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Commission, Boundary (CED sponsored)

From: Amy Mead [Amy_Mead@ci.juneau.ak.us] **Sent:** Wed 10/26/2011 2:02 PM
To: Commission, Boundary (CED sponsored)
Cc: Angela Hull; Mary Johns
Subject: Responsive Brief to Petersburg's Petition to Incorporate
Attachments:  [2011-10-26 Cover Letter to Responsive Brief.pdf\(42KB\)](#)  [2011-10-26 City and Borough of Juneau's Responsive Brief.pdf\(7MB\)](#)

Dear Local Boundary Commission Staff:

Please find attached a copy of the City & Borough of Juneau's responsive brief in opposition to the City of Petersburg's petition to incorporate, the Respondent's Affidavit, an Affidavit of Service (indicating service of the brief on the Petitioner), and cover letter.

The original plus five copies of the brief are also being hand-delivered today to the address listed on the August 5, 2011 public notice.

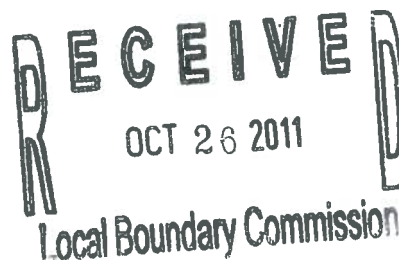
If you need anything else or have any difficulties with the attachments, please let me know.

Sincerely,

Amy Mead

Amy Gurton Mead, Assistant City Attorney
City & Borough of Juneau Law Department
155 S. Seward Street
Juneau, AK 99801
(907) 586-0273

Amy_Mead@ci.juneau.ak.us





**Law Department
City & Borough of Juneau**

John W. Hartle
City Attorney

Jane E. Sebens
Deputy Attorney

Amy Gurton Mead
Assistant Attorney

Robyn L. Carlisle
Assistant Attorney

August J. Petropoulos
Assistant Attorney

October 26, 2011

Via Hand-Deliver and E-Mail

Brent Williams, Local Government Specialist
Department of Commerce, Community &
Economic Development
550 West Seventh Avenue, Suite 1770
Anchorage, AK 99501
LBC@alaska.gov

Re: Responsive Brief of the City & Borough of Juneau to Petersburg's Petition for
Incorporation of a Petersburg Borough

Dear Mr. Williams:

Per the Notice of Filing published on August 5, 2011, please find enclosed the City and Borough of Juneau's responsive brief opposing, in part, Petersburg's petition.

Enclosed you will find an original and five bound copies of the CBJ's brief and exhibits, along with the affidavits required by 3 AAC 110.480(b) and (c).

Thank you for all your assistance. If you need any additional information, please let us know.

Sincerely,

Amy Gurton Mead
Assistant City & Borough Attorney

LOCAL BOUNDARY COMMISSION

STATE OF ALASKA

In the Matter of the Petition of the City of)
Petersburg to Dissolve the Home Rule City)
and Incorporate as the Petersburg Borough)
_____)

AFFIDAVIT OF SERVICE

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

I, Angela Hull, certify that I am employed by the City and Borough of Juneau, and that on the 26th day of October, 2011, I caused two true and correct copies of the RESPONSIVE BRIEF OF THE CITY AND BOROUGH OF JUNEAU TO THE PETITION OF THE CITY OF PETERSBURG to be served via U.S. Mail, postage prepaid, on:

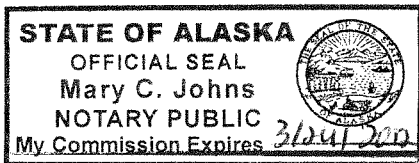
Kathy O'Rear, City Clerk
City of Petersburg
P.O. Box 329
Petersburg, AK 99833

with an additional copy sent via electronic mail to: clerk@ci.petersburg.ak.us.

DATED this 26th day of October, 2011.

Angela Hull
Angela Hull

SUBSCRIBED AND SWORN before me this 26th day of October, 2011.



Mary C. Johns
Notary Public in and For Alaska
My commission expires: 3/24/2012

LOCAL BOUNDARY COMMISSION

STATE OF ALASKA

In the Matter of the Petition of the City of)
Petersburg to Dissolve the Home Rule City)
and Incorporate as the Petersburg Borough)
_____)

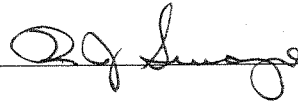
AFFIDAVIT OF RESPONDENT CITY AND BOROUGH OF JUNEAU

STATE OF ALASKA)
) ss.
FIRST JUDICIAL DISTRICT)

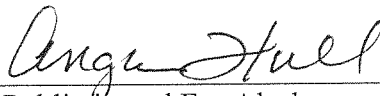
1. I, Rod Swope, am the respondent City and Borough of Juneau's designated representative with respect to this matter.

2. To the best of my knowledge, information, and belief, formed after reasonable inquiry, the Responsive Brief and attached exhibits are founded in fact and are not submitted to harass or cause unnecessary delay or needless expense in the cost of process the Petition for Incorporation filed by the City of Petersburg.

DATED this 26th day of October, 2011.



SUBSCRIBED AND SWORN before me this 26th day of October, 2011.



Notary Public in and For Alaska
My commission expires: 05-14-15

LOCAL BOUNDARY COMMISSION

STATE OF ALASKA

In the Matter of the Petition of the City of)
Petersburg to Dissolve the Home Rule City)
and Incorporate as the Petersburg Borough)
_____)

**RESPONSIVE BRIEF OF THE CITY AND BOROUGH OF JUNEAU TO THE
PETITION OF THE CITY OF PETERSBURG**

The City and Borough of Juneau (“CBJ”) respects the right of the people of Petersburg to seek incorporation, and only opposes their petition to the extent that it asks the LBC to approve incorporation of an area more appropriately annexed to the CBJ. The CBJ has begun the process of filing an annexation petition for a 1952 square mile area (hereinafter “the contested area”) that overlaps with Petersburg’s petition.¹ This contested area consists of the area identified by the Commission as the “unorganized remnant” of the City and Borough of Juneau,² as well as an area further south, included so that the CBJ’s expanded borough boundary follows regional administrative boundaries as well as natural watersheds. Because the contested area has greater associations with the CBJ than Petersburg, and because Petersburg cannot make the requisite constitutional, statutory, or regulatory showing justifying the incorporation of the contested area into a new Petersburg borough, the Commission should amend Petersburg’s petition to delete the contested 1952 square mile area from Cape Fanshaw north to the current CBJ borough boundary from any approved Petersburg borough.

¹ A map illustrating the contested area is attached as Exhibit 1. *See also*, Exhibit 2, the *Juneau Borough Adjustment*, October 25, 2011, Juneau Economic Development Council, at pp. 18 – 22, for a complete description of the contested area.

² *Unorganized Areas of Alaska that Meet Borough Incorporation Standards, A Report by the Alaska Local Boundary Commission to the Alaska Legislature Pursuant to Chapter 53, Session Laws of Alaska 2002*, p. 91 (February 2003).
*CBJ’s Responsive Brief to Petersburg’s
Petition to Incorporate*

I. AMENDMENT OF PETERSBURG'S PETITION IS APPROPRIATE AS THE CITY CANNOT MAKE THE REQUIRED SHOWING WITH REQUEST TO THE CONTESTED 1952 SQUARE MILE AREA

While the factual arguments and statistics relied upon by Petersburg may support its request to seek incorporation of the lands south of Cape Fanshaw, the same facts do not support Petersburg's bid for incorporation of the area to the north. The arguments offered by Petersburg relate almost exclusively to the populated areas of the proposed boundary adjustment, and not to the overlapping, virtually unpopulated,³ contested area. As Petersburg cannot show that the greatly expanded boundary it seeks is legally justified, and as the contested area has significant contemporary and historic ties to the CBJ, deleting the area from Petersburg's petition is warranted.⁴

A. Incorporation of the Area in a Petersburg Borough Would Unnecessarily Split Regional Administrative Boundaries

The area north of the Petersburg Census area,⁵ which terminates at Cape Fanshaw, has been considered to be administratively part of Juneau since statehood by several government entities at both state and federal levels. Rather than splitting the regional administrative units between boroughs—a result if Petersburg's petition were granted in full—enlarging the existing CBJ by annexation of the contested land would serve to maintain the integrity of the units. The post-annexation boundary being proposed by Juneau, which would include the contested area, corresponds closely with the following:

³ According to the 2010 U.S. Census, there is reportedly one full time resident in the contested area – a caretaker employed by Goldbelt, Inc., (the Juneau-based Native Corporation established under the Alaska Native Claims Settlement Act) who is believed to work year-round on the Goldbelt-owned property at Hobart Bay. The CBJ can find no evidence of any other full-time residents in the contested area despite Petersburg's assertion otherwise. (Petition, p. 66.)

⁴ See in general, Exh. 2, describing in greater detail the contested area's connection to the CBJ.

⁵ Exh. 2, pp. 11 – 12.

- The historic Juneau Election District;⁶
- The historic Juneau Census Area;⁷
- The current northern boundary of the Petersburg Census Area;⁸
- The United States Department of Agriculture Forest Service, Juneau Ranger District;⁹
- Area 1C, Alaska Fish and Game Management Unit;¹⁰
- The Juneau Recording District;¹¹
- The Model Borough Boundaries;¹² and
- The U.S. Custom's Port of Juneau "Area of Responsibility."¹³

That the proposed post-annexation CBJ boundaries conforms so closely to so many independent administrative and political boundaries is compelling evidence of the common interests of the area to the existing borough. Petersburg cannot make a similar showing with respect to the contested area.

B. The Contested Area, Located within a Juneau ADF&G Game Management Unit is Used Primarily by Juneau Hunters

According to the Alaska Department of Fish and Game (hereinafter "ADF&G") from 2006 to 2010, there were 160 Juneau resident hunters, as compared to seventeen Petersburg hunters, who participated in bear, mountain goat, and moose hunting in the

⁶ Exh. 2, p. 7.

⁷ Exh. 2, p. 11.

⁸ Exh. 2, pp. 11 – 12.

⁹ Exh. 2, p. 14.

¹⁰ Exh. 2, p. 13.

¹¹ Exh. 2, pp. 16 – 17.

¹² Exh. 2, pp. 15 – 16. The CBJ does not believe that the model borough boundary was drawn far enough south to conform to the many historic and administrative boundaries encompassing the Juneau area. Research shows that the area between Snettisham and Cape Fanshaw has historically been considered part of Juneau. Additionally, annexing the land further south would ensure the natural watersheds remain undivided.

¹³ Exh. 2, p. 57.

contested area. ADF&G refers to this area as “Southern Unit 1C”.¹⁴

The Alaska Department of Commerce’s professional licensing database identifies a total of ten big game hunting guides licensed to operate in the contested area. Of the ten, eight are Juneau residents, one is a Gustavus resident, and one is a Sitka resident. There are no Petersburg guides licensed to work in the area of interest.¹⁵

C. Subsistence Use

Petersburg points to its current residents’ subsistence use of the proposed borough area in support of its petition to incorporate.¹⁶ While this argument may be true for portions of the proposed borough, it does not hold true for the contested area. For example, while subsistence salmon fishing is allowed in the Windham Bay to Port Houghton area, according to ADF&G, no subsistence permit holders reported taking salmon in the contested area in 2010. The USFS reports that no hunting permits were issued in the contested area.¹⁷

Petersburg argues that the proposed borough area was designated by the Federal Subsistence Board in 1991 as “rural,” in contrast to Juneau’s “urban” designation.¹⁸ This fact is immaterial, however, because precedent exists to have both “urban” and “rural” designations within one local government unit (e.g., Mat-Su Borough).¹⁹

¹⁴ Exh. 2, pp. 13; 32 – 35.

¹⁵ See, Alaska Division of Corporations, Business and Professional Licensing: <http://www.dced.state.ak.us/occ/apps/GuiUseReg.cfm>; Exh. 2, p. 36.

¹⁶ Petition, p. 72.

¹⁷ See pp. 37 – 38 of Exh. 2.

¹⁸ *Id.*

¹⁹ According to Theo Matuskowitz, Regulations Specialist for the Federal Subsistence Management Program, subsistence area designations are reviewed every ten years. A review based upon the 2010 U.S. Census results is currently being conducted. If the CBJ’s boundaries are expanded as requested, the Board would take no immediate action, and the contested area’s subsistence designation would remain unchanged.

D. Commercial Fishing

The only hatchery providing salmon for sport and commercial fisheries in the contested area is the Juneau-based hatchery, Douglas Island Pink and Chum (DIPAC).²⁰

The CBJ acknowledges that more residents of Petersburg commercially fish in the contested area than Juneau residents. However, this fact holds true for virtually any area in Southeast Alaska. Per capita, Petersburg residents hold twenty-five times the fishing permits of Juneau residents.²¹ In 2010, just 5% of all seafood in Southeast was “landed” in Juneau, while 16% was landed in Petersburg.²² However, that fact (and the resulting economic benefit) will remain unaffected by the incorporation or annexation of the contested area. This is because the economic impact of fishing is disassociated with the actual location of the fishery. Instead, the economic benefit occurs in the port where the fish is landed and will be unaffected by any borough boundary change.

E. Provision of Essential Services in the Contested Area

Petersburg argues that it already provides emergency services outside its city limits, making incorporation in the proposed borough boundaries appropriate.²³ Once again, however, the argument offered by Petersburg does not hold true for the area north of Cape Fanshaw. None of the emergency service calls referenced in the three page table provided by Petersburg took place inside the contested area.²⁴ A review of the services historically provided in the proposed area to be annexed illustrates both the absence of a

²⁰ Exh. 2, p. 38.

²¹ Petersburg Petition, p. 73; Exh. 2 p. 39.

²² Exh. 2, p. 40.

²³ *Id.* at pp. 67 – 71.

²⁴ Petition, pp. 69- 71.

Petersburg presence in the contested area as well as the CBJ's current ties.²⁵

F. Federal Land Use Permits

Petersburg argues that its recreational use of the proposed borough area supports incorporation, citing to the number of U. S. Forest Service (hereinafter "USFS") permits issued and USFS cabins used.²⁶ In the contested area, however, the USFS issued permits to forty-five organizations for land use between 2006 and 2010. Sixteen of these went to Juneau organizations and only one to a Petersburg organization.²⁷ Of the twenty-nine USFS permits for boat use in the contested area, thirteen were issued to boats that use Juneau as their sole provisioning port, while only four of the permits were issued to boats that use Petersburg solely as their provisioning port.²⁸

G. Petersburg has Limited Historic Connections to the Contested Area

As to the area north of Cape Fanshaw, Petersburg can claim no significant historical ties. On the other hand, the CBJ can (and will in its Petition for Annexation) demonstrate its historic ties to the contested area:

- Most of the contested area belonged to the Douglas or Taku people;²⁹
- Cape Fanshaw was historically the "dividing line" of Southeast Alaska.³⁰
- Five Finger Lighthouse, established due to the vast amount of commerce making its way to Juneau around the turn of the last century and located on an island off of Cape Fanshaw, is owned by the Juneau

²⁵ Exh. 2, pp. 55 – 58..

²⁶ Petition, p. 71.

²⁷ Exh. 2, p. 46.

²⁸ Six permits were issued to boats that report using both Juneau and Petersburg as provisioning ports. Two additional boats report using Juneau plus a community other than Petersburg as provisioning ports. Exh. 2 at p. 48.

²⁹ Exh. 2, p. 23.

³⁰ Exh. 2, p. 21.

non-profit organization “The Juneau Lighthouse Association;”³¹

- Though Petersburg cites to the fact that historically, fox farms in the area were provisioned in Petersburg, that statement only holds true for the area south of Cape Fanshaw. A review of the actual licenses and locations of the farms indicates that both Juneau and Petersburg supported an equal number of farms;³²
- Timber operations in Hobart Bay were carried on by Juneau Native Corporation Goldbelt, Incorporated;³³ and
- Historically, mining activity as far south as Windham Bay was associated with Juneau.³⁴

H. Tourism in the Contested Area

In 2011, more than 20,000 tourists using small-tour operators based in Juneau visited the contested area. A review of the Petersburg Chamber of Commerce’s website and other Petersburg websites reveal that no Petersburg-based tourism businesses advertise the provision of services in areas north of Fredrick Sound.³⁵ A complete review of the tourism-based connection the CBJ has to the contested area versus Petersburg is discussed in Exhibit 2 at pages 46 – 54.

II. CONCLUSION

The applicable constitutional, statutory, and regulatory standards that must guide the Commission’s evaluation of Petersburg’s petition do not support incorporation of the contested area identified into a new Petersburg borough. While Petersburg claims otherwise, its petition demonstrates no common interests or ties to the contested area. For that reason, the CBJ respectfully requests that the Commission exercise its authority

³¹ Exh. 2, p. 22.

³² Exh. 2, pp. 24 – 25.

³³ Exh. 2, pp. 26 – 27.

³⁴ Exh. 2, p. 28 – 31.

³⁵ Exh. 2, p. 52.

and amend Petersburg's incorporation petition to delete the contested area.

III. RESPONDENT'S REPRESENTATIVE

As required by 3 AAC 110.480, Respondent City and Borough of Juneau designates the following individual as its representative:

Name: Rod Swope, City Manager
Address: 155 South Seward Street
Juneau, AK 99801
Telephone: (907) 586-5240
Fax: (907) 586-5385
Email: Rod_Swope@ci.juneau.ak.us

DATED the 26th day of October, 2011.

