature in the 1985 revisions to the Municipal Code (AS Title 29). Mr. Tesche is a shareholder in the Anchorage law firm of Russell, Tesche, Wagg, Cooper & Gabbert, PC. Mr. Tesche's term on the Commission expires January 31, 2002.

**William Walters** serves from the Fourth Judicial District and lives in the greater Fairbanks area. He was appointed to the LBC on September 14, 1995. Mr. Walters works for the Alaska Department of Labor as a hearing officer in Fairbanks. He is a graduate of the University of Texas School of Law. He worked for the Tanana Chiefs Conference on the development of tribal courts from 1992 to 1998. He is a former member of the Fairbanks North Star Borough Planning Commission. Mr. Walters' current term on the LBC expires January 31, 2000.





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## **Communications with the LBC**

The LBC is a quasi-judicial board. To preserve the rights of petitioners, respondents, and others to due process and equal protection, 19 AAC 10.500 prohibits private (ex parte) contact with the LBC on all matters pending before it. The law prohibits communication between the LBC and any party in a proceeding, other than its staff, except during a public meeting called to address the proposal at issue. This limitation takes effect upon the filing of a petition and remains effective through the last date available for the Commission to reconsider a decision under 19 AAC 10.580. Written communications to the Commission must be submitted through its staff.

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## **Staff to the Commission**

The Alaska Department of Community & Economic Development (DCED) serves as staff to the LBC. The LBC's staff is required by law to evaluate petitions filed with the LBC and to issue reports and recommendations to the LBC concerning such.

The LBC and DCED are independent of one another concerning policy matters. Therefore, DCED'S recommendations in this or any other matter are not binding upon the LBC.

Under the terms of Chapter 58, SLA 1999, the former Department of Community and Regional Affairs (DCRA) was consolidated with other State agencies effective July 1, 1999. The former DCRA'S Municipal and Regional Assistance Division, which includes the Local Boundary Commission staff support component, was consolidated with the Department of Commerce and Economic Development (DCED). The consolidated agency has been renamed the Department of Community and Economic Development. Debby Sedwick, current Commissioner of the DCED, has been named Commissioner of the consolidated agency.





# Appendix B

## Proceedings to Date and Future Proceedings

This Appendix summarizes the formal activities that have occurred to date with regard to the pending petition for annexation of territory the City of Aleknagik. Information about future proceedings concerning this matter is also provided.

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### **Annexation Petition Accepted for Filing**

The City of Aleknagik completed its annexation petition on March 1, 1999. The petition was received by DCRA on March 5, 1999.

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### **Notice of Filing of the Petition**

On April 1, 1999, review of the form and content of the City of Aleknagik's petition was completed, and the petition was accepted for filing. Public notice of the filing of the petition was given in accordance with the requirements of law. The deadline for filing responsive briefs and comments in support of or in opposition to the annexation proposal was set for 5:00 p.m. on June 4, 1999.

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### **Comments Filed**

No responsive briefs were filed in the matter. However, timely letters conveying comments upon the annexation proposal were submitted directly to DCED by 13 parties. Written comments **in support** of the annexation proposal were received from:

- Aleknagik Natives, Ltd.;
- Roland Moody;
- Berna Rae Andrews;
- Tom Tinker;
- Chris Hladick on behalf of the City of Dillingham;
- Nick Tinker;
- Shellie M. Aloysius; and
- Allen Ilutsik.

Timely written comments **opposing** the annexation petition were received from:

- Keith Evans;
- Billie Benedict;
- Miriam Olson on behalf of the Aleknagik Traditional Council;
- Cecilia Martin; and
- Mark Vingoe.

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### **City Reply Brief Filed**

On June 14, 1999, the City of Aleknagik filed a 2-page reply in rebuttal to certain written comments from the eleven parties commenting upon the annexation proposal.

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### **Future Proceedings**

#### ***Review of Draft Report***

19 AAC 10.530 requires that copies of this draft report be provided to the Petitioner and other known interested parties for review and comment. Copies will also be provided to other interested parties for review and comment. 19 AAC 10.640 requires that at least 28 days be allowed for comment on the draft

report from the date the report was mailed to the Petitioner.

The deadline for the receipt of comments on DCED'S preliminary report concerning the pending Aleknagik annexation proposal is October 19, 1999. Comments must be received by the deadline at the following address:

LBC Staff  
Department of Community and Economic  
Development  
333 W. 4th Avenue, Suite 220  
Anchorage, AK 99501-2341  
Fax: 907-269-4539 or 907-269-4520

## Final Report

After the written comments on the draft report have been reviewed, a final report will be issued.

