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STATE OF ALASKA

THE LOCAL BOUNDARY COMMISSION

Before Commissioners:

Kermit L. Ketchum, Chair  
Robert Harcharek, Vice Chair  
Lynn Chrystal  
Lavell Wilson

In the Matter of the Petition by the **Ketchikan Gate- )**  
**way Borough** for Legislative-Review Annexation of Ap- )  
proximately 4,701 Square Miles to the Ketchikan )  
Gateway Borough )  
\_\_\_\_\_ )

STATEMENT OF DECISION

I. BACKGROUND AND SUMMARY OF PROCEEDINGS

Before the Commission in this proceeding is a Petition filed by the Ketchikan Gateway Borough (KGB, Borough, or Petitioner) for legislative-review annexation of approximately 4,701 square miles.<sup>1</sup> A detailed history regarding this annexation proposal is contained in the Petition, Petitioner’s Reply brief, and the reports issued by the Department of Commerce, Community, and Economic Development (DCCED). Therefore, only a brief summary will be set out here.

The area proposed for annexation lies entirely within Alaska’s unorganized borough. The proposal generally extends the southern and eastern boundaries of the Borough to the Canadian border. The Petition also proposes to expand the Borough’s

<sup>1</sup>The vast majority (over 90 percent) of the land proposed for annexation is part of the Tongass National Forest and under federal ownership.

1 jurisdictional boundaries northward to include most of the Cleveland Peninsula. On the  
2 west, the Borough's proposed new boundaries would extend to Clarence Strait. The  
3 area proposed for annexation includes the settlement of Meyer's Chuck and the  
4 adjoining area in and around Union Bay but excludes the Annette Islands Reserve  
5 encompassing Metlakatla and a 205-square-mile area in and around Hyder.

6  
7 As previously noted, the Borough is using the "legislative review  
8 annexation" method. That method, authorized by article X, section 12 of the Alaska  
9 Constitution, provides that the LBC may present proposed municipal boundary changes  
10 to the legislature during the first ten days of any regular session. The proposal  
11 becomes effective forty-five days after presentation by the LBC or at the end of the  
12 session, whichever is earlier, unless disapproved by a resolution concurred in by a  
13 majority of the members of each house.

14  
15 Under 3 AAC 110.425(a), before a petition for annexation by the  
16 legislative-review process may be submitted, the prospective petitioner must, among  
17 other things, conduct a public hearing on the annexation proposal. On January 21,  
18 2006, the KGB Assembly held a public hearing on its proposed legislative-review  
19 petition. Detailed information regarding that hearing is included with the Petition.<sup>2</sup> On  
20 February 6, 2006, the KGB Assembly authorized the filing of the Petition to expand the  
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24 <sup>2</sup>See also Appendix C to LBC Staff's June 30, 2007, *Preliminary Report to the Local Boundary  
25 Commission Regarding the Petition for Annexation of Approximately 4, 701 Square Miles to the Ketchikan  
26 Gateway Borough (Preliminary Report)* for more detail regarding the KGB Assembly's January 21, 2006,  
27 hearing and public meeting.

1 area within the Borough's corporate boundaries by 4,701 square miles. The Petition  
2 was received by DCCED<sup>3</sup> on February 14, 2006.

3 DCCED completed its technical review of the form and content of the  
4 Petition on February 22, 2006, and accepted it for filing on that date. The Chair of the  
5 LBC set April 28, 2006, as the deadline for receipt of responsive briefs and comments  
6 concerning the original Petition. Extensive notice of the filing of the Petition and service  
7 thereof was provided by the Petitioner in accordance with law.  
8

9 Nineteen sets of written comments regarding the Petition were timely filed  
10 with DCCED. A list of those commentors is attached to this Decision as Appendix A.  
11 Responsive briefs were timely filed by Peter Caffall-Davis, the City of Wrangell  
12 (Wrangell), and the Metlakatla Indian Community (Metlakatla).  
13

14 Following receipt of the Responsive Briefs and written comments on the  
15 Petition, the LBC Chair set June 21, 2006, as the deadline for the Petitioner to file its  
16 Reply Brief. The KGB filed its Reply Brief on June 19, 2006, with service on  
17 commentors, Respondents, and others. In its Reply Brief, the KGB summarized and  
18 responded to the comments and Responsive Briefs.  
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25 <sup>3</sup>Under AS 44.33.020(a)(4), DCCED serves as staff to the Local Boundary Commission and is al-  
26 ternatively referred to herein as Staff.

1 Statutory procedures for legislative-review annexation are set out in  
2 AS 29.06.040 and AS 44.33.812 – 44.33.828. State law (AS 44.33.812(a)(2)) requires  
3 the LBC to adopt regulations providing standards governing annexation. The LBC has  
4 complied with that requirement by adopting standards for borough annexation in 3 AAC  
5 110.160 - 3 AAC 110.210 and 3 AAC 110.900 - 3 AAC 110.980. Additionally, as  
6 required by AS 44.33.812(a)(2), the LBC has adopted procedural regulations for all its  
7 boundary-change proceedings, including annexation. Those procedures are set out in  
8 3 AAC 110.400 - 3 AAC 110.660 and 3 AAC 110.900 - 3 AAC 110.990.

10 AS 29.06.040(a) provides that the LBC may amend and impose conditions  
11 on the proposal. That law further provides that the Commission may approve a  
12 legislative-review proposal only if the LBC determines that the proposal meets  
13 applicable standards under the Alaska Constitution and the Commission’s regulations  
14 and is in the best interests of the State. Otherwise, the LBC must reject the proposal.

16 Also of note to this proceeding is the April 6, 2006, petition for  
17 incorporation of a 3,465-square-mile City and Borough of Wrangell (“the Wrangell  
18 Petition”). That proposal seeks boundaries that overlap a portion of the area proposed  
19 for annexation to the KGB. Specifically, both the KGB Petition and the Wrangell Petition  
20 include the same 191-square mile area in and around Meyers Chuck and Union Bay.  
21 While the Wrangell Petition is considered separately, the decision regarding the 191-  
22 square mile overlap affects both proceedings.

24 DCCED's 161-page *Preliminary Report* was published on July 13, 2007.  
25 In its *Preliminary Report*, DCCED concluded that the Petition satisfies all legal  
26 standards applicable to the pending annexation proposal and recommended that it be

1 approved.<sup>4</sup> The deadline for filing written comments on the *Preliminary Report* was  
2 September 4, 2007. Written comments were received from Respondents Wrangell and  
3 Metlakatla and from the Meyers Chuck Community Association (Meyers Chuck), City of  
4 Craig, and Dan Eichner.

