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STATE OF ALASKA, DEPT OF COMMERCE, COMMUNITY &
ECONOMIC DEVELOPMENT

Community & Regional Affairs Local Boundary
Commission

September 5, 2024

1 MR. LARRY WOOD: Gentlemen, are we ready? Are
2 we ready? Good afternoon, everyone. My name is
3 Larry Wood. I'm here on behalf of the Alaska Local
4 Boundary Commission. It's a pleasure to be in
5 Hoonah, Alaska today. We are in line and we've got
6 a number of guests online. I would like to ask if
7 one of our commissioners, Ely Cyrus, from the Second
8 Judicial District, is present online. Hello, Cyrus?
9 Ely, are you on?

10 UNKNOWN MALE: Mr. Chair, he's not on yet,
11 right?

12 MR. LARRY WOOD: Not on yet?

13 UNKNOWN MALE: Need to send him the --

14 MR. LARRY WOOD: Okay.

15 COMMISSIONER ELY CYRUS: Good afternoon.

16 MR. LARRY WOOD: Those that are listening,
17 this is a hearing that has been scheduled in the
18 matter of the petition by the City of Hoonah for
19 incorporation of the Hoonah Borough as a home rule
20 borough and dissolution of the City of Hoonah. If
21 you've had a chance to look at our Local Boundary
22 Commission regulations, you know, this is just a
23 step in the process of considering a Petition for
24 rural formation. We're pleased to be here and we're
25 waiting for a few minutes for Commissioner Cyrus to

1 join us. And then I'll do -- ask for a roll call
2 just to make sure we have a quorum. I believe we
3 do. There's forum as present under the regulations.
4 It only takes two commissioners to conduct a hearing
5 of this nature. So, therefore, I think we have a
6 very good turnout. I want to acknowledge Mr. Dennis
7 Gray, the city Administrator of Hoonah, give us a
8 tour. Under the regulations in a rural formation
9 petition, a tour of the area, at least part of the
10 area being called for a rural formation, a tour is
11 required. And thank you again, Mr. Gray, is a
12 wonderful tour and we learned a lot about your
13 lovely community. How are we doing? Do we have --
14 Commissioner Cyrus, are you on the line?

15 UNKNOWN FEMALE: He's not on yet. I just sent
16 in (indiscernible).

17 COMMISSIONER ELY CYRUS: Yeah, I'm on. Good
18 afternoon.

19 MR. LARRY WOOD: Okay. He's --

20 UNKNOWN FEMALE: He's on.

21 MR. LARRY WOOD: He's on. All right. Maybe
22 we have a roll call for determination of the LBC
23 quorum. Commissioner Harrington?

24 COMMISSIONER JOHN HARRINGTON: Here.

25 MR. LARRY WOOD: Commissioner Walker?

1 COMMISONER CLAY WALKER: Here.

2 MR. LARRY WOOD: Commissioner Trotter?

3 COMMISONER RICHARD TROTTER: Here.

4 MR. LARRY WOOD: Commissioner Cyrus?

5 COMMISSIONER ELY CYRUS: Here. Good
6 afternoon. Can you hear me?

7 UNKNOWN MALE: Yes, we can hear you. Thank
8 you. And Chair Wood?

9 MR. LARRY WOOD: Here. We do have a quorum.
10 Good afternoon, Commissioner Cyrus. Thanks for
11 joining us today. We have before us a number of
12 people. We want to acknowledge their presence. We
13 have several folks from Hoonah. We have the city
14 administrator, Dennis Gray. Thank you for being
15 present. We have his attorney, John Tillinghast.
16 Good afternoon. We also have present a number of
17 people as I mentioned online. And I think what
18 we'll do is have them introduce themselves later on
19 when a comment is provided. We'll have an
20 opportunity for public comment as we go forward
21 today. But let me also acknowledge our staff. Jed
22 Smith is here for local -- actually he's for Local
23 Boundary Commission. He is assigned to us by the
24 Department of Commerce and Economic Development, and
25 we also have president helping us behind the scenes

1 is Grace (Indiscernible). Thank you, Grace. She's
2 handling all the electronics. If you're online and
3 you have difficulty getting through, we have an
4 alternative line for them to contact us.

5 GRACE: (Indiscernible).

6 MR. LARRY WOOD: All right. Well, Mr. Smith,
7 would you like to go through the meeting protocol in
8 a Zoom etiquette?

9 MR. JED SMITH: Yeah, I would be happy to.
10 Thank you, Mr. Chair. Jed Smith, staff to the Local
11 Boundary Commission. The agenda for today's public
12 hearing is posted on the Local Boundary Commission
13 website, along with all of the other meeting
14 documents. Those are all available on the
15 Department of Commerce's Division of Community and
16 Regional Affairs under the Local Boundary Commission
17 there. This meeting is in person as well at the
18 Hoonah City Hall in Hoonah, as well as online and
19 (indiscernible) Zoom. And all of that information
20 is attached to the agenda. The -- we have a quorum
21 today and we have a number of folks here in the
22 Hoonah City Hall Council chambers as well as online.
23 We are going to start the meeting with kind of an
24 overview of the petition and the petition process up
25 to this point. And then we will have an opening

