

Staff  
Local Boundary Commission  
State of Alaska

Date: February 9, 2024

Local Boundary Commission Members:

I am opposed to the formation of the Xunaa Borough as presented in the petition to form. I am a resident of Pelican, I first came to the town in 1966 and worked at the cold storage to earn college money. In the fall of 1968 I joined the Alaska State Troopers and over the next 21 years was stationed in Juneau, Petersburg, Anchorage, back to Juneau, Sitka, and finally back to Juneau. I retired in 1990 as Commander of Trooper Operations in Southeast Alaska. For 21 years I returned to Pelican annually to do one or more of the following: build a future home, sport fish, deer hunt, or commercial fish.

By the time I retired my wife and I had built a home three miles southeast of Pelican and not long after we bought a second home within Pelican proper. I am a published author of non-fiction occurrences in Pelican and the surrounding area. By many accounts, I am the local historian. I believe I know the history of the area well and my outdoor activities provides an accurate insight into the use of Lisianski Inlet, Strait, Stag Bay, Northern Chichagof shoreline, waters around Yakobi Island, Cross Sound, and Yakobi Island.

I have read the Xunaa petition exhibits; there are several inaccuracies, missing information, and a boundary proposal that is not acceptable based upon past use. The maps submitted are faint, exact locations difficult to discern. A petition to create a borough of this magnitude should be very clear in boundaries, the justification for more funding and very specific in historical use of the area.



## **Funding Needs**

On the very first page is 1&1/4 page document titled "Borough Formation, Frequently asked Questions". Funding is the #1 need; "The City of Hoonah maintains the position that proactive formation of a Borough with proper strategic boundary alignment is in the community of Hoonah's best interest now and into the future, particularly for sustainability of the Hoonah School District." Within Exhibit D, "Projected Xunaa Budget" within year 1 expenditures, the only mention of school is "Local Effort (cash) for education \$608,000." No identification if this includes staff salaries, maintenance, transportation, etc. There is nearly \$1 million listed for Parks & Recreation and Youth Center". Within this document is recognition of the great success of Icy Strait Point; 2022 they had 447,303 cruise ship passengers visiting their facility. Over 500,000 visitors anticipated in 2023 spending \$52 million with a sales tax levied at 6.5% and entitled to a portion of the State-collected Commercial Vessel Excise Tax. Where is the need to tax activities out in the outlying areas that will likely have a detrimental effect on the revenues collected by communities in and out of the projected Borough boundaries?

## **Funding Sources**

On the page 1 "Frequently asked Questions" is a question concerning taxation sources. The answer given "The revenue sources that have funded the City of Hoonah will continue as they are within the corporate boundaries of Hoonah, and additional revenues will be raised through taxation of other resources and commerce primarily tied to the commercial fishing grounds that would be included in the Hoonah borough boundaries." This would include all of Icy Straits, Cross Sound, half of Lisianski Inlet, all of Lisianski Strait, all of Stag Bay, all of the waters around the outside of Yakobi Island including adjacent to Cape Cross, Deer Harbor, Surge Bay, Hoktaheen, Bingham Cove, and Soapstone Cove. How will the revenue on commercial fish caught in these waters be determined? A fisherman from Pelican might sell to a buyer out in the proposed boundaries; will a tax be levied on his catch? If so, this has a negative effect on Pelican's economy. This same fisherman will be supporting the Pelican School District; Elfin Cove commercial fishermen are in the same quandary.



There is the issue of sport charter lodges and water taxis based in Pelican and Elfin Cove. Boats from these lodges fish heavily in the fore-mentioned waters and are considered a commercial enterprise. How about bear guides? We have guides from outside the borough boundaries bringing clients to hunt land areas within the proposed areas; will they be subject to a new Xunaa tax?

### **Inaccurate Statements**

Exhibit E "Petitioner's Brief in Support of Incorporation of Xunaa Borough."

"The entire proposed Xunaa Borough depends on three economic constraints: subsistence harvesting, commercial fishing, and in the 21st century, tourism. All of this occurs along a central highway, Icy Strait; its two Termini (Chatham Strait and the Gulf of Alaska); and its great interior waterways, Glacier Bay and Lisianski Inlet. For hundreds of years, the village, (now the City of Hoonah) has been the hub of this region, and even the borough's most remote residents depend on Hoonah for supplies, support, and transportation."