5 On October 15, 2007, DCCED published its 216-page *Final Report to the*  
6 *Local Boundary Commission on Ketchikan Local Government Consolidation (Final Re-*  
7 *port)*, and included therein the comments submitted in response to DCCED's *Prelimi-*  
8 *nary Report*.<sup>5</sup> In its *Final Report*, DCCED readopted the conclusions and  
9 recommendations reached in the *Preliminary Report*.  
10

11 October 23, 2007, was the deadline for filing lists of witnesses to be called  
12 by the Petitioner or Respondents at the public hearing. The Petitioner timely filed its list  
13 of eight witnesses; Respondent Metlakatla timely filed a list of two witnesses; Respon-  
14 dent Wrangell did not file a witness list; and Respondent Caffall-Davis filed notice that  
15 he did not intend to call witnesses.  
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20 <sup>4</sup>DCCED's *Preliminary Report* was written by Dan Bockhorst. In the weeks following completion  
21 of his review and analysis, the KGB began its recruitment for a borough manager. Upon seeing a re-  
22 cruitment notice for that position on July 31, 2007, Mr. Bockhorst wrote a memorandum on August 1,  
23 2007, to DCCED's Ethics Supervisor disclosing an interest in applying for the KGB manager position. In  
24 his disclosure, Mr. Bockhorst recused himself with respect to any and all future dealings regarding this  
annexation proposal. DCCED's continuing responsibilities for the annexation proposal was immediately  
assigned to Jeanne McPherren, Local Government Specialist IV, to complete. Commission Chair  
Ketchum was also immediately notified by Mr. Bockhorst of his recusal and the reasons therefor. A time-  
line regarding Mr. Bockhorst's work in this proceeding is attached to this decision as Appendix B.

25 <sup>5</sup>As noted above, DCCED's *Final Report* was written by Jeanne McPherren. She independently  
26 reviewed all materials in this proceeding, applicable laws, prior decisions of the Commission, and other  
relevant material before making her recommendation and writing the *Final Report*.

1 DCCED provided each member of the Commission with a copy of the  
2 entire record in the proceeding.

3 The public hearing on the annexation proposal was set for 9 a.m., No-  
4 vember 6, 2007, in the Ketchikan City Council Chambers. Extensive public notice of the  
5 hearing was given.

6 Commissioners Ketchum, Harcharek, Chrystal, and Wilson traveled to  
7 Ketchikan to conduct the public hearing. Commissioner Zimmerle is recused from par-  
8 ticipation in this proceeding.

9 The Commission convened the public hearing at 9 a.m. Aside from the  
10 Commission and its Staff, approximately 60 individuals attended the hearing, either in  
11 person or by teleconference.

12 The hearing began with a summary by Commission Staff of its reports and  
13 recommendations to the Commission. In brief, Staff recommended that the Commis-  
14 sion approve the KGB annexation Petition. Following Staff's summary, opening and  
15 closing statements were made by the Petitioner and each Respondent.

16 Testimony and public comment were offered by the list of witnesses and  
17 commentators attached to this decision as Appendix C. The hearing adjourned at ap-  
18 proximately 6 p.m.

19 Statements and testimony by the Petitioner elaborated on the merits of the  
20 annexation Petition and addressed differences between the 1998 annexation proposal  
21 and the current proceeding. Statement by Respondents paralleled their written  
22 comments in this proceeding, except that Metlakatla clarified the reservation expansion  
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1 request it had filed with the Secretary of Interior. That request sought an expansion of  
2 the reserves maritime boundaries; it was not a land acquisition request for Duke Island.

3           The majority of commentors opposed the KGB annexation because of the  
4 loss of National Forest Receipt (NFRs) by school districts on Prince of Wales Island.  
5 Others commentors opposed the inclusion of the Meyers Chuck/Union Bay area in the  
6 KGB annexation, proposing instead that the area be allowed to be an enclave similar to  
7 Hyder<sup>6</sup> or included in the Wrangell borough. A few commentors also endorsed the ex-  
8 clusion of Duke Island from the annexation as requested by Metlakatla.  
9

10           The Commission convened a decisional session, pursuant to 3 AAC  
11 110.570, on November 7, 2007, in Ketchikan. The decisional session regarding the  
12 KGB annexation proposal followed the decisional session regarding the Wrangell bor-  
13 ough incorporation proposal. In the Wrangell decisional session, the Commission de-  
14 termined that the Meyers Chuck/Union Bay area more appropriately belonged in the  
15 Wrangell borough, and, thus, amended the KGB annexation proposal to delete that  
16 area. The Commission deliberated on the amended KGB annexation proposal for ap-  
17 proximately an hour. At the conclusion of the deliberations, the Commission voted  
18 unanimously to approve the Petition, as amended to delete the Meyers Chuck/Union  
19 Bay area. DCCED will work with the KGB and the newly created Wrangell borough to  
20 determine the descriptions of their respective boundaries resulting from the inclusion of  
21 the Meyers Chuck/Union Bay area in the Wrangell borough.  
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24 <sup>6</sup>In proposing the enclave, the commentors contemplated then becoming a part of a Prince of  
25 Wales Island Borough when one is formed. In its decisional session regarding the Wrangell incorporation  
26 (continued . . . )

1 To explain the basis for the Commission's decision in this proceeding,  
2 the following are Commission's findings and conclusions with respect to the Petition. In  
3 rendering its determination on the KGB annexation proposal, the Commission agreed  
4 with the majority of DCCED's findings, conclusions, and recommendations regarding  
5 the annexation, except with regard to the Meyers Chuck/Union Bay area.  
6

## 7 **II. FINDINGS AND CONCLUSIONS**

8 State law, AS 29.06.040(a), provides as follows regarding a proposed mu-  
9 nicipal annexation, including one using the legislative review method:  
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11 The Local Boundary Commission may consider any proposed municipal  
12 boundary change. The commission may amend the proposed change and  
13 may impose conditions on the proposed change. If the commission de-  
14 termines that the proposed change, as amended or conditioned if appro-  
15 priate, meets applicable standards under the state constitution and  
16 commission regulations and is in the best interests of the state, it may ac-  
17 cept the proposed change. Otherwise it shall reject the proposed change.  
18 A Local Boundary Commission decision under this subsection may be ap-  
19 pealed under AS 44.62 (Administrative Procedure Act).

20 The Alaska Supreme Court has held that statutory standards for borough incorporation  
21 were intended to be flexibly applied to a wide range of regional conditions. The Court  
22 stated further that the Commission's determinations regarding whether such standards  
23 are satisfied should be affirmed if the Court perceives that the LBC's reading of the  
24 standards and its evaluation of the evidence has a reasonable basis. Specifically, the

25 ( . . . continued)

26 petition, the Commission expressed doubt that such a borough would be proposed in the foreseeable fu-  
27 ture.



1 Court stated in *Mobil Oil Corp. v. Local Boundary Commission*, 518 P.2d 92, 98 (Alaska  
2 1974) (emphasis added):

3 A determination whether an area is cohesive and prosperous enough for  
4 local self-government involves broad judgments of political and social pol-  
5 icy. The standards for incorporation set out in AS 07.10.030 were in-  
6 tended to be flexibly applied to a wide range of regional conditions. This is  
7 evident from such terms as 'large enough', 'stable enough', 'conform gen-  
8 erally', 'all areas necessary and proper', 'necessary or desirable', 'ade-  
9 quate level' and the like. The borough concept was incorporated into our  
10 constitution in the belief that one unit of local government could be suc-  
11 cessfully adapted to both urban and sparsely populated areas of Alaska,<sup>7</sup>  
12 and the Local Boundary Commission has been given a broad power to  
13 decide in the unique circumstances presented by each petition whether  
14 borough government is appropriate. Necessarily, this is an exercise of  
15 delegated legislative authority to reach basic policy decisions. Accord-  
16 ingly, acceptance of the incorporation petition should be affirmed if we  
17 perceive in the record a reasonable basis of support for the Commission's  
18 reading of the standards and its evaluation of the evidence.