By:

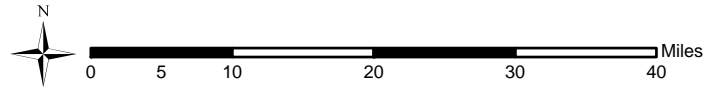

Rod Swope, City Manager





Petersburg Borough Proposal

Juneau Response

Exhibit 1

Contested Area



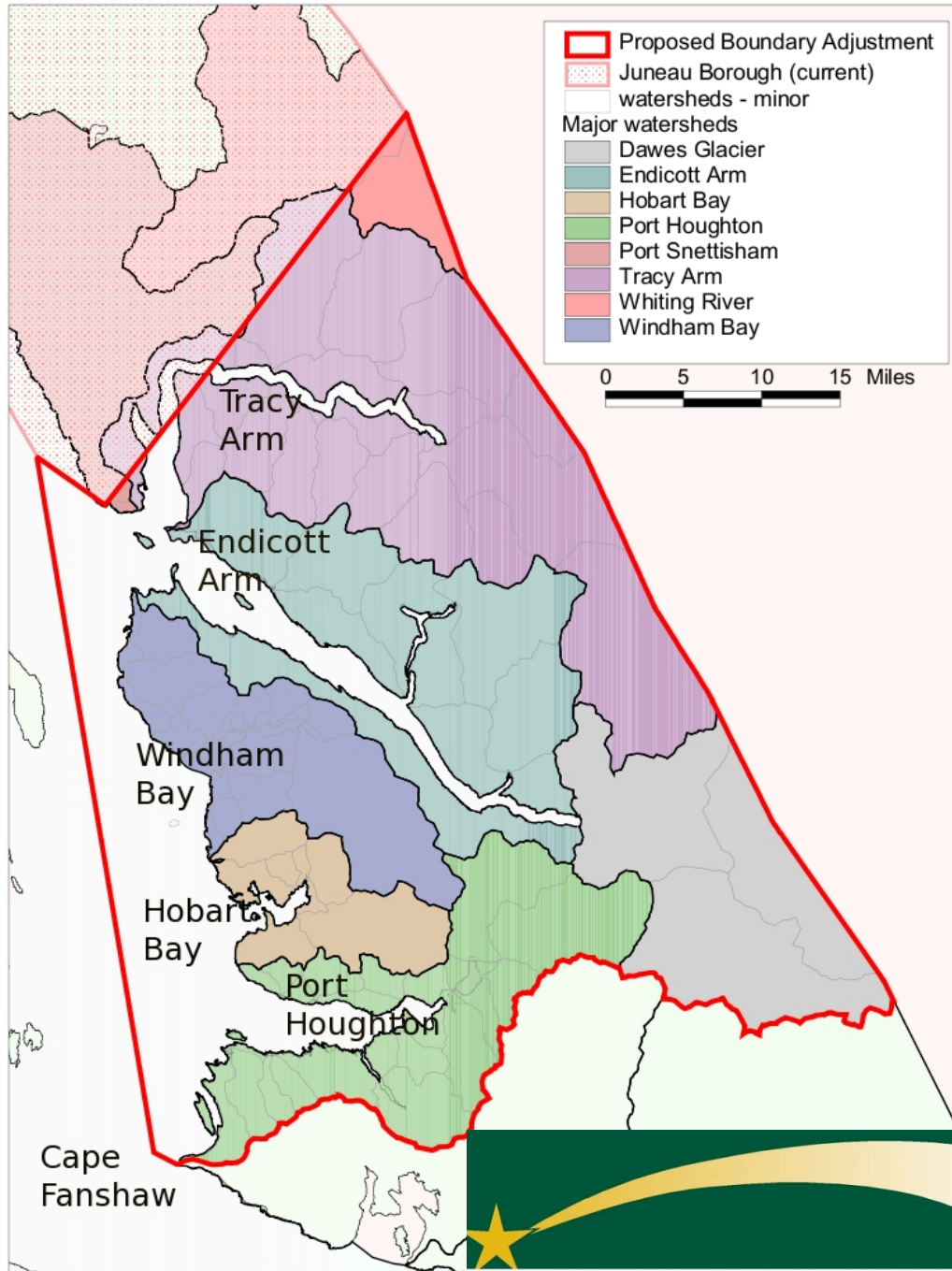
-  Petersburg Boundary Proposal
-  Juneau Contested Area
-  Juneau Annexation Proposal
-  Juneau Borough (current)

NOTES

1. The southern boundary of the contested area, and Juneau's proposed annexation, extends to Cape Fanshaw, and is defined by the southern boundaries of the Port Houghton and Dawes Glacier watersheds.
2. Juneau's proposed annexation includes all of the contested area defined on this map, and a small portion of Stephen's Passage at the southwest corner of the current Juneau Borough boundary.

Exhibit 2

Juneau Borough Adjustment



Research prepared for CBJ by
JEDC 10/26/11



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Introduction and Summary

Introduction

The City and Borough of Juneau asked the Juneau Economic Development Council (JEDC) to provide information, data and statistics (both current and historical) for the area between the current Juneau borough boundary and the current northern boundary of the Petersburg Census Area at Cape Fanshaw. Petersburg has recently put forth a proposal that would, among other things, annex that entire area and incorporate it within a Petersburg Borough. The City and Borough of Juneau is making a claim that this area has numerous historical and current ties with the Juneau Borough, and is drafting a petition to adjust the southern portion of the current Juneau Borough to extend all the way to the current Petersburg Census Area (set in 2008). The data compiled by the Juneau Economic Development Council is presented in this document.

Summary

The key finding by JEDC is that there are numerous historical and current Juneau management boundaries that incorporate most, or all, of the proposed Juneau annexation area within the Juneau area administratively. The southern border of the expanded boundaries requested by Juneau corresponds closely with the following:

- The historic Juneau election district;
- The current northern boundary of the Petersburg Census Area;
- The U.S. Forest Service Juneau Ranger District; and
- Area 1C Fish and Game Management Unit.

Additionally, the Juneau boundary reaches south of Hobart Bay for the Alaska Model Borough Boundary; the US Customs Port of Juneau "Area of Responsibility;" and the Juneau Recording District.

The main landowner in the proposed Juneau annexation area is Juneau's for-profit Alaska Native Corporation, Goldbelt Inc. Goldbelt's website describes its assets as including "over 32,000 acres of land in the vicinity of Juneau, Alaska." Goldbelt owns 30,000 acres in Hobart Bay. The majority of Goldbelt's shareholders reside in Juneau. Less than one percent (0.3%) reside in Petersburg. There is a single person living in this area—a Goldbelt employee tasked with being a caretaker of the Hobart Bay area. There is also small amount of private land holdings in Windham Bay—the majority of which appears to be owned by Juneau residents.

JEDC also discovered that there is a significant amount of land-based recreational use by Juneau residents and tourism organizations in the area the City and Borough is interested in annexing.

In the past five years, nearly three-quarters (73%) of the 220 Alaska resident hunters who have used the area for bear, goat and moose hunting have been Juneau residents (while eight percent were Petersburg residents). Nearly all of the hunting guides (eight out of ten) who are licensed to guide in the area of proposed annexation by Juneau are Juneau residents (none are Petersburg residents).

There is also a significant amount of small-scale tourism land-use of the area. In the past five years, the majority of Alaska-based visitor organizations that led tours and excursions to the area of interest were based in Juneau. Juneau-based companies brought more than 2,000 visitors to the area in the past five years, and 250 to the area in 2010. (By contrast, Petersburg guiding companies brought just three clients to the area in 2010, and 231 in the past five years).

The majority of the transportation into the area is for tourism or recreation purposes. In addition to the land-based activities, there are many sight-seeing and scenic boat based tours that operate throughout the summer from Juneau, some on a daily basis. Adventure Bound, for example, brought 6,210 passengers to Tracy Arm in 2011 for day trips from Juneau. JEDC estimates that small boat based tourism in the area (Tracy Arm, Endicott Arm, Windham Bay, Hobart Bay, and Port Houghton) resulted in 22,400 visitors in 2011 and associated revenue of \$9.4 million.

Cruise ships also visit the area on their way to and from Juneau. During 2011, sixteen medium to large cruise ships and two small cruise ships (non Alaska-based) made 225 visits to Tracy Arm, and nine visits to Endicott Arm. (None of the medium to large cruise ships visited Petersburg on their travels.)

Finally, the area is closely tied to Juneau through its history of mining, fox farming, Alaska Native (Auke, Taku and Sumdum) use, recreation, and the Five Finger Lighthouse, built in 1902 to establish safe passage to Juneau, and currently owned by the Juneau Lighthouse Association.

Administrative Boundaries

Historically, the land south of Juneau, stretching from Port Snettisham to Cape Fanshaw, has been considered to be part of the Juneau area since statehood, and before. The new **southern boundary** requested in this petition corresponds closely with the following:

- The historic Juneau election district;
- The historic Juneau Census Area;
- The current northern boundary of the Petersburg Census Area;
- The US Forest Service Juneau Ranger District; and
- Area 1C Fish and Game Management Unit.

Additionally, the Juneau boundary reaches south of Hobart Bay for the following:

- The Alaska Model Borough Boundary;
- The US Customs Port of Juneau "Area of Responsibility;" and
- The Juneau Recording District.

A discussion of these administrative boundaries is presented below.

Juneau Borough Boundary History

Juneau, founded in 1880, was incorporated as a city in 1900, and became Alaska's capitol in 1906. The Greater Juneau Borough was incorporated as a first class borough in 1963, and the City and Borough of Juneau was incorporated as a unified City and Borough in 1970.

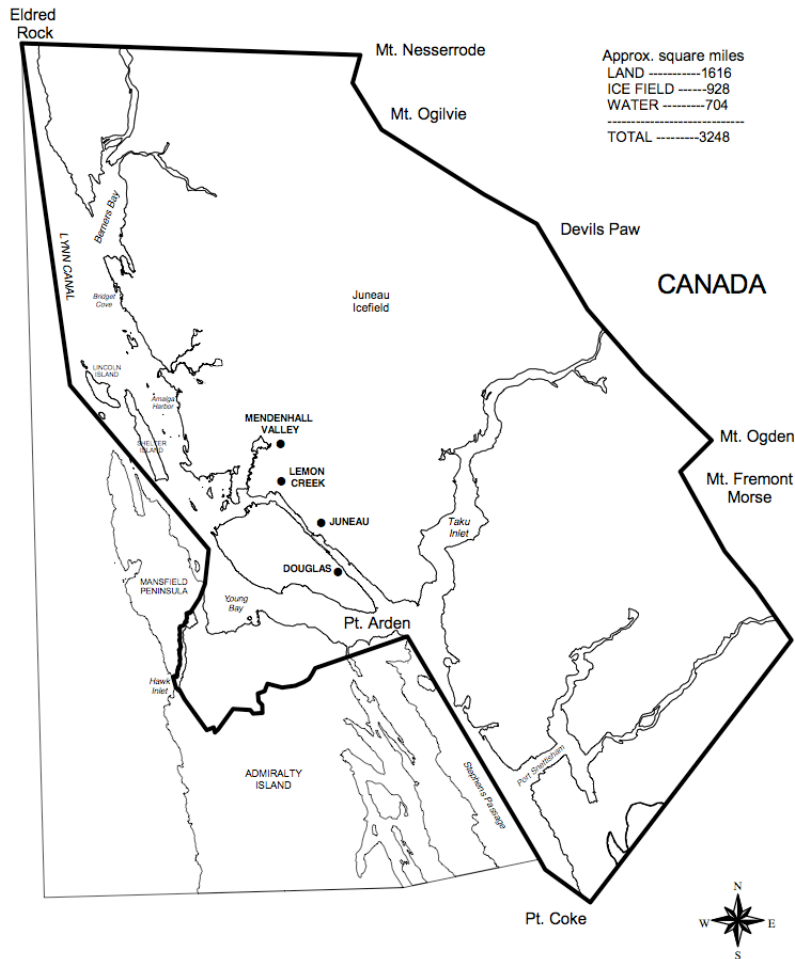
1965 Borough Annexation Request

In 1965, the Juneau Borough went before the Local Boundary Commission asking to annex some mainland territory south of Juneau. The extent of this annexation request is not clear, however, the request also included other areas, such as Angoon, which were deemed controversial. The 1965 annexation request was not approved.

1990 CBJ Request to Expand the Juneau Borough

In 1990, the City and Borough of Juneau petitioned to annex the 140 square mile area to add Greens Creek Mine to the Juneau Borough. The Local Boundary Commission approved the annexation in October 1990. Initially, the annexation was to take effect upon legislative review in March 1991. However, in November 1990, following a briefing by the City and Borough of Juneau and the Greens Creek Mining Company, the Commission agreed to reconsider the effective date of the annexation. The Commission agreed that the annexation would take effect January 1, 1994, which is when it ultimately occurred.

Current City and Borough of Juneau Boundaries



Source: City and Borough of Juneau

Juneau Election District/Redistricting History

In 1958, the southern boundary for the Juneau election district (District #5) was very similar to the southern boundary of the proposed Juneau annexation area of 2011.

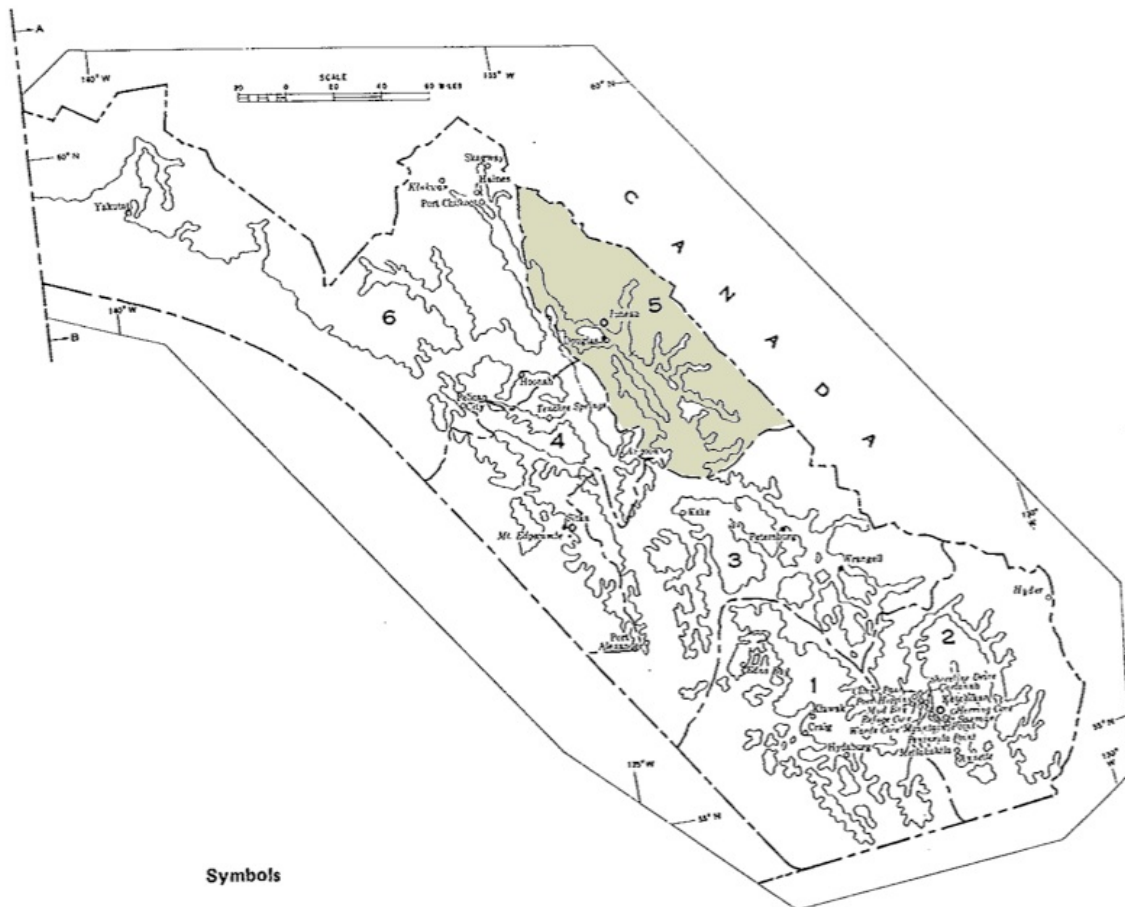
In 1958, the Juneau election district (District #5) and the Wrangell-Petersburg election district (District #3) were described in the following manner (Alaska Legislative Apportionment in Alaska 1912-1961, Alaska Legislative Council, April 1962):

“Election District #3 Wrangell-Petersburg: That area of the mainland north of Election District number 2 and south of, and including the area draining into Frederick Sound to Cape Fanshaw on the north, and partly bounded on the north by a line drawn between Cape Fanshaw and the north side of Pybus Bay; that area of Admiralty Island drained by

streams flowing into Frederick Sound; that area of Baranof Island drained by streams flowing into Chatham Strait to but not including that area drained by streams flowing into Peril Strait; and including Kupreanof, Mitkof, Kuiu and Coronation Islands and other smaller adjacent islands."

"Election District #5 Juneau: The mainland north of Election District number 3 up to and including the area drained by streams flowing into Berners Bay on the North; and that area of Admiralty Island north of Election District Number 3 and drained by streams flowing into Stephens Passage, Seymour Canal, Lynn Canal, and their tributaries; including Douglas, Shelter, and Benjamin Islands, and other small adjacent islands."

Juneau Election District Number 5, Established in 1958



Source: Alaska Legislative Apportionment in Alaska 1912-1961, Alaska Legislative Council, April 1962

1974 Redistricting

In 1974, the Southern border of the Juneau election district (district #4) is described in the final redistricting plan as follows: "All of the mainland area draining into Lynn Canal and Stephens Passage from Cape Fanshaw on the south to the Canadian Border on the northwest." Thus, the southern boundary for Juneau's 1974 redistricting area was very similar to the new Juneau proposed annexation area's southern boundary.

