

Petition
to
The Local Boundary Commission
to
Incorporate
Whale Pass

as a
Second Class City
In the Unorganized Borough
Using the Local Option Method

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PETITION

The city incorporation standards and procedures include AS 29.05.011 – AS 29.05.021; AS 29.05.060 – AS 29.05.150; 3 AAC 110.005 – 3 AAC 110.042; 3 AAC 110.400 – 3 AAC 110.700; and 3 AAC 110.900 – 3 AAC 110.990. All exhibits attached to this petition are incorporated by reference.

Section 1. Petitioner 3 AAC 110.420(b)(1)

The number of votes cast in the last state general election inside the proposed city is (42) forty two. There are (71) seventy one registered voters in Whale Pass. The State of Alaska, Division of Elections has provided a letter dated December 16, 2014 containing these facts which is attached to this Petition. This Letter is **Exhibit A. (Page 11)**

As provided for in AS 29.05.060(12), the Petitioner for incorporation for a second class city consists of the signatures and resident addresses of 25 registered voters in the proposed city, which is greater than 15 percent of the registered voters in the proposed city as of the last general election. These signers are collectively described as “the Petitioner.” These signatures are included in **Exhibit B (Pages 12-17)**

Section 2. Petitioner’s Representative 3 AAC 110.420(b)(2)

The Petitioner designates the following person to serve as its representative in all matters concerning this incorporation proposal:

Name: Don Hull
Physical Address: Lot 1, Block 4 Whale Pass
Mailing address: Box WWP, Whale Pass
Ketchikan, AK 99950
Phone and fax numbers: (907)846-4107
Email address: seghull@msm.com

Petitioner’s Alternative Representative

The Petitioner designates the following person to act as alternative representative in matters regarding the proposed incorporation, in the event the primary representative is absent, resigns, or fails to perform his or her duties:

Name: Dick Erickson
Physical Address: Lot 6, Block 15
Whale Pass
Mailing address: Box WWP, Whale Pass
Ketchikan, AK 99950
Phone and fax numbers: (907)846-5321
Email address: richarderi@gmail.com

Section 3. Name and Class of Proposed City 3 AAC 110.420(b)(3)(B)

Upon incorporation, the city government shall be known as the “**City of Whale Pass**”, a second class city.

**Section 4. General Description of the Nature of the Proposed Commission Action
3AAC 110.420(b)(4)**

This Petition seeks to incorporate Whale Pass as a second class city. Whale Pass is located on Prince of Wales Island in Southeast Alaska. The area of incorporation is composed of land, tidelands, and water. Petitioner requests that the Local Boundary Commission (LBC) grant this Petition. Incorporation is subject to approval by voters of the territory proposed for incorporation per AS 29.05.110 and 3 AAC 110.600.

**Section 5. General Description of Territory Proposed for City Incorporation
3 AAC 110.420(b)(5)(B)**

The area proposed for incorporation as the City of Whale Pass includes State lands (including Alaska State Forest lands), Federal lands, and privately owned lands in and around the community of Whale Pass. A more complete and more detailed description is found in the Perimeter Boundary Description Exhibit C-1 (Page 18) attached to petition:

Township 66 South, Range 79 East

Sections 13, 22, 23, 24, 25, 26, 27, 34, 35, 36.

Township 66 South, Range 80 East

Sections 19, 20, 29, 30, 31, 32

Township 67 South, Range 79 East:

Sections 1, 2, 3, 12.

Township 67 South, Range 80 East

Sections 5, 6, 7, 8, 17, 18.

All in the Copper River Meridian, First Judicial District, State of Alaska.

Section 6. Reasons for This Petition 3 AAC 110.420(b)(6)

The citizens of Whale Pass Alaska wish to incorporate and become a second-class city in order to facilitate the efficiency of delivering necessary services for all of our citizens. The larger intent is to make the community government services available to full-time residents as well as those who live here part time and those who are visitors to the area.

Our population has expanded in recent years, with no indication of slowing down, resulting in a greater need for services and financial sources. While growth in the number of visitors and local business is good for the community, it results in a significant burden for the permanent residents and a strain on the infrastructure of the community.

Incorporation will provide an avenue to fund the needed local services and to provide an appropriate means in which to interact with State and other government agencies where regional, state and national services are required, enabling the city to make binding agreements with other government and non-government entities through a sanctioned form of government.

Incorporation will enable the community to direct future development, meeting the desires of the residents of the community through legally enforceable ordinances, and maintaining the unique life style we all came here to enjoy.

Land selection available through the incorporation of Whale Pass will provide badly needed property for waste collection, parks and recreation development, basic material sources, and property for expansion..

Section 7. Legal Descriptions, Maps, and Plats for Proposed City

3 AAC 110.420(b)(7)

Subsection 7-A. Territory proposed for incorporation.

A legal description of the boundaries of the territory proposed for incorporation is presented as **Exhibit C-1 (Page 18)**

A map and plats of the territory proposed for incorporation are presented as **Exhibit C-2 (Page 19)**

Subsection 7-B. Service areas planned within the proposed city.

No separate service areas are planned at this time.

Section 8. Size 3 AAC 110.420(b)(8)(B)

The territory proposed for incorporation is estimated to encompass

Approximately 14 square miles of land

Approximately 12 square miles of water, submerged lands, and tidelands,

Approximately 26 square miles total

Section 9. Population 3 AAC 110.420(b)(9)(B)

The number of permanent persons residing within the territory proposed for incorporation is estimated to be 65 persons. The number of registered voters in the Whale Pass area is 71 persons. The number of registered voters voting in the November 2014 general election was 42 persons.

Section 10. Information Relating to Public Notice and Service of Petition

3 AAC 110.420(b)(10)

See **Exhibit D (Page 20)** for information relating to public notice and service of petition..

Section 11. Tax Data 3 AAC 110.420(b)(12)

Subsection 11-A. The assessed or estimated value of taxable property

The assessed or estimated taxable value of property in the territory proposed for incorporation. This only applies if the proposed city or an existing municipality levies or plans to levy property

taxes:

No real and/or personal property taxes are planned at this time.

Subsection 11-B. The projected taxable sales in territory proposed for incorporation

Determine the annual value of sales of goods and services in the territory proposed for incorporation that could be subject to a sales tax. This only applies if an existing municipality or the proposed city levies or plans to levy property taxes:

No sales taxes are planned at this time.

Subsection 11-C. Any other taxes

No other taxes are planned at this time.

Subsection 11-D. Proposed taxes

There are no proposed taxes included in this Petition.

Section 12. Budget and Revenue Projections 3 AAC 110.420(b)(13)

A budget projecting revenue, operating expenditures, and capital expenditures during the city's first three full fiscal years of operation is in **Exhibit E. (Page 23)**

A budget narrative is provided in **Exhibit F. (Page 24)**

Section 13. Existing Long-term Municipal Debt 3 AAC 110.420(b)(14)

Describe any existing long-term debt, if any, that the proposed city would assume.

- WPCA has no long-term debt.

Section 14. Powers and Functions 3 AAC 110.420(b)(15)

Exhibit G (Page 26) lists the proposed powers and functions of the proposed city.

Section 15. Transition Plan 3 AAC 110.420(b)(16)

Exhibit H (Page 27) presents a practical plan per AS 29.05.140 and 3 AAC 110.900

Section 16. Governing Body 3 AAC 110.420(b)(17)

Information about the composition and apportionment of the city council:

The City Council will be composed of seven (7) members elected at large, per AS 29.20.130(b). A Mayor will be elected from and by the Council, per AS 29.20.230(b).

Section 17. Supporting Brief 3 AAC 110.420(b)(19)

See **Exhibit I (Page 28)** for the supporting brief.

**Section 18. Documentation Demonstrating That the Petitioner is Authorized to file the
Petition Under 3 AAC 110.410 and 3 AAC 110.420(b)(20)**

Briefly state why and how 3 AAC 110.410 authorizes the petitioner to file the petition (beyond that provided in Section 1 and Exhibit B).

25 voters of those registered in the last general election have signed the petition, in accordance with 3 AAC 110.410(a)(10)(B) and AS 29.05.060(12), said number of voters being greater than 15% of registered voters.

Exhibit A.

Letter From the Division of Elections Documenting the Number of Votes Cast in the Last General Election

Director's Office
PO Box 110017
Juneau, Alaska 99811-0017
907-465-4611 907-465-3203 FAX
elections@alaska.gov



Region I Office
9109 Mendenhall Mall Rd. Suite 3
PO Box 110018
Juneau, AK 99811-0018
907-465-3021 907-465-2289 FAX

**STATE OF ALASKA
Division of Elections
Office of the Lieutenant Governor**

December 16, 2014

Richard Erickson
PO Box WWP
Ketchikan, AK 99950-0280

Dear Mr. Erickson:

This letter is in response to your request for the number of votes cast by voters registered in Whale Pass in the 2014 General Election for preparation of a petition to become a second class city.

The addressing and voter history files in the Division of Election's Voter Registration and Election Management System (VREMS) for the proposed area were analyzed to determine how many registered voters voted in the 2014 General Election. The results are summarized below:

Registered voters in the community of Whale Pass – 71
Votes cast by voters that reside inside the community of Whale Pass - 42

Please do not hesitate to contact me if I can be of further assistance.

Sincerely,

A handwritten signature in cursive script that reads "Lauri Wilson".

Lauri Wilson
Election Supervisor, Region I

cc: Gail Fenumiai, Director, Division of Elections
Kari Spencer, Election Program Manager, Division of Elections

Exhibit B.