I submit the proposition that Hoonah has been the region's hub for hundred's of years is patently false. Although Pelican is not within the Xunaa proposed boundaries it certainly is one of the region's remote communities. Elfin Cove, some 21 water miles from Pelican has a similar relationship with Hoonah; neighbors yes, but Hoonah is not its hub when it comes to commerce and or transportation. Factually, Pelican was first dependent upon Sitka as a regional hub and Seattle in the town's infancy in 1938. With the advent of scheduled air service, Juneau became the regional hub for both Elfin Cove and Pelican. The mail boat, Forester, brought goods and mail from Juneau. In the mid 70's the Alaska Marine Highway began service to Pelican from Juneau; it remains the regional hub for Pelican today. During the busy summer season the State ferry LeConte comes to Pelican from Juneau with one intermediate stop--Gustavus, not Hoonah. Private boats from Elfin Cove meet the ferry at Pelican to pick up supplies or passengers. Simply put, there is no scheduled transportation public or private between Hoonah and Pelican and Elfin Cove. Why? There is no demand.



## Boundary Claims Exaggerated (Petition Point I)

“ The Proposed Borough Entirely Comprises the Ancestral Lands and Principal Subsistence Areas of the Huna Tlingit.”

- “On the northwest, Huna Tlingit territory is bordered by Yakutat Tlingit territory at a line just north of Cape Fairweather.”
- “On the southwest, the territory subsumes the whole of Yakobi Island and meanders further south to a point just below the mouth of Lisianski Inlet (Pt. Urey).”
- “The southern boundary runs from Pt. Urey directly eastward across the upper portion of Tenakee Inlet, reaching Chatham Strait at Pt. Augusta.”
- “From Pt. Augusta, the border runs northward to include Pt. Couverden and all Excursion Inlet.”

I have researched Pelican history and dispute bullet point 2 concerning Lisianski Inlet, Stag Bay, and all of Yakobi Island. My position is:

- The ancestral usage and area claims were identified in a study: “Written in the fall of 1946 after a summer of field work in the Tlingit communities of Angoon, Haines, Hoonah, Kake, Ketchikan, Klukwan, Juneau-Douglas, Saxman, Sitka, Wrangell, Yakutat, and the Haida community of Kasaan,”. The result would be the study Haa Aani, Goldschmidt and Haas, 1998, 219 pages. Statements were taken from community residents and where found, the remains of indigenous camps/structures were noted. Some areas had both testimony and physical evidence to substantiate the Huna Tlingit claims. Missing was a description of how the respective interviews were taken.
- How were the “informants” questioned; from a list of topics in private or in front of a group of residents? If questioning was made in an open setting, peer pressure can not be ignored. As a former investigator the method of interrogation is important to the validity of the statement taken.
- The Yakobi Island, Lisianski Strait, and area south of the mouth of Lisianski Strait to Pt. Urey all were made **without** physical evidence and relied entirely on unsubstantiated testimony that seemed improbable at best. For example an 87 year old woman testified:



- “The whole of Yakobi Island was claimed by the Hoonah people. Soapstone Cove was a place where the Takdeintann used to have their houses, but this was long before our time. Had smokehouses and gardens, and hunted deer. Trapped mink and land otter there, and smoked dog salmon, cohos, and humpies. People now troll there and gather black and ribbon seaweed and gooseberries at this time. Natives use the harbor as a shelter. There are now houses there belonging to white people, and there was a lighthouse there for a while, but they have never kept the Natives away.” “Everybody from Hoonah used Lisianski Inlet. It was a good place to get timber for making canoes. Used to hunt fur seal there. There are now a lot of whites in that area.”

Another lady testified in the 1946 study: ““My father used to get logs from Lisianski Inlet to make canoes. Other people got timber there too. I have seen my father make canoes there and since that time, my husband has gotten logs from Lisianski Strait, and make canoes from them. He has not made canoes in the last ten years.”

A 46 year old man testified: “I have fished and trapped or hunted all over the places which I shall mention or have seen other Natives of Hoonah fish or trap there. All of these places, I have been told by my relatives or by other old Natives who were elderly and now dead, were used also for such purposes by the early Natives of Hoonah from time immemorial.” And more: “I trapped around Yakobi Island. The last time was in 1927. I used to fish clean around the island, but now the Wrangell fishermen are fishing there.”