Southeast Alaska Election District Map Following the 1971 Reapportionment

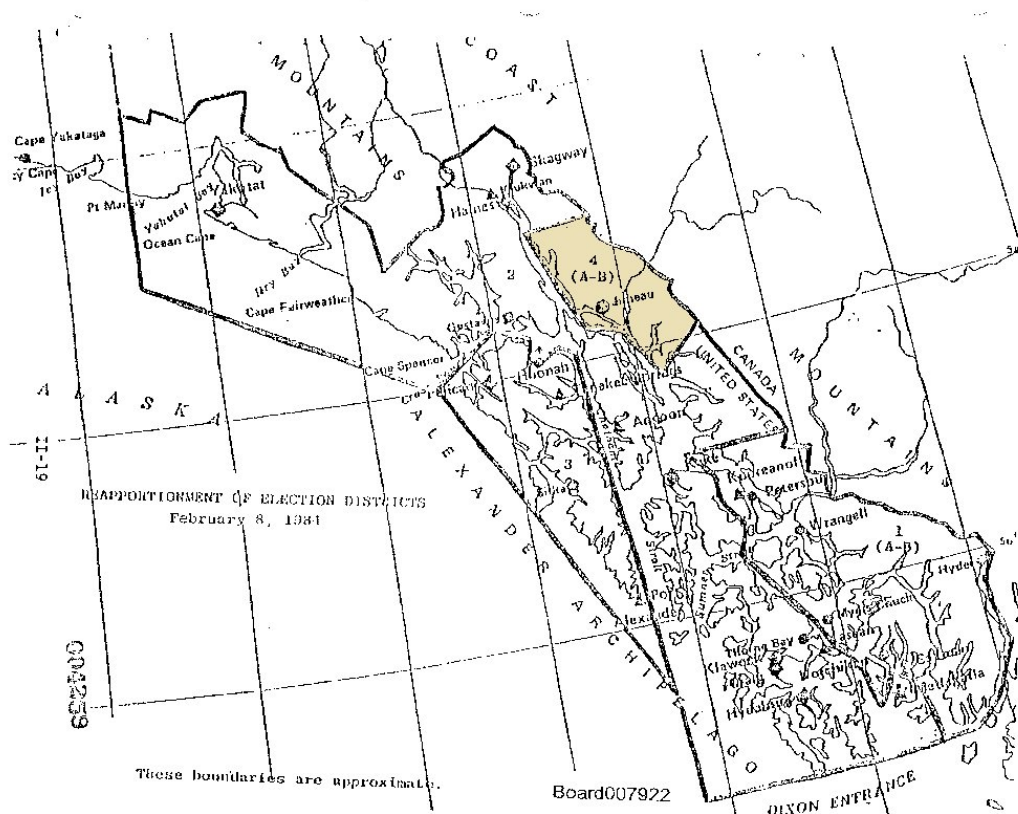


Source: Southeast Alaska Election District Map "as determined in accordance with the provisions of the Constitution of the State of Alaska following the official 1971 reapportionment by Governor William Egan.

1984 and 2002 Redistricting

By 1984, the boundaries of the Juneau voting district had been changed, and now were described as "District 4 boundaries coincide with those of the City and Borough of Juneau." However, it is clear the border changed prior to this time, but the exact date is not clear.

Southeast Alaska Election District Map Following the 1984 Reapportionment



Source: Alaska Redistricting Board: Redistricting History: Final Plan 1984 Southeast Map

2011 Proposed Redistricting

According to 2010 US Census findings, the Southeast Alaska population outside Juneau had decreased since 2000, and the city of Juneau grew at a slower rate than the rest of the state. Census population figures set ideal state senate and house districts at 17,755 and 35,510,

respectively. For this reason, Juneau's 2010 population of 30,661 residents was not considered to be sufficient to maintain its two house seats and one senate seat. Thus, the new election district for Juneau will require 5,000 additional voters from surrounding districts. The proposed new election district for Juneau will likely, once again, encompass the areas to the south. According to the Census Designated Places by Proclamation District Prepared by the Alaska Redistricting Board, the new election districts will be as follows:

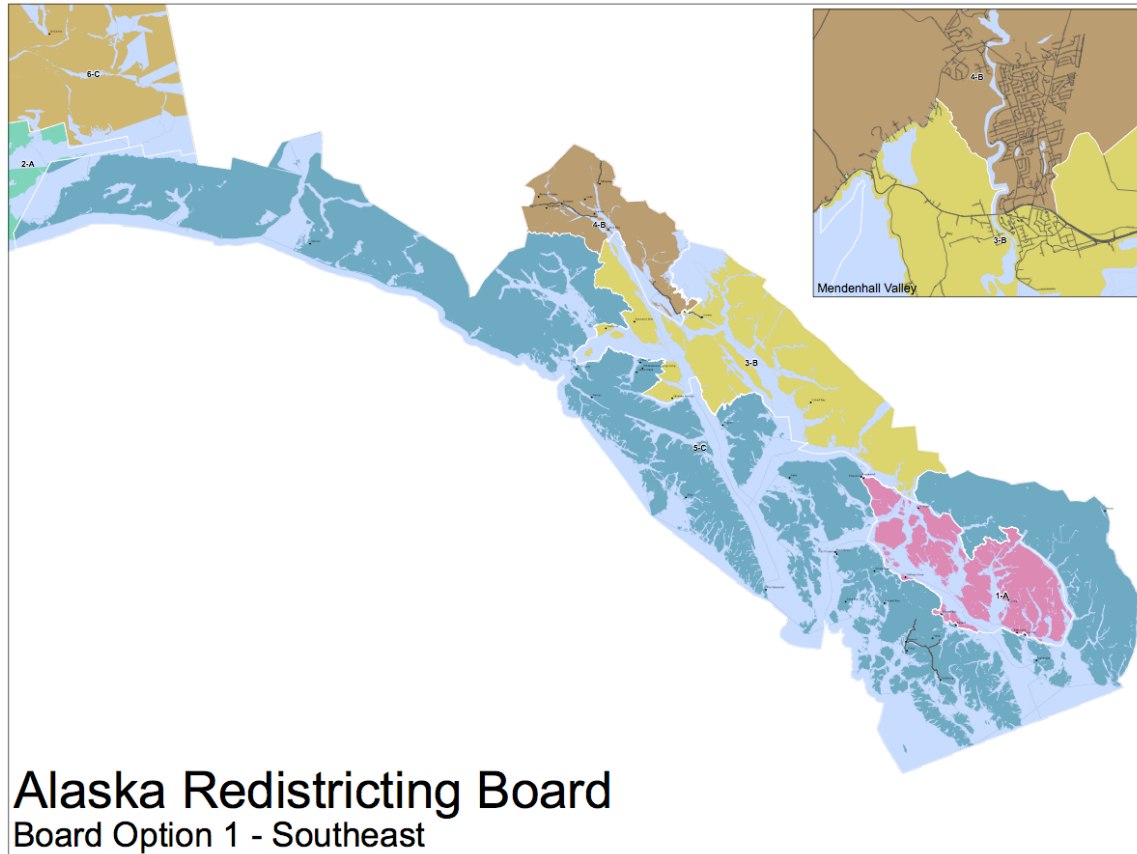
District 31:

City and Borough of Juneau.

District 32:

City and Borough of Juneau, Excursion Inlet, Gustavus, Hobart Bay, Kupreanof City, Petersburg City, Skagway and Tenakee Springs CDP.

Proposed Southeast Alaska Redistricting, 2011



Source: Alaska Redistricting Board, Draft Plans, Board Option 1, Southeast Alaska

Census Areas

Juneau Census Area

Until the Greater Juneau Borough was incorporated in 1963, the southern boundary of the Juneau Census Area was very similar to the new Juneau proposed annexation area's southern boundary. The election district of 1958 was used as the Juneau Census Area until the incorporation of the Greater Juneau Borough. After 1963 the Greater Juneau Borough boundaries were used by the US Census. (Source: US Department of Commerce, Bureau of the Census, 1960 Census of Population, Volume I: Alaska)

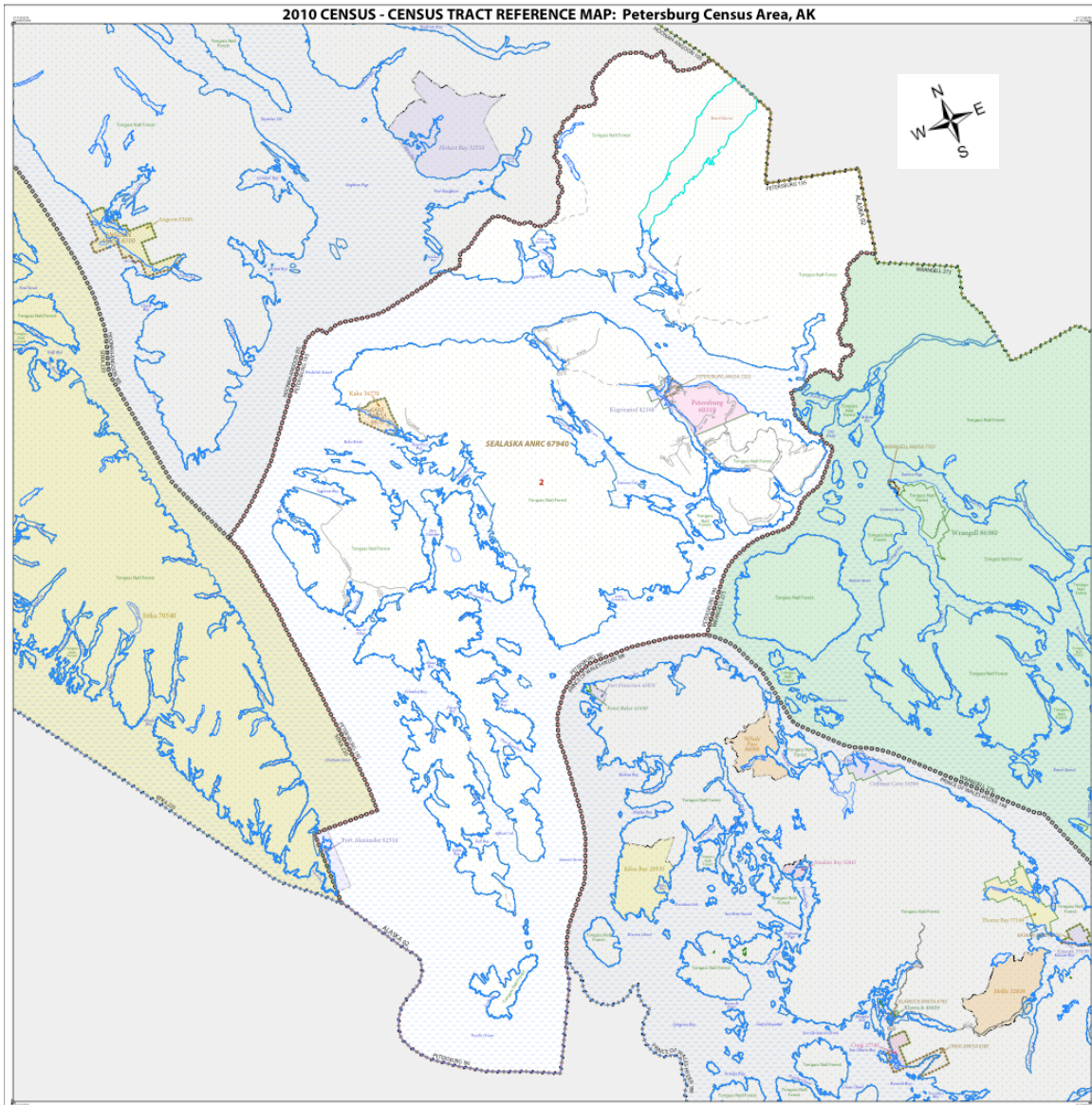
2011 Petersburg Census Area

The northwestern border for the recently created Petersburg Census Area is similar to the southern border of the new Juneau proposed annexation area. Effective June 1, 2008, the City of Wrangell was dissolved and a certificate of incorporation for a unified home-rule borough was issued to the City and Borough of Wrangell government. The Petersburg Census Area was created from the remainder of the former Wrangell-Petersburg Census Area, Alaska, and reaches to the Cape Fanshaw in the North.

(Currently, the area between the Petersburg Census Area and the City and Borough of Juneau boundary is part of the Hoonah-Angoon Census Area).

See the following map.

Petersburg Census Area, 2011

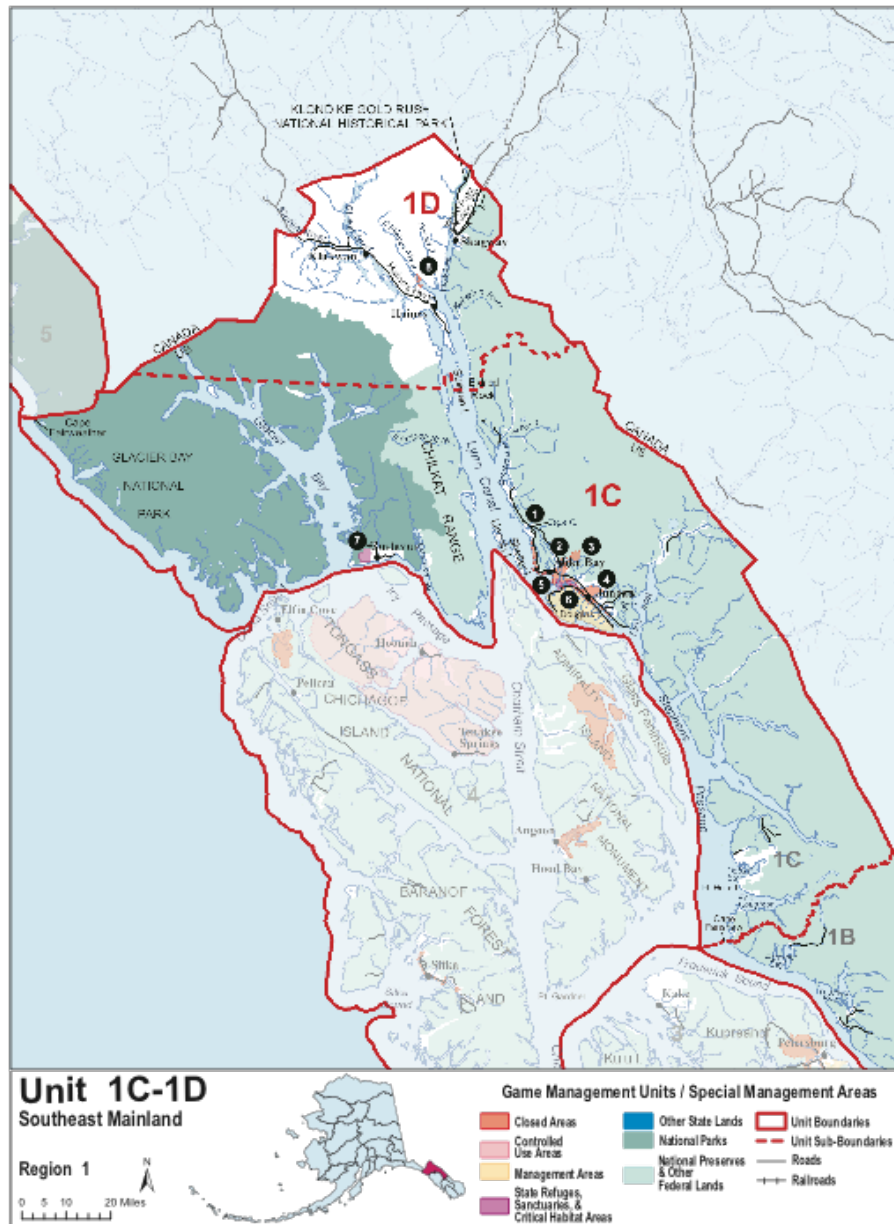


Source: US Census Bureau.

Juneau Fish and Game Management Unit

The Alaska Department of Fish and Game also uses a southern boundary quite similar to the new Juneau proposed annexation area southern boundary for its Juneau Fish and Game Management Unit 1-C.

Juneau Game Management Unit

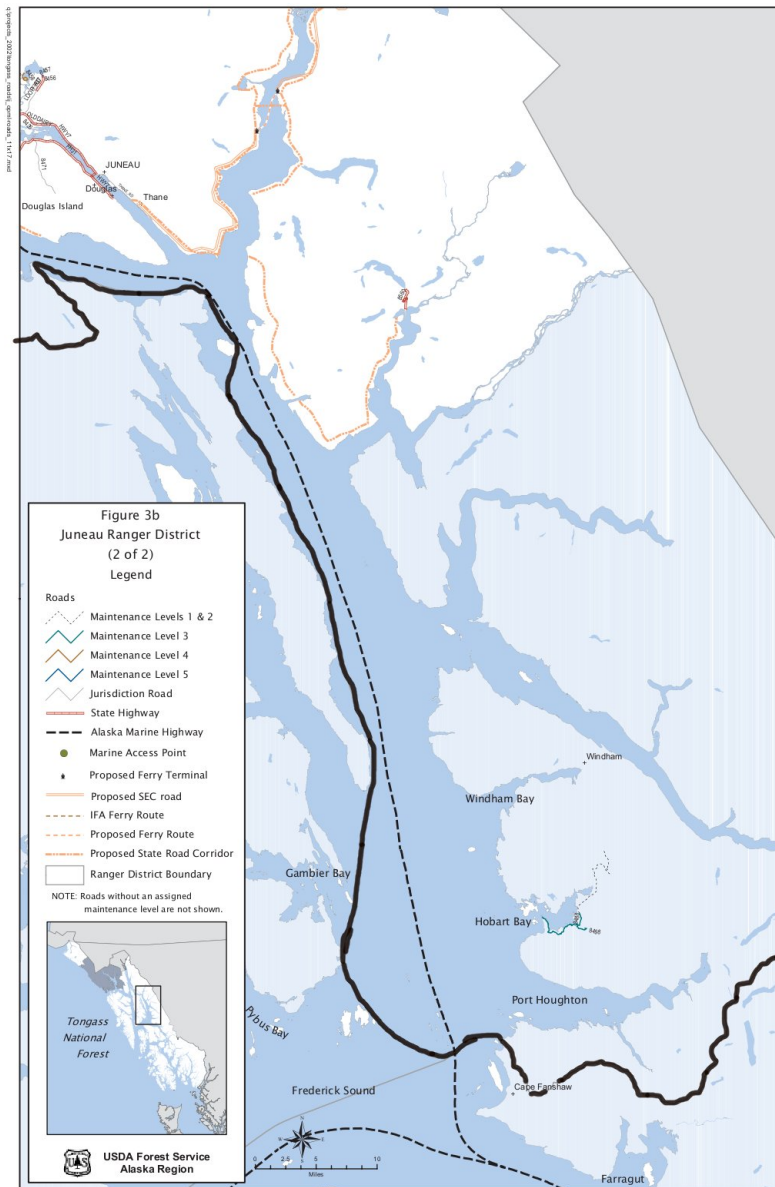


Source: Alaska Department of Fish and Game, Game Management Units

Tongass National Forest Juneau Ranger District

The southern border of the Juneau Ranger District of the Tongass National Forest also generally conforms to the same southern boundary of the proposed Juneau annexation area of 2011.