1 statement from the petitioner as well as opening
2 statements from the two respondents in this case,
3 which are the City of Pelican and the community of
4 Elfin Clove. After that, we will have a
5 presentation from the witnesses called by the
6 petitioner. And we will be taking breaks throughout
7 that period. And then public comment will begin at
8 approximately 5:30 p.m. That time may be adjusted
9 as -- as the meeting proceeds. And -- and we can
10 happily provide updates as -- as we near that time.
11 Public comment will be limited to three minutes from
12 participants. And then after we have received all
13 of the public comment, we will have closing
14 statements by the petitioner, as well as closing
15 statements by each of the respondents. And then we
16 will have a reply by the petitioner, and we hope to
17 adjourn no later than 9:00 p.m. this evening. We
18 will try to stick to our schedule as close as
19 possible, and we will give all public commenters a
20 warning on their three minute time. With one minute
21 remaining, we will ring a bell and -- and then
22 within another 10 seconds, another ding of the bell
23 and then we'll ask you to wrap your comments up.
24 So, please be respectful of everyone's time. And
25 also, if you would mind muting your phone while we

1 have the presentation of the witnesses and as the
2 commissioners are speaking. And if -- when it is
3 your turn to comment as a member of the public,
4 please identify yourself by stating your first and
5 last name for the record as well as the community in
6 which you reside. If you have any questions
7 throughout this public hearing on the procedures or
8 if you're having trouble logging in, please contact
9 LBC staff. You can send an email to LBC, that's
10 local Boundary Commission, LBC at Alaska dot Gov.
11 And with that, I think that that kind of covers
12 everything, Mr. Chair.

13 MR. LARRY WOOD: Thank you, Mr. Smith. Can
14 you hear me all right or should I move that
15 microphone closer?

16 MR. JED SMITH: I believe I -- I can hear you.
17 And Mr. Cyrus, just as a test, can -- can you hear
18 us?

19 COMMISSIONER CYRUS: Yeah, I can hear you.

20 MR. LARRY WOOD: Okay. Mr. Smith, do we have
21 the name of the person that will be representing the
22 City of Pelican as their representative?

23 MR. JED SMITH: We do. I believe that will be
24 Mayor Patricia Phillips. I don't quite know if
25 she's on the line yet, but we're happy to look into

1 that.

2 MR. LARRY WOOD: And for the --

3 MR. JED SMITH: She is online.

4 MR. LARRY WOOD: -- for Elfin Clove?

5 MR. JED SMITH: I have not heard directly
6 from the community of Elfin Clove. So, maybe at
7 that point in the agenda we can see if there's
8 anyone online that can identify themselves as from
9 that community.

10 MR. LARRY WOOD: Okay. We can do that in a
11 few minutes. Commissioners, I'm going to call for a
12 break about every hour and a half to two hours.
13 I've been known in the past to go over a reasonable
14 period of time, so I hope that someone will say,
15 let's take a break if we get beyond that point of
16 reasonable. We have before as gentleman a -- an
17 agenda, a proposed agenda. As Mr. Smith discussed,
18 it's been posted online. I would like to have a
19 motion and a second to approve the agenda.

20 COMMISSIONER CYRUS: (Indiscernible) move.

21 MR. LARRY WOOD: It's a motion. Thank you.

22 COMMISONER CLAY WALKER: I second.

23 MR. LARRY WOOD: And thank you. It's been
24 moved and seconded that we approve the agenda that
25 you have before you. Is there any objection?

1 Hearing no objection, the agenda is adopted. Now, I
2 think I heard Mr. Smith that there'll be one ring of
3 the bell with one minute and the -- another ring
4 with 10 seconds. All right. So, at the beginning
5 of our agenda today, we have an overview of the
6 Local Boundary Commission with staff, Jed Smith, who
7 on our behalf and for the board prepared a
8 preliminary report and then later a final report.
9 So, way that works is you're unfamiliar with it.
10 The process is we have a proposed -- well, a report
11 not proposed, it's a final report, but it's before
12 the commission today for your testimony. So, we're
13 delighted that you're here to provide information
14 from your point of view regarding that report
15 (indiscernible) the topic related to this proposed
16 rural formation. So, Jed, I'm going to turn the
17 microphone over to you and thank you for your
18 overview.

19 MR. JED SMITH: Thank -- thank you, Mr. Chair.
20 I'll try to keep my comments brief. As you are all
21 aware, the staff's final report was released on
22 August 5th and -- and goes into far greater detail
23 than I will presently. But as an overview, the City
24 of Hoonah submitted a local action petition to
25 incorporate a nonunified home rule borough. This

1 petition would currently dissolve the City of Hoonah
2 and form a town site service area. The area
3 proposed for incorporation would include
4 approximately 10,403 square miles. It would be
5 Alaska's eighth largest borough geographically and
6 third smallest by population, the proposed
7 population of approximately 980 residents. The
8 petition was accepted for filing on Monday, November
9 the 27th, 2023, and a 90-day public comment period
10 commenced. The Local Boundary Commission staff
11 prepared a preliminary report at least on May 28th,
12 2024, which was followed by a 40-day public comment
13 period. This is the final report on the findings
14 based on the petition, the public comments, the
15 respondent briefs, and the petitioner's reply --
16 reply brief. And from the six public comments
17 received on the preliminary report, the Local
18 Boundary Commission will review the petition and its
19 related documents. And we are now in the public
20 hearing phase of the process. After today's public
21 hearing or at the conclusion of the public hearing,
22 the Local Boundary Commission will have no more than
23 90 days to hold a decisional meeting. At the
24 decisional meeting, the Local Boundary Commission
25 may adopt the petition, it may deny the petition or