19 For reasons set out in Part A below, the Commission finds no basis to  
20 distinguish between borough *incorporation* and *annexation* in terms of whether the

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21 <sup>7</sup>[Footnote 14 in original.] A summary by the local government committee at the constitutional  
22 convention of the principles underlying the borough concept is preserved in T. Morehouse & V. Fischer,  
23 *Borough Government in Alaska*, at 63-64 (1971). This relates:

24 *Self-government* – The proposed article bridges the gap now existing in many parts of  
25 Alaska. It opens the way to democratic self-government for people now ruled directly from the  
26 capital of the territory or even Washington D.C. The proposed article allows some degree of self-  
27 determination in local affairs whether in urban or sparsely populated areas. . . .

28 *Flexibility* – The proposed article provides a local government framework adaptable to dif-  
29 ferent areas of the state as well as to changes that occur with the passage of time. . . .

The authors describe how evolution of the borough has reflected this intended flexibility.

(T)wo recognizable types of organized boroughs now exist in Alaska: the *regional borough*, generally covering an extensive area including several widely dispersed small communities, incorporated and unincorporated, and the *urban borough*, having a population concentrated primarily in a single urban core area, characteristically overspilling the boundaries of a central city. It could be anticipated that the local governmental system will evolve in the two directions of unification and regionalism associated with these basic physical and socio-economic patterns.

1 applicable standards should be flexibly applied and whether the law should be read to  
2 uphold Commission decisions approving borough annexation as well as borough  
3 incorporation whenever the applicable requirements have been met. Moreover, the  
4 Commission concludes that borough incorporation and borough annexation of areas  
5 that meet applicable standards are equally encouraged by the law.

6  
7 Parts A through K below set out the Commission’s findings and conclu-  
8 sions regarding each of the standards for borough annexation applicable to the KGB  
9 annexation proposal.

10  
11 **Part A. Annexation to the KGB will promote maximum local self-government in  
accordance with article X, section 1 of the Alaska Constitution.**

12 Article X, section 1 of the Alaska Constitution promotes “maximum local  
13 self-government.” DCCED addressed this standard on pp. 5 - 18 of its *Preliminary Re-*  
14 *port* and concluded that the proposed annexation will provide for maximum local self-  
15 government. DCCED affirmed that review and analysis in its *Final Report*. Based on its  
16 review of the Alaska Constitution, prior decisions of the Commission, and other relevant  
17 materials, DCCED concluded that maximum local self-government is achieved when-  
18 ever organized borough government is extended to an unorganized area in accordance  
19 with applicable standards, regardless of any particular need for municipal services. The  
20 Commission agrees. In fact, that conclusion is incorporated in the Commission’s recent  
21 adoption of new 3 AAC 110.981(2):

22  
23  
24 In determining whether a proposed boundary change promotes  
25 maximum local self-government under art. X, sec. 1, Constitution of the  
26 State of Alaska, the commission will consider . . . for borough annexation,  
whether the proposal would extend local government to portions of the  
unorganized borough.

1 DCCED’s analysis and conclusions regarding this standard address the  
2 area proposed for annexation vis-à-vis the KGB 1998 annexation proposal and the  
3 Commission’s 1999 decision which rejected the annexation because it excluded the  
4 area of Meyers Chuck and Hyder, which were part of the KGB Model Borough Bounda-  
5 ries. The 1999 Commission stated that the annexation proposal failed to advance the  
6 constitutional principle of maximum local self-government because it excluded Hyder  
7 and Meyers Chuck. DCCED analyzed that prior decision in great detail and determined  
8 that “that restricted conclusion to be an unduly narrow reading of article X, section 1 of  
9 the Alaska Constitution.”  
10

11 This Commission agrees and notes that in the 1998 annexation, the KGB  
12 proposed to annex an area nearly identical to its Model Borough Boundaries. The area  
13 proposed for annexation at that time was 5,524 square miles, but it excluded two small  
14 enclaves of 21.4 square miles encompassing Meyers Chuck and Hyder. The effect of  
15 that annexation rejection was to leave over 5,500 square miles in the unorganized bor-  
16 ough for the sake of 21.4 square miles. Not only is that an “unduly narrow reading of  
17 article X, section 1,” it strikes this Commission as groundless in view of the Constitu-  
18 tional Framer’s intent to provide “local government for regions as well as localities and  
19 encompass lands with no present municipal use.”  
20

21 Moreover, this Commission believes that elevating the importance of  
22 Model Borough Boundaries over the intent of the Constitution not only misconstrues the  
23 intent behind their adoption but is also clearly erroneous. In its recent proceeding  
24 considering the formation of the Skagway borough, and again during its proceeding to  
25 revise its regulations, the Commission clarified that the purpose of the Model Borough  
26

1 Boundaries is for use only as a reference tool. They are not intended to totally constrain  
2 the formation of boroughs or annexation thereto.

3 Further, as noted above and discussed in more detail below, at its  
4 decisional sessions regarding the KGB and Wrangell petitions, this Commission  
5 concluded that the Meyers Chuck/Union Bay area has more in common with Wrangell  
6 than Ketchikan and, thus, included that area in the boundaries of the new Wrangell  
7 borough, a decision that obviously affected the Model Borough Boundaries of both the  
8 KGB and Wrangell.<sup>8</sup>

9  
10 Overall, the Commission concurs with DCCED's analysis and findings re-  
11 garding this standard and adopts them by reference for purposes of this decisional  
12 statement. The Commission finds that the KGB proposal, as amended, satisfies this  
13 standard.

14  
15 **Part B. Annexation to the KGB will promote a minimum number of local govern-**  
16 **ment units in accordance with article X, section 1 of the Alaska Constitu-**  
17 **tion.**

18 In addition to promoting maximum local self-government, article X, sec-  
19 tion 1 of Alaska's constitution encourages a minimum number of local government units.  
20 DCCED addressed this standard on pp. 18 - 22 of its *Preliminary Report* and concluded  
21 that the proposed annexation will promote a minimum number of local government  
22 units. DCCED affirmed that review and analysis in its *Final Report*. The Commission  
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24 \_\_\_\_\_  
25 <sup>8</sup>The KGB Model Borough Boundaries are diminished as a result of this decision. Wrangell is in  
26 the Wrangell/Petersburg Model Borough Boundaries, and those boundaries are also diminished as a re-  
27 sult of the creation of the new Wrangell borough.

1 concurs with DCCED’s analysis of this standard and adopts that analysis by reference  
2 for purposes of this decision statement.