Southern Portion: Juneau Ranger District 2011



Source: U. S. Department of Agriculture, Forest Service, Tongass National Forest, Juneau Ranger District.

Model Borough Boundaries

According to the Alaska Department of Commerce, Community and Economic Development, Local Boundary Commission, Article X, Section 3 of Alaska's constitution requires the entire state to be divided into boroughs, organized or unorganized. It further provides that each borough must embrace an area and population with common interests to the maximum degree possible. The purpose for developing the state's Model Borough Boundaries were explained in the following:

It was amply evident that proposals for the formation of new boroughs or the expansion of boundaries of existing boroughs are sensitive issues in Alaska. Lawsuits or long-standing boundary disputes tend to erupt each time a borough incorporation or annexation proposal is advanced. On the basis of such factors, the Commission concluded that, rather than examining borough boundaries only when petitions are lodged, it would invite public testimony from throughout the entire state and adopt 'model borough boundaries' throughout the unorganized borough. Such 'model' boundaries were to be used as a frame of reference in the evaluation of future petitions. They were to be considered when existing organized boroughs seek to annex unorganized borough territory or when unorganized borough residents petition for borough incorporation. (Source: Alaska Department of Commerce, Community and Economic Development, Local Boundary Commission, Background on Boroughs in Alaska, November 2000.)

While the southern border for the Juneau Model Borough Boundary subsequently created by the Local Boundary Commission does not extend as far south as the current area proposed for annexation by Juneau, the boundary does stretch down to Hobart Bay and the area between the current Juneau boundary border and Hobart Bay is described, as the "Juneau Model Borough Unorganized Remnant."

1990 CBJ Request to Expand to Model Borough Boundaries

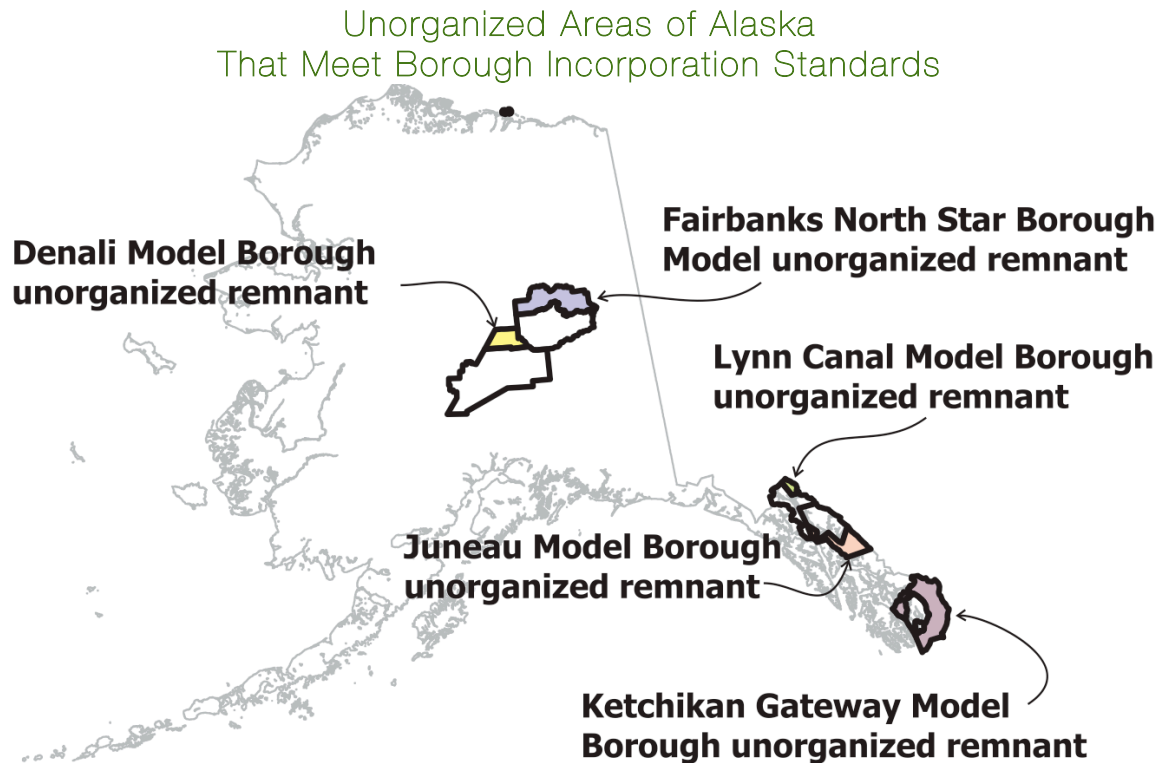
In 1990, when the City and Borough of Juneau petitioned to annex the 140 square mile area to add Greens Creek Mine to the borough, the DCRA recommended that Windham Bay and Hobart Bay also be included in the borough expansion. The City and Borough of Juneau concurred and the City Manager wrote the following:

The mainland area immediately south of Juneau is more within the CBJ's area of responsibility than that of a potential new borough. A Juneau-based corporation, Goldbelt, conducts logging activities in Windham Bay and Hobart Bay and Juneau residents recreate in these areas. The CBJ already supplies emergency services in this area and several Juneau-based commercial operators transport people and goods to various locations [in this area].

The recommendation was adapted. "As noted earlier, the Commission found in the course of the model borough boundaries project that five areas of the unorganized borough had greater ties to existing organized boroughs than they did to other areas of the unorganized borough. Specifically, the Commission determined the following: the City and Borough of Juneau model boundaries were defined to include Hobart Bay (population 3)." (Alaska Department of

Commerce, Community and Economic Development, Local Boundary Commission, Model Borough Boundaries, 12/05/02.)

A map of Model Borough Boundaries unorganized areas that meet Alaska borough incorporation standards is presented below:



Source: Alaska Local Boundary Commission, Alaska Legislature. State of Alaska, Local Boundary Commission, 2003

Juneau Recorder's District

The Juneau Recorder's District also encompasses Hobart Bay on its southern border.

According to "An Administrative History of the Alaska Recorder's Office by Alaska Legislative Research in 2000", official recording activities first began in Alaska in 1884, with the establishment of civil government, and were the responsibility of the territorial US District Court. After statehood, the Recorder's Office was placed in the Alaska Court System, the Department of Administration, and the Department of Commerce and Economic Development, before finding permanent placement in the Department of Natural Resources in 1980. According to the Alaska Department of Resources Recorder's Office website, the State Recorder's office oversees 34 recording districts

that record, index, and archive all of the documents that create the Official Public Record of the State of Alaska. "Approximately 1,000 new documents are recorded and added to the record each day. Millions of documents have been recorded in the official records since prior to statehood."

Juneau Recorder's District



Source: Alaska Department of Resources Recorder's Office. RO District Map

Many of the administrative regions in Central Southeast Alaska include the area proposed for annexation in Juneau's jurisdiction. Research shows that the area between Snettisham and Cape Fanshaw has been considered part of Juneau administratively since and prior to statehood.

U.S. Customs and Border Protection

Another Juneau office responsible for overseeing activities in the area proposed for annexation is the U.S. Department of Homeland Security, Customs and Border Protection. The U.S. Department of Homeland Security, Customs and Border Protection agency is responsible movement of people and goods into Alaska directly from foreign ports. Rural areas needing customs services are served from ports with the best transportation access to that area (personal communication, Jerome Hicks, Assistant Area Port Director for Alaska, Anchorage, October 2011).

The U.S. Department of Homeland Security, Customs and Border Protection has a customs port in Juneau. The "area of responsibility" of this office reaches from Berners Bay in the north, and encompasses Hobart Bay in the south. That office has customs responsibility for all boats and

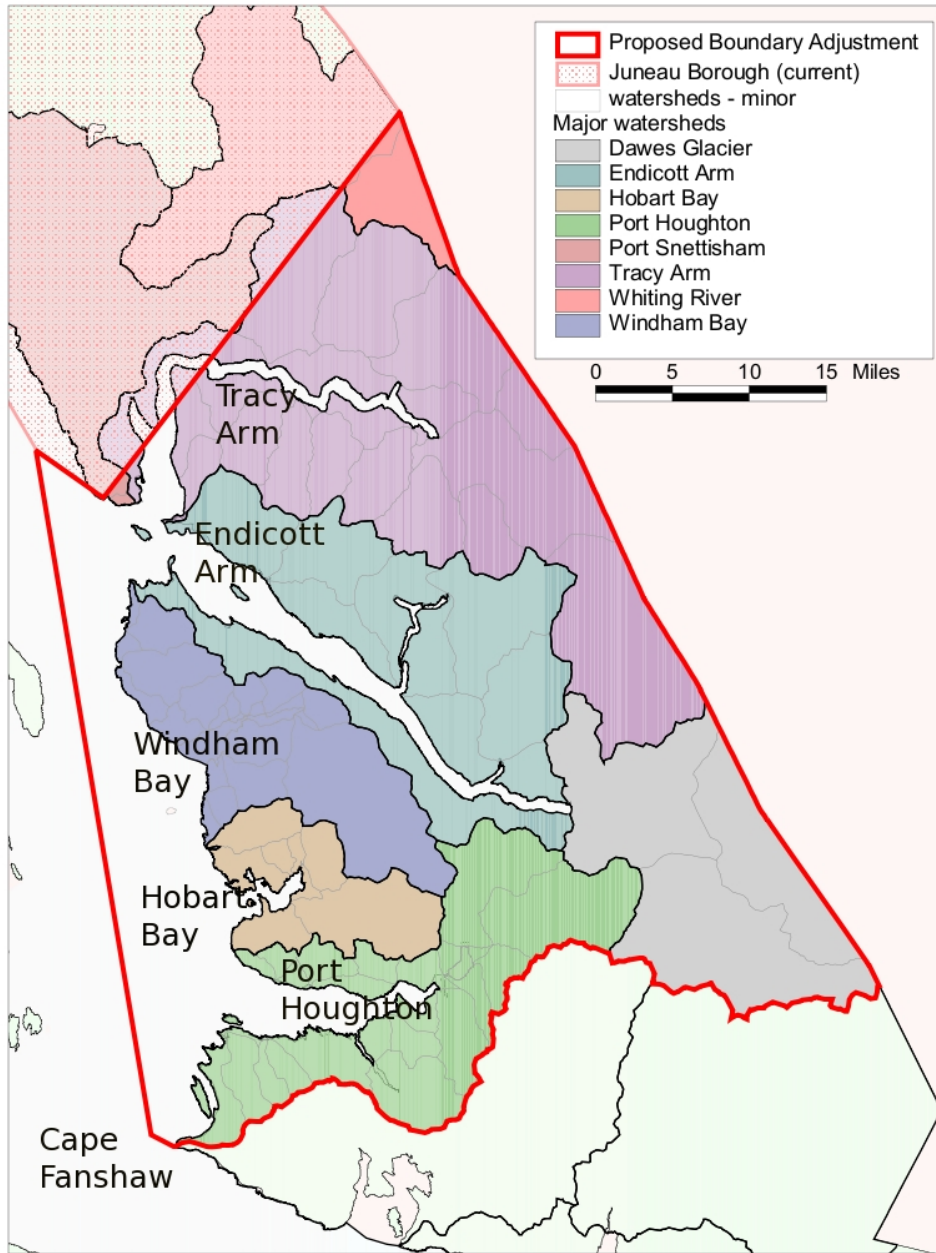
planes originating at a foreign port and traveling to these areas, including cruise ships entering Tracy Arm. While not much activity now occurs at Hobart Bay, when that area was an active logging camp, its customs duties were handled from the Juneau office. U.S. Customs ports in the eastern portion of Central Southeast Alaska are located at Juneau and Wrangell. There is no port at Petersburg.

The U.S. Customs office in Wrangell has responsibility for the areas south of Hobart Bay, although very little customs activity occurs between Hobart Bay and Farragut Bay on the south side of Cape Fanshaw (personnel communication, Todd Spith, Wrangell Customs Office, October 2011).

Areas Proposed to be Annexed

The areas proposed to be annexed by the City and Borough of Juneau are shown in the following map. A brief description of each area follows.

Map of Proposed Annexation Area by the City & Borough of Juneau



Source: City and Borough of Juneau

Holkham Bay, Tracy Arm, and Endicott Arm

Holkham Bay is immediately south of Port Snettisham. Tracy Arm (to the north) and Endicott Arm (to the south) branch off from the Bay. Most of the private property in this area is owned by Sealaska Corporation. Deeds indicate Alaska Native Claims Settlement Act (ANCSA) status in some of this area. The area also includes the Tracy Arm-Fords Terror Wilderness Area. To the south of Endicott Arm is the Chuck River Wilderness Area.

The Taku Tlingit people inhabited the Holkham Bay and Endicott Arm area, including the Village of Sumdum.

Early gold discoveries (in the 1890's) in the Southern portion of the Juneau Gold Belt occurred at Powers Creek on the north side of Endicott Arm, and near Sumdum, on the South side of Endicott Arm. Large mines such as the Sumdum Chief and the Bald Eagle operated into the 1920s. The town of Sumdum existed until 1942, when its post office closed.

Today, the area is popular with recreational boaters (both powered and non-powered) and is frequented by cruise ships in the summer season. Gorgeous scenery and calving glaciers less than a day's boat ride from Alaska's Capital city are reasons that 225 multi-day cruises with 220,000 to 300,000 passengers visited the area on their way through Alaska's inside passage in 2011. In addition, day-cruises on smaller boats based in Juneau also visit Tracy and Endicott Arms, bringing over 20,000 passengers to see the sights in 2011. Goat and bear hunting is popular in the Tracy and Endicott Arms.

Windham Bay

Windham Bay is accessed from Juneau by either air or boat. Real-estate sales are listed by Juneau real estate agents. The majority of property is owned by Juneau residents. Windham Bay's mining history links it to Juneau's historical mining activities, rather than to Petersburg's fishing history. Windham Bay's current use for recreation and tourism links this area with Juneau's tourism industry.

Windham Bay is part of the Juneau Goldbelt geological gold zone. As such, its early history is one of patented mining claims and two homesteads on the Chuck River that have been subdivided over time and are now in-holding in the Tongass National Forest. When significantly populated in the early part of the 20th century, a mail boat from Juneau serviced Windham Bay.

A portion of the 32,000 acres owned by Goldbelt Inc. is located within this area. ANCSA status is noted in the deeds. Much of the privately held land is owned by Juneau residents. The majority of current mining claims (Hyak Mining) are owned by Juneau residents. A piece of shore property recently passed into the Nature Conservancy. Access to Windham Bay properties is via Juneau.

A 4.6 acre former lodge is for sale at Windham Bay by Juneau Real Estate and Sotheby's International. Paul LeBaron of the Island Group notes that access has been through Juneau based flight services.

The web-based sales material (www.windhambay.com) says that Windham Bay is "Located 65 miles south of Juneau, access to Windham Bay is accessed by float plane from the capitol of Alaska (Juneau). The flight south down Stephen's Passage is about 20 - 25 minutes. Juneau has several companies providing such flights...We are also reachable by boat from Juneau (65 miles) down spectacular Stephens Passage."

According to the 1890 US Census: "Shucks, the first mining camp in Alaska, was established at the end of Windham bay, the first indentation of the coast above Cape Fanshaw, in 1876." According to the web-based sales materials for the Windham Bay property "In the late 1800's the head of the bay was home to a community of 800 miners. The resulting ruins of the settlement, abandoned equipment and mine shafts found in the surrounding hills offer interesting excursions. This is the area said in legend to be the location of the Lost Rocker Mine. The outer bay islands and headlands were the home of Native Alaskan villages, early white settlers and fox farmers."

Hobart Bay

Most of the property in Hobart Bay is owned by Goldbelt Inc. with some portions owned by Sealaska Corporation and Goldbelt Inc. Deeds confirm ANCSA status on this property. Sealaska Regional Native Corporation owns about 25,000 acres of subsurface mining rights in the area.

Goldbelt, Incorporated is the Juneau, Alaska Native, for-profit corporation. Goldbelt assets include "over 32,000 acres of land in the vicinity of Juneau, Alaska" according to the Goldbelt website. Goldbelt was organized under the terms of the 1971 ANCSA.

Juneau Mayor Bruce Botelho talked about the connection between Goldbelt, Juneau and Hobart Bay to the Juneau Empire on August 28th, 2011. He said, Goldbelt's property should be included in Juneau, if it is in any borough. "Goldbelt is a Juneau-based urban Native corporation, and from my perspective, their assets should be within the boundaries of Juneau," Botelho said.

Through ANCSA, Goldbelt selected and currently owns property in Hobart Bay, West Douglas and Echo Cove. The Hobart Bay camp was established in 1981, and at one point had more than 200 workers, plus their families, living there.

The Hobart Bay area was extensively logged in the 1970's and 1980's, as Hobart Bay timber operations was Goldbelt's primary business during its first two decades. A variety of logging contractors operated there, including helicopter logging. According to Goldbelt the clear-cut

areas "are now supporting substantial regrowth of young trees". The lands and roads are maintained by a caretaker who lives in Hobart Bay year around.

According to Goldbelt's webpage/2010 annual report, Goldbelt is taking steps to develop Hobart Bay as a world class cruise destination. The 2011 season saw a partnership with Allen Marine to bring ships and on-shore activities to Hobart Bay, including an overnight stay in the bay and activities such as four-wheeling on logging roads. An estimated 300-400 clients participated, with expectations to grow that number in 2012. According to Goldbelt, "We anticipate the activities at Hobart Bay this summer will attract other small cruise ships, which will in turn give us a basis to make improvements to the facilities there."

Port Houghton

All private land deeded within Port Houghton appears to be owned by Goldbelt Inc and/or Sealaska Corporation. Deeds confirm ANCSA status.