Signatures of Qualified Voters

This exhibit contains the signatures and resident addresses of qualified registered voters seeking incorporation, who live within the boundaries of the proposed city. The required number of voters who must sign the petition is based on the number who voted in the territory in the last general election. The number of signatures in this exhibit equals the greater of at least 15 percent of the number who voted in the territory proposed for incorporation during the last general election conducted by the State of Alaska, or 25 qualified voters, per AS 29.05.060(12).

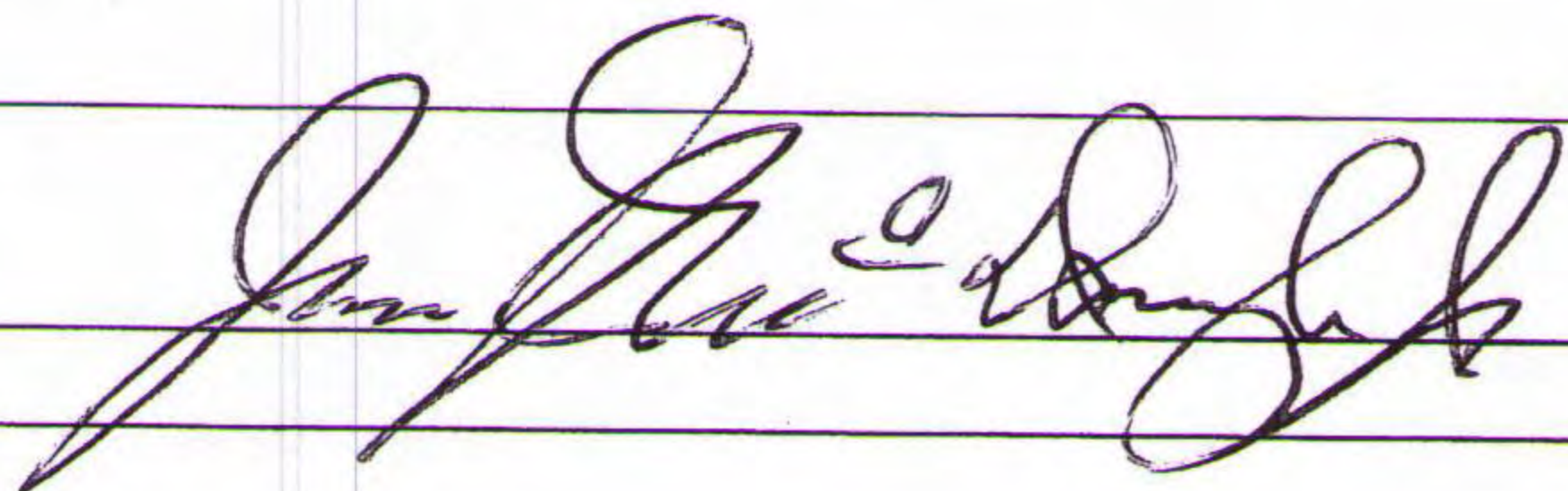
To help verify your voter registration status, please:

- Print your name legibly.
- List your residence address (e.g. street number, milepost) – do **not list a post office or other mail box.**
- Sign your name as it is listed in the state voter registration records.
- List a numerical identifier such as your State of Alaska voter ID or driver's license; date of birth; or the **last four digits only** of your Social Security number.
- Date your signature.

WE, THE UNDERSIGNED, hereby petition for the incorporation of the city of Whale Pass as set out in the complete petition. Further, we affirm that:

1. We are registered voters of the State of Alaska;
2. **We currently maintain our principal place of residence within the territory proposed for incorporation; and**
3. We have reviewed the complete petition for incorporation, including all exhibits, and we understand its terms.

JAMES J McDonough JR
Printed Name



Lot 7, Block 2, Whale Pass AK 99950

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Voter #1

6/13/15

Numerical Identifier

Date signed

Printed Name Don G. Hillis

Lot 16 Blocks Whale Pass 99950-0280

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Voter #2

6-13-15

Signature

Numerical Identifier

Date signed

Lot A Block B SALTLY CIRCLE Whale PASS

Printed Name

FRED BURRUS

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

Lot 3A BK 2 Whale Pass

Voter #3

6-13-15

Signature

Numerical Identifier

Date signed

Printed Name

Jenny L. Vasser

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Voter #4

6/13/15

Signature

Numerical Identifier

Date signed

Lot 16 Block 9 Whale Pass AK

Printed Name

PAMELA A. DiSARRO LOT 5 BLK 5 BEACH RD
WHALE PASS

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Voter #5

6-13-15

Signature

Numerical Identifier

Date signed

Printed Name

Peter DiSarro

Lot 5 Block 5 Beach Road, Whale Pass

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Signature

Voter # 6

Numerical Identifier

6/13/15

Date signed

Printed Name

GERALD L. WELCH

[Redacted Address]

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Signature

Voter #7

Numerical Identifier

13 June 2015

Date signed

Printed Name

PATRICIA L. WELCH

LOT 3, BLOCK 5 - WHALE PASS

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Signature

Voter #8

Numerical Identifier

13 June 2015

Date signed

Christine Cook

Printed Name

Lot. 1 Box WWP, Whale Pass, AK 99950

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Signature

Voter #9

Numerical Identifier

6/13/15

Date signed

Marjorie Meyer

Printed Name

Marjorie Meyer

LOT 4 BK 10

104 Beach Path Whale Pass AK 99950

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

[Redacted Signature]

Signature

Voter #10

Numerical Identifier

6/13/15


Date signed

Printed Name

Sue Hull

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

lot 1, Block 4


Signature		Voter #11 Numerical Identifier	Date signed 6-13-15
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Printed Name

Donna Louks Block 7, Lot 8

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers




Signature		Voter #12 Numerical Identifier	Date signed 6-13-2015
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Printed Name

Howard McNeely

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

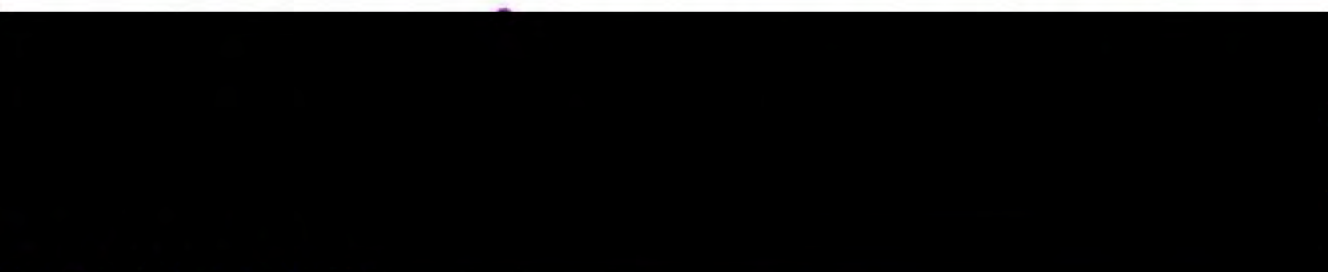



Signature		Voter #13 Numerical Identifier	Date signed 6-13-15
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Printed Name

~~FRANK BAMBUK~~

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers



Signature		Voter #14 Numerical Identifier	Date signed
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Printed Name

FRANK BAMBUK

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

LOT 10 BLOCK 9

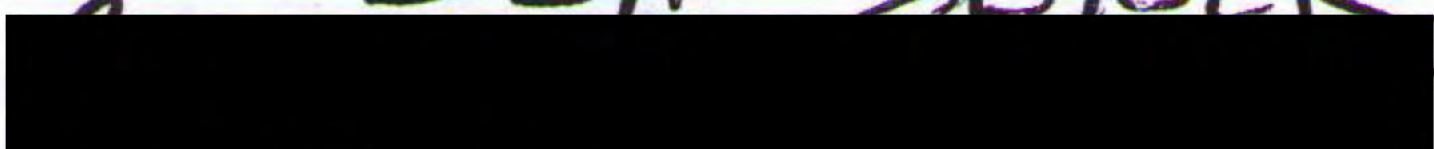
Signature		Voter #15 Numerical Identifier	Date signed 6-13-15
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Printed Name

William E. Pattison

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers


L2A Block 8

 Signature	<u>Voter #16</u> Numerical Identifier	<u>Jun 6-2015</u> Date signed
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Printed Name

Robert M. Meyer Lot 4 block 10 whale Pass


Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

 Signature	<u>Voter #17</u> Numerical Identifier	<u>6/13/15</u> Date signed
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Donald L. Hull
Printed Name

Lot 1 Block 4 whale Pass, AK 99950

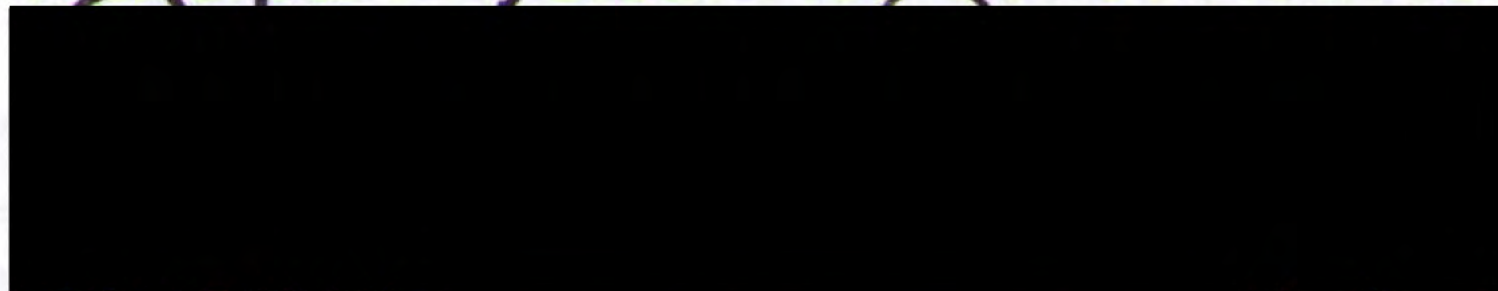
Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

 Signature	<u>Voter #18</u> Numerical Identifier	<u>6/13/15</u> Date signed
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Ronald B. Parsley, Jr
Printed Name

Lot 1 Block 14

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers


 Signature	<u>Voter #19</u> Numerical Identifier	<u>6/13/15</u> Date signed
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MARGARET ANN PARSLEY

Printed Name

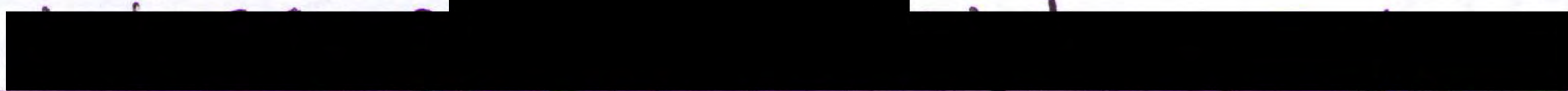
LOT 1 BLOCK 14 WHALE PASS SUB.


Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

 Signature	<u>Voter #20</u> Numerical Identifier	<u>6/13/15</u> Date signed
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Tyra Huestis


Printed Name


Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

 Voter #21 6/17/15
Signature Numerical Identifier Date signed

Printed Name

Connie Ann Plante Lot 2 Block 7 Whale Pass AK
Principal Physical Residence Address (or best equivalent) – No PO Box Numbers


 Voter #22 6/17/15
Signature Numerical Identifier Date signed

Glenn H. Robinson

Printed Name


Lot H Block 7, Whale Passage Sub.

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

 Voter #23 18 June 2015
Signature Numerical Identifier Date signed


Gregg Cook
Printed Name

Lot 1 Fish Trap Dr. Block 1 whale Pass Sub.
Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

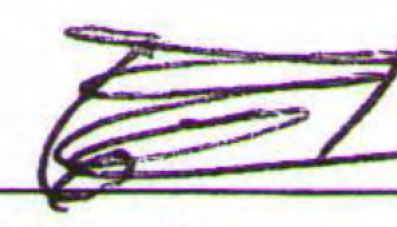
 Voter #24 06/19/2015
Signature Numerical Identifier Date signed

ANDRES K. JUEH M. DOMOUGH
Printed Name

Principal Physical Residence Address (or best equivalent) – No PO Box Numbers

 Voter #25 06-19-2015
Signature Numerical Identifier Date signed

Printed Name

DARVEL DONALDSON 2 BCK 3 LOT 
Principal Physical Residence Address (or best equivalent) – No PO Box Numbers


 Voter #14 6/19/15
Signature Numerical Identifier Date signed

Exhibit C-1.

Legal Description of the Boundaries of the Territory Proposed for Incorporation

RECTANGULAR SURVEY DESCRIPTION OF THE BOUNDARIES OF THE TERRITORY PROPOSED FOR INCORPORATION

City of Whale Pass Boundary Legal Description, located within Township 66 South, Range 79 East; Township 66 South, Range 80 East; Township 67 South, Range 79 East; Township 67 South, Range 80 East; all in the Copper River Meridian, First Judicial District, State of Alaska, more particularly described as follows:

Beginning at the southwest corner of Section 18, Township 67 South, Range 80 East, which is the true point of beginning of this description;

Thence north approximately 1 mile to the northwest corner of Section 18 Township 67 South Range 80 East,

Thence west approximately 1 mile to the southwest corner of Section 12, Township 67 South, Range 79 East,

Thence north approximately 1 mile to the northwest corner of Section 12, Township 67 South, Range 79 East,

Thence west approximately 2 miles to the southwest corner of Section 3, Township 67 South, Range 79 East,

Thence north approximately 4 miles to the northwest corner of Section 22, Township 66 South, Range 79 East,

Thence east approximately 2 miles to the southwest corner Section 13, Township 66 South, Range 79 East,

Thence north approximately 1 mile to the northwest corner of Section 13, Township 66 South, Range 79 East,

Thence east approximately 1 mile to the northeast corner of Section 13, Township 66 South, Range 79 East,

Thence south approximately 1 mile to the southeast corner of Section 13, Township 66 South, Range 79 East,

Thence east approximately 2 mile to the northeast corner of Section 20, Township 66 South, Range 80 East,

Thence south approximately 6 miles to the southeast corner of Section 17, Township 67 South, Range 80 East, located in Whale Passage,

Thence west approximately 2 mile to the southwest corner of Section 18, Township 67 South, Range 80 East, which is the true point of beginning of this description; said parcel containing approximately 26 square miles. Based on USGS Petersburg A-4 (US Forest Service version) Quadrangle, 1994.

Exhibit C-2.

A Map and Plats of the Territory Proposed for Incorporation

This map is taken from "United States Department of the Interior – Geological Survey
Petersburg A-4 Quadrangle, Alaska

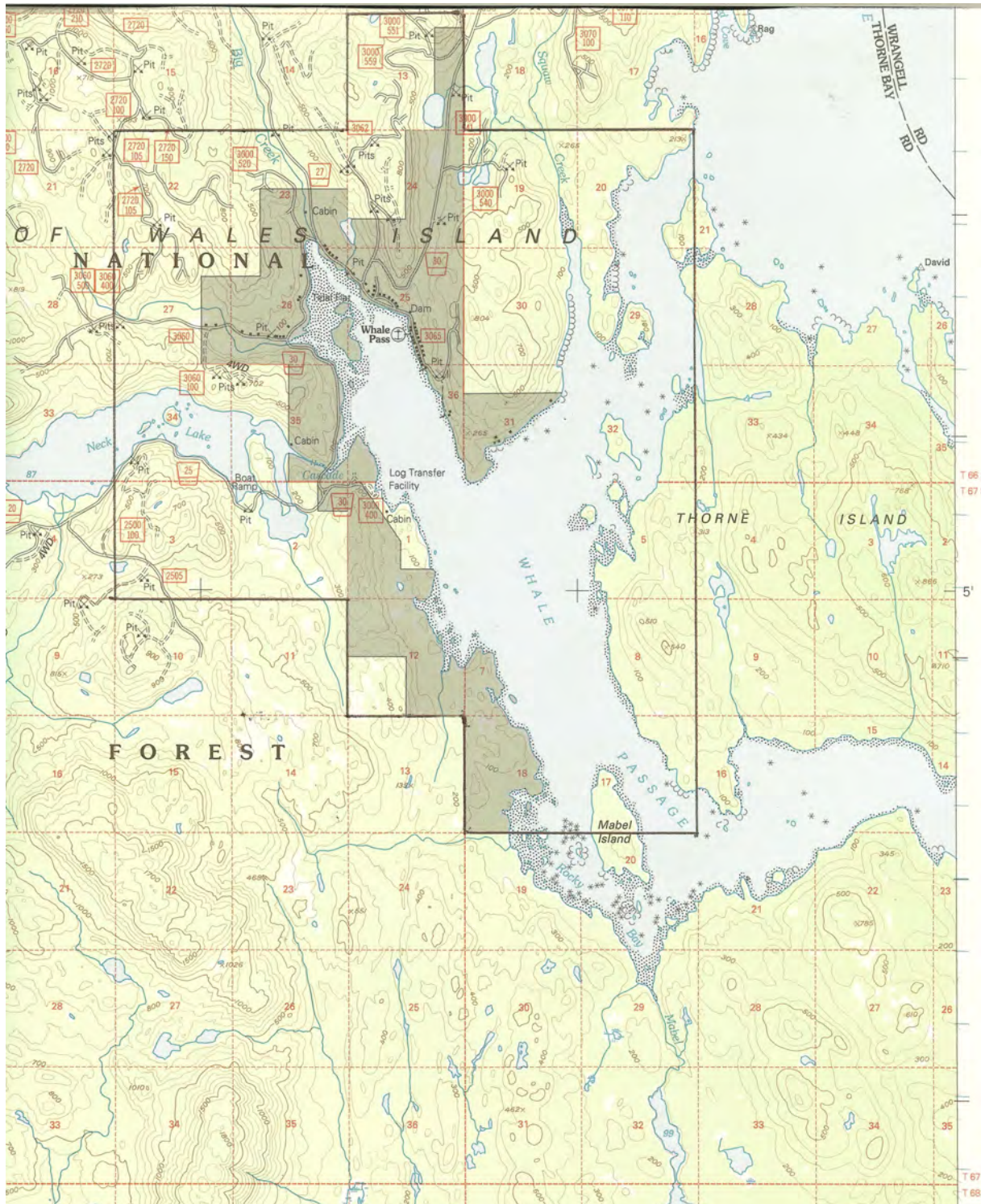


Exhibit D.

Information Relating to Public Notice

This exhibit provides information relevant to public notice of this incorporation proceeding, and service of the petition. The information includes specifics about local media; adjacent municipal governments; places to post notices; location(s) where the Petition may be viewed; and persons whose potential interest in the incorporation proceedings may warrant the courtesy of notice.