Other than physical evidence not found, there is a lack of pertinent questions that begged asking:

- How old were you when this happened?
- How many Huna people were out there at Lisianski Strait?
- How did your father make the canoes?
- How long did it take? (50 miles minimally from Hoonah)
- What kind of boat was used to get there from Hoonah?
- What kind of trees were fell?
- Were there no trees in the over 50 miles of shoreline between Hoonah and Lisianski Strait?
- Do you know the description of Soapstone Cove? Were you ever there?



If there was regular indigenous use of this large area it would be reasonable for the "informants" in Haa Aani to comment on them. There actually was a significant amount of activity occurring, it is documented:

By the early 1900's either Juneau, Sitka, or Seattle area was the hub for the area's economy. The search for gold in the area was on. From Sitka and Juneau the gold seekers moved up the coast, work at the Apex El Nido discovery across from future Pelican began in 1910. In the mid-1960's I ventured up the valley leading to the Apex El Nido mines and spent nights at the last remaining structure below the site if the tunnels. In this cabin I found a ledger of work at the mine. The actual tunneling began in 1919, by then a corduroy road had been built from the beach to the future stamp mill. The mine was worked in the mid 1920's. No mention of this activity was noticed by the "informants" of the Goldschmidt & Hans interviews in 1946. In the mid-20's approximately 30,000 ounces of gold were recovered. The claim is active today. Two years ago I was contracted to provide daily water taxi service for 4 geologists from Pelican to the Apex/El Nido beach head doing assessment work at the claim for about 25 days. The Xunaa proposed boundary would put all of this within the new borough; I would be subject to their tax!

In 1918 the Lisianski Packing Co. erected a saltery at Stag Bay. A photo of this development is available on the internet. "The merger takes in practically all the stock of the Lisianski Packing Company, which has thoroughly prospected the Lisianski Strait District and has trap sites, etc., known to possess great possibilities for both salmon and herring, as well as one of the finest undeveloped water power sites in Alaska. A dock, cannery building, and most of the outbuildings have already been built on a convenient location in Stag Bay." There is no indication this had any connection with Hoonah and not mentioned in Haa Aani.

1921, the U.S. Navy constructed a radio direction station at Soapstone Cove. Future residents of Pelican work there. No mention of any Native use of this cove by the US Navy or evidence of shelters.

1921, Bohemia Basin, Lisianski Strait, a rich nickel deposit is discovered. 1939 A beach camp and 2 & 1/2 mile trail is built to the mine on Yakobi Island, Carl Velvestad claim holder. By 1960 a 2 story house is located at shoreline area. Not mentioned in Haa Aani.



1924 Hjalmer Mork staked the Goldwin Prospect, (Mork Mine), with partners Frank Shotter and Jack Ronning. In the mid 1930's Hjalmer and family were living inside the shoreline of the Mork Mine; they tried raising foxes on Junction Island. Then in 1936 the (Goldwin Prospect), was being worked on the south shore of Chichagof Island about opposite Junction Island. This location is about 1 mile west of the Apex El Nido mine. Gold was located on the a slide across from and above the mine tunnel. Young Bill Mork stated he would hike up the slide with his back pack and recover enough gold to make his mother 3 lockets. Bill was the son of Hjalmer and Eliza Mork. In 1938 Hjalmer moved the family from the Mork Mine to Pelican, this would become their permanent residence. Eliza's maiden name was Moses, her birthplace was Hoonah. Eliza would have another 6 children children with Hjalmer, none made Hoonah their home. Before moving to Lisianski Hjalmer worked as a trapper and fisherman. He was reported to have trapped as far north as Dry Bay and Lituya Bay. No mention of Eliza nor this mine was made in Haa Aani.

1933 the "Lucky Strike" claims are established at the head of Lisianski Inlet by Jack Koby Sr. The Koby family resided at the head of Lisianski until 1939; they moved to the future site of Pelican and helped build the town. Not mentioned in Haa Aani.

1936 Kalle Raatikainen established a buying scow at Deer Harbor on Yakobi Island. The troll fleet had moved north along Baranof Island to the West Coast of Chichagof Island; Greentop to Cape Cross, Deer Harbor, Surge Bay, and Hoktaheen were heavily utilized by the salmon troll fleet.