According to a description by the Forest Service, the Windham-Port Houghton is a roadless area that is undeveloped, although there are upland mining claims. Historical use of the area includes small homesteads, logging, mining, and fox farms from the 1800's to early 1900's. There are two minor trails in the area, but no public recreation cabins. Most use of the area is associated with commercial and sport fishing, hunting, beachcombing, mining, and crabbing. The area supports a rich wildlife population, including black and brown bear, moose, deer, wolves, mountain goats, mink, marten, and beaver. (US Forest Service, SEIS, 2003.)

Port Houghton was described in 2002 in the following manner: "There are no docks or vessels at Port Houghton, Alaska. In fact, there are no buildings, no roads, no landing strips, no people. Getting there by boat is possible but brutal. To fly there you need pontoons -- heavy, rock-resistant ones of the sort slung under our ancient Beaver out of Juneau, 85 miles to the north." (Mother Jones, October 2002).

Cape Fanshaw

According to Bruce Miner, writing for the 1890 US Census, Cape Fanshaw was the natural dividing point in Southeast Alaska at that time. In order to describe the region, he breaks it into two parts, the first being "Cape Fanshaw to the Southern Boundary." The publication goes onto note: "Cape Fanshaw is the great landmark along these waters...prospectors and Indians have often been storm bound for weeks before daring to round Cape Fanshaw in their small boats or canoes."

Cape Fanshaw was also clearly seen as the dividing line due to the shipping routes as goods, miners and tourists made their way to Juneau: "The ordinary route of commerce along this coast rejoins the mainland shore at Prince Frederick Sound" i.e. Cape Fanshaw.

Historic use of the area included fur farms, cabins, and the Cape Fanshaw fishing village and cannery site. In 1902, a post office was established at the village. Today this is a roadless area, and there are no developed recreation facilities in the area. According to a Forest Service report dated 2003, "subsistence use of the area appears to be low". (US Forest Service, SEIS, 2003.)

According to a description by the Forest Service, there are no cabins and the Fanshaw area does not receive much use, except for anchorages in some of the bays. The shoreline along Frederick Sound is exposed and often difficult to access. The area was probably inhabited by Tlingit in prehistoric times; there was a fox farm in Fanshaw Bay during the 1930-40's. The area includes a 540-acre Research Natural Area near Fanshaw Bay established for protection and study of a stand of Alaska-cedar. (US Forest Service, SEIS, 2003.)

Five Finger Lighthouse

Because of the amount of commerce on its way to Juneau at that time, maritime safety became a notable concern, leading to the construction of the Five Finger Lighthouse in 1902, situated on an island off of Cape Fanshaw. The following text comes from the Five Fingers Lighthouse website: "Mining companies and merchants concerned for the safety of their workers, wares and customers, along with territorial officials seeking to insure the safety and development of Alaska's waterways, pushed for the development of lighthouse in American waters. One of the areas receiving the most attention was Stephens Passage leading to the quickly developing mining town of Juneau."

Five Finger Lighthouse is currently owned by the Juneau Lighthouse Association, a non-profit organization established to preserve and maintain this historical site. "The Juneau Lighthouse Association's intent is to preserve, maintain and make accessible this site to the public."

Historical Connections

Historic Tlingit Ownership

"Haa Aani Our Land, Tlingit and Haida Land Rights and Uses" was first issued in 1946 as a federal government land claims document titled "Possessory Rights of the Natives of Southeast Alaska" by Walter R. Goldschmidt and Theodore H. Haas. The 1998 edition is edited with an introduction by Thomas F. Thornton, PhD. With the assistance of the Sealaska Heritage Foundation and contains the original materials and maps. From these materials, it is clear that the area in question historically belonged to the Douglas or Taku people, including the Samdans (S'aawdaan) (page 9). The Taku territory without doubt included Taku Point, Taku Harbor, Limestone Inlet, Port Snettisham, also called Sit'ku, where there was an extensive village, and camps at Mallard Creek and Sweetheart Creek on the mouth of Port Snettisham near Point Anmer (p.43). Taku people inhabited the Holkham Bay area, including the site of Sumdum village (p.43). (Holkham Bay was originally named Sumdum Bay.) Also, t[T]here was a village [of the Taku people] on the south shore of Endicott Arm. "Concerning the use of the land further south the same witness says: 'Windham Bay is a kind of free-for-all country between the Taku and the Kake people.'" (p.43).

However, other publications make a slightly different claim. According to Harvest and Use of Wild Resources by Residents of Petersburg, Alaska, a 1988 ADF&G paper written for the Division of Subsistence:

- The Tlingit Stikine area "encompassed the country surrounding Petersburg including Mitkof Island, much of Kupreanof Island and the mainland as far north as Ferragut Bay.
- The Tlingit Kake territory "extended north along the mainland above Farragut Bay and westward to the Brothers Islands and Pybus Bay. Western Kupreanof Island was part of their territory."
- The Auk tribe controlled the area "on Admiralty Island north of Point Pybus"; and
- "The area from Port Houghton to the north is associated with valid claims by the Taku and Sumdum tribes."

The main village for the Auke Tribe was located in the present day Auke Bay, in Juneau. The Taku Tlingit resided up the Taku, close to Juneau.

However, by 1890 the US Census describes an Indian village (presumably Taku) at the entrance of the Windham Bay.

The US Census for 1890 noted there was a Southeast Alaska population of 4,737 Tlingits, noting that “few live below Prince Frederick Sound.” Petersburg was not mentioned in the 1890 Census because the area had not yet been founded, and was not inhabited year round by Alaska Natives (although there are references to temporary fish camps in the area, presumably by the Kake Tlingit.)

Fox Farming History In Proposed Juneau Annexation Area

According to Dr. Sarah Isto, author of a history of fox farming soon to be released by the University of Alaska press, in 1929, the height of fur farming in Alaska, there were over 600 licensed Alaskan fur farm operators. In Southeast Alaska, most raised species of fox on islands. Petersburg was a fur farming center, as the joint US Department of Agriculture and Territory of Alaska operated an experimental fur farm there and a Mr. Omar operated what may have been the largest Alaskan mink farm on the Wrangell Narrows.

The State of Alaska Archives contain fur farming records in a file entitled, “Alaska Game Commission, Fur Farmers of Alaska holding licenses under the Alaska Game Laws for the year ending June 30, 1929. Information for the year 1929 is displayed by name of licensee, post office of licensee and location of farm. In the section titled, “Blue Fox on Islands or Pens,” eleven Petersburg licensees are listed and six Juneau postal addresses. However, mapping the location of these blue fox farms on islands whose names are current in the Alaska Atlas & Gazetteer, (Delorme Mapping, 1992), finds that only three are located in the proposed annexation area, Juneau's Otto Wild's Entrance Island farm, likely the island at the entrance to Hobart Bay, Juneau's C.E. Zimmerman on Brothers Island and Petersburg's Bob Robinson on Turnabout Island.

In “Silver, Black, Cross and Red Foxes on Islands or Pens”, for 1929, only three licensees are listed on islands, two from Petersburg and one from Juneau.

By 1933, fur farming was in decline. The list of “Blue Fox on Islands and Pens” shows ten licensees using the Petersburg post office and 8 using the Juneau post office. Among the latter are three Juneau residents at locations at Pybus Bay and Gambier Bay served through the Juneau Post office (and one at Saginaw Bay served via Petersburg). Two Juneau based licensees have farms in the proposed Juneau annexation area and two Petersburg licensees are also in the proposed Juneau annexation area. (One additional Petersburg licensee may be in the area, but his site, Long Island, could be in several possible locations.)

Fox farmers on islands along Stephens Passage were regularly served by a Juneau based mailboat. This service brought both mail and freight to fox farmers, loggers, fishers and others until 1963 and strengthened ties to Juneau. Stephens Passage residents joined social organizations, received

medical care and some retired to Juneau. ("In the Wake of An Alaskan Mailboat", Dennis Sperl, Gorham Printing 2001).

A review of the actual licensees and their locations of fur farms in 1929 and 1933 shows that both Juneau and Petersburg supported approximately equal numbers of fur farm licensees in the proposed Juneau annexation area. From the late 19th century past the middle of the 20th century, a Juneau mailboat supplied loggers, fur farmers, fishers and others living along Stephens Passage and tied them to Juneau's businesses and services.

Goldbelt Corporation, Inc.

Goldbelt, Incorporated is the Juneau, Alaska Native, for-profit corporation organized under the terms of ANCSA in 1971. Goldbelt assets include "over 32,000 acres of land in the vicinity of Juneau, Alaska" according to the Goldbelt website. That website also states:

"Shareholders collectively hold the entire 272,200 shares of Goldbelt stock, representing assets in excess of \$90 million plus over 32,000 acres of land in the vicinity of Juneau, Alaska. Founded in 1973 and incorporated on January 4, 1974, Goldbelt was organized under the terms of the 1971 Alaska Native Claims Settlement Act (ANCSA). Once ANCSA land selections were complete Goldbelt owned property in Hobart Bay, West Douglas and Echo Cove."

Goldbelt Shareholders

	Juneau Shareholders	Petersburg Shareholders	Total Shareholders
Total	1,269	9	3,406
% of total	37.3%	0.3%	100%

Source: Personal communication Goldbelt, September 2011.

According to Goldbelt Shareholder Services, as of September 27, 2011, Goldbelt had 3,406 shareholders of whom 9 resided in Petersburg and 1,269 resided in Juneau.

Juneau Mayor Bruce Botelho talked about the connection between Goldbelt, Juneau and Hobart Bay to the Juneau Empire on August 28, 2011. "There is a lot of use there, and it is done out of Juneau," Botelho said. Further, he said, Goldbelt's property should be included in Juneau, if it is in any borough. "Goldbelt is a Juneau-based urban Native corporation, and from my perspective, their assets should be within the boundaries of Juneau," Botelho said.

Timber Operations in Hobart Bay

Through ANCSA, Goldbelt selected and currently owns property in Hobart Bay, West Douglas and Echo Cove. The Hobart Bay camp was established in 1981, and at one point had more than 200 workers, plus their families, living there. The Hobart Bay area was extensively logged in the 1970's and 1980's, as Hobart Bay timber operations was Goldbelt's primary business during its first two decades. A variety of logging contractors, including helicopter logging, operated there. According to Goldbelt the clear cut areas "are now supporting substantial regrowth of young trees". The lands and roads are maintained by a caretaker who lives in Hobart Bay year around.

Malcolm Menzies of R&M Engineering (a Juneau-based firm) had a contract with Goldbelt and the U.S. Bureau of Land Management (BLM) to perform sectional surveying to differential Goldbelt

lands from Federal lands in the 1980s. (Personal communication with Malcolm Menzies. R&M Engineering, Juneau, October 2011). Mr. Menzies had a crew of 12 people working for 5 to 6 months during the summer season during those three years. During the time Mr. Menzies was on contract at Hobart Bay, he remembers loggers from Hoonah (Whitestone Logging), Juneau (individual loggers not associated with a firm), Petersburg (Reid Brothers), and possibly individual loggers from Ketchikan working at the camp. The camp was a crude trailer camp at first, but became more developed in later years. Loggers, construction workers, and surveyors all stayed at the camp. Mr. Menzies remembers the road construction work being done by Juneau-based Tongsgard Construction, and the engineering for the port being done by Juneau-based engineers Don Statter and Miller Engineering during one of the seasons he was in camp. Mark Strode, a Juneau-based surveyor, worked on contract for Bureau of Land Management also.

Mr. Menzies and his crew flew between the Hobart Bay camp and Juneau via personal aircraft. Commercial carriers that serviced the camp at that time included Juneau-based Wings of Alaska and Channel Flying, and Petersburg-based Viking Air. Supplies and equipment also came into camp by barge. The construction companies brought in their own barges, and Alaska Marine Lines (Juneau-based) also supplied barge service to the camp. Superbear (a Juneau-based grocer) supplied food for some of the families living in Hobart Bay during the logging operations, and that food was usually delivered by Juneau-based Channel Flying Service. Some helicopter work for construction and logging was provided by Juneau-based Coastal and Temsco Helicopters. Telephone service to the camp was provided by ACS, and communication in the field was provided by radios. Vehicles for field work were provided by Goldbelt and BLM.

Plans for Tourism Operations in Hobart Bay

According to Goldbelt's webpage/2010 annual report, Goldbelt is taking steps to develop Hobart Bay as a world class cruise destination. The 2011 season saw a partnership with Allen Marine to bring ships and on-shore activities to Hobart Bay, including an overnight stay in the bay and activities such as four-wheeling on logging roads. An estimated 300-400 clients participated, with expectations to grow that number in 2012. According to Goldbelt, "We anticipate the activities at Hobart Bay this summer will attract other small cruise ships, which will in turn give us a basis to make improvements to the facilities there."

Compared with Petersburg's nine Goldbelt shareholders, nearly all Goldbelt, Inc.'s shareholders live in Juneau and profit from the company's activities in Hobart Bay. If governmental decisions were made in Petersburg impacting Hobart Bay, Juneau shareholders would find it difficult to participate in decision making which might effect the financial status of their corporation. It is also likely, based on the Hoonah development model, that Goldbelt's Juneau shareholders might become employees of the Hobart Bay facility, further linking Hobart Bay with Juneau residents.

History of Mining in the Proposed Area of Annexation

According to the *History of the Mines and Miners in the Juneau Gold Belt*, Earl Redman, 1988, the southern portion of the Juneau Gold Belt begins from just north of Port Snettisham, and extends south to the north shore of Hobart Bay. Much of the following summary was derived from that history.

Gold was discovered in California in 1848. The resulting "gold fever" sent adventurous prospectors north up the coast into British Columbia, and eventually into Southeast Alaska. Gold discoveries were first noted in Southeast Alaska at Powers Creek (on the north side of Endicott Arm) and Windham Bay in 1869, but prospectors found abandoned rocker boxes that indicated miners had been there before. The newer inhabitants let the word out, which resulted in an influx of prospectors throughout the Southeast Alaska region. The Windham Bay and Powers Creek areas were actively mined for the next ten years. Richard Harris and Joe Juneau first prospected at Windham Bay (July, 1880) before moving north to discover a richer area in what would become the town named after Juneau.

In 1889, Juneau merchant W.F. Reed and Juneau miner Oliver Price discovered rich ore near Endicott Arm, and staked the Bald Eagle and Tennessee lodes, which lead to further discoveries in the area, such as the Sumdum Chief lode. In the early 1890s, these loads were purchased by out-of-state companies, and merged to form the Sumdum Chief Mining Company in 1899. Herman Tripp (later the Mayor of Juneau and a territorial Legislator) was the mine superintendent. The Sumdum Chief Mine operated for 13 years and produced about 24,000 ounces of gold, and also some silver. The town of Sumdum existed till about 1942, when its post office closed.

Activity in the southern portion of the Juneau Gold Belt included mostly placer mining, but some hard rock quartz mining activity occurred also. A community called Shuck sprung up at Windham Bay, and mostly placer deposits were worked in the early years. In 1899, the Windham Bay area was discovered to have many large rich veins of ore, and by 1901, at least six companies were working them. Activity was heaviest at Windham Bay between 1900 and 1904, and virtually died out by 1907. Sporadic light mining activity persisted in the Windham Bay area, and interest in mining picked up again in 1912, when the Alaska Gastineau and Alaska Juneau mines began expansions. Several hard rock mines were developed in 1913 through 1915, and several (such as the Alaska Peerless and the Gertrude) operated for many years.

Meanwhile, placer mining in the Windham Bay and other nearby areas continued, although that activity had a few slow periods such as between 1915 and 1920. Hard rock mining activity slowed between 1921 and 1924. The Windham Bay Mining Company was formed in 1924, and acquired the Jacob Marty Mine in 1930. Mining activity near Windham Bay continued through about 1938, after which the area was virtually abandoned.

The following table lists the mining interests written about in Juneau-area newspapers between 1885 and 1944. The beginning and ending years only indicate the years of the first and last news stories printed about the interest. While these dates do not definitively indicate the life of the mining interest, they do give a general idea of when activity at these areas was occurring.

Mining Activities in the Subject Area Noted in Juneau Area Newspaper

Mining Interest or Claim	Location	News Stories Beginning	News Stories Ending
Argenta Basin*	Snettisham Peninsula	1890	1892
Point Astley	Holkham Bay	1889	1935
Sumdum Chief	Endicott Arm	1890	1925
Bald Eagle	Endicott Arm	1890	1925
Sumdum Placer	Endicott Arm	1915	1915
Spruce Creek Placer	Windham Bay	1889	1901
Windham Placer	Windham Bay	1892	1928
Red Wing	Windham Bay	1894	1905
Windham Bay - general	Windham Bay	1895	1923
Mildred	Windham Bay	1899	1900
California Alaska	Windham Bay	1900	1904
Windham Chief	Windham Bay	1901	1901
Yellow Jacket	Windham Bay	1902	1903
Gold Shaft	Windham Bay	1913	1913
Alaska Peerless	Windham Bay	1913	1925
Gertrude	Windham Bay	1914	1923
Great Mine	Windham Bay	1915	1915
Jensen	Windham Bay	1915	1916
Helvetia	Windham Bay	1921	1921
Marty	Windham Bay	1925	1928
Alaska Windham	Windham Bay	1933	1935

Source: An Index to Mining-related Articles about the Mines and Miners in the Juneau Gold Belt, Porcupine, Admiralty Island and Chichagof Areas from Juneau-area Newspapers, 1885 – 1944, Earl Redman, 1989.

*Exact location of this mining interest is unknown. It is possible that this interest was located inside the current City and Borough of Juneau boundaries.

Recent Mining Activities

When the Juneau Goldbelt Corporation logged the Hobart Bay area in the 1970s and 1980s, that area was examined for economic mineral claims, and none were identified. With development of the Tracy Arm - Fords Terror Wilderness area (around 1980), several claims were examined in the Tracy Arm area, and two were rich enough to patent. However, no activity has occurred on those claims, and according to U.S. Forest Service mineralogist John Kato, the Forest Service may make an exchange for those patented lands in the future.