LOCAL MEDIA

The following is a list of the principal news media serving the territory within the proposed boundaries:

Newspaper(s)

Name POW Island Post
Address 501 Dock Street
 Ketchikan, AK 99901
Telephone # 907-225-3157

Name Ketchikan Daily News
Address: 501 Dock St.
 Ketchikan, AK 99901
Telephone # 907-225-3157
Fax # 907-225-1096
E-mail address: news@ketchikandailynews.com

Name The Local Paper
Address: 516 Stedman St.
 Ketchikan, AK 99901
Telephone # 907-225-6540
Fax # 907-225-6435
E-mail address: homeofficemgr@kpunet.net

Radio station(s)

Name KRSA
Address P.O. Box 650
 Petersburg, AK 99833
Telephone # (907) 772-3891
Fax #: (907) 772-4538
E-mail address: krsa@krsa.net

Name KRBD
Address 1101 Copper Ridge Road
 Ketchikan, AK 99901
Telephone # 800-557-5723
Fax #: (907) 247-0808
E-mail address: gmrbd@krbd.org

Adjacent Municipal Governments

The following is a list of cities and organized boroughs whose boundaries extend within 20 miles of the boundaries of the proposed city:

- Coffman Cove, Alaska: clerk@ccalaska.com
- Naukati, Alaska: POBox 458, Naukati, Ketchikan, AK 99950
- Edna Bay, Alaska: clerk@cityofednabay.org
- Wrangell Borough: clerk@wrangell.com
- Petersburg Borough: korear@petersburgak.gov

Places to Post Notices Relating to This Proposal

The following three or more prominent locations readily accessible to the public, within or near the boundaries proposed for incorporation, are designated for posting notices concerning this incorporation proposal:

- Post Office lobby (located next to the Fire Hall)
- Public Library (located across from the boat harbor)
- Boat Harbor (public notice board on harbor walkway)

Where the Public Can Review the Petition Materials

Per 3 AAC 110.460(b), please list at least one location where a full set of petition documents will be available for public review at the dates and times listed below:

Public Library: M 3-5 T 1-3 W 4-6 F 3-5 S 11-3 Thur & Sun closed

Facebook: <https://www.facebook.com/Whale-Pass-Community-Library-236986919672794/>

Persons Who May Warrant the Courtesy of Notice of the Filing of the Petition

The following is a list of names and addresses of persons whose potential interest in the incorporation proceedings may warrant the courtesy of notice:

Leslie Isaacs, Chairman, Prince of Wales Community Advisory Council, P. O. Box 725, Craig, AK 99921

Senator Bert Stedman, State Capitol, Rm 516, Juneau, AK 99801

Representative Jonathan Kreiss-Tomkins, State Capitol, Rm 500, Juneau, AK 99801

USFS Thorne Bay District, 1312 Federal Way, Thorne Bay, AK 99919

Sealaska Corporation, One Sealaska Plaza, Suite 400, Juneau, AK 99801

Southeast Island School District, 1010 Sandy Beach Rd, Thorne Bay, AK 99919

State of Alaska Dept. of Natural Resources, 550 W. 7th Ave, STE 1400, Anchorage, AK
99501-3561

State of Alaska Mental Health Trust, 3745 Community Park Loop, STE 200, Anchorage,
AK 99508

Alaska Dept. of Transportation, 3132 Channel Drive, Juneau, AK 99801-1182

Alaska State Troopers, Craig, AK 99921

EXHIBIT E.

Three fiscal years of projections of revenue, operating expenditures, and capital expenditures. Projections of city income and expenditures during the city's first three full fiscal years of operation are included in this exhibit.

Proposed Budget

Revenues	Current Budget	Year 1	Year 2	Year 3
Revenue Sharing	33000	96000	96000	96000
Transition Grant	0	50000	25000	0
Harbor Fees	3500	3500	3500	3500
Halibut Permit Leases	<u>2000</u>	<u>2000</u>	<u>2000</u>	<u>2000</u>
Total Revenues	<u>38500</u>	<u>151500</u>	<u>126500</u>	<u>101500</u>
Expenses:				
<u>RoadMaint</u>				
Fuel	4000	5000	5000	5000
Equipment Maint/ Repair	2000	3000	3000	3000
Contractor	<u>3000</u>	<u>4000</u>	<u>4000</u>	<u>4000</u>
Total Road Maint.	9000	12000	12000	12000
<u>EMS</u>				
Training		2500	2500	2500
Supplies & Maint.		<u>5000</u>	<u>5000</u>	<u>5000</u>
Total EMS	5000	7500	7500	7500
<u>Fire Safety</u>				
Training		2000	2000	2000
Maint. & Repair		<u>3000</u>	<u>3000</u>	<u>3000</u>
Total Fire Safety	5000	5000	5000	5000
<u>Harbors</u>				
Maint. & Repair	<u>2000</u>	<u>3000</u>	<u>3000</u>	<u>3000</u>
Total Harbors	2000	3000	3000	3000
<u>Administrative</u>				
City Clerk	0	14400	28800	28800
Payroll Expenses	0	4320	8640	8640
General / Travel	4700	8000	5000	5000
Utilities	4200	4200	4200	4200
Insurance	2500	3500	3500	3500
Legal	0	4000	2000	2000
Accounting	<u>0</u>	<u>4000</u>	<u>2500</u>	<u>2500</u>
Total Administrative	11400	42420	54640	54640
Total Expenses	<u>32400</u>	<u>69920</u>	<u>82140</u>	<u>82140</u>
<i>Net Surplus (Deficit)</i>	6100	81580	44360	19360

EXHIBIT F.

Budget Narrative

Overview

The Whale Pass Community Association (“WPCA”) and its predecessor “Whale Pass Homeowner’s Association”, has successfully managed the operations of its community services for over 30 years with volunteers. Our intention is to maintain this track record, while utilizing the increased resources provided by the 2nd Class City designation to adequately meet the growing needs of our expanding community. We plan to continue volunteer administration and services, with the exception of a paid City Clerk. A primary driver in seeking 2nd Class City designation is to expand the revenue options available to the community in the event that state aid and grants declines and proves inadequate for the community’s needs.

Revenues

Aid and Grants

Appropriations under Alaska’s Community Revenue Sharing Program (“CRSP”) per AS 29.60.850-.879 and 3 AAC 180.010-.900 has been and is projected to continue to be the largest source of non-locally generated operating revenue for Whale Pass. The 2014 allocation pursuant to our unincorporated status was \$33,000. For budgeting purposes, we have used \$96,000 annually, which is the current amount appropriated to each 2nd Class City. Any reduction in this revenue source would be initially offset by budget revisions, and then local sources of revenue in the form of bed taxes, fish box taxes and sales taxes would be investigated. While Whale Pass has an estimated property value in the range of \$10 to \$12 million, property taxes would be a last resort due to the associated costs of valuation, assessment, and collection.

As a 2nd Class City, Whale Pass will receive appropriations under the Payment in Lieu of Taxes (“PILT”), Shared Fisheries Business Tax, and Rural Roads programs; however, these programs are not listed in projected revenues because of the uncertainty of continuing appropriations and under advice from State authorities.

Grant opportunities will be better pursued with dedicated staff on hand.

Community Fees

The WPCA and its related operations also generate revenues from members of the community, including year-round and summer residents as well as transient visitors in the form of harbor fees, which average \$3,500 per year. In 2013 Whale Pass was awarded four Community Charter Halibut Permits. All four have been leased for \$500 each for the last two years and our budget anticipates continued collection of revenues at the same annual level .

Expenses

Public Services

Much of what the WPCA has operated for years will continue under a 2nd Class City

designation. Basic public services currently provided are:

Administration
Road maintenance
EMS
Fire
Harbors

The EMS has an average of 5 to 6 volunteers at any one time. The fire department maintains 10 volunteers to meet its certification requirements. Road maintenance is contracted out, using WPCA owned grader and dump truck plow. Five elected volunteer directors administer WPCA, with the offices of President, Vice President, Secretary, Treasurer, and Member At Large.

Whale Pass depends on the Alaska State Troopers for community safety. The community believes that a part or full time safety officer is unnecessary and unaffordable at the current time, and thus has not allocated any such expenses.

Budget Expenses

The WPCA believes that the increased population (particularly in the summer) and increasing demands of the community justify a part or full time city clerk. This will be especially true under a 2nd Class Designation. We have budgeted a monthly compensation of \$1,200 the first year and \$2,400 thereafter, plus an additional 30% of that amount for payroll taxes, bonding, and insurance.

Road maintenance expense shows a projected overall increase of 133% over present budget. This increase provides more frequent summer grading and recognizes that snow removal may be needed more often in the future than in the past few mild winters.

Examination of EMS expenses has shown the need for a higher budget amount than \$5,000 per year. Replacement supplies are increasingly costly and required on-hands training is consuming half of the present budget. The projected expense is accordingly increased to \$7,500.

Fire Department projected expense maintains the current budget, which has been found to be adequate at this time.

Harbor expenses have been nominal, but deferred maintenance is substantial, and the projected budget reflects an increase of \$1,000 per year toward bringing the harbor facilities up to par.

WPCA members have incurred expenses over the years for such things as traveling to seminars, pursuing municipal issues, and general supplies and other activities. These General/Travel expenses are expected to increase the first year of incorporation primarily due to transition expenses.

Insurance has been increased in the projection from \$2,500 to \$3,500 per year, anticipating increased required insurance coverage as a municipality.

The WPCA has not previously used professional services. As a 2nd Class City, we anticipate needing legal and accounting services, and have budgeted legal fees of \$4,000 in the year of incorporation, declining to \$2,000 for subsequent years. Accounting fees have budgeted in the amount of \$4,000 the first year and \$2,500 thereafter.

Capital Projects Under Consideration

The WPCA desires to offer waste disposal services. Community members believe that a city operated garbage facility would improve the livability of the community and minimize unauthorized wilderness dumping. The WPCA is exploring options for building a small, covered facility to garage a dump truck or trailer, with a per bag fee. The dump truck/trailer would transport the garbage on an as-needed basis to an existing dump site in Thorne Bay or Klawock. This project would likely require revenue levels commiserate with a 2nd Class City designation. A site for such a facility will required leasing State land or waiting for municipal land selections, since the only land owned by WPCA contains community buildings and is not suitable for waste disposal.