3 Among other things, DCCED stated:

4 The constitutional constraint on the number of local government  
5 units is an important factor in the character of borough government. Prin-  
6 ciples articulated by the Local Government Committee at the Constitu-  
7 tional Convention included that “in the formation of the new areawide  
8 government units [boroughs] . . . should be large enough to prevent too  
9 many subdivisions in Alaska . . . [and] should cover large geographic ar-  
10 eas with common economic, social, and political interests.” (Victor Fischer,  
11 *Alaska’s Constitutional Convention*, p. 119 (1975).)

12 DCCED *Preliminary Report*, p. 19.

13 The current boundaries of the KGB encompass the third-smallest area of  
14 the seventeen organized boroughs. The Commission’s approval of the KGB annexa-  
15 tion, as amended to exclude the 191-square mile area of Meyers Chuck and Union Bay,  
16 increases the geographic size of the KGB from approximately 1,752 square miles to ap-  
17 proximately 6,262 square miles, an increase of 257 percent.

18 The Alaska Constitution promotes boroughs that embrace large and natu-  
19 ral regions. The KGB annexation proposal, as amended and approved by the Commis-  
20 sion, is in keeping with that intent. The standard set out in article X, section 1 of the  
21 Alaska Constitution is satisfied by the KGB annexation, as amended and approved by  
22 the Commission.

1 **Part C. The proposed expanded boundaries of the KGB, as amended, embrace an**  
2 **area and population with common interests to the maximum degree pos-**  
3 **sible and, on a scale suitable for borough government, have a population**  
4 **that is interrelated and integrated with respect to social, cultural, and**  
5 **economic characteristics and activities (article X, section 3, Constitution**  
6 **of the State of Alaska; 3 AAC 110.160(a)).**

7 At pp. 23 - 48 of its *Preliminary Report*, DCCED addressed the issue of  
8 whether the KGB's proposed expanded boundaries are appropriate under this standard.  
9 DCCED noted that article X, section 3 of Alaska's Constitution mandates that each bor-  
10 ough embrace an area and population with common interests to the maximum degree  
11 possible. Further, Staff observed that 3 AAC 110.160(a) allows annexation of an area  
12 if, on a scale suitable for borough government, the post-annexation boundaries of the  
13 borough would embrace a population that is interrelated and integrated with respect to  
14 social, cultural, and economic characteristics and activities. Staff stated that in the con-  
15 text of boroughs embracing large and natural regions, the large area and small popula-  
16 tion proposed for annexation have many interests in common with the area and  
17 population within the existing boundaries of the KGB.

18 Based on its review of the Alaska Constitution, prior decisions of the  
19 Commission, and other relevant materials, DCCED concluded that the KGB annexation  
20 proposal satisfied this standard. DCCED affirmed that review and analysis in its *Final*  
21 *Report*. The Commission concurs with much of DCCED's analysis of this boundary  
22 standard and adopts that analysis by reference for purposes of this decision statement,  
23 except with regard to the Meyers Chuck/Union Bay area.

24 As discussed at the decisional session considering the Wrangell borough  
25 incorporation and the KGB annexation, the Commission concluded that the Meyers  
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1 Chuck/Union Bay area had more in common with Wrangell than Ketchikan. Among  
2 other things, the Commission noted that although the Mandatory Borough Act adopted  
3 over 40 years ago and the Model Borough Boundaries adopted 16 years ago placed  
4 Meyers Chuck in the KGB Model Borough Boundaries, the Commission must consider  
5 the placement of Meyers Chuck and Union Bay in light of the residents' circumstances  
6 and commonality, transportation and communication between communities that exist  
7 today and into the future. While there could be significant debate regarding the intent  
8 and circumstances that led to the drawing of boundary lines 20 to 40 years ago. What is  
9 more germane is what is important and applicable today and into the future. In addition,  
10 the Commission must consider the optimal benefit to the residents of those communities  
11 through delivery of relevant new services.

12  
13 The Wrangell petition and citizens of Meyers Chuck presented specific  
14 and persuasive testimony and comment to support the inclusion of the 191 square mile  
15 Meyers Chuck/Union Bay area in the proposed Wrangell borough rather than in the  
16 KGB. That support included:

- 17 • Written comments submitted by the residents of Meyers Chuck indi-  
18 cated that they prefer inclusion in a Wrangell borough. The residents believe  
19 they have more in common with Wrangell and that it makes more sense to be  
20 included in the Wrangell borough on a social, economic, geographic and cul-  
21 tural basis. Fifteen residents giving addresses as Meyers Chuck or Union  
22 Bay signed the petition requesting incorporation of a Wrangell borough, feel-  
23 ing their needs more readily met by Wrangell.

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- The residents of Meyers Chuck and Union Bay share common rural lifestyles and sensibilities with other residents of the proposed borough
- The residents of Meyers Check and Union Bay have historically shared the same geographic areas as the Wrangell community for hunting and fishing
- There are strong economic and social ties between Meyers Chuck and Union Bay area and Wrangell. Meyers Chuck and Union Bay residents have testified that they shop at the grocery and hardware stores in Wrangell regularly, and complete boat repair and maintenance in Wrangell.
- Residents of Meyers Chuck receive radio signal from KSTK in Wrangell. There is a locally published newspaper, the Wrangell Sentinel that is available to Meyers Chuck residents should they choose to subscribe. The local newspaper is available to residents in the proposed Wrangell borough.
- Clarence Strait is a major transportation impediment for residents of Meyers Chuck and Union Bay. The exposed route along Clarence Strait from Meyers Chuck to Ketchikan features rough water with strong tidal currents that are frequently at odds with the prevailing southeast winds. There are no safe harbors between Lemesurier Point and Tongass Narrows. Caamano Point experiences rough weather that compares closely to Southeast Alaska’s major capes. The out-flowing tides of Clarence Strait and Behm Canal water meet at this point and the waves can stack up dangerously. Small boats and skiffs more readily access Wrangell for fuel and supplies via the protected Ernest Sound and Zimovia Strait route.



1 • Maritime connections are more important than overland connections  
2 for Meyers Chuck and Union Bay residents.

3 • Meyers Chuck and Union Bay residents are engaged in self-reliant life-  
4 styles typical of more remote settlements, featuring substantial lifestyles that  
5 are more compatible with those of Wrangell residents than with the residents  
6 of the more urban Ketchikan area.

7 • Wrangell community leaders are committed to incurring the expense  
8 necessary to establish communication facilities to allow residents of outlying  
9 areas such as Thoms Bay and Meyers Chuck and Union Bay to participate in  
10 public hearings and other important public proceedings of the proposed new  
11 borough. Wrangell community leaders are also committed to working with  
12 residents of Meyers Chuck and Union Bay to explore opportunities for work-  
13 ing together and assistance for residents compatible with their desired life-  
14 style.  
15

16 • The KGB did not formally object to Wrangell's proposal to include a  
17 portion of the KGB's Model Borough Boundaries, specifically the Meyers  
18 Chuck/Union Bay area, within Wrangell's proposed boundaries

19  
20 The most compelling factors supporting the inclusion of the 191-square  
21 mile area of western Cleveland Peninsula, including Meyers Chuck and Union Bay, in  
22 the Wrangell borough rather than the KGB, is the relevant governmental services that  
23 would be provided to the area. Areawide powers and services of both the proposed  
24 Wrangell borough and the KGB are similar with regard to education, planning, platting,  
25

1 land-use regulation, taxation and assessment, library, economic development, and  
2 parks and recreation. Each area is served by an airport providing jet service.