Occasionally, preliminary reports to the LBC become final with little or no modification. In those cases, a letter announcing the adoption of the preliminary report is issued to meet the legal requirement for a final report.

## LBC Public Hearing

The LBC will conduct a hearing on the annexation proposal in Aleknagik. The date of the hearing will be set by the Chairperson of the Local Boundary Commission. At least thirty days notice of the hearing will be given.


## Agenda

A sample agenda is shown below.

## Reconsideration

Any party may ask the LBC to reconsider its decision in this matter. The provisions of 19 AAC 10.580 provide details concerning requests for reconsideration.

A request for reconsideration of the LBC's decision may be filed within 20 days after the decision becomes final. The LBC may also order reconsideration of all or part of its decision on its own motion.



**Members**


*Kevin Waring*  
Chairperson  
At-Large

*Kathleen Wasserman*  
Vice-Chairperson  
First Judicial District

*Nancy Cannington*  
Member  
Second Judicial District

*Allan Tesche*  
Member  
Third Judicial District

*William Walters*  
Member  
Fourth Judicial District



## Agenda

### Aleknagik Annexation Hearing

- I. Call to order
- II. Roll call & determination of quorum
- III. Approval of agenda
- IV. Comments by members of the Local Boundary Commission
- V. Comments by members of the public concerning matters **not on the agenda**
- VI. Public hearing on the Aleknagik Annexation Petition<sup>\*</sup>
  - A. Summary of DCRA's report & recommendations
  - B. Opening statement by the Petitioner (limited to 10 minutes)
  - C. Sworn testimony of witnesses called by the Petitioner
  - D. Sworn responsive testimony of witnesses called by the Petitioner
  - E. Period of public comment by interested persons (limited to 3 - 5 minutes per person)
  - F. Closing statement by the Petitioner (limited to 10 minutes)
  - G. Reply by the Petitioner (limited to 5 minutes)
  - H. Closing statement by DCRA
- VII. Decisional session concerning the Aleknagik Annexation Petition (optional at this time)
- VIII. Comments from Commissioners and staff
- IX. Adjourn

<sup>\*</sup>The LBC Chairperson will preside at the hearing, and may regulate the time and content of testimony to exclude irrelevant or repetitious testimony. The LBC may amend the order of proceedings and change allotted times for presentations if amendment of the agenda will promote efficiency without detracting from the LBC's ability to make an informed decision.



Requests for reconsideration must describe, in detail, the facts and analyses that support the request for reconsideration. If the Commission takes no action on a request for reconsideration within 30 days after its decision becomes final, the request is automatically denied.

If the Commission grants a request for reconsideration, the Petitioner and respondents opposing reconsideration may file responsive briefs for consideration by the Commission. Ten days are allotted for the filing of such briefs.

### **Legislative Review**

The City of Aleknagik's annexation petition seeks alteration of the City's municipal boundaries under the process that involves review by the legislature.



Legislative review is initiated under Article X § 12 of Alaska's constitution when the LBC files a recommendation for annexation with the legislature during the first 10 days of a regular session. If the legislature takes no action on the recommendation within 45 days after presentation (or at the end of the session, whichever is earlier) the recommendation is deemed to have been approved by the legislature,

However, if the Senate and House of Representatives adopt a joint resolution rejecting the recommendation within the 45-day review period, the action is denied.

Rule 49(a)(5) of the Uniform Rules of the Alaska State Legislature provides that a joint resolution "is treated in all respects as a bill but it is not subject to veto."

### **Federal Voting Rights Act Review**

Federal law (43 U.S.C. 1973) subjects municipal annexations in Alaska to review under the federal Voting Rights Act. The Voting Rights Act forbids any change to municipal jurisdiction that has the purpose or effect of denying or abridging the right to vote for racial reasons.

The municipality proposing annexation is responsible for initiating the necessary review of the annexation proposal by the U.S. Justice Department or U.S. District Court for the District of Columbia. The review may be initiated once the opportunity for the LBC to reconsider its decision has expired under 19 AAC 10.580. A request for review prior to such time would be considered premature (see 28 CFR § 51.22). Annexation will not take effect until the City provides DCED with evidence that the Justice Department or U.S. District Court has favorably reviewed the annexation proposal (see 19 AAC 10.630). Commission staff is available to assist cities in meeting their obligations under the Voting Rights Act.

If the LBC and the legislature approve annexation, the boundary change will take effect on the date that the City provides the LBC staff with a certificate of the election results and with documentation that the annexation has successfully passed the requisite Federal Voting Rights Act review. DCED will then issue a certificate of boundaries for the City to reflect the annexation.