Much of the historic mining done in the subject area was placer mining. According to John Kato, U.S. Forest Service mineralogist, 99 percent of the mining claims existing in the area today are lode claims, not placer claims. Because most of the placer gold has been extracted, and because the majority of the area is wilderness with little infrastructure, none of the existing claims are currently considered economically viable to mine. However, the viability of mining activity may change according to mineral prices. The following figure shows mine claims in the subject area by jurisdiction.

Mine Claims in the Area Proposed for Annexation



Source: Alaska Department of Natural Resources, 2011.

The largest mining claim holder in the area is Hyac Company, based in Juneau. Hyac Company has mine claims all over northern Southeast Alaska. The company has at least 36 claims near

Windham Bay. Each claim is 160 acres in size, for a total of at least 5,760 acres in the Windham Bay area. These are likely the BLM claims at the head of Windham Bay as shown in the above figure. None of the claims in the area are being actively worked.

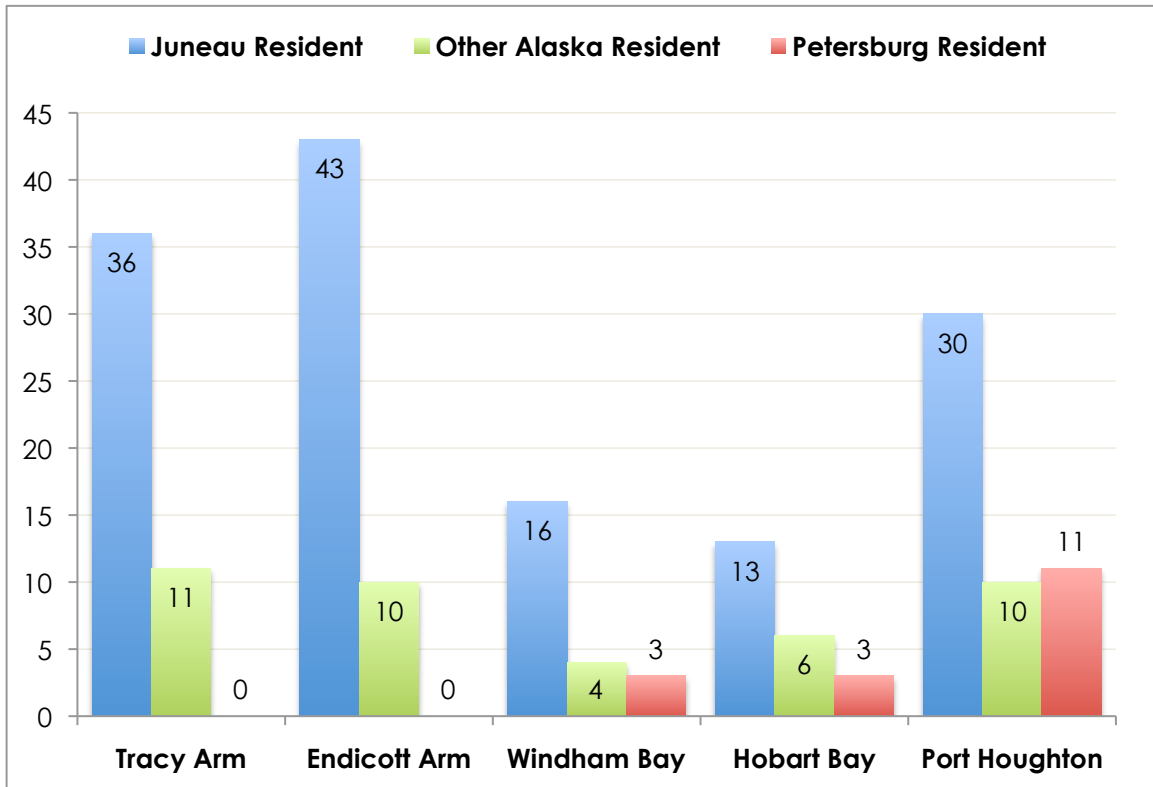
Sealaska owns subsurface rights to their own lands (290,000 acres) as well as subsurface rights to all village and urban corporation lands in the region (280,000 acres). The Native claims surrounding Hobart Bay are likely held by Goldbelt Corporation.

Hunting Fishing and Subsistence

Hunting

According to the Alaska Department of Fish and Game, from 2006 to 2010, there were 160 Juneau residential hunters that participated in bear, mountain goat, and moose hunting in the "area proposed for annexation" between Tracy Arm and Port Houghton. Fish and Game refers to this area as "Southern Unit 1C". During the same period, 17 Petersburg residents also participated in these hunting activities. The following table shows permitted bear, goat and moose hunters in the area proposed for annexation by residency over the past few years.

Number of Black Bear, Brown Bear, Mountain Goat, and Moose Hunters by Area, by Alaska Residency, 2006-2010



Source: Alaska Department of Fish and Game, Report developed for JEDC by, Ryan Scott, Area Management Biologist

The following table presents number of permitted sport hunters in the area between Tracy Arm and Port Houghton by residency over the past several years.

Number of Hunters in Area Southern Unit 1C, by Alaska Residency, 2006-2010

Community of Residence	Total
Juneau	160
Petersburg	17
Nonresident	289
Other Alaska Resident	43

Source: Alaska Department of Fish and Game, Report developed for JEDC by, Ryan Scott, Area Management Biologist

The following table shows permitted mountain goat hunters by residency in the area between Tracy Arm and Port Houghton over the past several years.

Southern Unit 1C Mountain Goat Hunter Residency by Hunt Location, 2006-2010

Resident Community	Tracy Arm	Endicott Arm	Windham Bay	Port Houghton
Juneau Resident	26	28	0	0
Petersburg Resident	0	0	0	0
Other Alaska Resident	10	4	1	4
Nonresident	61	69	0	6
Total Hunters	97	101	1	10

Fish and Game Notes: Nonresident hunters are required to have a licensed registered guide, or to hunt with a family member within the second degree of kindred, for mountain goat hunts in Alaska. Approximately 65% of all mountain goat hunters in southern Unit 1C utilized commercial services to conduct their hunt. Commercial services can be registered guides, or transportation to the field by air or marine conveyance. The above data is derived from registration permit report information.

Source: Alaska Department of Fish and Game, Report developed for JEDC by, Ryan Scott, Area Management Biologist

The following table presents permitted brown bear hunters by residency in the area between Tracy Arm and Port Houghton over the past several years.

Southern Unit 1C Brown Bear Hunter Residency by Hunt Location, 2006-2010

Community of Residency	Port Snettisham	Tracy Arm	Endicott Arm	Windham Bay	Hobart Bay	Port Houghton
Juneau Resident	17	6	8	2	1	2
Petersburg Resident	0	0	0	0	0	1
Other Alaska Resident	1	1	0	0	3	1
Nonresident	3	1	1	0	0	1
Total Hunters	21	8	9	2	4	5

Fish and Game Notes: Nonresident hunters are required to have a licensed registered guide, or to hunt with a family member within the second degree of kindred, for brown bear hunts in Alaska. Approximately 10% of all brown bear hunters in southern Unit 1C utilized commercial services to conduct their hunt. Alaska residents generally use few, if any, commercial services in brown bear hunts. Commercial services can be registered guides, or transportation to the field by air or marine conveyance. The above data is derived from registration permit report information. **Source:** Alaska Department of Fish and Game, Report developed for JEDC by, Ryan Scott, Area Management Biologist

The following table shows the number of black bear harvested by residency of hunter in the area between Tracy Arm and Port Houghton over the past several years. As this table counts successful hunts only, it is expected that the number of hunters in total (whether they were successful or not) was much larger over this period.

Southern Unit 1C Successful Black Bear Hunters by Hunter Residency and Harvest Location, 2006-2010

Community of Residency	Port Snettisham	Tracy Arm	Endicott Arm	Windham Bay	Hobart Bay	Port Houghton	Cape Fanshaw
Juneau Resident	3	4	7	3	7	9	0
Petersburg Resident	0	0	0	0	0	0	0
Other Alaska Resident	1	0	6	2	3	4	0
Nonresident	12	10	25	35	20	43	5
Total Hunters	16	15	40	43	34	61	11

Fish and Game Notes: Hunters are not required to have a licensed registered guide, or to hunt with a family member within the second degree of kindred, for black bear hunts in Alaska. Approximately 61% of all black bear hunters in southern Unit 1C utilized commercial services to conduct their hunt. Alaska residents generally use few, if any, commercial services in black bear hunts. Commercial services can be registered guides, or transportation to the field by air or marine conveyance. The above data is derived from black bear sealing certificate information and only includes successful hunters. Little data is available for unsuccessful hunters. Beginning in 2009, harvest tickets were required for all black bear hunters in Southeast, Alaska. Harvest ticket data from 2009 and 2010, including effort information for unsuccessful hunters, is currently being analyzed and will be available in the future.

Source: Alaska Department of Fish and Game, Report developed for JEDC by, Ryan Scott, Area Management Biologist

The following table shows permitted moose hunters by residency in the area between Tracy Arm and Port Houghton over the past several years.

Southern Unit 1C Moose Hunter Residency by Hunt Location, 2006-2010

Community of Residency	Port Snettisham	Windham Bay	Hobart Bay	Port Houghton
Juneau Resident	2	11	5	19
Petersburg Resident	0	3	3	10
Other Alaska Resident	0	1	0	1
Nonresident	1	0	0	0
Total Hunters	3	15	8	30

Fish and Game Notes: Hunters are not required to have a licensed registered guide, or to hunt with a family member within the second degree of kindred, for moose hunts in Alaska. No moose hunters indicated they used commercial services to hunt moose in southern Unit 1C between 2006-2010. The above data is derived from registration permit report card information and includes successful and unsuccessful hunters. Southern Unit 1C is not generally a moose hunting location and only a few moose are taken annually.

Source: Alaska Department of Fish and Game, Report developed for JEDC by, Ryan Scott, Area Management Biologist

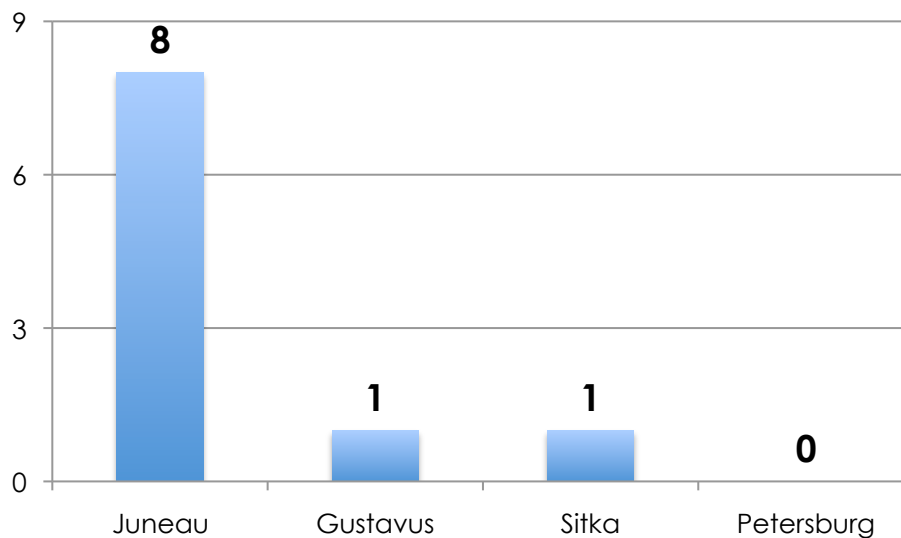
The previous tables show that the majority of the sport hunters using the area proposed for annexation are not residents of Alaska. The second largest group hunting in this area is Juneau

residents. The following section will show that the majority of the guides assisting nonresident hunters in this area reside in Juneau.

Big Game Hunting Guides

Use of a licensed registered guide is required for nonresident hunters (unless they are with a resident family member) for mountain goat and brown bear. According the Alaska Department of Commerce professional licensing database, there are a total of ten big game guides licensed to operate in the area proposed for annexation. Of the ten, eight are Juneau residents, one is a Gustavus resident and one is a Sitka resident. There are no Petersburg guides licensed to work in the area proposed for annexation.

Number of Big Game Hunting Guides by Residency Licensed for Area Proposed for Annexation, 2011



Source: Alaska Division of Corporations, Business and Professional Licensing:
<http://www.dced.state.ak.us/occ/apps/GuiUseReg.cfm>

The Alaska Department of Fish and Game tracks the percentage of hunters using commercial services for their hunt (commercial services can be registered guides, or transportation to the field by air or marine conveyance).

Between 2006 and 2010, commercial services were used by the following percentage of hunters in the area proposed for annexation:

- **65% of mountain goat hunters**
- **10% of brown bear hunters**
- **61% of black bear hunters**
- **No moose hunters**

Trapping

According to the Alaska Department of Fish and Game there are very few trappers from Snettisham down to Cape Fanshaw: "In southern Unit 1C little trapping occurs due to the remoteness of the area and difficult access during trapping seasons which occur during winter months...in some years nobody traps down there, other years 1-2 persons do."

Subsistence

According to Theo Matuskowitz, Regulations Specialist for the Federal Subsistence Management Program, US Fish and Wildlife Service, the review for designation of subsistence areas occurs every ten years. A review is currently being conducted under the 2010 Census results. According to Mr. Matuskowitz, if Juneau were to expand its boundaries, the Federal Subsistence Board would take no immediate action, so the area would continue as a subsistence area and would be a rural area of Juneau, similar to the rural areas within the Mat-Su Borough which has both urban and rural designations.

The area's federal subsistence designation would not immediately change if Juneau annexed the area and, given the example of the Mat Su Borough, is likely to remain as a rural area for subsistence purposes.

Subsistence Harvest

Juneau's ADF&G management area is a non-subsistence area where permits are for "personal use" fisheries. ADF&G District 10 starts at Point Hugh, just north of Windham Bay and continues south to Pybus Bay. In District 10, subsistence permits are issued. ADF&G has no customary and traditional use designation for the Hobart Bay/Port Houghton area (5AAC 01.716 (a)).

Troy Tennis of the ADF&G Petersburg office states that between 400-800 subsistence salmon permits are issued for District 10 each year in which fishing is permitted in the Windham Bay to Port Houghton. In 2010 no permit holders reported taking salmon on that side of the district. Mr. Tennis also reported no documented subsistence harvests of shellfish in that area.

According to the USFWS, no federal subsistence hunting permits have been issued in area 1C (South of Haines south to and including Hobart Bay). Hunting for deer for subsistence does not require a federal permit (except as a designated hunter for others), but USFWS staff state that deer harvest in the proposed Juneau annexation area is small to non-existent. ADF&G keep the data for subsistence moose and goat harvests.

ADF&G's boundaries are not dependent on Alaska local government boundaries and are, therefore, unlikely to be changed if Juneau or Petersburg annexes the area. However, if changes

were made and the area annexed by Juneau became part of Juneau's non-subsistence area, very few, if any, subsistence fishery would be impacted. No USFWS subsistence hunting permits have been issued for the area that includes the proposed Juneau annexation area. Further, precedent exists to have both "urban" and "rural" designations within one local government unit (Mat-Su Borough). Similar application of the precedent would leave both Juneau's urban designation and the proposed Juneau annexation area's "rural" designation unchanged.

Hatcheries

ADF&G's web document, "Salmon Hatchery Contact List," shows southeast Alaska hatcheries in Juneau, Sitka, Craig, Kake, Ketchikan and Metlakatla. Petersburg does not have a hatchery, although Petersburg fisheries are close by Kake.

Douglas Island Pink and Chum, Inc. was established in 1976 and operates the Macaulay Salmon Hatchery in Juneau, as well as the formerly state-owned Snettisham Hatchery, 40 miles south of the capital.

According to *Economic Impacts of Douglas Island Pink and Chum, Inc.* McDowell Group, November 2009, DIPAC currently produces four species of Pacific salmon—chum, sockeye, chinook, and coho—from two hatchery facilities and several remote release sites, including Limestone Inlet and Sweetheart Creek. Chum and sockeye are produced for commercial fleets operating in northern Southeast Alaska, while chinook and coho are produced primarily for the Juneau, Haines and Skagway sport fishing fleets.

Economic impacts generated by DIPAC's salmon production and business operations are widely spread throughout Southeast Alaska; however, much of the hatchery's impact occurs in Juneau and Haines.

In 2010 DIPAC harvested about 10.6 million pounds of salmon in both Lynn Canal and Taku Inlet.

In the McDowell Group's *Economic Impacts of Private Nonprofit Aquaculture Associations in Southeast Alaska*, "In 1996, DIPAC took over management of the Snettisham Hatchery, previously operated by the Alaska Department of Fish and Game. This hatchery, located between Juneau and Petersburg, produces sockeye for local fisheries and the U.S.-Canada Salmon Treaty enhancement programs. In recent years, the importance of DIPAC salmon to the northern Southeast commercial fisheries has increased slightly in terms of volume and value." The report addresses the Geographic Distribution of Commercial Harvest. "In 2008, commercial gillnetters harvested \$9.6 million worth of DIPAC salmon, of which Alaska resident fishermen harvested 90 percent (approximately \$8.5 million). Among Alaska resident fishermen, the majority of earnings went to residents of Juneau (\$3.8 million or 44 percent) and Haines (\$2.8 million or 33 percent).The

remainder of Alaska resident harvest earnings went to residents of Wrangell and Petersburg (\$1 million); Sitka, Skagway, Hoonah or Angoon (\$410,000); Ketchikan (\$230,000); and other Alaska communities (\$230,000)."

DIPAC recently announced (Juneau Empire, Sept. 29, 2011) that DIPAC was expanding its facilities in Juneau for production growth of up to a million additional smolts a year (in addition to the current 1.25 million Chinook and Coho smolts annually). Four new raceways will be added to the Juneau facility.

According to Rick Focht, DIPAC Director of Operations, DIPAC is in the same ADF&G management area which includes Tracy and Endicott Arms and stops just north of Windham Bay. Commercial Fisheries maps (www.adfg.alaska.gov/index.cfm?adfg=commercialbyareasoutheast.salmon#/maps) put Petersburg in District 8, while Tracy Arm and areas south are in District 10 in the Sitka and Central Southeast Alaska Salmon Districts.