1 it may amend the petition's boundaries, or other
2 terms of the petition. If the Local Boundary
3 Commission chooses to amend the petition, it may
4 impose conditions on incorporation. If approved by
5 the Local Boundary Commission, the Division of
6 Elections will be notified and the question will be
7 placed before the residents of the proposed borough,
8 and it would require a majority of a (indiscernible)
9 votes in order to become effective. The Hoonah
10 Borough would be Alaska's 20th borough. The last
11 borough to be approved for incorporation was
12 Petersburg Borough, which became effective on
13 January 3rd, 2013. LBC staff does not recommend
14 adopting the petition in its current form. As
15 identified in the report, there exists
16 (indiscernible) concerns about assumed area wide
17 powers and the addition of fewer than 100 residents
18 to the existing population of the city, which fails
19 to meet the LBC's constitutional statutory and
20 regulatory requirements for borough incorporation.
21 The petition only meets a minority of LBC standards.
22 Firstly, the petition proposes to essentially trade
23 one local government for another. Further, the
24 borough government would assume very little
25 responsibility for services that are currently being

1 delivered by the state of Alaska diminishing the
2 benefits to the state from rural corporation. The
3 petition also proposes -- proposed to incorporate a
4 vast boundary containing a potentially lucrative tax
5 base and other resources in Icy Strait that would
6 essentially benefit only the community of Hoonah to
7 the exclusion of some of the neighboring communities
8 that also utilize those resources. The question of
9 whether the proposed borough will -- will embrace an
10 area and population with common interests to the
11 maximum degree possible is challenged by what is
12 essentially a single community borough surrounded by
13 three neighboring communities that share natural
14 resources yet are not included in the proposed
15 boundary. Local Boundary Commission staff
16 acknowledges the work that the community of Hoonah
17 did to reach out to these neighboring communities,
18 all of which declined to participate in this borough
19 petition process. The coastal communities located
20 along Icy Strait and Chatham Strait professes strong
21 reliance on subsistence and commercial maritime
22 resources as well as a desire to protect and
23 preserve these resources. These communities often
24 share marine and air-based transportation methods.
25 If Hoonah is allowed to establish boundaries that

1 include all of Icy Strait in a significant area, the
2 Gulf of Alaska (indiscernible) capture revenue and
3 resources in the form of excise taxes that could
4 otherwise be distributed to other communities in the
5 region. This has happened before, notably when the
6 Bristol Bay borough was formed. While it may be
7 true that Gustavus could potentially become part of
8 the Haines Borough, cities of Pelican and Tenakee
9 Springs do not have the similar option of joining
10 adjacent borough without the dissolution of their
11 own municipality. It is incumbent upon the Local
12 Boundary Commission determined -- to determine
13 whether it would be in the best interests of the
14 state to allow the incorporation of the proposed
15 borough given the limited options of the neighboring
16 municipalities to join other boroughs, or to remain
17 in the unorganized borough in perpetuity similar to
18 other communities in Southeast Alaska such as
19 (Indiscernible) and (Indiscernible). In reviewing
20 this petition, the Local Boundary Commission is
21 tasked with deciding whether the unorganized borough
22 becomes more organized, whether regional municipal
23 government is the policy, or whether single
24 community borough governments are the appropriate
25 mechanism. This decision is not necessarily what --

1 this decision should not necessarily be what the
2 petitioner wants or what the neighboring communities
3 don't want, the commission must decide what is in
4 the best interest of the state of Alaska. Thank
5 you, Mr. Chair. That is all I have.

6 MR. LARRY WOOD: Thank you, Mr. Smith. Are
7 there questions, commissioners? Hearing no
8 questions, we will move to the petitioner's opening
9 statement. And I believe I should recognize Mr.
10 John Tillinghast, the Attorney for city, is that
11 correct?

12 MR. JOHN TILLINGHAST: That is a good guess,
13 Mr. Chairman.

14 MR. LARRY WOOD: Okay. And thank you for --
15 thank you for coming in. (Indiscernible)?

16 MR. JOHN TILLINGHAST: The proposed Hoonah
17 Borough is in many respects, typical of a lot of
18 other boroughs. It is a single city borough
19 surrounded by a considerable amount of land, but if
20 you look just to Southeast, that's equally true to
21 the Yakutat, Haines, Sitka, (Indiscernible). Now,
22 it's also going to be assessing one and I
23 (indiscernible), they had just one very wide tax.
24 And even though at the beginning, it's not going to
25 be extending a wide range of services

1 (indiscernible), but that was equally true. One
2 example, the North Slope Borough, that's what the
3 global oil case was all about. The oil companies
4 complains that the North Slope Borough was going to
5 tax (indiscernible). It was equally true the
6 Northwest Arctic Borough, which was funded
7 primarily, if not almost entirely by property taxes
8 on the very removal, it was also true of the Lake
9 and Peninsula Borough. It was also true of the
10 Lucius Islands Borough. Closer to home, it was true
11 of both the Haines, Ketchikan annexations. So,
12 neither of those factors is a strike against this
13 petition. And so, the focus of our testimony is
14 being on facts that do matter. We're going to focus
15 on three topics. One, our witnesses will describe
16 the expertise and the resources that are going to be
17 at the new borough's disposal (indiscernible). I
18 think you all know Hoonah was Southeast Alaska's
19 community of the year in 2022 and earned that award
20 because of attributes that our witnesses are going
21 to cover and those include perpetually annual budget
22 surpluses, state-of-the-art infrastructure, and
23 dramatic long-term infusion revenue and deployment
24 (indiscernible) facility. And you're also going to
25 hear a prognosis on Buddhist capacity going forward