### **Judicial Appeal**

A decision of the LBC may be appealed to Superior Court. The appeal must be made within 30 days after the last day on which reconsideration may be ordered by the Commission. (Alaska Rules of Appellate Procedure, Rule 601 et seq.)





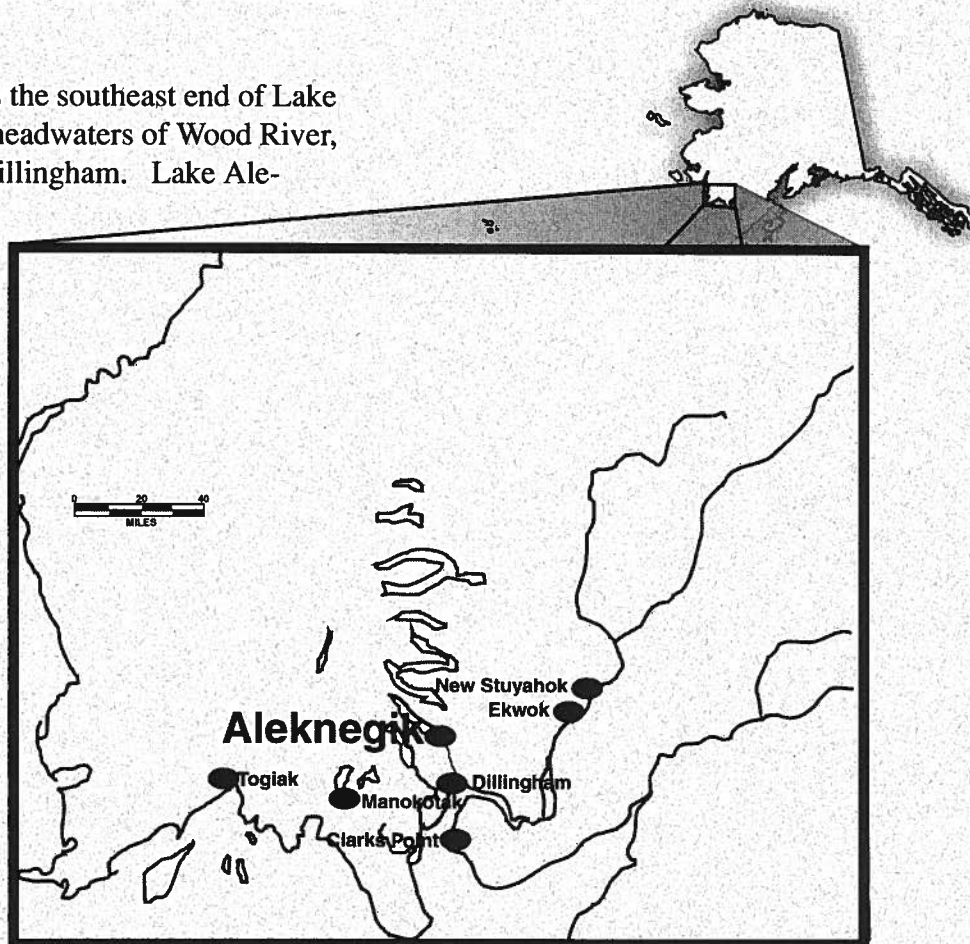
# Appendix C

## Aleknagik Community Background

### Location

Aleknagik straddles the southeast end of Lake Aleknagik and the headwaters of Wood River, 17 miles north of Dillingham. Lake Aleknagik is twenty miles in length.

The map to the right shows the location of Aleknagik in relation to the neighboring communities.



### History

Wood River and Aleknagik Lake have been used historically as summer fish camps. Russian records documented the existence of the village in 1852.

The 1929 U.S. Census found 55 people living in the "Wood River village" area to the south. By 1939, Aleknagik had had a population of 78, and more than 30 buildings, including a sawmill. A mission and school were established on the north shore in the late 1940s. The road linking the south shore to Dillingham was constructed in 1959. The road was passable only seasonally until the late 1980s, when it was upgraded and year-round state road maintenance was initiated.<sup>C-1</sup>

### Economy

State and Federal economic data are not typically reported on a community level. For Aleknagik, such data are reported for the Southwest Region or the Dillingham census area. Data published by the Alaska Department of Labor indicate that total per capita personal income in the Dillingham Census Area during 1997 was \$23,292. The comparable figure for the entire state was \$24,969. The Borough ranked 13th among the 16 orga-

C-1 Sources: *Dictionary of Alaska Place Names* and *DCRA Community Database*

nized boroughs and 11 census areas in Alaska. (Alaska Economic Trends, Alaska Dept. of Labor, June 1999)

Many Aleknagik residents commute to Dillingham to work. Thirty-five Aleknagik area residents hold commercial fishing permits. (Alaska Department of Community and Economic Development community profiles, [http://www.comregaf.state.ak.us/CF\\_BLOCK.htm](http://www.comregaf.state.ak.us/CF_BLOCK.htm)). DCED recorded twelve business licenses in Aleknagik as of January, 1999.