A review of the ADF&G management district maps show Snettisham and the area south to Port Houghton to be in the same commercial fisheries, salmon and shellfish and hatchery district as Juneau. DIPAC provides salmon for sport and commercial fishermen in an area from Haines south, including Petersburg and Wrangell, neither of which has hatchery facilities. Much of the vibrancy of the fisheries from Haines to Petersburg are sustained by Juneau's hatcheries.

Commercial Fishing

The economic benefit of fishing occurs not in where the seafood is harvested, but the port in which the seafood is landed. Pounds landed by port, and the ex-vessel values and taxes realized from these catches, will be unaffected by any borough boundary change.

The City and Borough of Juneau does not dispute the fact that Petersburg residents, as a whole, are more likely to fish commercially than Juneau residents. Per 100 Petersburg residents, there are 25.2 fishing permits held in Petersburg, compared to just 1.2 for Juneau residents. If success in fishing were the sole criteria for establishing ownership in Southeast Alaska, Petersburg (and Sitka) would have much larger claims.

The following table presents commercial fish harvest and value by landing port.

Southeast Alaska Commercial Seafood Harvest and Ex-vessel Value by Port of Landing, 2010

Port	Landed Pounds	Estimated Ex-vessel Value	Permit Count
Craig	3,090,963	\$9,709,866	491
Excursion Inlet	7,730,743	\$5,974,058	236
Hoonah	2,353,237	\$7,775,358	385
Juneau	14,352,591	\$29,643,886	724
Ketchikan	96,286,162	\$63,817,447	951
Petersburg	45,991,367	\$43,163,609	1,015
Sitka	94,141,585	\$94,119,414	1,538
Wrangell	4,933,248	\$10,099,517	390
Yakutat	6,156,936	\$16,731,314	395
Other	4,917,829	\$13,094,252	na
Total	279,954,661	\$294,128,720	4,364

Sources: ADF&G Fish Ticket Databases; Run 10/17/2011; ADF&G COAR Buying Data; Run 10/17/2011
 Port reflects the port code or type of at-sea operation reported on the fish ticket for commercial seafood harvest from Southeast Alaska. Southeast Alaska harvest was identified by translations of the statistical areas reported on the fish ticket. Harvest occurring outside of Southeast Alaska, but landed at ports in Southeast Alaska, are not included in the harvest or exvessel values.

Petersburg fishermen significantly out-fish Juneau fishermen across Southeast Alaska. This is also true of the area proposed for annexation, as demonstrated in the following table.

Earnings and Harvests (Whole Pounds) by Residency of Permit Holders, for Select ADF&G Statistical Areas

Year	City	Permits	Total Earnings	Total Pounds
2005	Juneau	18	\$215,188	69,502
	Petersburg	39	\$573,279	320,500
	Other	7	\$70,681	182,292
	Year Totals	64	\$859,148	572,294
2006	Juneau	13	\$167,076	49,802
	Petersburg	44	\$523,249	436,393
	Other	5	\$100,700	36,447
	Year Totals	62	\$791,025	522,642
2007	Juneau	13	\$76,878	28,771
	Petersburg	39	\$472,369	214,074
	Other	23	\$130,604	155,844
	Year Totals	75	\$679,851	398,689
2008	Juneau	11	\$116,382	57,040
	Petersburg	29	\$498,313	427,455
	Other	25	\$278,974	532,053
	Year Totals	65	\$893,669	1,016,548
2009	Juneau	12	\$71,589	39,107
	Petersburg	68	\$651,856	967,837
	Other	35	\$215,127	452,848
	Year Totals	115	\$938,572	1,459,792
2010	Juneau	18	\$135,057	66,353
	Petersburg	65	\$822,554	972,454
	Other	23	\$268,471	589,012
	Year Totals	106	\$1,226,082	1,627,819

Notes:

- 1) Harvests are from the following statistical areas:
 (shellfish/groundfish) 335731, 335733, 335734, 335704
 (salmon/herring) 111-20, 111-21, 110-32, 110-34
 - 2) Estimates are for commercial catches only. They exclude harvests from test fishing, confiscated catch, personal use, discards, and other harvests taken but not sold.
 - 3) Earnings estimates for 2010 are based upon preliminary data.
 - 4) Residency is based upon the address of the permit holder at the end of each respective year.
 - 5) This table includes most, but not all, of the data in the area of proposed expansion
- Source:** Alaska Commercial Fisheries Entry Commission, October 2011.

The following table presents commercial fishing activity for Juneau and Petersburg residents. Petersburg residents outfished Juneau residents in every species.

Permit and Fishing Activity by Juneau and Petersburg Residents, Preliminary 2010 Data

	Juneau	Petersburg
All Fisheries Combined		
Permit Holders	389	468
Permits Issued	656	1,103
Fishermen Who Fished	258	367
Permits Fished	410	756
Pounds Landed	18,776,497	57,200,215

Source: Alaska Commercial Fisheries Entry Commission, October 2011.

The following table presents the number of commercial fishing permits and fishing crew licenses held per 100 residents in Juneau and Petersburg. It is clear from this table that Petersburg's economy is heavily dependent on commercial fishing. Petersburg residents exceed Juneau residents in holding commercial fishing permits by about 25 to one.

Permit and Fishing Activity by Juneau and Petersburg Residents Permits and licenses per 100 residents, 2010

Year	Juneau		Petersburg	
	Fishing Permits	Crew Licenses	Fishing Permits	Crew Licenses
2002	1.6	1.0	24.8	19.6
2003	1.6	1.0	25.0	19.5
2004	1.5	1.2	24.7	19.5
2005	1.4	1.1	24.9	19.5
2006	1.4	1.3	25.0	21.6
2007	1.4	1.4	24.8	22.4
2008	1.3	1.4	25.4	22.4
2009	1.3	1.4	24.8	21.4
2010	1.2	1.3	25.2	22.0

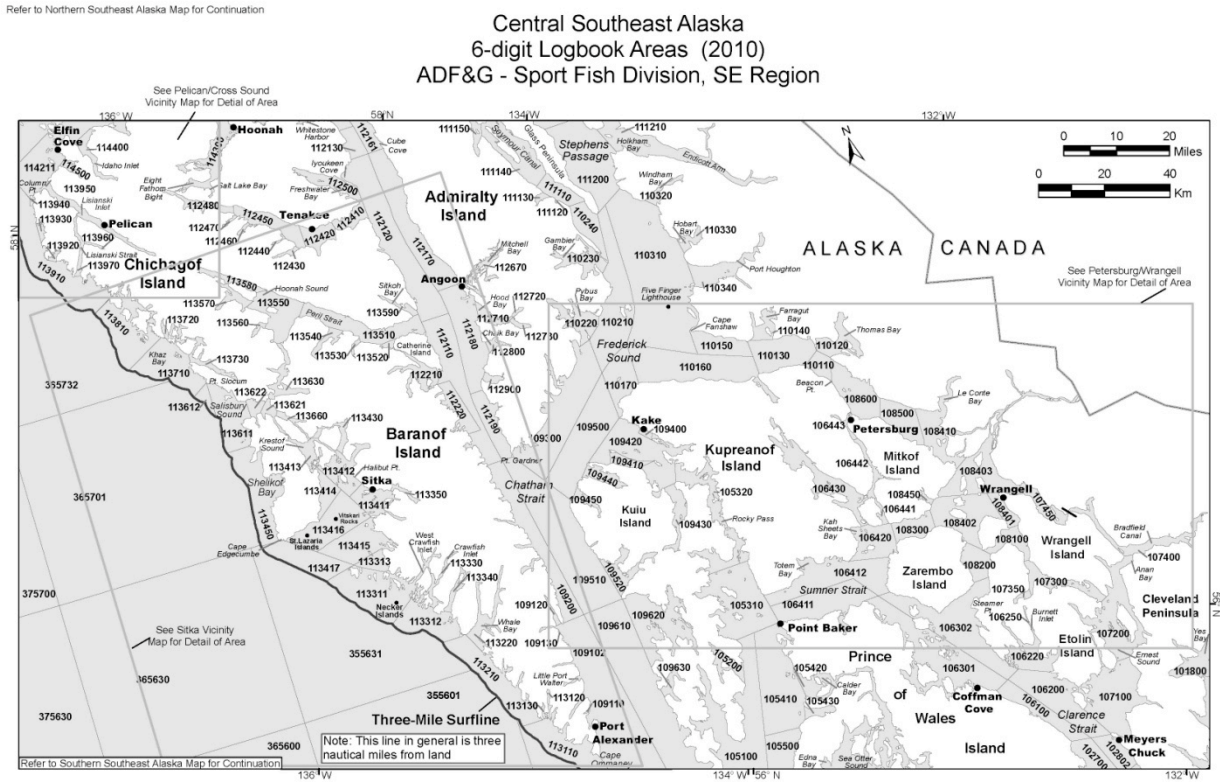
Commercial fishing in Petersburg is far more prevalent than in Juneau, and Petersburg fishermen outfish Juneau fishermen across the region.

Charter Fishing in the Proposed Area of Annexation

According to Richard Yamada, President of the Juneau Charter Boat Operators Association, the Juneau charter boat fleet does little fishing in the proposed area of annexation. Much of the fleet travels to Chatham Strait, as the fishing is better there. Mr. Yamada stated that a few charters may

go into the Stephens Passage area proposed for annexation, but they are generally live-aboard, multi-day charters.

The following figure shows the Alaska Department of Fish and Game's charter fishing statistical areas in central Southeast Alaska. The statistical areas in the proposed area of annexation are 111200 and 110310 in Stephens Passage, 111210 - Holkham Bay, 110320 - Windham Bay, 110330 - Hobart Bay, and 110340 - near Port Houghton.



Source: Alaska Department of Fish and Game, Sport Fish Division, 2011.

The following table presents the number of anglers fishing on charter boats in the Statistical Areas shown in the previous figure, including where these fishermen offloaded their charter catch. For purposes of this report, it is assumed that charter boats offload their catch at the community where the boat is homeported. This table shows that in 2010, Juneau charters did a little fishing in north Stephens Passage (Statistical Area 111200), and in Windham Bay (Statistical Area 110320). Petersburg charters did a little fishing near Port Houghton (Statistical Area 110340), and a fair amount of fishing in south Stephens Passage (Statistical Area 110310). The South Stephens Passage statistical area continues south out of the proposed area of annexation into Frederick Sound, and is relatively close to Petersburg.

Charter Fishing in Stephens Passage and Adjacent Bays, 2010

Statistical Area	Total Anglers	Anglers Offloading at Juneau	Anglers Offloading at Petersburg	Anglers Offloading at Other Ports
111200 - North Stephens Passage	63	27	0	36
111210 - Holkham Bay	0	0	0	0
110320 - Windham Bay	7	7	0	0
110330 - Hobart Bay	0	0	0	0
110340 - Port Houghton	5	0	0	5
110310 - South Stephens Passage	235	18	82	135
Total All Areas	310	52	82	176

Source: Alaska Department of Fish and Game, Sport Fish Division, 2011.

Charter fishing boats tend to stay relatively close to their home ports. Charter fishing in the proposed area of annexations is shared by both Juneau and Petersburg charter fishing businesses, with Juneau fishers using the northern portion and Petersburg fishers using the southern portion of the area. Charter boats from other communities around the region fish in this area also. It is important to note that the south Stephens Passage statistical area continues south out of the proposed area of annexation into Frederick Sound, which is a popular fishing area used by Petersburg charter boats as well as boats from other communities.

Communications

Wireless and Internet

The proposed area of annexation has no hard links to communications services, such as connections to fiber optics cables or other hard link transmission vehicles. The eastern portion of the proposed area of annexation has no wireless coverage for either cell phone or internet access. An AT&T cell phone tower in Kake (southwest of the area) provides good to moderate voice coverage to the Cape Fanshaw area, and that service is also used by GCI. Alaska Communications (ACS) provides voice and enhanced services to the western edge of the area via microwave links, including Cape Fanshaw, Hobart and Windham Bays, and the western areas of Port Houghton, Tracy and Endicott Arms. The US Coast Guard has a repeater located at Cape Fanshaw.

Radio

There is no radio broadcast coverage to the Stephens Passage proposed Juneau annexation areas. Neither Juneau's KTOO nor Sitka's KCAW reach that far south and east. While Petersburg's petition asserts coverage, the petition states that KFSK's range is 50 miles. At best, KFSK reaches Thomas Bay and Frederick Sound areas, but cannot extend to Windham Bay and further north.

Mail

Post Offices operated at Sumdum on Endicott Arm until 1942, and at Windham Bay until 1956. After the closer of the Windham Bay Post Office, mail service to residents along Stephens Passage came from Juneau via mailboat. Historically, mail service to residents along Stephens Passage came from Juneau.

According to Dennis Sperl's, *In the Wake of an Alaskan Mailboat* (Gorham Printing, 2001), mailboats began providing mail and freight service in the late 19th century and continued until 1963. Sperl quotes an editorial in the "Juneau Independent" that in small towns and outposts, "existence is not possible without the mailboat and its supplies." (p.130) These boats carried both mail and freight. Captain Walter Sperl's *Yakobi* made the four-day round trip from Juneau to Taku Harbor, Snettisham, Tracy Arm, Dry Bay, Windham Bay, Sunset Cove, Entrance Island, Kake, Thomas Bay, Petersburg, Wrangell, across Chatham Strait and north from Tebenkoff to Sitka and Juneau. (p.24) Sperl's memoir is filled with stories about characters, communities and incidents which show the reliance of residents on the Juneau mailboat and their consequent ties to Juneau, including eventual moves and retirement to Juneau by people in the isolated areas of Stephens Passage.

Transportation and Tourism

Tourism is the single most important economic activity in the proposed area of annexation. The majority of the transportation into the area is for tourism or recreation purposes.

Cruise Ships

Tracy and Endicott Arms are popular destinations for summer visitors. Multi-day cruises operated by large cruise lines based out of Alaska and smaller, locally based, day cruises share the area with private boats. During the summer of 2011, there were 225 non Alaska-based cruise ship visits to Tracy Arm, and nine cruise ship visits to Endicott Arm (from Cruise Line Agencies of Alaska's 2011 online schedules, <http://www.claalaska.com/schedules.html>, October 2011).

From about mid-May through the end of August, cruise ship visits to Tracy Arm averaged about 13 visits per week, with one visit to Endicott Arm scheduled to occur every other week. According to representatives of the Cruise Line Agencies of Alaska, cruise ships scheduled to visit Tracy Arm will divert to Endicott Arm when there is too much ice in Tracy Arm to ensure safe passage. While the itinerary of each ship varied, in general, two small ships traveled Tracy and Endicott Arms in transit between Juneau and Petersburg. About 16 medium to large cruise ships visited Tracy Arm either on a northbound or southbound voyage. Each of these 16 medium to large cruise ships visited Juneau on each voyage (although none of them visited Petersburg). The number of passengers on these ships in 2011 were estimated to range between 200,000 and 300,000.

Small Tour Operators

There is a significant amount of smaller-scale tourism, both based and provisioning in Juneau, in the proposed Juneau Annexation Area. Small tour operators, permitted as guide companies by the USFS, offer wilderness, educational, and sightseeing tours, charters, guided fishing, and kayaking; additionally, a number of businesses hold USFS land use permits in this area, offering guided hunting, hiking, beach exploration, and other land-based activities such as four-wheeling. There are on average more than 22,000 tourists who visit the proposed Juneau Annexation Area in a given year using small tour operators, for an estimated revenue of nearly \$10 million.

The following table shows that between 2006 and 2010, the USDA Forest Service issued permits to 45 organizations for land use in the proposed area of annexation. Sixteen of these permits went to Juneau organizations which, combined, brought 2,011 visitors into the proposed annexation area. Sixteen other organizations are located in the lower-48 or BC, and based on executive interviews with these organizations it is clear that these organizations largely based and/or provisioned their trips out of Juneau, using Juneau as their home base. In 2010, 11 guiding organizations brought 247

visitors into the lands in the proposed annexation area. By contrast, for example, a single Petersburg organization brought just six clients to the area.

Land-Based USDA Forest Service Permits Issued for the Proposed Area of Annexation by Company Location, 2006 to 2010

Location	Number of Organizations Provided USFS Permits 2010	Number of Clients 2010	Number of Organizations Provided USFS Permits 2006-2010	Number of Clients 2006-2010
Juneau	11	247	16	2,011
Gustavus	2	79	2	236
Ketchikan	1	4	2	81
Petersburg	1	6	3	231
Sitka	3	77	4	344
Wrangell	0	4	1	4
California	1	10	1	51
New York	1	849	1	4,396
Seattle	3	81	3	138
Washington	6	261	8	1,535
Wisconsin	0	0	1	6
BC	0	0	3	131
Other Lower-48	0	0	1	27
Grand Total	29	1,618	45	9,191

Source: US Forest Service, October 2011.

It should be noted that there are no recreational Forest Service cabins located in the area proposed for annexation. According to Bill Tremblay of the US Forest Service, "the Forest Service did build a cabin in the Port Houghton area with the intent of supporting administrative activities for a timber sale some years ago. The cabin remains but is not on our public reservation system."

The following table presents the locations of companies using the area proposed for annexation.

Land Based USDA Forest Service Permits Issued For Proposed Area
of Annexation by Company Location, 2006 to 2010:
Juneau Companies

Guide	Location	Use	Number of Clients 2010
Above and Beyond Alaska	Juneau	Camping	26
Alaska Coastal Guiding	Juneau	Brown Bear Hunting, Black Bear Hunting	58
Alaska Discovery, Inc	Juneau	Camping	109
Alaska Fly n Fish	Juneau	Freshwater Fishing	2
Alaska Quest Charters	Juneau	Freshwater Fishing	12
Alaska Sailing Charters, LLC	Juneau	Remote-Setting Nature Tour	17
All Aboard Yacht Charters	Juneau	Remote-Setting Nature Tour	88
Baja Alaskan Experiences	Juneau	Black Bear Hunting	72
Bear Creek Outfitters	Juneau	Freshwater Fishing	284
Juneau Youth Services	Juneau	Camping	554
Nine Lives Charters	Juneau	Brown Bear Hunting, Black Bear Hunting	154
Ocean Point Alaska	Juneau	Black Bear Hunting, Deer Hunting	145
Seabear Adventures	Juneau	Brown Bear Hunting, Black Bear Hunting	14
Searunner Guide Service	Juneau	Brown Bear Hunting, Black Bear Hunting, Freshwater Fishing	12
Southeast Alaska Guiding Service	Juneau	Brown Bear Hunting, Black Bear Hunting, Mountain Goat Hunting	191
Southeast Alaskan Adventures	Juneau	Black Bear Hunting, Mountain Goat Hunting, Remote- Setting Nature Tour	273
Total			2,011

Source: US Forest Service

The following table shows that the USDA Forest Service issued 29 permits for boat use in the proposed area of annexation for 2010. According to the USDA, 13 of these permits were issued to boats that use Juneau solely as a provisioning port. Four of these permits were issued to boats that use Petersburg solely as their provisioning port.