3           However, additional areawide services that are offered by the KGB are  
4 minimally relevant to the residents of Meyers Chuck and Union Bay. They feature pub-  
5 lic transportation, animal control, and regulation of fireworks. The KGB petition antici-  
6 pates that “[I]t is not intended to extend any public transportation services within the  
7 area proposed for annexation at this time.” Moreover, the KGB Petition also anticipates  
8 that animal control services “will likely be continued on an ad-hoc, unofficial basis con-  
9 sistent with current practice.” Finally, the KGB petition states “it is expected that resi-  
10 dents of Meyers Chuck will at some time in the future form a service area to provide  
11 services such as dock maintenance, solid waste disposal, wastewater treatment and  
12 disposal, or water treatment and distribution, depending upon when residents wish to  
13 organize and pay for provision of these services.”  
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16           There are significant differences in relevant additional services offered by  
17 the Wrangell borough that would immediately benefit the Meyers Chuck/Union Bay resi-  
18 dents. Those services include search and rescue services, police, city hospital, boat  
19 harbor, and incarceration facilities. The leaders in Wrangell made a persistent and en-  
20 thusiastic effort to contact residents of Meyers Chuck and Union Bay to assure and con-  
21 firm the services that would benefit the residents of the area. To their credit, the people  
22 of Wrangell obviously showed energetic enthusiasm to be friendly, welcoming and help-  
23 ful to the people of the outlying areas of their proposed borough as they developed their  
24 petition.  
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1           In addition, the Commission also addresses recent comments by residents  
2 of the Meyers Chuck/Union Bay communities withdrawing from their previous testimony  
3 supporting inclusion in the Wrangell borough. Some individuals made statements favor-  
4 ing the creation of an enclave and inclusion, at some future time, in a Prince of Wales  
5 Island borough. The Commission believes that such an enclave would violate the mini-  
6 mum number of local government units clause of article X, section 1 of the Alaska Con-  
7 stitution. If such an enclave were authorized, it would have impacted the Wrangell  
8 petition because of the constitutional mandate to embrace an area with common inter-  
9 ests to the maximum degree possible.<sup>9</sup> The common interests and interrelationships of  
10 Wrangell, Meyers Chuck and Union Bay is well documented in these proceedings and  
11 especially emphasized in initial written comments received from Meyers Chuck and Un-  
12 ion Bay residents. The Commission believes that the preferences of the local residents  
13 of Meyers Chuck and Union Bay were, at a minimum, ambiguous.

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16           The Commission noted that including the Meyers Chuck/Union Bay area  
17 in the Wrangell borough rather than in the KGB differs from the recommendations by  
18 DCCED. However, the Commission found that the records contain a specific and per-  
19 suasive argument that a sufficient level of interrelationship exists between that  
20 191-square mile area and the Wrangell borough. That decision requires an amendment  
21 to the KGB Petition to exclude that area from the proposed annexation and the KGB  
22 Model Borough Boundaries. The Commission does not support the proposal of leaving  
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25           <sup>9</sup>That same conclusion would be applicable to this proceeding if the area had not been included  
26 in the Wrangell borough.

1 the Meyers Chuck/Union Bay area in the unorganized borough, thereby creating an un-  
2 justified enclave.

3 Even with that 191-square mile deletion from the proposed KGB annexa-  
4 tion boundaries and the sparse population of the remaining area, the Commission finds  
5 that the KGB annexation proposal satisfies this standard.  
6

7 **Part D. The communications media and transportation facilities allow for the**  
8 **level of communications and exchange necessary to develop an inte-**  
9 **grated borough government (3 AAC 110.160(b)).**

10 At pp. 48 - 55 of its *Preliminary Report*, DCCED addressed the issue of  
11 whether the KGB proposal satisfied this standard. DCCED observed that in the context  
12 of large and natural regions, the communications media and transportation facilities in  
13 the proposed expanded boundaries of the KGB allow for the level of communications  
14 and exchange necessary to develop an integrated borough government.

15 Based on its review of the Alaska Constitution, prior decisions of the  
16 Commission, and other relevant materials, DCCED concluded that the KGB annexation  
17 proposal satisfied this standard. DCCED affirmed that review, analysis, and conclusion  
18 in its *Final Report*.

19 The Commission concurs with DCCED's analysis of this boundary  
20 standard and adopts that analysis by reference for purposes of this decision statement.

21 The Commission observes that in southern southeast Alaska, Ketchikan is the regional  
22

1 center for transportation, retail, business, medical, and other services.<sup>10</sup> The  
2 Commission agrees that the KGB proposal satisfies this standard.

3  
4 **Part E. The population within the proposed expanded KGB boundaries, as  
5 amended, is sufficiently large and stable to support the resulting bor-  
6 ough (3 AAC 110.170).**

7 This standard is addressed on pp. 55 - 59 of its *Preliminary Report*.  
8 Among other things, DCCED noted that the KGB's population is 63 percent greater than  
9 the median population of all organized boroughs in Alaska. DCCED also noted that the  
10 minimal population and federal ownership of much of the land in the area proposed for  
11 annexation will place little demand on borough services. Thus, DCCED found it rea-  
12 sonable to conclude that the size and stability of population within the proposed new  
13 KGB boundaries are sufficient to support the expanded borough. DCCED concluded  
14 that the KGB proposal satisfies this standard. DCCED affirmed that review, analysis,  
15 and conclusion in its *Final Report*.

16 The Commission concurs with DCCED's analysis of this standard and  
17 adopts that analysis by reference for purposes of this decision statement. The deletion  
18 of the Meyers Chuck/Union Bay area from the KGB's proposed boundaries has minimal  
19 or no effect on this conclusion. The Commission finds that the KGB proposal satisfies  
20 this standard.  
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26 <sup>10</sup>DCCED *Final Report*, Appendix H.

1 **Part F. The economy within the proposed borough boundaries, as amended, in-**  
2 **cludes the human and financial resources necessary to provide essential**  
3 **borough services on an efficient, cost-effective level (3 AAC 110.180).**

4 DCCED addressed this standard on pp. 59 - 82 of its *Preliminary Report*.

5 DCCED found that given the reasonably anticipated functions, expenses, and income of  
6 the KGB in the area proposed for annexation; the ability of the KGB to generate and col-  
7 lect local revenue; and the feasibility and plausibility of the KGB's anticipated operating  
8 and capital budgets, the KGB annexation proposal is fiscally sound. DCCED further  
9 stated that the economic base, property valuations, land use, existing and reasonably  
10 anticipated development, and personal income in the KGB's proposed expanded  
11 boundaries demonstrate that the economy in the greater Ketchikan region is capable of  
12 supporting the proposed expanded borough government. Moreover, DCCED noted that  
13 there are sufficient employable persons to serve the needs of the proposed expanded  
14 borough. DCCED concluded that the KGB proposal satisfies this standard. DCCED  
15 affirmed that review, analysis, and conclusion in its *Final Report*.