1 from one of our regions, pre-eminent experts in
2 Southeast Alaska economics. Second, we're going to
3 look at the connectivity of Hoonah with the outlying
4 areas. One, we're going to look at how City of
5 Hoonah facilities are currently being extended --
6 extended to these areas, including police, fire and
7 AMT services and Hoonah's best of the region
8 Boulevard. And our witnesses are going to describe
9 how dependent Hoonah itself is on these elements,
10 particularly with respect to commercial fishing and
11 subsistence. Third, we're going to delineate the
12 traditional extent of Hoonah's tribal territory
13 throughout the borough, and most importantly, their
14 ancestral home, Glacier Bay. And let's be clear
15 here, Hoonah has never maintained that the reach of
16 our historical territory is dispositive, it's not.
17 But the staff takes the other extreme saying that
18 it's totally irrelevant. That is not something that
19 this commission should either weigh in balance.
20 That's not one of those issues of this is political
21 and social policy that our Supreme Court and
22 (indiscernible) are intrinsic to any rural formation
23 decision. In our view, Mr. Chairman, that act of
24 intentional blindness is so awful and it is
25 certainly unprecedented. As we detail in our

1 comments on the preliminary report, if this
2 commission's decision on the North Slope, Northwest
3 Arctic, Lucius East, the Yakutat and the Wrangell
4 boroughs, and all of those decisions, commission
5 gave weight and sometimes controlling weight to the
6 historical reach of the effective (indiscernible).
7 Particularly given Alaska's 2022 statutory
8 recognition of Alaska's tribes and their historical
9 presence here since time in memorial, it would be
10 disappointing to us to see this commission take such
11 a regrettable step backwards. Finally, we're going
12 to make mention of the efforts that we undertook to
13 include Gustavus, Pelican and Tenakee Springs in the
14 borough, and the irrelevance of that fact that we
15 were unable to do so. Now, we discussed this issue
16 in a great length in our (indiscernible) -- I'm
17 sorry, in our -- in our comments on (indiscernible).
18 And in those comments, we steered this commission
19 towards three things. One, five prior cases where
20 commission not only approved boroughs that omitted
21 common bordering communities, but in most of the
22 cases expressly held that those omissions did not
23 draw commission to (indiscernible). Second, we
24 extensively quoted from the constitutional
25 convention debates on Article 10, Section 3, which

1 is the key constitutional provision here,
2 demonstrating that our framers intended in that
3 section to create a flexible standard and one that
4 did not (indiscernible) borough formation or
5 formation on the inclusion of dissenting neighboring
6 communities. Thirdly, we quoted excessively from
7 this commission's debate on the 2008 amendments to
8 3AC981, making it clear that the -- that this
9 commission viewed Article 10, Section 3's command to
10 include common populations to the maximum degree
11 possible only required a sufficient population to
12 sustain (indiscernible). So, if I like, I'd like to
13 briefly lay out a history of this issue with the
14 commission. As I mentioned, we filed five cases in
15 which the commission approved borough creation,
16 expansion despite the omission of obviously common
17 joining communities. Bristol Bay Borough, which
18 omitted among other communities, (Indiscernible).
19 Lake and Peninsula Borough, which omitted all of the
20 closely related communities have already enjoined
21 with (Indiscernible) Borough. Denali Borough, which
22 omitted (Indiscernible). The Haines Borough, which
23 omitted Skagway and (Indiscernible) and the
24 Ketchikan Gateway Borough, which omitted
25 (Indiscernible). Conversely, we have not found --

1 and most importantly, the staff has not found the
2 single case which has denied borough incorporation
3 based on failure to include a dissenting neighboring
4 community despite a commonality (indiscernible),
5 there is no such case. And conspicuously, two of
6 the cases that I just listed, the commission
7 expressly based its decision in part on the fact
8 that these dissenting communities, if they would
9 join, might cause the borough incorporation
10 (indiscernible) to fail. The commission did not
11 want that to happen. Such was the kind of, again,
12 political consideration that our framers, the courts
13 and (indiscernible) that this commission have
14 repeatedly recognized as legitimate factors in
15 applying the open-ended (indiscernible)
16 considerations that are admissible in Article 10,
17 Section 3. You know, nobody likes getting ignored,
18 and so we were kind of disappointed to see that the
19 final report simply chose to ignore virtually all of
20 these comments. It said nothing about the Lake and
21 Peninsula Borough border. It said nothing about the
22 (Indiscernible) case, nothing about the Haines case.
23 And here's what (Indiscernible) did say with respect
24 to Bristol Bay and Ketchikan. For Bristol Bay, is
25 simply cited a sour grapes letter from the then

1 Secretary of State, who by the way, had no
2 involvement in borough formation decisions other
3 than overseeing the borough ratification election
4 after the decision had been made, complaining that
5 the commission (indiscernible) the commission has
6 already made decision to approve the borough. For
7 the Ketchikan (indiscernible), the report offers
8 three observations. First, it said, well, the
9 commission did require that Ketchikan come up with a
10 plan to (indiscernible), but the report didn't add
11 and should have -- was that five years later, the
12 staff and commission both determined that there was
13 no reason after all to require (Indiscernible),
14 (Indiscernible) inclusion in the borough. And to
15 this day, (Indiscernible) remains apart from
16 Ketchikan Borough. Second, the report claims that
17 (Indiscernible) is different from (Indiscernible),
18 and it points out to the fact that there's weekly
19 ferry service between (Indiscernible) and Hoonah
20 suggesting a commonality that doesn't exist between
21 Ketchikan and (Indiscernible) omitting the fact that
22 there's daily scheduled airline service between
23 Ketchikan and (Indiscernible). Finally, the report
24 quotes at length from -- from public comments by the
25 city of Craig on Ketchikan annexation, which I guess