After many years of process, in 2014 the WPCA has finally received clean title to the land that community buildings are located on. The group is exploring options for developing a community administration building, engineering sewer and water into the complex for public use, and offering a retail area for lease to serve the community and tourist trade. These projects would require use of present budget surplus in addition to revenue levels commiserate with a 2nd Class City designation.

Net Surplus (Deficit)

The WPCA has a carry-over cash balance from prior year budget savings of \$53,000. This, plus any surplus budget balances realized from 2nd Class City incorporation, will help fund above described and/or other capital projects. .

Exhibit G.

Municipal Powers and Functions of:

1. The proposed city will continue to function with the same and similar functions as is now being used within the Whale Pass Community Association. Any desired changes to such functions will be by municipal ordinance development.
2. There are no alternative service providers in the territory proposed for incorporation.
3. No existing municipality will be affected by this change.

Exhibit H.

Transition Plan

3 AAC 110.420(b)(16), 3 AAC 110.900

Upon incorporation as the City of Whale Pass (City), the financial and physical assets of the non-profit incorporated Whale Pass Community Association (WPCA) will be transferred to the City, in accordance with AS 10.20.295(3) regarding distribution of assets of a corporation in dissolution, and in accordance with Article XII of the Bylaws of the Whale Pass Community Association: "The Association will be dissolved when all properties included in the Whale Passage Subdivision are included within the boundaries of a municipality". The Whale Pass Community Library is a separate incorporated non-profit entity and will remain that way, primarily to retain its tax-exempt status. WPCA is not tax-exempt.

The City will assume and be responsible for:

- the community harbor
- road maintenance
- fire department
- emergency services
- land and buildings now held by WPCA

The proposed City is capable of extending these essential services and assuming relevant and appropriate powers, duties, rights and functions, as demonstrated by the management of such services by WPCA, which is the same community that is proposed for incorporation.

It is anticipated that transfer of assets and responsibility and management of the above services will be completed within 12 months of City incorporation.

There are no existing borough, city, or unorganized borough service area officials to be consulted with.

Anticipated additional City services to be considered for adoption after incorporation include:

- refuse collection
- planning and zoning

Consultation chart.

Other than LBC staff, no formal consultations have been held.

Exhibit I.
Petitioner's Brief
3 AAC 110.420(b)(19)

3 AAC 110.420(b)(19)

A. The territory proposed for incorporation as a city includes a bon a fide community 3 AAC 110.005

The legal community of Whale Pass was organized as a Homeowner's Association under the State of Alaska Department of Natural Resources rules of the first land disposal in the early 1980s. The Whale Pass Community Association was incorporated in 2000 to take the place of the Homeowner's Association and is the current government today.

For more complete information regarding the history of Whale Pass, please see the attachment to this petition, written by Sharon Hillis, a long time resident and active force in the the formation and progress of the community.

Whale Pass has been a bon a fide community for over 30 years. A physical community in Whale Pass has existed since the late 1950's when the first logging activity began in the area. In the early 1980's, the State of Alaska held the initial land disposal sale that allowed the first permanent occupancy of the area. Subsequent sales have disposed of most of the available State-held waterfront land surrounding the bay and estuary of north Whale Passage, the area of the proposed incorporation. Approximately 168 lots are in private ownership currently, owned by approximately 110 unique owners. Approximately 100 lots are owned by summer residents and absentee owners, and the remainder by year around residents. The 2000 census showed 55 people and the 2010 census 31 people. A local count of permanent residents in 2015 came to 67, an increase of more than double the 2010 census in the last 4 years.

The Whale Pass Community Association (WPCA) has been a vibrant part of the community, successfully managing itself like a 2nd Class City for years. The WPCA is governed by an elected Board of Directors of 5 members, with open meetings quarterly, an Annual Meeting in June each year, and special meetings as needed. Volunteers operate the Emergency Medical Services, Fire Department, and Harbor.

Whale Pass has an energized and growing business community. Lodges, cabin rentals, and bed and breakfasts employ over 30 staff. Another 10 individuals service the tourism trade by offering day services such as fishing and hunting guiding and local tours. At least three companies provide heavy equipment services, including excavation and freight transportation. In addition, many Whale Pass residents are employed with local area logging, road building, and mining concerns.

B. A reasonable need for local self-government exists in the community.3 AAC 110.010

Whale Pass has had a reasonable need for local self-government for a long time, as evidenced by the active participation in the community association. This need has grown for many reasons that include:

- Recent growth in year-round and seasonal population
-
- The impact of the Neck Lake/SSRAA hatchery
-
- Dramatic increase in tourism
-
- The completion of an extensive paving project on to the area
-
- Expanding need to enter into contracts with State and Federal Agencies
-
- Impact of volunteer turnover on the community
-
- The need for better land development oversight
-
- Impact of possible Prince of Wales Borough

Early residents were primarily employed in the logging industry. With the decline in logging activities, the local economy is now shaped by the growth in demand by leisure visitors seeking accommodations and services for sightseeing, wildlife viewing, fishing and hunting.

Whale Pass has seen a steady influx of people over the past decade. Beginning in the 1990s, real estate, cabin developments and tourism activity began to grow at an increasing clip. The growth was interrupted for a few years during the 2008-2009 recession. Development picked right back up in 2010 and we've seen an acceleration of this trend since. In particular, summer residents and outdoor tourists have really had a much bigger impact in the last five years. This has all occurred while the year-round population has doubled in the last four years. The community's services and infrastructure are straining under the added pressures.

Tourism and summer cabins have been contributors to growth. Much of the draw for summer fishermen is the hatchery run of Coho salmon, which was first begun by the Southern Southeast Regional Aquaculture Association in 1996, rearing coho salmon in net pens in Neck Lake.

The returning salmon have been a driving factor in the rapid increase in local lodges and B & B's, as well as adding to the employment statistics for the community in raising and processing the fish. The beauty of the area is drawing an increased interest in sustainable Eco-tourism, as well. Local outfitters provide equipment and guiding for kayaking, salt and freshwater fishing, mountain biking, canoeing, whale watching, nature photography, hiking, caving and a wide range of other outdoor activities. Water sports in our bay are increasingly evident. The resulting increased interest in Whale Pass is putting pressure on the

infrastructure, particularly our inadequate harbor space and deferred maintenance problems, as well as the increased use of local roads and need for more maintenance.

C. Services cannot be provided by annexation to an existing city(AS 29.05.021(a), 3 AAC 110.010(b), 3 AAC 110.982(6))

Whale Pass is distant from Naukati, Coffman Cove, Thorne Bay and other communities on POW Island.

One reason for this isolation from the rest of the island is due to the poor quality of the forest service road accessing the community from the populated southern areas of the island. The road has not been adequately maintained by the forest service and only regularly used by those experienced in avoiding potholes and driving in several inches of snow. By the end of 2014, the road will be mostly paved and subsequently turned over to the State of Alaska. Improved maintenance and access means more pressure on the community to service the increased traffic to the area by undertaking major road improvements. As per AS 29.05.021(a) 3 AAC 110.010(b), and 3AAC 110.982(6), there are no governmental entities in the area that could in any way assist Whale Pass in finding solutions to its problems through annexation to an existing city.

D & E. The proposed City has the financial and human resources necessary to support a government and necessary services, AS 29.05.011(a)(3), 3 AAC 110.020

Growing populations, increasing tourism and the anticipated impact of improved access due to island paving projects will likely push our community's infrastructure beyond its limits. As an unincorporated town, we lack access to available funding sources, and current funding sources are far short of what is needed. The WPCA has explored funding options for the critical projects of harbor improvements and road maintenance resulting from the current level of usage. Many sources of such funding are barred from entering into any legal agreement or contract with a non-profit entity such as the WPCA. In addition, various State of Alaska agencies have indicated that it would be advantageous for Whale Pass to become a 2nd Class City to better allow them to work with the community in an official capacity.

Whale Pass has operated as a community with volunteer help and we have been able to keep our budget to the minimum needed to reflect our revenue sharing income. However, when critical support volunteers leave the community for whatever reason, continuity suffers. As the City of Whale Pass, the community would have revenues to maintain a City Clerk to keep track of the many obligations and duties of the community and city affairs.

When local development accelerated in the late 1990s, and then again in 2010, the community had little or no control over the impacts. In particular, many lots were subdivided into sizes that many in the community thought were too small. This will have a long-term impact on the environmental and visual state of the area. As a community association, WPCA had legal action as its only recourse to restraining development the community deemed damaging. Legal action is both expensive and ineffective in addressing land development. As a 2nd Class City, the City of Whale Pass would have the means to decide whether it wants to exercise authority over land use matters.

Finally, recent movement at both the state and local levels towards borough expansion presents several opportunities and challenges for the community of Whale Pass. It is our understanding that a borough structure creates ability, though not necessarily the requirement, to collect property taxes, including appraisal, assessment, collection, and receipt. Recognizing the possibility of decreases in community aid and grants, Whale Pass is interested in expanding other revenue options when needed.

The community is very determined in maintaining its autonomy, to be represented as a City in the borough, and in having the ability to enforce our own local ordinances and rule by local desire and vision. There is adequate talent within the community to provide human resources necessary to run a city, as show by our successful volunteer management of the Community Association and services.

F & G The boundaries of the proposed city include all land and water necessary to provide essential city services 3 AAC 110.040, AS 29.05.011(a)(2)

The proposed area for incorporation includes all land and water necessary to provide city service to residents.