16  
17 The Commission concurs with DCCED's analysis of this standard and  
18 adopts that analysis by reference for purposes of this decision statement. The deletion  
19 of the Meyers Chuck/Union Bay area from the KGB's proposed boundaries has minimal  
20 or no effect on this conclusion. The Commission finds that the KGB proposal satisfies  
21 this standard.  
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1 **Part G. The proposed new boundaries of the borough, as amended, conform generally to natural geography; include all land and water necessary to provide the full development of essential borough services on an efficient, cost-effective level; and are otherwise proper (3 AAC 110.190).**

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3  
4 This standard is addressed on pp. 82 - 91 of DCCED's *Preliminary Report*.

5 DCCED examined land-use and ownership patterns, population density patterns, exist-  
6 ing and reasonably anticipated transportation patterns and facilities, natural geographi-  
7 cal features and environmental factors, model borough boundaries, and other factors.  
8 DCCED found it is evident that the proposed new boundaries of the KGB conform gen-  
9 erally to natural geography, include all land and water necessary to provide the full de-  
10 velopment of essential borough services on an efficient and cost-effective level, and are  
11 otherwise proper.  
12

13 DCCED recognized that the KGB annexation proposal creates a  
14 205-square mile enclave in and around Hyder, albeit for the short term. However,  
15 DCCED found that such an enclave would not result in inefficient, cost-ineffective ser-  
16 vice delivery in the near-term. DCCED noted that if a Prince of Wales Island Borough  
17 were formed, the enclave would become a small remnant of the former Southeast Is-  
18 land Regional Educational Attendance Area, which currently provides education to stu-  
19 dents in Hyder. DCCED recommend that the Hyder enclave should be annexed to the  
20 KGB at that time. In its *Final Report*, DCCED also observed that concerns by the De-  
21 partment of Education and Early Development (DEED) regarding the proposed exclu-  
22 sion of Hyder at this time had been resolved after DEED's review of the Petition in this  
23 regard and that it DEED did not oppose the KGB's annexation proposal.  
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1 DCCED also noted that the proposed expanded boundaries of the KGB do  
2 not overlap the boundaries of an existing organized borough. DCCED found that the  
3 KGB proposal satisfies this boundary standard and affirmed that review, analysis, and  
4 conclusion in its *Final Report*.

5 With the exception of conclusions regarding the Meyers Chuck/Union Bay  
6 area, the Commission concurs with DCCED's analysis of this standard and adopts that  
7 analysis by reference for purposes of this decision statement. As discussed above, the  
8 Commission concluded that the Meyers Chuck/Union Bay area has more in common  
9 with the new Wrangell borough than it does with the KGB, and thus deleted that area  
10 from the annexation boundaries proposed by the KGB. The deletion of the Meyers  
11 Chuck/Union Bay area from the KGB's proposed boundaries has minimal or no effect  
12 on the Commission's analysis regarding this standard.  
13

14 As noted above, this standard is also relevant to concerns expressed by  
15 Respondent Metlakatla, both in writing and at hearing, regarding the southern bounda-  
16 ries of the KGB proposal that includes Duke Island and surrounding waters. The Com-  
17 mission notes Metlakatla's clarification that its reservation expansion request to the  
18 Secretary of Interior is only a maritime expansion, not a land expansion for Duke Island.  
19 Nonetheless, as noted at its decisional session, the Commission cannot find that Met-  
20 lakatla's request to the Secretary would be impacted by granting KGB's annexation pro-  
21 posal. The reservation boundary request to the Secretary is a process totally separate  
22 from the Commission's boundary-change jurisdiction. If Metlakatla's request is granted  
23  
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25



1 and its reservation waters are expanded, primary jurisdiction over those waters would  
2 shift. That fact would not change by approval of the KGB expansion.<sup>11</sup>

3 In its comments, Metlakatla also raised other issues with regard to the  
4 KGB's proposed annexation, including an assertion that it creates Annette Island as an  
5 enclave. The KGB's Reply Brief,<sup>12</sup> on pp. 26- 27, addresses these issues. The Com-  
6 mission concurs with those analyses and conclusions.

7  
8 The Commission agrees with DCCED that this standard is satisfied.  
9 However, at its decisional meeting on the KGB annexation, the Commission expressed  
10 concern with Hyder's status as an enclave. In approving the KGB annexation, as  
11 amended, the Commission directed the KGB to file a petition within five years to annex  
12 the Hyder area. In that regard, the Commission encourages the KGB to work toward  
13 developing communication, transportation, and economic ties between Hyder and the  
14 Borough, including working with the State to help develop these ties. The Commission  
15 noted that this was particularly appropriate in view of the federal revenues the Borough  
16 will be receiving from the newly annexed area. If such a petition is not filed, the Com-  
17 mission committed to directing DCCED to file such a petition.<sup>13</sup> In that event, DCCED  
18 should develop a petition in coordination with the DEED and KGB staff.

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22 <sup>11</sup>DCCED addressed Metlakatla's expansion in its *Final Report*, at pp.17 - 19. The Petitioner also  
23 addressed this issue in its Reply Brief at pp. 28 -30. The Commission concurs with those analyses.

24 <sup>12</sup>In its *Final Report*, DCCED stated that it believed KGB's Reply brief cogently responded to all  
25 comments and briefs (p. 4).

26 <sup>13</sup>If DCCED is directed to file such a petition, the staff persons working on such would, of course,  
27 not include employees assigned to serve as staff to the Commission.

1 **Part H. Annexation is in the best interests of the State (AS 29.06.040 and 3 AAC**  
2 **110.195).**

3 DCCED addressed this standard on pp. 91 - 98 of its *Preliminary Report*.

4 An annexation proposal may only be approved if the Commission finds that it serves the  
5 best interests of the State. DCCED's review of that standard included consideration of  
6 the constitutional principles of maximum local self-government and minimum numbers  
7 of local government units. DCCED also addressed the manner in which annexation will  
8 relieve the State of Alaska of the responsibility of providing local services and how an-  
9 nexation will result in broad policy benefit to the public statewide.

10 DCCED observed that the KGB annexation would have some adverse fis-  
11 cal impacts on communities in the unorganized borough, specifically through the loss of  
12 NFRs. However, DCCED noted that the Commission has repeatedly indicated that  
13 such circumstances are not relevant in terms of the applicable standards and are no  
14 basis to deny the proposal.

15 In its *Preliminary Report*, DCCED determined that the standard regarding  
16 the best interests of the State is satisfied. DCCED affirmed that review, analysis, and  
17 conclusion in its *Final Report*.