Raatikainen used his fish packer, "Pelican", to transport the fish caught from these outside Yakobi Island areas to Sitka Cold Storage. The "Pelican" unloaded fish at Sitka and returned to Deer Harbor with groceries, mail, and fuel for the trollers.

1938 Kalle Raatikainen asked Hjalmer Mork advice on where it might be practical to build a cold storage in Lisianski Inlet. Mork took him to the site of present day Pelican. This was selected for its deep water harbor and hydro potential stream. In late summer the Raatikainen's buying scows were moved to the Lisianski site. September 28th the "Pelican" arrived with a crew of workers including Bob DeArmond. Joe Paddock and his brothers come from Juneau with their pile driver and Hjalmer Mork



moved from the Mork Mine. The freighter Tongass arrived from Seattle with construction material; the building of the community began. The DVD "Pelican the Early Years, 1938-44" documents the building of the cold storage, the dam & hydro, saw mill, and town. Not mentioned in Haa Aani.

1945-2024 Pelican continued to utilize Lisianski Inlet and Yakobi Island. The cold storage froze 4-5 million pounds of fish annually and shipped it to Bellingham via the Alaska Outport Transportation Association on the "Klehowa" and later a tug and barge. Groceries and freight returned to Pelican on the AOTA vessels. As the frozen fish market changed to a value added market, the Pelican Cold Storage was sold and eventually the cannery building was purchased by Yakobi Fisheries, YF, of Pelican. AOTA went out of business, the Alaska Marine Highway System brought ferry service to Pelican. YF established a modern flash freezing system and stored value added product in freezer vans that currently are shipped out on the ferry to Juneau.

The Pelican salmon troll fleet worked the outside of Yakobi Island, a hand full of boats concentrated on fishing Lisianski Inlet, Lisianski Strait, Stag Bay and Soapstone, ("Brat", "Oso", "It", "Anna", and "Albacore" primarily). There were other boats that fished mainly the "the beach" around Yakobi Island; "Robin", "Mary C", "Adak", "Fog", "Helen T", "Trio II", "Partner", "Minke" "Fremont", "Rose Marie" and others.

Meanwhile, larger vessels within the Pelican fleet, "Greta" (Toivo Andersen), "Belle J" (Oscar Vienola) are credited with locating the fish rich inner bank of the Fairweather Grounds. Later, Toivo Andersen was also credited with discovering the outer banks. The "Greta" is soon joined by other Pelican based boats in fishing this area, "Lightly" (John Clauson), "Aloha" (Jake Phillips), "Arminta" (Konrad Klippert), "Edrie" (Howie Ulrich), "Lone Fisherman" (Clarence Moy), "Nancy K" (Jim Phillips), "Shamrock" (Bill Hammer), "Hardy" (Dick Kendall), "Castaway" (Gordy Isaacson), "Haylie Christine" (Don Kenney), "Sword" (Ernie Eggleston), "Sitka" "Bill Odell" a long liner, and others who's names escape me and not in my records, I apologize.

Will commercial boats from Pelican that fish in "Borough waters" pay a seasonal sales tax on fish caught in those waters?



Commercial guiding/lodges are significant users of Lisianski Inlet, Lisianski Strait, Stag Bay, Cross Sound, and the waters around Yakobi Island. Beginning in the late 1980's, guided sport fishing became a part of the Pelican economy. In the beginning it was not a major part of the economy as the operators were "mom & pop" sized businesses, often with just one boat. Today there are large capacity lodges in Pelican that do contribute to the economy in the form of sales tax, and property tax. They support other businesses such as food service, air travel, ice sales, fish processing, etc. Will the proposed borough put a seasonal sales tax on charter fee fishing in "Borough" waters?

In addition to fish guiding, sport fishing by local residents heavily use the waters of Lisianski Inlet, Strait, and waters surrounding Yakobi Island. For the past 20 years the Pelican Chamber of Commerce has sponsored a king salmon derby; the waters described in the first sentence are the open areas for participants.

The Hoonah petition relied upon statements made by Hoonah residents in 1946 that often used hear-say in nature, very non-specific, and without a defined method of investigation. Compare the Hoonah petition to the activities, boats, dates, and persons listed in this paper. Additionally, there is data held by the ADF&G that would currently identify what, where, when, and who caught fish in these waters; that data has not been presented.