H. The boundaries of the proposed city conform as required by 3AAC 110.040(b).

The proposed boundaries include the present (existing) Whale Pass Community with all subdivided lots and homes. There will be sufficient area for commercial and industrial land use. Only the necessary land surrounding the existing and developed community which is necessary for expected growth and well being of the community residents is included.

The boundaries of the proposed City conform as required by 3AAC 110.040(b). No other local government or borough is close to Whale Pass.

I. The boundaries of the proposed city do not overlap the boundaries of an existing city 3 AAC 110.040(d)

No other cities or organized boroughs are close to Whale Pass.

J. The incorporation of the proposed city will not deny any persons's rights in accordance with 3AAC 110.910.

No civil rights or personal rights are known to be affected by this action.

K. Incorporation is in the best interests of the State of Alaska 3 AAC110.042, AS 29.05.100(a)

Local, self-government is in the best interest of both the State and the community. Incorporation provides the State with a legal entity to deal with and provides the community with access to State and Federal agency services.

L. Municipal Services. 3 AAC 110.982(6)

Proposed municipal services that are reasonably necessary to the community include Administration, Fire and Emergency Services, Land Planning, Road Maintenance, and Refuse Disposal. Land authority can only be exercised by the community as a municipality 3 AAC 110.982(6). These services can be provided on an efficient scale and with maximum oversight by the community members.

M. Incorporation of a City.

Whale Pass meets the standard(s) for becoming a second class city as shown in this supporting brief and the other attached documentation. The existing population is stable and the formation of a city will provide options for self-support.

Whale Pass desires to be the captain of it's own ship.

Attachment 1

Whale Pass, Alaska History

by Sharon Hillis

November 2014

Early History

The earliest known history of the Whale Pass area comes from the archaeological evidence left behind by early human activity. A petroglyph rock on the beach is said to be a territorial marker. There are clam midden deposits near the beach along the roads indicating this was a gathering place or settlement for early people. Halibut traps can still be seen along the beach. Remnants of fish traps remain at the sand level where they have withstood hundreds of years of time and elements. There are numerous bark stripped cedar trees whose bark was harvested to make fish baskets. Human bones were unearthed in the area, appropriate authorities contacted, and were respectfully given reburial. No testing was done, so it is not known to which ethnic group these people belonged or the age of the bones.

Oral native stories have mentioned Whale Pass in connection with some widespread illness that killed many people. Whale Pass was abandoned by the survivors.

There was an active fish saltry near Neck Lake Outlet in the early 1900s which burned down in the 1930s.

Logging and Road Construction Camps

In the 1950s there was beach logging by gypo loggers. The regrowth can be seen on the lots in Block 10.

In 1959 the town of "Gildersleeve" owned by brothers, Roger and Murray Gildersleeve, moved their floating logging camp from Canada to Whale Pass and located in a sheltered bay along the southern shore of Thorne Island and started A-frame logging. This camp was unusual in that it had residences for families and not just bunk houses for the workers. Most of the residents of this camp were members of the Seventh Day Adventist Church. The logging camp moved near what is now known as the Log Dump in 1961 and was later transferred

across the bay by 1973 to where the present day dock is located. Their camp was built on spruce log floats.

In August 1960 Davidson Logging owned by Wes Davidson and partners, Harold Cleveland, and Harry Hawson, moved into Whale Pass from Marguerite Bay and set up an A-frame. The land camp was built by Davidson Logging had dwellings for twenty five families along the beach where the road and present day Block 14 are located. They built a 60 man cookhouse, and a new three bay shop with a concrete floor that currently houses the Whale Pass Fire Department and EMS. Many of the local logging roads were built by Davidson Logging.

About 1962 Kyle and Peterman located their camp in the first shot rock quarry where the Whale Pass Library is now located. They and other contractors also built logging roads.

In 1966 Davidson Logging sold to Gildersleeve Logging including all the buildings and houses. In 1979 all the houses on land were torn down or moved on to floats and attached to the floating log camp. The JR Gildersleeve floating camp moved from Whale Pass in July 1983 and relocated in another area to continue logging.

In 1972 Owens Drilling, owned by Tom Owens, moved into Whale Pass, built a rock pad, and moved house trailers in on the site that the Whale Pass school currently occupies. They also had some house trailers located along the beach where the Davidson housing was located. They built the logging roads in this area and on other islands on the outside of Prince of Wales. In 1979 a new pad was built where present day Block 15 is located. All Owens' house trailers were moved on to this new pad. Owens declared bankruptcy in 1983. The bank repossessed the equipment and trailers that were left and the assets were sold. Their maintenance shop was located along the beach across the road from Block 14 lot 1. The shop was torn down for its building materials but the concrete pad still remains.

Transportation

In 1959 Gildersleeve Logging moved their floating logging camp to Whale Pass area and started A-frame logging. At that time Simpson Air and Ellis airlines started flying into Whale Pass on a regular basis to provide service to the camp.

In the 1960s the Island Trader, AKA the Mail Boat, made regular trips around Prince Of Wales Island delivering freight from groceries to vehicles to the various camps once a week. In

the 1980s the Mail Boat caught fire in Craig, and the service was discontinued. Mike Valentine who owned Valentine Logging in Coffman Cove had bought the Island Trader just a few years prior.

In late 1980 the road from Whale Pass to the lower part of the island and the cities of Craig and Klawock was connected. These were logging roads with a few new connecting segments. Up until that time the only way into Whale Pass was by boat or float plane. With the ferry dock in Hollis people were able to drive from Whale Pass to Hollis and travel to Ketchikan. The Alaska Marine Highway operated the Hollis terminal. The Chilkat and Aurora ferries made the run between Hollis and Ketchikan a few times a week. Later the Marine Highway stop servicing Hollis and the Inter-island ferry started twice a day daily service. With the declining timber industry and ridership the ferry has adjusted to once a day service between Hollis and Ketchikan.

In the 1970s and 80s Wrangell Air Service, owned and operated by Dan Baldwin, was utilized by many residents because it was less expensive to fly to Wrangell than to Ketchikan. The groceries and other supplies cost less than in Ketchikan as well. In the days of the float camp there were so many float planes in the air that there was not a set schedule. If one wanted to fly to Wrangell or Ketchikan the office would contact the airlines and schedule a pickup. Today Whale Pass is served by Taquan Air on Tuesdays and Saturdays when they deliver the mail. Other airlines also serve Whale Pass through contracts with lodges and other businesses during their seasonal openings.

A barge hauls freight from Seattle and Ketchikan that can be picked up in Thorne Bay or Craig.

Churches

About 1960 when Davidson Logging had set up the land camp they built a chapel and community activity center in the form of a forty feet long, 30 feet high at the peak, A-frame building. The chapel was on the top floor. A chain saw carved yellow cedar stump was used as the pulpit. Services were held every Sunday by different ministers supplied by the Ketchikan Ministerial Association. The A-frame was located on land near what is now Block 14 Lot 8.

Murray Gildersleeve was the selected leader of the Seventh-day Adventist church in the Gildersleeve camp. He led the weekly prayer services.

In 1964 the Seventh-day Adventist church became the first organized church in Whale Pass. The A-frame building eventually became the 7th Day Adventist Church.

Over the years ministers of various faiths have visited Whale Pass to perform services. The priest from St. John's By the Sea Catholic Church in Klawock still occasionally visits Whale Pass to say Mass.

Today there is a Bible Church located on Lot 4 in Block 5. In 2013 construction on a larger church building was started to accommodate the growing congregation. The original Bible church was built on property owned by Dave and Glenda West. Mr. West was the first pastor. Gerald Welch assumed the pastoral duties when the Wests moved from Whale Pass. Mr. Welch has been the pastor since that time.

Voting

In 1965 Whale Pass became a polling place. When the logging camp moved out we were still considered a polling place, but the place listed to vote was no longer here. The state has been redistricted several times since then and Whale Pass is no longer its own polling place but combined with other areas. Today we are a part of District 35, precinct 745 (north Prince of Wales), polling place is in Coffman Cove at the city library.

Currently there is a resident absentee voting official/registrar (Sharon Hillis) so voters do not have to travel to the designated precinct location to vote. People can vote by mail ballot, absentee in person ballot at the voting official's home, by fax, or internet from 2 weeks before and on Election Day.

Land Sales

The federal government transferred some land to the State of Alaska in 1982. The state targeted parcels in many different areas of Alaska. The State selected 2075 acres in the Whale Passage area.

In 1983 the State of Alaska held several state wide land sales to encourage settlement in remote areas, many of which were near or were former logging camps. The land sale in Whale Pass consisted of 10 blocks of surveyed land surrounding the Whale Pass Bay and along Snoose Creek. Lots varied in size from .885 acres to 4.985 acres. Each lot had a specified price. Because private land was in high demand the state put restrictions on the

buyers of the land. One could only buy one parcel in the state once every 7 years. A person could buy one lottery ticket for each parcel they were interested in buying. The land drawing was held in Wrangell at the school gymnasium. All of the prospective buyer's lottery tickets were put into a container for a designated parcel and one was drawn. If that person was present they have the option of saying "yes," they wanted to buy the land or "no", they did not. If the winner did not want the land or had previously been drawn and accepted a lot, another ticket was drawn. If the person whose name was drawn was not present, another ticket was drawn. The lots were divided into home sites and regular lots. Home site lots were much less expensive but had criteria to prove up on the land before the title would be transferred. Improvements had to be made and the person had to live on the land for a specified amount of time to meet the requirements.

Over the years the State of Alaska has added more blocks of land for sale in Whale Pass, changed use designations, and now has a sealed bid auction so the highest bidder buys the land, or will set a price and have an over-the-counter drawing.

Schools

The first grade school was established in 1957 with Mrs. Delmer Smith as the teacher. That same year had the first eighth grade graduate, Connie Smith.