18 The Commission concurs with DCCED's analysis of this standard and  
19 adopts that analysis by reference for purposes of this decision statement. As set out  
20 above, the loss of NFRs to other communities in southeast Alaska was the focus of the  
21 majority of written and oral comment in this proceeding. As observed at the decisional  
22 session, the Commission is very sympathetic to that loss. However, it is not a bar to the  
23 development of boroughs or their extension. It is a factor that is considered in  
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1 consultation with the DEED and when considering the best interests of the State; and  
2 DEED does not oppose this annexation proposal.

3 Further, the Commission observes that commentors focused only on the  
4 loss of NFRs by the KGB annexation. No comments were filed in the Wrangell incorpo-  
5 ration proceeding regarding the identical NFR loss resulting from such incorporation.  
6 The Commission finds this inconsistent view troubling.  
7

8 Most specifically, the Commission endorses the prior Commission deci-  
9 sion rejecting the relevance of ephemeral financial considerations such as NFRs when  
10 considering the standards for borough formation or extension. As asserted by the 1999  
11 Commission, these programs may, over time, operate in a significantly different manner  
12 or even no longer exist. "In contrast," the Commission stated, "the formation of a bor-  
13 ough or the extension of a borough over a large area is a much more permanent ac-  
14 tion."<sup>14</sup>  
15

16 The Commission finds that the KGB proposal satisfies this standard.

17  
18 **Part I. The proposed annexation meets the legislative-review annexation stan-  
19 dard (3 AAC 110.200).**

20 This standard is addressed on pp. 98 - 104 of DCCED's *Preliminary Re-*  
21 *port*. The standard allows a legislative-review annexation if any one of certain condi-  
22 tions are present. DCCED found that several of those conditions evident in the KGB  
23 proposal. Among those, are that the area proposed for annexation manifests a reason-  
24 able need for borough government that can be met most efficiently and effectively by  
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26 <sup>14</sup>KGB 1998 annexation proceeding: LBC 1999 *Statement of Decision*, p. 12.

1 the KGB. Additionally, in a general sense, residents and property owners within the area  
2 proposed for annexation receive, or may be reasonably expected to receive, directly or  
3 indirectly, the benefit of borough government without commensurate tax contributions.  
4 Annexation of the area will also enable the KGB to plan and control reasonably antici-  
5 pated growth or development in the area that otherwise may adversely affect the area  
6 and population within the KGB.  
7

8 DCCED further found that annexation of the area will promote maximum  
9 local self-government with a minimum number of government units. Annexation of the  
10 area will also enhance the extent to which the KGB meets the legal standards for bor-  
11 ough incorporation. Finally, DCCED observed that specific policies set out in Alaska's  
12 Constitution are best served through annexation of the area by the legislative-review  
13 process.  
14

15 In its *Preliminary Report*, DCCED concluded that this standard is satisfied  
16 and affirmed its review, analysis and conclusion in its *Final Report*. The Commission  
17 concurs with DCCED's analysis of this standard and adopts that analysis by reference  
18 for purposes of this decision statement. The Commission agrees that the KGB proposal  
19 satisfies this standard.  
20

21 **Part J. A proper plan for the orderly transition to borough government has been**  
22 **provided (3 AAC 110.900).**

23 DCCED addressed this standard on pp. 104 - 108 of its *Preliminary Re-*  
24 *port*. DCCED found that the KGB's transition plan demonstrates the Borough's capacity  
25 to extend borough services into the area proposed for annexation in the shortest practi-  
26 cable time after annexation. DCCED also found that the document includes a practical

1 plan for the assumption of all relevant and appropriate powers, duties, rights, and func-  
2 tions presently exercised by Southeast Island REAA and the State of Alaska in that  
3 area. DCCED concluded that KGB's transition plan satisfies this standard.

4 DCCED concluded that this standard is satisfied and affirmed its review,  
5 analysis and conclusion in its *Final Report*. The Commission concurs with DCCED's  
6 analysis of this standard and adopts that analysis by reference for purposes of this de-  
7 cision statement. The Commission finds that the KGB proposal satisfies this standard.  
8

9 **Part K. Whether the proposed annexation will have the effect of denying any per-**  
10 **son the enjoyment of any civil or political right, including voting rights,**  
11 **because of race, color, creed, sex, or national origin (3 AAC 110.910).**

12 This standard is addressed on pp. 108 - 114 of DCCED's *Preliminary Re-*  
13 *port*. DCCED found no evidence to indicate that the KGB annexation proposal will have  
14 the purpose or effect of discriminating based on race, color, creed, sex, or national ori-  
15 gin. DCCED stated that nothing suggests that the proposed annexation will have a ret-  
16 rogressive purpose or effect with regard to any civil or political right, including voting  
17 rights, because of race, color, creed, sex, or national origin. No minority-language  
18 groups covered by the federal Voting Rights Act exist in the area proposed for annexa-  
19 tion. Even if such groups existed in the area, DCCED found that there is no evidence to  
20 indicate that annexation will have the purpose or effect of discriminating against a lan-  
21 guage minority group.  
22

23 DCCED concluded that this standard is satisfied and that the proposed  
24 annexation does not violate any provision of the federal voting rights. Act. DCCED af-  
25 firmed its review, analysis and conclusion in its *Final Report*.  
26

1           The Commission concurs with DCCED’s analysis of this standard and  
2 adopts that analysis by reference for purposes of this decision statement. The Com-  
3 mission finds that the KGB proposal satisfies this standard.

4           As a final matter, the Commission will address the allegations regarding  
5 DCCED Staff in this proceeding, specifically Dan Bockhorst. The Commission finds no  
6 basis to support the ethical violations levied against Staff by the City of Craig and oth-  
7 ers. Mr. Bockhorst and Ms. McPherran have consistently performed their duties as  
8 Commission Staff in the most ethical and professional manner possible, including in this  
9 proceeding. The Commission holds them both in the highest regard.

11  
12 **III. ORDER OF THE COMMISSION**

13           On the basis set out in Section II of this decision statement, the Commis-  
14 sion determines that the Petition, as amended to delete the approximately 191-square  
15 mile area of Meyers Chuck and Union Bay, meets all applicable Constitutional, statu-  
16 tory, and regulatory standards for borough annexation and is in the best interest of the  
17 State. According, the Petition as amended, is approved.

18           Unless reconsideration is requested timely under 3 AAC 110.580 or the  
19 Commission, on its own motion, orders reconsideration under 3 AAC 110.580, the  
20 Commission will submit a recommendation for the KGB annexation proposal approved  
21 by this decision to the Second Session of the Twenty-fifth Alaska Legislature under arti-  
22 cle X, section 12 of the Constitution of the State of Alaska.

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Approved in writing this 5th day of December, 2007 (Commissioner Geor-  
gianna Zimmerle, not participating).

LOCAL BOUNDARY COMMISSION

*Kermit L. Ketchum*

By: Kermit L. Ketchum, Chair

Attest:

*Jeanne McPherran*

Jeanne McPherran, Staff

**RECONSIDERATION BY THE COMMISSION**

Within eighteen days after this decision becomes final under 3 AAC 110.570(g), a person may file a request for reconsideration of the decision. The request must describe in detail the facts and analyses that support the request for reconsideration under 3 AAC 110.180(e).<sup>15</sup> If the Commission has taken no action on a request for reconsideration within twenty days after the decision became final under 3 AAC 110.570(g), the request is automatically denied.