## Transportation

Aleknagik is the only regional village with a road link to Dillingham. Aleknagik's south shore enjoys year-round access to Dillingham. Since the community enjoys road access road to Dillingham, Aleknagik is not dependent upon air transportation to the same extent as is the case with most other communities of similar size in the Bristol Bay Region. The "New Aleknagik" airport is a State-owned 2,070' gravel airstrip located on the north shore, and regular flights are scheduled through Dillingham. Since the north shore of the lake presently has no bridge or ferry linking it to south shore, north shore residents cross the lake in skiffs to access the road to Dillingham.

Moody's Aleknagik Seaplane Base, also on the north shore, accommodates float planes. There are two additional airstrips, the public. Tripod Airport, a 1,250' turf-gravel airstrip, is located a southeast of the community. The 1,200' 7th Day Adventist Mission School Airport is gravel/dirt airstrip with a crosswind runway. The State owns and operates a 100' dock on the north shore of Lake Aleknagik. A breakwater, barge landing, boat, launch ramp and boat lift are available on the north shore.

## Per Capita Personal Income Alaska & Regions - 1997

	1997	1996	1995
<b>United States</b>	<b>\$25,288</b>	<b>\$24,164</b>	<b>\$23,059</b>
<b>State of Alaska</b>	<b>24,969</b>	<b>24,310</b>	<b>23,971</b>
Bristol Bay Borough	33,769	33,321	35,590
Ketchikan Gateway Borough	30,396	29,899	30,048
Anchorage Municipality	29,765	28,690	27,845
Haines Borough	29,190	29,346	28,526
Juneau Borough	28,811	28,479	28,114
Valdez-Cordova C.A.	26,743	25,864	25,177
Denali Borough	25,467	24,198	22,464
Sitka Borough	24,995	24,866	23,865
North Slope Borough	23,725	24,331	24,654
Yakutat Borough	23,620	21,983	22,854
Aleutians West C.A.	23,522	28,268	28,220
Wrangell-Petersburg C.A.	23,503	22,952	23,301
<b>Dillingham C.A.</b>	<b>23,292</b>	<b>22,219</b>	<b>22,049</b>
Kenai Peninsula Borough	23,143	22,826	22,824
Aleutians East Borough	21,851	21,479	21,412
Skagway/Hoonah/Angoon	21,729	20,902	20,646
Fairbanks North Star Bor.	21,417	20,643	20,660
Kodiak Island Borough	20,149	19,472	19,630
Southeast Fairbanks C.A.	19,870	19,069	18,444
Northwest Arctic Borough	19,083	18,063	17,643
Nome Census Area	18,383	17,557	17,274
Lake & Peninsula Borough	17,889	17,081	16,518
Yukon-Koyukuk C.A.	17,826	17,706	18,094
P.O.W.-Outer Ketchikan C.A.	16,953	16,245	17,153
Matanuska-Susitna Borough	16,769	16,794	16,855
Bethel Census Area	15,752	15,138	15,249
Wade Hampton C.A.	11,169	10,538	9,884

C.A. = Census Area  
Source: U.S. Department of Commerce, Bureau of Economic Analysis

## Climate

Aleknagik is in a transitional climate zone. The primary influence is maritime, although a continental climate does affect the weather here. Average summer temperatures range from 30 to 66; average winter temperatures range from 4 to 30. Annual precipitation is 20 to 35 inches, including 93 inches of snow. Fog and low clouds are common during July and August, and may preclude access. The lake and river are ice-free from June through mid-November.



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## **History of the Establishment and Expansion of the City of Aleknagik**

Aleknagik voters endorsed city incorporation by a vote of 31-8 on March 13, 1973. A certificate of incorporation of the City was issued on March 26, 1973. The City's boundaries, which encompass 19.46<sup>C-2</sup> square miles, have never been altered.

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C-2 The March 26, 1973 certificate of incorporation of the City indicates that the City's jurisdiction encompassed approximately 19.9 square miles. The area is within the City's current boundaries actually totals about 19.46 square miles.