Yakobi Island and surrounding waters are very important to Pelican residents in harvesting subsistence food whether it be fish or game. The dock at Bohemia Basin provides a much used facility for locals to use in deer hunting, berry picking, and trapping. The Bohemia mineral deposit was discovered in 1921. Carl Velvestad was the first claim holder. The mineral deposit is in a valley about 2 & 1/2 miles from the shoreline and for years accessible by trail. At some time prior to 1960 a two story cabin was built at the beach head and a one story cabin near the mineral deposit. Many of us packed supplies for the caretaker to the upper cabin in return for permission to use the facility. Today, there is a new dock and ramp at the shoreline, the cabin has been removed, and a 3 sided shelter in its place. An environmental trust acquired the mine claim and gave it the Forest Service on the condition the mining designation would be removed permanently. In an agreement with the USFS the City of Pelican



is responsible for the dock at Bohemia. If it were not for the City of Pelican this area would have been sublet to a Juneau based tourism business. One can not help but wonder if Xunaa has its eye on this facility for expansion of industrial tourism.

The area out at the ocean entrance to the Strait is one that is used annually by berry pickers from Pelican. Red Huckleberries are found there and as well in Greentop Harbor. Greentop Harbor was once planned to be the site for a commercial fish buying station; that idea went by the wayside when Kalle Raatikainen built Pelican.

The Hoonah Petition has a boundary in Lisianski Inlet that would include the Apex El Nido mine deposits and the Goldwin mine deposits. Pelican residents founded and worked the Goldwin (Mork Mine). The Apex El Nido mine is directly across the inlet from Pelican, the area has recently been examined by geologists for potentially re-opening. Two years ago I was contracted to provide daily water taxi service for the 4 geologists from Pelican to the Apex/El Nido beach head for assessment work at the claim for about 25 days. Hoonah is over 60 miles from this mine, Pelican is 1 mile and will be the community providing services to any future developers.

### **Exhibit O "Harvest & Use of Wild Resources"**

This a technical paper from ADF&G is used to identify quantity of plants, animals, and fish used in the proposed borough. This written in 1990 almost 35 years ago! I submit that societal changes during this time have changed the use of the natural resources and will continue to change.

Presently Hoonah receives twice weekly seasonal State ferry service from Juneau, scheduled barge service from Seattle, during the summer there are 6 scheduled flights from Juneau, and 197 cruise ships were scheduled to visit the Icy Strait Point tourist development at Hoonah. Icy Point offers daily whale watching water tours to Pt. Adolphus, Zip Line, Bus Wildlife tours, ocean raft excursion, kayak tours, gondola, and guided wilderness hikes. Business description: "Icy Strait Point is renowned for its exemplary responsible tourism practices and has received numerous awards since opening. Owned and operated by Huna Totem Corporation,



Icy Strait Point is Alaska Native owned-and-operated and all profits directly support the local community.” With all this commercial activity it is hard to comprehend how the 1990 technical report on subsistence use and need is accurate.

Last but not least; how does ANCSA, Alaska Native Claims Settlement Act 1971 treat indigenous land & resource claims: “Aboriginal claims to land, and aboriginal hunting and fishing rights were extinguished by Congress through the passage of the Alaska Native Land Claims Settlement Act (ANCSA) in 1971.” (University of Alaska Fairbanks, Tribal Government.)

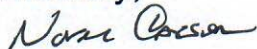
### **Recommendation**

The Xunaa Borough petition should be denied for the following reasons:

- Inaccuracies within the document.
- Boundaries are unrealistic and not supported by data. In Icy Strait, to the west, they should not go beyond Mud Bay.
- The boundaries will have a negative effect on the economies of Pelican and Elfin Cove.
- The amount and type of taxation rests with the Borough government; the population of Hoonah can dominate a change in ordinances.
- There does not appear to be any economic need for the community of Hoonah due to the tourism revenue of Icy Strait Point; “all profits directly support the local community”. This needs clarity; head tax, sales tax, etc.; is this entity subject to a defined tax?

For clarification on any of the information within this paper, please feel free to contact: Norm Carson, lcarson@att.net, or phone 907-321-1950, PO Box 98, Pelican, AK 99832.

Sincerely;



Norm Carson



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