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**Commission, Boundary (CED sponsored)**

**From:** Reed [krismel99@yahoo.com] **Sent:** Fri 10/21/2011 8:02 PM  
**To:** Commission, Boundary (CED sponsored)  
**Cc:**  
**Subject:** Proposed Petersburg borough  
**Attachments:**  [CCDC response \(4\).doc\(57KB\)](#)  [janev signatures \(1\).doc\(9MB\)](#)

**R E C E I V E D**  
OCT 21 2011  
Local Boundary Commission

Local Boundary Commission Staff  
550 West Seventh Avenue  
Suite 1770  
Anchorage, Alaska 99501-3510

RECD OCT 21 2011

Subject: City of Petersburg's Notice of Filing of Petition

The Concerned Citizens of the Duncan Canal Subdivision take this opportunity to present their opposition to the formation of the proposed Petersburg Borough as the current City of Petersburg proposes under AS 29.05.031 and AS 29.05.060. We urge the LBC to reject Petersburg's petition in its entirety.

### **Background**

The Duncan Canal Subdivision is located in S2, T61S, R79E of the Copper River Meridian, Alaska. The Subdivision is one of the more remote locations in the proposed borough. Travel time to Petersburg in a reasonably fast boat is at least an hour on a good day. There are at least 70-100 days annually where travel is not possible without major concern for one's safety. For one-third of the trip, there are no channel markers. During the winter months when daylight hours are very short, the window for travel to and from Petersburg, and taking care of shopping and business, is 5-6 hours. Tides further restrict travel.

The Subdivision was platted and approved in 1981. Currently only 14 of the 35 lots have been developed. The vast majority of the land in and around Duncan Canal is National Forest. With the above as a brief background, we will present our reasons using the criteria in AS29.05.031 why this area and Kupreanof Island should not be part of a Petersburg Borough.

### **Reasons For Rejecting Petersburg's Petition**

(1) the population of the area is interrelated and integrated as to the social, cultural, and economic activities, and is large and stable enough to support borough government;  
AS Sec. 29.05.031(a)(1)

As presented in the background, people in this area are not tied either socially or culturally to Petersburg. Radio reception from Petersburg is spotty and usually requires a booster of some type. There is no phone service. For more than ½ of the calendar year weather and daylight hours prevent travel to Petersburg for meetings or cultural events. It would not be possible to live in Duncan Canal and hold an 8AM- 5PM job which would require travel on a daily basis. Further, it would not be cost effective since each days trip would require between 5-10 gallons of gas at prices exceeding \$4 per gallon.

Many of the residents receive their information from Wrangell radio stations. Travel to and from Wrangell is just as easy as travel to Petersburg for at least ½ of the calendar

year. Most people buy their major supplies either in the lower 48 states or in other southeast locations such as Juneau and Wrangell.

The cultural and social differences from one end of this proposed borough to the other are significantly diverse. Contrary to Exhibit G. e., p.64 of Petersburg's petition, Petersburg is not the social and cultural hub they purport to be. The majority of the residents that live outside the present City of Petersburg are pretty self sufficient. They provide their own utilities and amenities. They do not visit town on a scheduled basis. A trip to town requires at least ½ day to a full-day's commitment with \$20-\$50 travel costs per trip. It's not possible to attend early morning or after dark functions in town without significant personal costs including one's safety. The current City Government, elected officials, the proposed Charter, and the petition do not in any way recognize these differences. Nor in the past has Petersburg acknowledged or recognized the differences. Petersburg is a community that identifies itself as "Little Norway", although they recently spent \$58,000 to "rebrand" themselves. Those people living outside Petersburg, for the most part, do not share the same culture. There is absolutely no reason to believe a Borough government made up of the overwhelming majority of persons from Petersburg would or could acknowledge and accept these differences. The Petition and Charter do not in anyway define or provide for these differences.

One of the mandatory services is education. As stated earlier, the area has significant water bodies and it would not be possible to transport children from outlying areas to Petersburg. Parents would need to home school, board children in town, or move to town for the winter. There is no advantage to have Petersburg take over education from the State of Alaska.

While preparing their Petition, Petersburg held a public meeting to take comments and make adjustments to their proposal. There also were many Letters to the Editor in the Petersburg Pilot with legitimate concerns. To our knowledge no adjustments to the Charter or petition were ever made. Petersburg states, p.99 in the Preamble to the Charter, "This Charter strives for maximum public participation in borough decision making." To date Petersburg's actions are not consistent with the Preamble.