Six permits were issued to boats that use both Juneau and Petersburg as provisioning ports. Two additional boats use Juneau and a community other than Petersburg as provisioning ports.

USDA Forest Service Permits Issued For Boat Use in Proposed area
of annexation
by Provisioning Port, 2010

Provisioning Port	Number of Boats Permitted
Juneau	13
Petersburg	4
Sitka	1
Wrangell	1
Juneau and Ketchikan	1
Juneau and Petersburg	4
Juneau and Sitka	2
Juneau and Wrangell	1
Juneau, Petersburg, Sitka, Wrangell	1
Juneau, Sitka and Petersburg	1
Grand Total	29

Source: US Forest Service, October 2011.

According to our executive survey of these USFS-permitted guide companies and land users, this region is an important and growing locus for tourism that is reliant on Juneau-based operators and infrastructure. Our survey shows increased small boat traffic in recent years, and Goldbelt, Inc., has taken steps to increase the amount and variety of tourism. That said, nearly all of the 22,000 estimated visitors that come to the proposed Juneau Annexation Area using small tour operators come by way of Juneau. Many operators are based in Juneau either permanently or seasonally, and several more rely on Juneau for provisioning. Additionally, Juneau is a regional transportation hub, so that even operators based out of other locations sometimes direct their clients through Juneau. (Every operator surveyed stated that they served predominantly out-of-state tourists.)

It is also worth noting the wide variety of visitors, and operators who serve them, through Juneau. A large number of visitors are cruise ship passengers on a day excursion, followed by a significant number of independent travelers who choose from a wide variety of charters, including private yachts, guided kayaking, and educational wilderness tours. Guided hunting trips extend Juneau's use of the region beyond the typical visitor season from early May to late September. The ready availability of year-round transportation, medical services, access to suppliers, and the resources necessary to host a large number of visitors make Juneau's infrastructure indispensable to tourism in this area.

Through executive interviews with 20 organizations that organize wilderness trips in the lands and waters between Tracy Arm and Port Houghton, JEDC has identified annual economic activity of \$9.4 million, and an annual visitor stream of 22,200 in the area proposed for annexation.

2011 Tourism Activity in Area From Tracy Arm to Port Houghton: Selected Small Operators

Name	Provisioning Port(s)	FS permit	Tour origination	Tour Termination	Total Visitor Per Year	Estimated Revenue (JEDC Calc.)
Allen Marine Tours	Juneau	x	day trips, Juneau; multi-day, Ketchikan, Sitka, Juneau	Ketchikan, Sitka, Juneau	12,350	\$2,300,000
Adventure Bound	Juneau		Juneau	Juneau	6,210	\$931,500
Lindblad Expeditions	Juneau, Sitka, & Petersburg	x	Juneau	Sitka, Juneau; stop in Petersburg	1,900	\$403,156
Inner Sea Discoveries	Juneau & Ketchikan	x	Juneau/Ketchikan Juneau/Seattle	Juneau/Ketchikan Juneau/Seattle	1,170	\$2,223,000
Fantasy Cruises	Juneau & Petersburg	x	Seattle, Petersburg, Juneau, Sitka	Juneau, Sitka, Sitka, Petersburg	350	\$1,400,000
Alaska Legend Yacht Charters	Petersburg	x	Juneau, Sitka	Juneau, Sitka	114	\$741,000
All Aboard Yacht Charters	Juneau	x	Juneau	Juneau, Ketchikan	100	\$100,000
Alaska Quest Charters	Juneau	x	Juneau	Juneau	55	\$192,500
Kayak Transport Co.	Juneau	x	Juneau RT; Sitka RT; Juneau to Petersburg; Kake RT	Juneau RT; Sitka RT; Juneau to Petersburg; Kake RT	40	\$100,000
Orca Enterprises	Juneau		Juneau	Juneau	40	\$7,000
Parker Guide Service, Inc.	Sitka	x	Sitka		35	\$315,000
Ocean Point Alaska	Juneau	x			33	\$214,500
Glacier Guides, Inc.	Juneau	x	Gustavus, Juneau	Gustavus, Juneau	25	\$250,000
Coastal Island Charters	(Wrangell)	x	Sitka, Wrangell	Sitka, Wrangell	15	\$52,500
Southeast Alaskan Adventures	Juneau	x	Juneau	mostly day trips, or by charter	12	\$30,000
Juneau Youth Services	Juneau	x	Juneau	Juneau	8	\$119,600
Spirit Walker Expeditions	Gustavus	x	Gustavus	by charter	6	\$18,600
Southeast Alaska Guiding	Juneau	x	Juneau	Juneau (GMUs 01-05, 04-05, 04-10)	3	\$21,000
Total					22,466	\$9,419,356

Source: Executive Interviews performed by the Juneau Economic Development Council, September & October, 2011.



Future Uses Planned by the U.S. Forest Service

The USFS is looking at changes in current permitting that will encourage lesser use of wilderness areas and increased use of non-wilderness USFS lands.

According to John Neary, USFS, Juneau Ranger District, permits are for use of lands, not waters. The most intensively visited areas are Tracy Arm, Windham Bay, and Endicott Arm. The USFS gives permits for shore-based excursions from the "smaller" boats that visit Endicott Arm, and for the interior of Windham Bay and Port Houghton. John Neary notes that the FS anticipates that with Allen Marine's lease or purchase of the lodge at Windham Bay, there will be additional Stephens Passage traffic. The FS maintains a small number of large group sites for boats with 50 to 70 passengers. The Forest Service's goal, according to Mr. Neary, is use with less conflict by encouraging greater use of Holkham Bay, Sandy Bay, and the outer parts

While permits may be issued by Petersburg, Juneau or Sitka, the place of issuance does not necessarily indicate where the tour originates and concludes. Mr. Neary provided data on place of origin of permitted tour companies. The data shows that these tourism activities are "Juneau centric" even if the permit comes from elsewhere. All Tracy Arm activities, the largest part of Stephens Passage tourism, come to and from Juneau.

Growth in Juneau's Visitor Industry

In 2010, there were 2,200 annual average employees in the Juneau tourism industry. In 2010, 1.26 million passengers disembarked in Juneau by airplane, cruise ship, or ferry. **Seventy percent of all passengers arriving from Juneau came via cruise ship.**

Juneau Cruise, Air, and Ferry Traffic 2009-2010

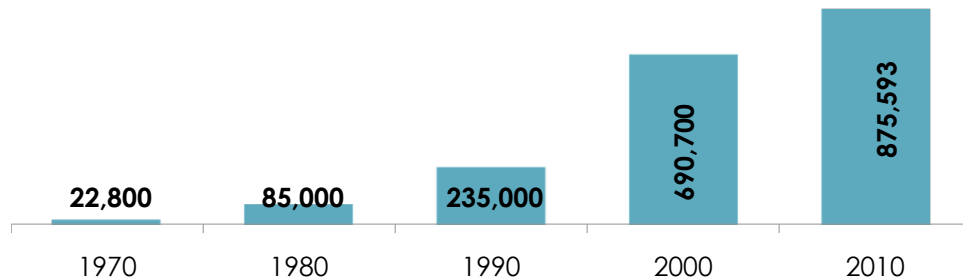
	Ferry	AK Air	Other Air	Cruise	Total
2010	77,991	267,765	36,121	875,593	1,257,470

Sources: Alaska Marine Highway System Traffic Volume Reports, U.S. Department of Transportation, Division of Transportation Statistics, Juneau Airport, and Cruise Line Agencies of Alaska.

Notes: Ferry traffic is disembarking passengers in Juneau.

The following table presents cruise ship passengers visiting Juneau over the past 40 years.

Cruise Passengers Visiting Juneau, 1970 to 2010



Source: McDowell Group, Cruise Line Agencies of Alaska.

Petersburg Tourism

Tourism in Petersburg focuses on the local area, including Wrangell and Stikine River, but not much north of Frederick Sound. Juneau's tourism industry, on the other hand, focuses along the length of Stephens Passage.

A review of the Petersburg Chamber of Commerce's website and other Petersburg websites shows tourism businesses that provide flight seeing, fishing, and boat charters for sightseeing, as well as one land tour. There are three flight-seeing charters available in Petersburg. They advertise local mountain lakes, fjords, and glaciers. There are nine fishing charters listed; none mention fishing in the area. There are 15 boat charter operators listed by the Chamber of Commerce, advertising USFS cabin drop offs, Frederick Sound whale watching, LeConte Glacier, Stikine River, Anan Creek bear watching, Five Finger Lighthouse, rainforest walks, and Telegraph Creek, B.C.

None of the businesses listed on the Petersburg Chamber of Commerce website as providing services for visitors mentions accessing areas north of Fredrick Sound.

According to the Petersburg Chamber of Commerce website, scheduled air service is to Prince of Wales, Wrangell and Hyder, not north, except for Alaska Airlines to Juneau/Anchorage and Seattle.

Aviation Activity

There are no air strips in the subject area. Air carriers providing scheduled and charter service with both float planes and helicopters based in Juneau and Petersburg were interviewed. In most cases, records were not available or offered, and the responses were the best judgment of the owner, dispatcher, chief pilot, or accountant of the company. Companies interviewed included

Ward Air, Alaska Seaplane Services, Air Excursions, Tal Air, Coastal Helicopters, Temsco Helicopters, and ERA helicopters based in Juneau, and Sunrise Aviation, Nordic Air, Kupreanof Flying Service, Pacific Wing Charter, and Temsco Helicopters, based in Petersburg.

Those air carriers that provide scheduled service are required to report their traffic activity to the U.S. Department of Transportation, and those records are available to the public. This activity includes charter flights as well as scheduled flights. Of the carriers that might charter to the subject area, only Alaska Seaplane Services offers scheduled flights in addition to charter services, so only traffic for that company was available in the US DOT databases. In 2010 (the latest full year of data available), Alaska Seaplane Services Flew 19 trips between Hobart Bay and Juneau. On those 19 trips, that carrier transported 28 passengers and 529,253 pounds of freight from Juneau to Hobart Bay, and 12 passengers from Hobart Bay to Juneau.

Including these flights by Alaska Seaplane Services, there were an estimated 93 flights into the proposed area of annexation over the past year. Of those flights, 51 originated in Juneau, and 42 originated in Petersburg. The following table breaks out the origin and destination of those flights.

Estimated Number of Charter Flights into Proposed Area of Annexation Between September 2010 and September 2011

Destination (North to South)	All Flights	Originating from Juneau	Originating from Petersburg
Tracy and Endicott Arms	11	10	1
Windham Bay	5	5	0
Other Areas North of Hobart Bay	5	5	0
Hobart Bay	43	26	17
Port Houghton	10	2	8
Cape Fanshaw	3	3	0
Other Areas South of Hobart Bay	16	0	16
TOTAL	93	51	42

Sources: U.S. Department of Transportation, interviews with Juneau and Petersburg Air Carriers, October, 2011.

The reasons for those flights into the various areas include:

- Tracy and Endicott Arms:
 - flightseeing;
 - movie/commercial camera work; and
 - bird, fish and marine mammal surveys.
- Windham Bay:
 - servicing the shrimp fishery (Oct).
- Other areas North of Hobart Bay
 - flight seeing;
 - bird, fish and marine mammal surveys;
 - transporting bear and goat hunters;
 - movie/commercial camera work;
 - cabin access (one on the Chuck River);
- Hobart Bay:

- transporting the camp watchman;
 - transporting tree thinners (summer);
 - transporting groceries; and
 - servicing the shrimp fishery (October).
- Port Houghton:
 - servicing the shrimp (Oct), herring, and other fisheries;
 - transporting bear and goat hunters; and
 - fish spotting.
- Cape Fanshaw:
 - Servicing the U.S. Coast Guard repeater.
- Other areas South of Hobart Bay
 - flight seeing;
 - servicing commercial fisheries;
 - fish spotting;
 - bird, fish and marine mammal surveys;
 - transporting bear and goat hunters;
 - movie/commercial camera work;
 - transporting campers; and
 - meeting boats.

Emergency Response

United States Coast Guard

The Coast Guard has been located in Juneau since the 1950's. Coast Guard Station Juneau provides emergency response on the water, and Coast Guard Air Station Sitka provides response by air. Coast Guard Station Juneau performs 100-150 search and rescues and 300 law enforcement vessel boardings per year.

The 17th Coast Guard area is all of Alaska; the Juneau sector stretches from Yakutat to Dixon Entrance. When the Coast Guard performs medical evacuations, the destination of patients depends on the severity of the medical condition, as determined by a Coast Guard physician. Data is available regarding some patient destinations.

In 2008-2010, there have been at least three and as many as six incidents in Stephens Passage to which the Coast Guard responded. Most of the time, medical evacuations were taken to Bartlett Regional Hospital. One medical evacuation was taken to SEARHC in Sitka. None were taken to Petersburg. See table on the following page:

Coast Guard Statistics for Various Requests for Assistance in the Area proposed for annexation, 2008-2011

Incident Year	Incident Type	Geographic Location	Hospital Transferred to (if any)	Cruise/Passenger Vessel
2008	Taking on Water/Sinking	Endicott Arm	N/A	No
	Disabled Vessel/Broken			
2008	Down	Tracy Arm	N/A	No
	MEDICO (Passing Medical Advice)	Gilbert Bay	N/A	Yes
	Disabled Vessel/Broken			
2009	Down	Port Houghton	N/A	No
2009	Grounding/Sinking	Port Snettisham	N/A	No
	Disabled Vessel/Broken			
2009	Down	Tracy Arm	N/A	No
	MEDEVAC (Medical Evacuation)	Tracy Arm	Bartlett Regional	Yes
	MEDEVAC (Medical Evacuation)	Tracy Arm	Sitka SEARHC	Yes
	MEDEVAC (Medical Evacuation)	Holkham Bay	Bartlett Regional	Yes
2010	Grounding	Choke Point	N/A	No
	Disabled Vessel/Broken			
2010	Down	Port Snettisham	N/A	No
2010	Grounding	Roberts Island	N/A	No
		Tracy Arm- Hobart Bay	N/A	No
2011	Overdue/Disabled Vessel			
	MEDICO (Passing Medical Advice)	Tracy Arm	Bartlett Regional	Yes
2011	Taking on Water/Sinking	Point League	N/A	No
	MEDEVAC (Medical Evacuation)	Windham Bay	Bartlett Regional	Yes

In 2010, there were 363 Coast Guard working in Juneau (annual average employment). This included 284 active duty Coast Guard employees and 79 non-uniformed civilian personnel. (Civilian personnel include Coast Guard MWR—morale, welfare and recreation—employees and Department of Transportation employees). The 2010 total Coast Guard payroll in Juneau was \$29.5 million. The US Coast Guard's Juneau station responds to calls for assistance in Stephens Passage and takes most medical evacuations to Juneau.

Alaska State Troopers

Scott Dunther of the State Troopers described the Juneau Post as encompassing everything outside the CBJ boundaries from Eldred Rock on the north (half way to Haines), to the middle of

Lynn Canal to Lincoln Island and then down Stephens Passage as far Holkham Bay. All Trooper services to this area would be taken to Juneau. Services in the area south of CBJ boundary and north of Holkham Bay are usually "just a couple a year."

Medical Services

Petersburg Medical Center has a staff of three or four family practice physicians and 12 acute care beds. The emergency room is staffed by an on-call roster of family practice physicians. According to the PMC's website, "for emergencies requiring advanced specialty care or surgery, patients will be stabilized and transferred to another facility." The Petersburg Medical Center staff advised that in 2011 Petersburg served no medical emergencies from cruise ships.

Bartlett Regional Hospital, accredited by the Joint Commission, has 55 beds, including 11 intensive care beds, a coronary care unit, a psychiatric unit, and an emergency room staffed by emergency medicine trained physicians.

Bartlett Regional Hospital provides medical care to residents throughout Southeast Alaska. For example, in FY2011, BRH had 2,773 patients; only 78% came from Juneau while the remainder came from the rest of the region. Similarly, in FY 2011 the Emergency Department admitted 12,587 patients of whom 88% were local to Juneau. The percentage of patients outside Juneau is especially impressive since most Alaska Native patients are served through SEARHC facilities in Juneau and Sitka. Below are the numbers of patients treated at Bartlett Regional Hospital who originated in the Petersburg/Wrangell/Kake area.

Bartlett Hospital Admissions from Petersburg/Wrangell/Kake

	FY2003	FY04	FY05	FY06	FY07	FY08	FY09	FY10	FY11
Inpatient	44	60	44	66	96	74	90	109	99
Emergency Dep't.	102	170	108	200	135	129	102	81	83

Source: Bartlett Regional Hospital data request by JEDC

Cruise ship emergency evacuations are directed to Ketchikan or Juneau, depending on ship location, according to Jim Strader of Bartlett Regional Hospital; the dividing line is in the general area of Petersburg/Wrangell. Therefore, medical evacuations in the proposed area of annexation would be sent to Bartlett Regional Hospital in Juneau.

Juneau's Bartlett Regional Hospital serves all of Southeast Alaska, including Petersburg and the proposed Juneau annexation area. Petersburg Medical Center sends patients to BRH for care they cannot provide. Similarly, services for anyone evacuated from the proposed Juneau annexation area would be at Bartlett Regional Hospital.

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