1 Craig opposed that apparently the report believes
2 that these dissenting communities by this third-
3 party communities forms the final (indiscernible).
4 You know, looking at this from an attorney's
5 perspective, we compare our (indiscernible) comments
6 on the preliminary report to the final report
7 itself, you've got two very, very different briefs.
8 Our brief relies on the decisions of this court.
9 The other relies by analogy on dissenting comments
10 and on experts -- I'm sorry, and on excerpts from
11 the losing party's briefs. So, in your
12 deliberations, you can decide which of those two
13 briefs is more reliable. Hey, look, you know, would
14 it be better if we could add Gustavus and Tenakee
15 and -- and Pelican to a borough? Yeah. I mean, of
16 course, it (indiscernible). It would also be a lot
17 better if I were 25 years older than you, but gosh
18 (indiscernible), some things just aren't possible.
19 And the fact that it was -- it is not practically
20 possible to join Gustavus, Pelican and Tenakee to
21 this borough is what is the reason that the staff
22 side if for not recommending to this commission that
23 it join those communities to borough itself because
24 it's not possible. And so, please, as you listen to
25 our testimony and you begin your deliberations,

1 don't forget, don't ever forget that Article 10
2 Section 3 of the Constitution only demands the
3 possible and the dialogue, the -- the con -- the
4 Constitutional convention, the cases, all say that
5 possible does not include the unwilling and it does
6 not include the politically impacting. That's my
7 opening statement. Thank you, Mr. Chair. We look
8 forward to present our witnesses to you.

9 MR. LARRY WOOD: Thank you. Mr. John
10 Tillinghast. Mayor Patricia Phillips, are you on
11 the line? City of Pelican, Mayor Phillips?

12 MAYOR PATRICIA PHILLIPS: I -- I'm here.

13 MR. LARRY WOOD: Would you like to present an
14 opening statement on behalf of the city as a
15 respondent in this matter?

16 MAYOR PATRICIA PHILLIPS: Yes, sir.

17 MR. LARRY WOOD: Okay. Well, you do have 10
18 minutes, Mayor. By the way, welcome this afternoon.

19 MAYOR PATRICIA PHILLIPS: Thank you, chairman
20 Wood and Local Boundary commissioners. Good
21 afternoon. My name is Patricia Phillips. I am
22 mayor of Pelican Alaska. The City of Pelican is a
23 first-class city incorporated in 1943. The City of
24 Pelican submitted a responsive brief to the petition
25 by the City of Hoonah for incorporation of the

1 Hoonah Borough as a home rural borough and
2 dissolution of the City of Hoonah. The city of
3 Pelican filed written comments in response to
4 preliminary report to the Local Boundary Commission
5 regarding the proposal to incorporate the Hoonah
6 Borough. Due to the strong local public resistance
7 to the borough petition, greater public scrutiny and
8 compliance to the standards was undertaken. The
9 Pelican City Council determined that Hoonah's
10 petition does not meet the standards to incorporate
11 as established by Article 10 of the constitution of
12 the state of Alaska, Alaska statutes and Alaska
13 Administrative Code. In its preliminary report,
14 Local Boundary Commission staff analyzed the
15 petition to the standards and stated the Local
16 Boundary Commission staff does not recommend
17 adopting the petition in its current form. The
18 local government resource desk defines borough
19 incorporation. Borough incorporation means the
20 creation of a regional municipal government to
21 provide government services at the regional level.
22 Boroughs are regionally based municipalities. The
23 proposed petition boundaries must embody the
24 characteristics intended for borough governments.
25 Also, the proposal must serve the broad policy

1 benefit to the public statewide. Forming a borough
2 holds a compelling government interest when a
3 borough petition follows government regulations
4 under the frequently asked questions section, the
5 Department of Community Commerce and Economic
6 Development, Division of Community and Regional
7 Affairs states that the burden of preparing a proper
8 petition remains with the petitioners. The City of
9 Pelican asserts that the petition is not a proper
10 petition because the level of local services will
11 not expand outside the immediate area of the City of
12 Hoonah. The City of Hoonah's petition is revelatory
13 in that it limits area wide public services. As
14 stated in the petition's charter section 1.04,
15 powers of the Borough, all of the powers heretofore
16 possessed by the City of Hoonah shall upon the
17 assumption date become the area wide powers of the
18 Hoonah Borough. Pelican wishes to express that a
19 vast area of the lands and waters in the petition
20 are currently not under local jurisdiction and are
21 included in the unorganized borough in the state of
22 Alaska. The state -- Alaska State legislature
23 determined that the unorganized borough is a logical
24 borough unit. The Local Boundary Commission has a
25 substantial burden to demonstrate a legitimate state

1 interest in determining borough formation. The
2 proposed charter also states, section 11.01, sales
3 tax and other city taxes C, proceeds from the sales
4 tax imposed by Chapter 4.04 of the City of Hoonah
5 municipal code, and from other tax or license
6 imposed by the City of Hoonah Code shall be expended
7 solely for the benefit of the Hoonah Town site
8 service area created by section 12.03 of this
9 chapter, and for administration of the tax or
10 license provided however that, proceeds from the 1
11 percent sales tax for extracurricular activities set
12 out in section 4.04.030.C of the City of Hoonah
13 municipal code shall be allocated to the Hoonah
14 Borough School District. Section 11.02, 1 percent
15 seasonal area wide sales tax C, the seasonal area
16 wide sales tax shall be the only tax levied on an
17 area wide basis, and E, proceeds from the seasonal
18 sales tax shall be appropriated for area wide
19 functions. At its January 9th, 2 -- 2024 Zoom
20 information meeting, Hoonah indicated it was forming
21 a borough to increase revenue for the local school.
22 Pelican asserts that Hoonah has an unrealized tax
23 base as a first-class city. The Alaska taxable 2023
24 municipal taxation report table one A lists Hoonah
25 sale tax at \$3,089,808. This is significantly up