(2) the boundaries of the proposed borough or unified municipality conform generally to the natural geography and include all areas necessary for full development of municipal services; AS Sec. 29.05.031(a)(2)

The area that Petersburg proposes to rule is huge. Services and powers which Petersburg says it will provide (Section 14. Powers and Functions, p.7 of the petition) are unrealistic. By boat it takes hours to go from one end of their proposed borough to the other end; by plane, 30-60 minutes under ideal weather conditions. Petersburg has arbitrarily chosen to split Kupreanof Island in half because the native village of Kake did not choose to be part of a Petersburg borough. The lines are arbitrary with the intent to gain as much land as possible regardless of whether they can reasonably govern such a large body of land. Both Petersburg and Juneau are in a land grab for the mainland areas between the two cities.

The same can be said for Kupreanof Island. Many parts of the island are remote. People on this island do not look to Petersburg for leadership or government. Kake has its own government and the rest of the island is currently in a borough albeit the unorganized borough. Petersburg's petition does not in any way make a convincing case of the need for more government.

(3) the economy of the area includes the human and financial resources capable of providing municipal services; evaluation of an area's economy includes land use, property values, total economic base, total personal income, resources and commercial development, anticipated functions, expenses, and income of the proposed borough or unified municipality; AS Sec. 29.05.031(a)(3)

Petersburg's only year-around industries are fishing and government. For the past eight years there have been major reductions in fish quotas. Crab fishing is on the decline with Sea Otter populations exploding. Halibut quotas have been drastically reduced. Fishing charters have decreased with the one-fish halibut limit. One cannery has shut down temporarily although many believe it is a permanent closure. With the poor National economy, local fishing lodges see reduced patronage. Oil revenues are on the decline which will have a major effect on the projected revenues contrary to what the city has projected in Exhibit C, p. 34 of their petition. Tourism is seasonal and cyclic and could not be consistently depended upon for a revenue stream or for year around employment.

More than one-third of the projected revenue stream comes from State and Federal sources. Nationally, we have an economy that is still going through a major adjustment period. With decreasing oil revenues Petersburg will not continue to receive the same support from the State. Nationally, we have a major debt and to say the Payment in Lieu of Taxes funds and the forest receipts will continue at consistent levels is a major flaw in the petition. The \$184,000 (p. 37, Petersburg Petition) estimate in property tax collections from areas outside the present Petersburg would in no way offset losses from other sources. We can only conclude Petersburg would not be a viable economy.

Petersburg's proposed transition budget (p. 36 of their Petition) shows transition expenditures of \$165,000 per year for a 2-year period. This amount is woefully inadequate to start a Borough as large as they propose. Earlier they mentioned the need for 4 new employees. Those costs are not shown. To say that all the properties can be assessed for \$60,000 is a contract that would never be fulfilled. Travel costs with boats and planes are not recognized; legal costs are way underestimated; meeting costs don't begin to recognize the monumental task facing the city. Petersburg would need to invest in new boats and equipment just to do the basis transition job described on Page 36 of their petition. The document does not recognize those costs.

(4) land, water, and air transportation facilities allow the communication and exchange necessary for the development of integrated borough government. AS Sec. 29.05.031(a)(4)

Kupreanof Island is large--approximately 30 miles by 30 miles. As earlier stated, there is no reliable telephone or radio communication. To say communications between residents on Kupreanof Island and a borough government (page 80, Petersburg's Petition) are adequate is simply not true. Petersburg has chosen in their proposed Charter to continue their public involvement process for budgeting and ordinances as they have always done. They have not shown a willingness to change the way in which they do business that recognizes the communication problems, cultural and social differences that a borough presents.

To say that any person in the proposed borough could run for the assembly is true. However, if you live in Duncan Canal, Point Agassiz or north, to serve on an Assembly would require two days of ones time for each meeting. Travel would be a major commitment of time even if the borough would choose to cover costs for motel and travel. More importantly are the environmental factors such as weather and tides which restrict travel. Without representation on the Assembly, people living off Mitkoff Island will not have their needs and interests met. It seems to the citizens of Duncan Canal that Petersburg's statement that the proposed Borough will represent all the citizens is far from accurate.

### **Conclusion**

Petersburg has not demonstrated historically, through their actions or in their Petition, why they should govern the Duncan Canal subdivision and/or Kupreanof Island. We request that you reject their Petition with emphasis that any future proposals need to be economically viable and represent all citizens not just those that live within Peterburg.

*[Handwritten Signature]*  
(Signature)

ARMY VILASENOR  
(Printed Name)

10-11-11  
(Date)

*[Handwritten Signature]*  
(Signature)

Beulah Johnson  
(Printed Name)

10-19-11  
(Date)

*[Handwritten Signature]*  
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Bob Lynn  
(Printed Name)

10/20/11  
(Date)

Janey Reed  
(Signature)

JANEY REED  
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10/20/2011  
(Date)

Ronald G. Reed  
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RONALD G. REED  
(Printed Name)

10/29/2011  
(Date)

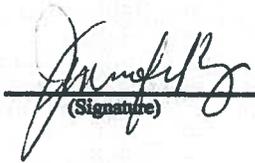
Jane B. Lynn  
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