By the late 1970s the school was located on Gildersleeve's float camp. It consisted of two school buildings, gymnasium, and three teachers. When the float camp left in 1983 one of the school buildings was moved onto land in the quarry near the present day dock. The children whose parents had bought land or still lived in Whale Pass attended school in that building. The teacher that year (1983/84) told Southeast Island School District that there would not be any children in school the following year. SISD did not consult the parents and the school was closed. For the 1984/85 school year parents home schooled their children using SISD support. The school was reopen in the fall of 1985 with a new teacher, Jean Joseph. She taught all the grades. This building currently houses the Whale Pass library.

The State of Alaska required that 10 students attend the school before it could be kept open. There were times that our school did not meet those minimum requirements and the school closed. During that time the students would be home schooled or attended the Naukati school 27 miles from Whale Pass. Some students received all home schooling until they

graduated.

When Southeast Island School District closed the school at Hobart Bay they moved the modular school building to Whale Pass and located it on the first Owens' Pad.

Many times the graduating senior was a class of one. The only sport activity offered was cross-country running (grades 1-12) after Gildersleeve camp left. There was a high school volleyball team that competed while the camp was here.

Today the school is in operation and the students can participate in different sports on the Thorne Bay school teams. They travel over 70 miles each way to attend practices and events.

Utilities

In the days of the camps power was provided by large diesel generators. Owens Drilling camp changed to all electric appliances when the trailers were moved to the new pad.

After people built their homes they provided their own electricity with private generators or did without power. One enterprising entrepreneur had a large generator and provided 24 hour power to his close neighbors for a monthly fee. Another family used solar panels with a large bank of backup batteries. In 1995 Alaska Power and Telephone installed a diesel generator and ran power to most homes in the Whale Pass subdivision. Hydropower is a possibility on Neck Lake, but that project has not materialized.

Alaska Loggers Association had a radio communication system set up for the logging and construction camps.

When the camps left people used VHF marine radios using the Ratz Mountain or Petersburg operators, or would drive about three hours to Craig to use a payphone. For local conversations residents would use citizen band radios on channel 7. Some short meetings were even held using the CB radio.

In March 1989 a payphone was set up at Hayes's Gas and Grocery Store. Later another payphone was set up on the porch of the community hall which is now the EMS room. That phone is still in use. Alaska Power and Telephone installed private telephones in some homes in Whale Pass about 1994. There is a small window of a few feet along the Beach Road in Whale Pass where some people can get cell phone reception, but it is not consistent.

Services

State of Alaska installed the Rural Alaska Television Network (RATNET) ARCS television system into remote areas in 1982. Before that the camps had no TV. The programming originally consisted of 2 channels. One channel is educational the other channel was entertainment. The system was totally financed by the state. The original 10 foot dish was installed in the rock quarry near the dock. It provided transmission to both Owens and Gildersleeve camps. In July 1984 men from Gildersleeve's camp came to Whale Pass on a Sunday, dismantled the dish, and took it for their camp. Since it was done on a Sunday no one could be reached to stop them. In October 1984, the state provided a new dish to Whale Pass and it was installed on the west end of the Owen's pad. It was assembled by volunteer residents, and we had TV again. Then due to budget constraints the 2 channels were cut to one and the educational channel was discontinued. The received signal was rebroadcast to the community by analog and directional antenna. One winter there was real heavy snowfall and the weight of the snow warped the TV dish. In 1997 the state changed from analog to digital signal. While the warped dish could receive the analog signal the distortion was too much to receive the digital signal, and Whale Pass no longer received TV reception. When people moved into Block 10 they could not receive any signal. When the antenna was turned a little bit they could receive the TV signal but people on the west side of the bay received a weak signal that was full of snow and static. When the antenna went to digital the ARCS dish never did send TV to the community again. Today people have their own meter wide Direct TV dishes and pay for their own programming.

Whale Pass EMS was started by Sharon Hillis, EMT, in 1987.

The Whale Pass Fire Department was organized in 1987. Jim Cummings was the first Fire Chief. Both the fire department and EMS were located in the old Gildersleeve (Davidson) shop.

In 1988 David West became the first Village Public Safety Officer in Whale Pass. Kimberly Boucher was the VPSO when the WPHO Board of Directors discontinued the program in 1994.

Mail was delivered and sorted into mail boxes on the Gildersleeve float camp. Their address was Pouch B. Mail for Owens camp was put into one large mailbox on the office porch. People would sort through and get their personal mail. Owen's address was Pouch A.

When the camps left mail would be sorted by volunteers and passed out door-to-door. When the school reopened each family had a little box on a shelf in which the mail would be put. In 1988 regular mailboxes from the post office in Ketchikan were installed in Wilson's wanigan. Then a building constructed by Pete Smith and other volunteers was moved on to the Owen's pad and the mail was sorted there. A short time later it was relocated near the community Hall. Volunteers would meet the mail plane and sort the mail. Packages would be put on shelves in the mail building. Now there is a combination lock door that protects the packages on the shelf. All residents who have a box have knowledge of the combination for the lock. Mail recipients pay an annual fee for a mailbox which goes to the people who sort the mail.

In 1990 the city of Coffman Cove had a contract with the state to remove snow from Coffman Cove to Whale Pass. When that contract expired Whale Pass plowed the snow with the road grader until the community Association bought a dump truck with a snowplow. The grader is still used in years with extreme snowfall.

The garbage dump on Forest Service land was closed in 1993. Over the years there have been a couple of garbage pickup services. The first was Road Runner owned by Clifford Coleman. Trash can also be hauled to the landfills in Thorne Bay or Craig.

In 1991 State of Alaska installed the current dock. It replaced the old spruce log float dock. The State worked closely with the community to address their needs. Our dock has a drive down ramp which is used extensively when hauling freight off the dock, sending outgoing freight, or loading boats.

Grading the road fell to the logging companies who were hauling timber through Whale Pass. When there was no logging the roads were full of deep chuck holes. In 1986 Don Hillis fabricated a pull behind grader from some grader cutting edges and a loader tire. He and Dennis Parker would pull the "grader" behind their pickups pulling loose gravel into the chuck holes. The Forest Service now has a contract with Ketchikan Redi Mix to grade the road through Whale Pass a few times a year. Because of the volume of local traffic and wet climate, this is an insufficient amount of maintenance. The WPCA pays to have the road graded when it becomes extremely bad between the scheduled gradings.

The Whale Pass Library was established by Valery White with the assistance of the four library board members, Patricia Welch, Patrick Dyson, Carolyn Kehoe-Richards, and Sharon Hillis. In April 2003, it opened in the school building during one of the school closures. In 2004

the library had met Alaska State requirements and became a recognized library. The old school building near the dock was renovated by volunteers, and in January 2005 the library was moved there. The building has undergone many upgrades, and the library, still staffed by volunteers, is a hive of activity, providing books, DVDs, internet, computer use, children's programs, and other activities. Pam DiSarro is the current librarian.

Government

When the State of Alaska sold the land to private ownership they established the Whale Pass Homeowners Association in 1983. They solicited interested people to submit a resumé to serve on a three-person board of directors. The people selected were William Baumgartner, William Burmeister, and Joy Gregory. They were responsible for organizing the Association. Anyone who bought a lot in Whale Pass was automatically a member of the Association.

Because of communication difficulties a Resident's Association was organized in 1985 to handle local needs that did not require the Whale Pass Homeowners Association input.

In 2000 the Whale Pass Homeowners Association was changed to the Whale Pass Community Association to accommodate residents who were not landowners. The bylaws were changed to allow membership of residents of Whale Pass as well as the property owners. Five people serve on this board. This is the current government in Whale Pass.

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Attachment 2

Community Buildings and Improvements now existing in Whale Pass:

**Whale Pass
Fire Hall**



**Wale Pass
Post Office
and Clinic**



**Whale Pass
Boat Launch
and Dock**



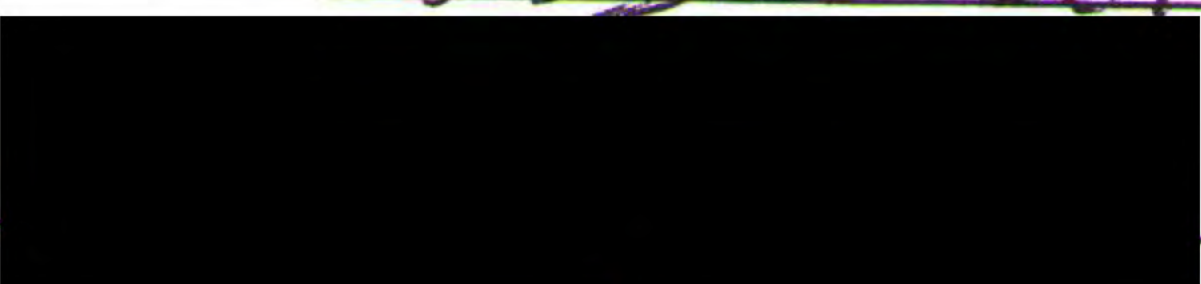
**Whale Pass
Library**

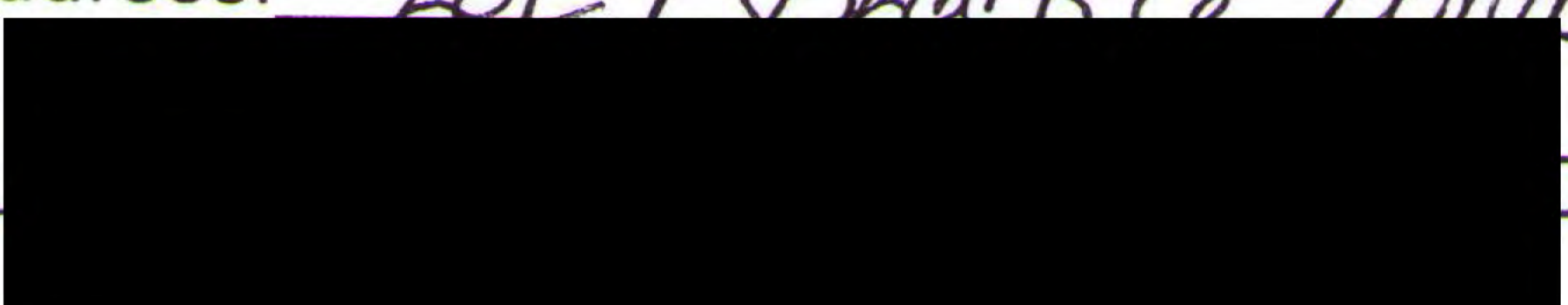



**The
Whale
Pass
Public
School.**
Southeast
School
District





Addendum to Petition – Additional Signatures

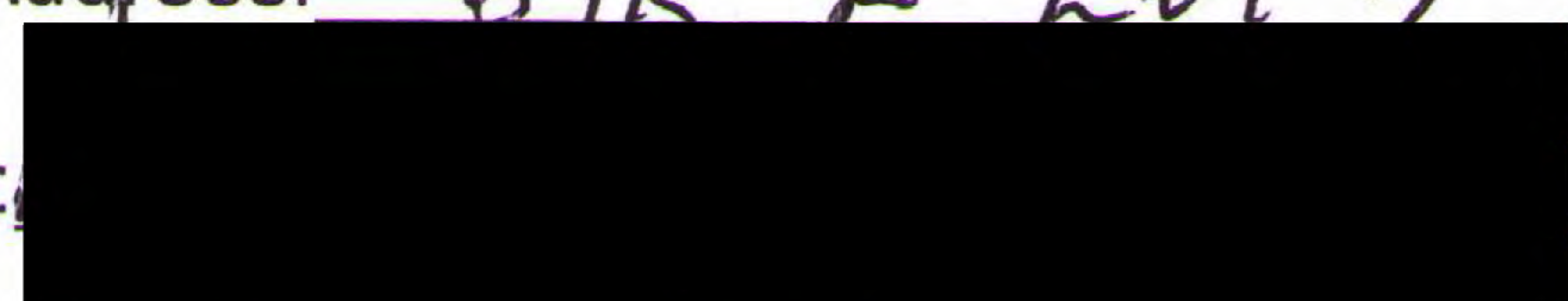
Printed Name: Lealand L. Haybarker
Physical Address: ~~306A~~ Lot 1 Block 6 Whale Pass Subdivision
Signature:  Date Signed 6-24-15 Num ID: 26

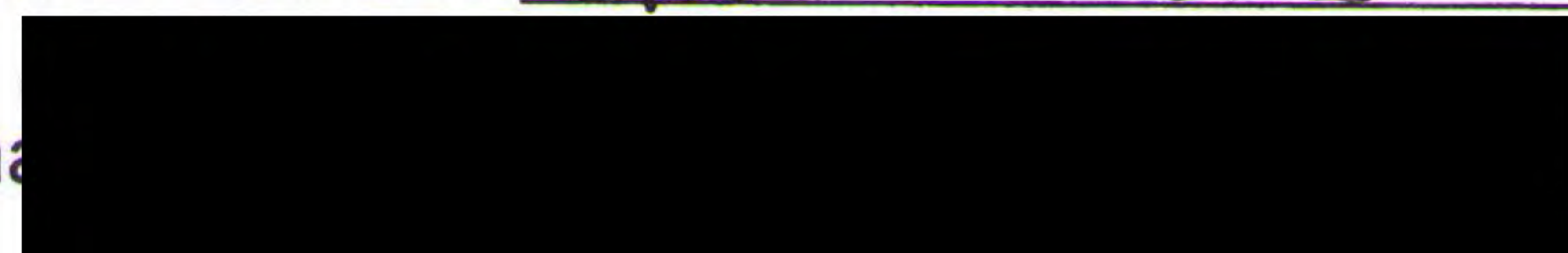
Printed Name: Patricia A. Haybarker
Physical Address: Lot 1 Block 6 Whale Pass Subdivision
Signature:  Date Signed 6/24/15 Num ID: 27

Printed Name: Sharon Hillis
Physical Address: Lot 16 Block 5 Whale Pass
Signature:  Date Signed 6-24-2015 Num ID: 28

Printed Name: Dolores A Loucks
Physical Address: L2 B8 Owen St. Whale Pass AK 99950
Signature:  Date Signed 06/24/15 Num ID: 29

Printed Name: William E Pattison
Physical Address: L2 B8 Owen St. Whale Pass AK 99950
Signature:  Date Signed 06/24/15 Num ID: ~~30~~

Printed Name: Lynnie B Robinson
Physical Address: Blk 2 Lot 5 Whale Pass, AK 99950
Signature:  Date Signed 6/24/15 Num ID: ~~30~~

Printed Name: Pamela Robinson
Physical Address: Blk 2 Lot 5 Whale Pass, AK 99950
Signature:  Date Signed 6/24/15 Num ID: ~~31~~

Whale Pass Petition For 2nd Class City – Supplemental Revenue Information

The proposed budget in the Petition shows the following revenues in excess of expenses as follows:

Year 1						81,580	
Year 2						44,360	
Year 3						19,360	
Total accumulation						145,300	

In addition, Whale Pass Community Association has accumulated \$71,470 in reserves (7/31/15). We have recently committed \$15,000 of this reserve to harbor repairs, leaving a net of \$56,470. This amounts to an estimated total reserve of \$201,770 to offset any revenue sharing reductions. As the following demonstrates, this reserve is adequate to cover worst case scenario, which would be the complete phase-out of revenue sharing:

Assumed Reduction in Revenue Sharing	Year 1 Reduction	Year 2 Reduction	Year 3 Reduction	Total Reductions
1/3 of \$96K	32,000	32,000	32,000	96,000
1/3 of \$64K		21,000	21,000	42,000
No Rev. Sharing - fund >\$60M			43,000	43,000
Total Reduction	32,000	53,000	96,000	181,000

In the event any reductions in revenue sharing impact budgets beyond the 3rd year, the community has adequate potential sources of revenue, as follows:

Sales and/or Bed Tax

In the Prince of Wales Island Area Borough Feasibility Analysis, May 2013 (updated November 2013), prepared by Sheinberg Associates, the estimated Total Bed Revenue for Whale Pass (page 62) was \$480,921. This was from 9 lodging businesses in Whale Pass out of 91 for the Island, or 10% of all lodging on Prince of Wales Island. Bed Revenue is only part of the package for most guests to the area. Assuming that Bed Revenue is 1/3 of total lodge sales would give total sales of \$1.4 million. The table below shows the potential income from varying sales/bed tax combinations:

Tax Rate	4%	6%	8%
Total	56000	84000	112000

A sales tax would essentially be seasonal, as the primary payers would be summer visitors to the several lodges in the area.

Note: All figures are best estimates based on current available information, and are not represented to be anything other than estimates.

Whale Pass Petition For 2nd Class City – Supplemental Revenue Information

Property Tax

On a lot by lot conservative non-professional valuation of land and buildings in Whale Pass, excluding personal property, the estimated value is \$16.4 million, of which \$1.8 million in estimated exemptions is deducted, for a net tax value of \$14.6 million. The cost of appraisal and implementation of a property tax would not be feasible for Whale Pass at this time, but would be if a Borough were to be formed on Prince of Wales Island that included property taxes as a source of Borough revenues.

Tax Rate	3ml	4ml	5ml
Total	43800	58400	73000

Land Lease and Sales

Municipal selections from State VUU land would be a potential source of ongoing revenues. The supply of property subdivided and for sale by the State has been exhausted and there is an existing shortage of property for sale. Alaska State Forest designation of large land areas in Whale Pass has further limited the supply of property available for development.

Note: All figures are best estimates based on current available information, and are not represented to be anything other than estimates.

Whale Pass Petition for 2nd Class City
Supplemental Transition Plan Details

Upon incorporation, the Whale Pass Community Association Board of Directors will prepare for the election of a City Council, to be composed of seven members, from which a Mayor will be elected by the Council. The Mayor position shall be a non-voting position, except in tie votes.

The elected City Council will prepare a job description and application for City Clerk and advertisement for the position. The City Clerk shall work with the Council in transferring Association assets and liabilities to the City and upon completing the transfer, the Association will be dissolved.

A Planning Commission of five or more residents will be appointed by the Council to oversee development of a Whale Pass Comprehensive Plan. The Commission will

inventory the assets to be transferred from the Association to the City*

prepare a statistically meaningful survey of residents as basis for City long-term vision/mission

survey other towns on POW Island to determine best practices (ordinances, accounting, etc)

establish working relationships with the State & Federal authorities with interests in Whale Pass for aid in community affairs

determine city policies and goals, and recommend ordinance development to the Council

evaluate current and future desired land use, concurrent with entitlement land identification

evaluate need and planning for city facilities

develop a plan for economic development consistent with long-term vision/mission

All Council Meetings and Work Sessions of the Commission will be open to the public for input. It is anticipated that the Commission will complete it's mission within 12 months after incorporation.

*Tentative List of WPCA assets to be transferred to City, other than parts & supplies:

Description	Est. Value
Lot 3 Block 14 Whale Passage Addition No. 5 & Appurtenances	300,000
Grader, Dump Truck w/Plow	50,000
Ambulance, Emergency Truck	15,000
Fire Truck, Water Truck	15,000