1 from \$1,005,185 in 2022. The transition plan lists
2 \$1,706,398 in year four. The current sales tax
3 revenues already nearly double the transition amount
4 for sales tax revenue. The formation of a borough
5 is for performance of state functions on a
6 regionalized basis. Hoonah states in Exhibit E
7 brief with respect to whether incorporation will
8 relieve the state government of the responsibilities
9 of providing local services 3AAC110.060.3, the
10 extent of state services with the City of Hoonah
11 will remain unchanged. Exhibit Q of the petition
12 brief states, it is reasonable to assume that a
13 significant percentage of that catch was by borough
14 residents or by those using primarily Hoonah and
15 secondarily Elfin Cove for fuel supplies or
16 logistical assistance. Pelican asserts that a
17 significant percentage of the catch landed by
18 commercial fishermen is also primarily landed at
19 Pelican, Sitka, Juneau, Petersburg, Wrangell,
20 Yakutat, and Haines. These other commercial fishing
21 efforts bypass Hoonah for fuel supplies and
22 logistical assistance. Page seven of the final
23 report states, the water surrounding the proposed
24 borough represent untapped wealth that through fair
25 and uniform taxation can better the lives of

1 everyone within the borough. In its community
2 meeting with Pelican, Hoonah discussed the
3 implementation of an excise tax on fish harvested in
4 all the coastal waters of Cross Sound, Lisianski
5 Inlet, Lisianski Strait, and Stag Bay. The salmon
6 industry is in economic distress among individual
7 fishermen and those dependent upon them for a
8 livelihood. An excise tax creates an overlapping
9 taxing authority that does not consider local needs
10 and the levying of taxes and the burden it places on
11 local citizens, community affairs, and community
12 interests. It is important to exclude from the
13 petition the areas of Cross Sound, West Chichagof,
14 Yakobi Island, Wilderness Areas, Stag Bay, Lisianski
15 Inlet, and Lisianski Straits. Residents of Pelican
16 have traditionally used these lands and waters of
17 this area for hunting, gathering, and fishing.
18 Commercial fishing vessels and sport fishing charter
19 boats, recreational boaters and subsistence and
20 personal use boaters transit daily to and from
21 Pelican to these identified areas. Residents of
22 Pelican have a customary long-term pattern of use in
23 the Lisianski Inlet, Strait, Stag Bay, and West
24 Chichagof, Yakobi Island, Wilderness Area. The city
25 of Pelican was awarded a boating infrastructure

1 grant to develop and replace a small boat dock at
2 the Bohemia Creek site in Lisianski Strait. The
3 dock and gangway are maintained by the city of
4 Pelican. The dock provides access to a three-sided
5 emergency shelter and to recreational opportunities
6 from Pelican. Residents of Pelican rely on access
7 to the Lisianski River, Steelhead Creek, Phonograph
8 River, (Indiscernible) River, Surge Lake River, The
9 (Indiscernible) River for subsistence harvest of
10 sockeye, chum and co-host salmon. Residents of
11 Pelican hold shark cards, subsistence halibut,
12 registration certificates for fishing halibut in the
13 waters of Lisianski Inlet, Strait and Cross Sound.
14 Yakobi Fisheries, Shoreline Wild Salmon, Icy Strait
15 Seafoods and other locally based seafood processors
16 buy fish, custom process seafood for local,
17 regional, and nationwide markets. The Sport Fish
18 Charter Lodge operators cater to hundreds of clients
19 to fish the outer waters of Cross Sound, including
20 the three A side of Cross Sound for halibut.
21 Geographically, the coastal range is a broad
22 roadless mountainous landscape. The maps in the
23 petition failed to distinguish the topo --
24 topography and geography of the area. Hoonah's map
25 is a set of straight lines on a cartoon, which truly

1 lacks the separateness that this area of Chichagof
2 Island has from the Hoonah area. Pelican is
3 separate -- separated from Tenakee Springs,
4 Gustavus, and Elfin Cove by an expanse of open ocean
5 and rugged mountains. The Hoonah petition
6 boundaries must be scaled back and limited to the
7 lands and waters geographically nearer to Hoonah.
8 Pelican separateness is justification to amend
9 Hoonah's boundary lines near Hoonah's location. The
10 proposed 10,403 square miles significantly exceeds
11 its boundary needs, given that Hoonah will be the
12 sole recipient of area wide services. That con --
13 concludes my remarks for now, Mr. Chair. Thank you.

14 MR. LARRY WOOD: Mayor Phillips, thank you
15 very much. Do we have a -- a representative from
16 Elfin Cove who would like to present an opening
17 statement? There is a community association or an
18 incorporated non-profit community association that
19 is respondent and you're entitled to an opening
20 statement. Do we have a representative online?

21 MR. JED SMITH: Yeah. Mr. Chair, I think we
22 have Mr. Scott Oliver online to speak for the
23 community of Elfin Cove.