<sup>15</sup>The provisions of 3 AAC 110.580(e) set out the grounds on which reconsideration will be granted by the Commission:

- (1) a substantial procedural error occurred in the original proceeding;
- (2) the original vote was based on fraud or misrepresentation;
- (3) the commission failed to address a material issue of fact or a controlling principle of law; or

(continued . . . )

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If the Commission grants a request for reconsideration, a party opposing the reconsideration will be allotted ten days from the date the request for reconsideration is granted to file a responsive brief describing in detail the facts and analyses that support or oppose the request for reconsideration.

**JUDICIAL APPEAL**

A judicial appeal of this decision may also be made under the Alaska Rules of Appellate Procedure, Rule 601, *et seq.* An appeal to the Superior Court must be made within thirty days after the last day on which reconsideration can be ordered.

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( . . . continued)  
(4) new evidence not available at the time of the hearing relating to a matter of significant public policy has become known.



**List of Persons Filing Comments  
Following Notice of KGB Annexation Petition**

1. Ed Stahl
2. Susan Millay
3. Debbie Johnson, et.al.
4. Jerry and Terry Gucker
5. Steve and Catherine Peavey
6. Tim and Donna Collins
7. Herbert J. and Shirley Lee
8. Dan and Janice Lang
9. Dan Higgins and Carol Brown
10. Brent and Debra Stucki
11. Carol Denton, Hyder Community Association
12. Shawn McAllister
13. Sheila Spores
14. City of Craig
15. Prince of Wales Community Advisory Council
16. Sandy Powers
17. Rebecca Welti and Glen Rice
18. Peter Rice
19. Bill Rotecki

## **Timeline of Events for Participation of DCCED Staff in KGB Annexation Proceeding**

- March 26, 2007:** Mr. Bockhorst begins his analysis of the Ketchikan annexation proposal, at which point he discussed policy aspects of the proposal with the former Director of the Division of Community and Regional Affairs (DCRA),<sup>1</sup> Mike Black.
- June 26, 2007:** Mr. Bockhorst's work on the 2007 preliminary report was complete and forwarded to the DCRA publications technician for formatting and publication.
- July 13, 2007:** The KGB preliminary report was published by DCCED.
- July 29, 2007:** Just over one month after Mr. Bockhorst completed his work on the annexation proposal for DCCED's 2007 preliminary report, the KGB first announced that it was recruiting for a Borough Manager.
- August 1, 2007:** In accordance with the Executive Branch Ethics Act, Mr. Bockhorst wrote a memorandum to the DCCED Ethics Supervisor disclosing an interest in applying for the KGB manager position. Mr. Bockhorst stated in his memorandum that he first became aware of the recruitment for the position on July 31. In his memorandum, he recused himself with respect to any and all future dealings regarding the Ketchikan annexation proposal. Mr. Bockhorst's work regarding the KGB annexation proceeding was immediately reassigned to Jeanne McPherren.
- October 15, 2007:** Ms. McPherren independently prepared the 2007 final report regarding the KGB annexation proposal.

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<sup>1</sup>Formerly known as the Division of Community Advocacy. DCRA is the component of DCCED that provides staff to the Commission.

**SEAK Professional Services, LLC**  
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Fax: 907.225.1148

1 KETCHIKAN GATEWAY BOROUGH ANNEXATION  
2 OPENING STATEMENTS  
3 JOHN HILL KETCHIKAN GATEWAY BOROUGH  
4 JIM BRENNEN CITY OF WRANGELL  
5 LEROY WILDER METLAKATLA  
6 PETER CAFFALL-DAVIS HYDER  
7 TESTIMONY FOR KETCHIKAN GATEWAY BOROUGH  
8 DAVID LANDIS  
9 JOHN SHAY  
10 ROY ECKERT  
11 DICK COOSE (READ INTO RECORD BY JIM HILL)  
12 JOHN HILL  
13 MICHAEL HOUTS  
14 ROBERT BOYLE  
15 BRETT HYATT  
16 SCOTT BRANDT-ERICKSEN  
17 TESTIMONY FOR METLAKATLA  
18 BILL WILSON  
19 JEFF MORAN  
20 TESTIMONY FOR CITY OF WRANGELL  
21 CAROL RUSHMORE  
22 PUBLIC COMMENTS  
23 ELAINE PRICE COFFMAN COVE  
24 CAROLYN DUNCAN  
25 ANDREW RICHTER NAUKATI

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1	ROSANNE DEMMERT	KLAWOCK
2	JOCELYN EDENSHAW	HYDABURG
3	RICH CARLSON	KLAWOCK
4	TERESA BROWN	
5	ROBERT BLASCO	ATTORNEY FOR CRAIG
6	BRETT AGENBROAD	METLAKATLA
7	MS. LEISHOLMN	METLAKATLA
8	SHERRY HAYWARD	METLAKATLA
9	JEFF PEREZ	KETCHIKAN
10	DEBBIE JOHNSON	UNION BAY
11	JIM VANALTVORST	CRAIG
12	JOHN BOLLING	CRAIG
13	JAMES STANLEY	KETCHIKAN
14	TERRAL WANZER	KETCHIKAN
15	CAROL BROWN	MEYERS CHUCK
16	DAN HIGGINS	MEYERS CHUCK
17	GLEN RICE	MEYERS CHUCK
18	KATHERINE PEAVEY	MEYERS CHUCK
19	JONI KUNTZ	CRAIG (VIA PHONE)
20	DENNIS WATSON	CRAIG (VIA PHONE)
21	RONALD ERICKSON	CRAIG (VIA PHONE)
22	VALERIE STEWARD	KLAWOCK (VIA PHONE)
23	JANICE BUSH	KLAWOCK (VIA PHONE)
24	NEVA ROBERTSON	KLAWOCK (VIA PHONE)
25	MS. ANDERSON	CRAIG (VIA PHONE)

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1	ELLEN CLARK	KLAWOCK (VIA PHONE)
2	KELLY LARSON	KLAWOCK (VIA PHONE)
3	HOMER MILLS	KLAWOCK (VIA PHONE)
4	DON MARVIN	KLAWOCK (VIA PHONE)
5	WEBSTER DEMMERT	KLAWOCK (VIA PHONE)
6	SABRINA DEMMERT	KLAWOCK (VIA PHONE)
7	DEBY REED	THORNE BAY (VIA PHONE)
8	WILLIAM UNKEL	GUSTAVUS (VIA PHONE/FAX)
9	CLOSING STATEMENTS	
10	SCOTT BRANDT-ERICKSEN	KETCHIKAN GATEWAY BOROUGH
11	JIM BRENNEN	CITY OF WRANGELL
12	LEROY WILDER	METLAKATLA
13	PETER CAFFALL-DAVIS	HYDER
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