

**Thomas M. Reinarts  
P.O. Box 2068  
Petersburg, Alaska 99833**

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Local Boundary Commission  
Alaska Department of Commerce, Community, and Economic Development  
550 West 7<sup>th</sup> Avenue, Suite 1770  
Anchorage Alaska 99504

Subject: City of Petersburg Borough Petition

Ladies and Gentlemen;

I am a resident of the City of Kupreanof and oppose the subject petition as it is currently proposed. I believe the issue under consideration is not that do you favor or do you oppose borough formation. The issue under consideration is to determine if the borough petition, as submitted, meets the intent of State Law and is in the best interest of all peoples and land included in the proposed borough boundary.

The concept of extending the boundaries of the City of Petersburg has been under consideration for a long time. In 2004, the City of Petersburg submitted a petition to the Local Boundary Commission to extend their boundaries to include most of the Mitkof Highway Corridor. This annexation petition met with significant resistance from the residents and property owners in the areas to be annexed. In 2006 the City of Petersburg withdrew the petition in difference to forming a borough. At the request of the City of Kupreanof, a work session regarding the borough formation was held in April of 2006. During that meeting, agreements were made that would serve to protect the City of Kupreanof. These agreements were included in early versions of the petition, but were taken out of later versions without any explanation. Questions from Kupreanof Councilors were left unanswered. Continued questions resulted in correspondence from City Manager Scott Hahn dated 17 December 2010. To quote from Mr. Hahn's correspondence "According to the City Clerk at some point no one was sure what it was for so it was removed from the final draft". If the City of Petersburg was interested in the needs and desires of the City of Kupreanof, a simple telephone call could have refreshed everyone's memory as to why those items were included in the earlier drafts. As can be seen from this one example, the City of Kupreanof was not truly included in the petition preparation process.

In August 2006, a Commission was formed to prepare a charter for the proposed Petersburg Borough. The nine member commission included residents from inside and outside of the current City of Petersburg. Over a period of two and a half months a series of open meetings were held in which the commission prepared a charter. The last meeting of the Charter Commission was held on 2 October 2006. After that meeting, information was sent to the individuals on the commission, but no further meetings were held. As individuals, some of the commission members submitted comments and suggestions, some of which were included in

future versions of the Charter. Section 19.18, Certification, states: “The undersigned members of the Charter Commission of the Borough of Petersburg do hereby certify that said Commission has prepared the foregoing Charter for the government of the Petersburg Borough.” It should be noted that the signature page for the Charter Commissioners is unsigned. Since the Charter Commission completed their work in October 2006 numerous changes have been made to the document. Some of those changes are minor in nature while others are very significant. There was not a meeting where the Charter Commission considered accepting or rejecting the changes and approving the Charter as submitted in the petition. At their regular council meeting on 5 May 2008, the Petersburg City Council decided that a Borough Petition Committee should be formed with the members of the prior Borough Charter Commission. This committee was formed as requested by the Council, but was disbanded, without explanation, before the first meeting.

In general, the petition as submitted to the local Boundary Commission is a superficial document that includes all of the “words” required to appear to meet the requirements of Alaska Statutes, but no substance as to how the proposed borough can deliver the described capabilities. Examples of the superficial nature of the petition follow:

- SECTION 18, g: “The communications media and the land, water and air transportation facilities throughout the proposed borough allow for the level of communications and exchange necessary to develop an integrated government”. There is no information as to how this can or will be accomplished. There are large areas of land and water within the proposed borough where the only means of communication could be by satellite telephone. In addition, access to these large areas is significantly influenced by tide, weather, and periods of darkness.
- SECTION 18, h: “All communities within the proposed borough are either connected to the seat of the proposed borough by a public roadway, regularly scheduled airline flights on at least a weekly basis, a charter flight service based in the proposed borough, other customary means of travel including boats, or sufficient electronic media communications”. Other than public roads on Mitkof Island, there is no explanation as to what the once a week airline flights are or the economics of how a charter flight service can be considered a reasonable or cost effective “connection to the seat of the proposed borough”. It would appear that the petition is suggesting that all residents in the proposed borough are on their own and at their expense to have contact with the seat of government. If this is true, the proposed borough essentially disenfranchises most residents not living on Mitkof Island.
- SECTION 18, i: “and include all land and water necessary to provide the full development of essential borough service on an efficient, cost-effective level”. The petition does not explain what essential borough service is, unless the table contained in SECTION 14 that indicates substantial Area wide services is what is meant. If so, the reasonableness and expense of providing those services are not included in the cost projections contained in the petition. For example, the table indicates “education” is an area wide service. As stated above, if the student lives on Mitkof Island, this can be done. However, for a person living on Point Agassiz or in Faragut Bay, this cannot be done because of cost, weather and periods of darkness.

- SECTION 18 o: “The proposed borough will have the ability to extend services to the area proposed for incorporation in a practical and effective manner”. The current petition does not explain how it can be financially viable to achieve the extension of any services beyond what is currently on Mitkof Island. Section 5.0 of the Transition Plan states “This transition plan does not promise any additional services to outlying areas until such time as the assembly and residents determine their needed/desired level of services through service areas”. The petition does not explain how any extension of services to areas other than on Mitkof Island can be economically accomplished.

The petition as submitted to the Local Boundary Commission is a flawed and unworkable plan that does not serve either the residents living outside of the City of Petersburg or those inside the City. The petition as submitted states that to be financially viable the property taxes of the residents of the current City of Petersburg will have to go up more than fifteen percent in year one of the new borough. As stated above, the petition does not address the costs of many of the capabilities/services that the new borough will provide. What the real tax structure to support the proposed borough might be needs to be carefully considered and explained before any group is encouraged to support a borough.

It is respectfully requested that the Local Boundary Commission reject this petition as being incomplete and having the appearance of not being financially viable. To approve such a plan and let the new borough figure out how to make it work would be a disservice to all residents in the proposed borough.

Sincerely,

Thomas M. Reinarts