24 MR. LARRY WOOD: Is that true, Mr. Oliver?
25 Would you like to speak?

1 MR. OLIVER SCOTT: Oh, I'm now on muted.
2 Thank you. I wasn't -- I -- I didn't know I had the
3 -- the ability to do that, so that's good. Yes, I
4 would like to make a statement. Thank you.

5 MR. LARRY WOOD: Well, thank you for being
6 present and good afternoon. You have 10 minutes.

7 MR. OLIVER SCOTT: Oh, thank you, Chairman
8 Wood. Thank you, commission, for the -- for this
9 opportunity to speak before the commission regarding
10 this proposed borough. Again, my name is Scott
11 Oliver and I have been asked to present the opening
12 statement for respondent community of Elfin Cove.
13 The community of Elfin Cove is opposed to the
14 petition submitted by the City of Hoonah for its
15 incorporation of the Hoonah Borough. Petitioner,
16 City of Hoonah has failed to meet the statutory
17 requirements for incorporation and for some of the
18 following reasons; some standards to consider, and I
19 think we've all discussed the -- the Alaska
20 constitution and -- and the importance of the
21 standards laid out. Some are dispositive, some are
22 -- are, you know, more suggestive, but certainly
23 standards that we should look at. One standard, the
24 population is integrated and interrelated as to its
25 social, cultural, and economic activities.

1 Petitioner claimed in its petition that Hoonah is,
2 quote, the hub of this region, and even the proposed
3 boroughs most remote residence depends on Hoonah for
4 supplies, support, and transportation. This claim
5 is easily demonstrated to be inaccurately -- inac --
6 inaccurate, and certainly for Elfin Cove. None of
7 Elfin Cove's social or economic interests or
8 activities interrelate with Hoonah. Gustavus is
9 certainly closer and more convenient, but most
10 economic -- economic activity is with the city of
11 Juneau. Regular water and air transportation
12 between Elfin Cove and Juneau provides
13 transportation for people, supplies, mail, medical
14 care, and other essential services. Elfin Cove is a
15 geographically distinct and isolated area. Its
16 primary, social and econo -- economic interaction is
17 with Juneau and Gustavus. There is no common
18 carrier between Hoonah and Elfin Cove. It is much
19 more economical to get supplies from Juneau and it -
20 - which is only marginally further than Hoonah.
21 Daily float plane service or nearly daily float
22 plane service from Juneau to Elfin Cove ensures
23 consistent and economical delivery of supplies,
24 support and transportation. Gustavus provides more
25 opportunities for supply and support and

1 transportation than Hoonah. Nothing about Hoonah's
2 economic characteristics and activities are
3 interrelated with Elfin Cove. Hoonah relies
4 primarily on tour -- tourism and primarily the
5 cruise ship industry. Expenses for the proposed
6 borough will be driven by Hoonah's need to support
7 their tourism industry to the detriment of the
8 outlying communities. During an economic downturn,
9 there will be substantial pressure on the outlying
10 communities to financially support the fixed costs
11 of the tourism-based infrastructure and public
12 facilities. As mentioned, transportation is an
13 important piece, and there is no -- there are no
14 direct flights between Elfin Cove and Hoonah, all
15 flights go through Juneau. No ferry services
16 available. Residents from Elfin Cove wishing to
17 utilize the services of Hoonah, such as attending
18 board meetings, would be required to go to Gustavus
19 or Juneau or take their own private boat and take
20 that arduous trip from Elfin Cove to Hoonah.
21 Another standard that's listed in the Constitution
22 boundaries generally conform to the natural
23 geography and include all areas necessary for full
24 development of municipal services. The boundaries
25 identified in the petition are expansive and far

1 beyond the area of influence of the petitioner.
2 Petitioner plays no role at all in the activities of
3 Icy Strait, a key waterway for Elfin Cove. The
4 exclusion of Gustavus, Tenakee Springs and Pelican
5 are fatal to this petition. Such exclusion clearly
6 undermines the requirement that all areas are
7 included. And I will make note that in petitioner's
8 opening statement, petitioner mentioned that a
9 dissenting community such as Gustavus or Tenakee
10 Springs has not in the past been a reason for
11 denying a petition. However, petitioner fails to
12 mention that in this case, the omissions make it
13 nearly impossible for subsequent borough formation
14 that would include these omitted communities, and
15 it's going to create fragmented government, not the
16 development of consistent government in the area. I
17 think there's an opportunity to work hard and find
18 the politically challenging issues to overcome. I
19 don't believe they're politically impossible. I
20 just think we have to work harder, and there are
21 opportunities to -- to create form -- government
22 formation, borough formation that would be more
23 inclusive. Another critical component of this
24 analysis is whether the borough will provide for
25 essential municipal services on an efficient and

1 cost-effective level. Petitioner does not address
2 in at all in its provision of the -- of muni -- does
3 not address the provision of municipal services to
4 Elfin Cove. In fact, petitioner does not provide
5 any evidence of a benefit to Elfin Cove in its
6 petition. The primary role for Elfin Cove will be
7 to pay taxes to support petitioner's activities with
8 little or no say in the matter, nor any benefit to
9 the community of Elfin Cove. Petitioner goes to
10 great lengths to argue that any extension of local
11 government will be limited and offers no evidence
12 that governance in Elfin Cove will be improved with
13 the creation of the borough. In fact, residents of
14 Elfin Cove will have little or no voice in borough
15 governance and no offered improvements for the
16 community while facing the prospect of increased
17 taxes. Elfin Cove has been effective in providing
18 important governmental services for this community
19 and has done so for many, many years. Elfin Cove
20 has improved and maintained the community's access
21 to fuel, electricity, safe water, emergency medical
22 supplies, the US Postal Service, and also indoor
23 recreation, meeting rooms, a museum and continuing
24 efforts to put -- to find energy sources such as
25 hydropower. This petition and the petitioner in its

1 -- in its -- in its -- in its presentation, offers
2 nothing to help support, maintain, or approve -- or
3 improve these essential services for the community
4 of Elfin Cove.

5 As we mentioned, land -- land, water, and air
6 transportation is very important and there are no
7 necessary connections. There -- there isn't a -- a
8 -- a ferry service. There isn't a -- a -- there is
9 no air dedicated flight. Elfin Cove does not have a
10 runway. It would have to be a float plane. And so,
11 the -- the connection between the two is
12 challenging. There are no dedicated lines. Only
13 those that have dedi -- that have access to high
14 quality internet -- internet access will be able to
15 communicate with Hoonah, and that creates a
16 challenge in participating in the -- in the borough
17 in -- in the -- the meetings for the -- for the
18 community. It has -- was stated in the -- in the
19 petition that meetings would be mandatory in person
20 unless a good reason could be provided beforehand.
21 That's challenging for a community like Elfin Cove
22 to get to -- to Hoonah to attend these meetings and
23 be able to make their case for their positions in --
24 in various governmental activities. And one thing,
25 one other thing to mention, the resistance. As

1 noted, Pelican, Gustavus, Tenakee -- I'm sorry,
2 Gustavus, Tenakee Creek and Pelican were not
3 included because they're of their opposition. Elfin
4 Cove should be included as a community opposed to
5 this position. Residents of Elfin Cove had
6 consistently stated their objections to being
7 included in the proposed borough. Despite these
8 objections, petitioner intends to plow forward with
9 their proposal while admitting that the proposed
10 borough will not be able to serve our community.
11 Petitioner admits the new borough will not provide
12 any services outside the Hoonah town side, and yet
13 are proposing a 1 percent sales tax on Elfin Cove
14 businesses. Such a proposal is completely
15 unacceptable to the -- to the community of Elfin
16 Cove. Finally, best interest of the state. The
17 piecemeal nature of the proposed borough, excluding
18 certain communities while at -- while having others
19 included, will -- who have expressed hostility, will
20 not promote local government and will not make the
21 creation of a future borough more -- more -- more
22 doable and will let -- will leave -- the -- the
23 left-out communities will create a situation where
24 further government formation will be nearly
25 impossible. It cannot be in the best interest of

1 the state to authorize the creation of the Hoonah
2 Borough that creates fracture -- fractured local
3 governance, not maximum self-governance. And in
4 conclusion, the applicable constitutional, statutory
5 and regulatory standards that must guide the
6 commission's valuation do not support the
7 incorporation of this area identified in the new --
8 in the Hoonah Borough. Elfin Cove respectfully
9 requests the commission reject the petitioner -- the
10 petitioner's petition for incorporation. And thank
11 you for your time.

12 MR. LARRY WOOD: Thank you very much, Mr.
13 Oliver. Appreciate your time. We're going to go to
14 that part of our agenda now, where we invite the
15 petitioner to present a number of witnesses. Now,
16 for those folks that are listening, and for those in
17 the room, we know there's about two and a half hours
18 of testimony of various witnesses. And Mr.
19 Tillinghast, I believe you'll lead that conversation
20 and you have a witness. I -- what I didn't mention
21 earlier is when the witnesses testify as opposed to
22 the public, we'll be administering an oath, and I
23 don't mind doing that. But is Mr. Gray, your first
24 witness, Mr. Tillinghast?

25 MR. JOHN TILLINGHAST: That's right. Our

1 first witness will be City Administrator, Dennis
2 Gray.

3 MR. LARRY WOOD: Okay. Mr. Gray, would you
4 please raise your right hand?

5 DENNIS GRAY: Yes.

6 MR. LARRY WOOD: Do you solemnly swear or
7 affirm to tell the truth?

8 DENNIS GRAY: Yes.

9 MR. LARRY WOOD: Thank you very much. Would
10 you please state your name and spell your last name
11 for our record?

12 DENNIS GRAY: Certainly. Dennis Gray, Jr, G-
13 R-A-Y.

14 MR. LARRY WOOD: Thank you, Mr. Gray. Mr.
15 Tillinghast, (indiscernible) because he gave us the
16 timeframes, looks like 10 minutes for your testimony
17 today.

18 DENNIS GRAY: Okay.

19 MR. LARRY WOOD: Thank you.

20 DENNIS GRAY: All right. Thank you, Mr.
21 Chair. First, I'd like to welcome the Local
22 Boundary Commission and staff to Hoonah in my
23 hometown. Today's an important day for us, and we
24 thank you for making the effort to come out here.
25 First off, what is going to support the Hoonah

1 Borough? Hoonah has a long history of self-
2 governance starting with the formation of Alaska
3 Native Brotherhood Camp 12 in 1922, which advocated
4 for citizenship of Alaska natives securing economic
5 inequalities through recognition of Indian land
6 title, the preservation of salmon stocks. The
7 tribal government, Hoonah Indian Association was
8 formed in 1939 to further advance the causes for
9 people of Hoonah, which included self-determination,
10 economic relevant for the natives of Hoonah. The
11 City of Hoonah was formed in 1946 as the first-class
12 city in the territory of Alaska. The incorporation
13 was in response to the fire of 1944 because we
14 needed a charter local government to handle the new
15 Western style homes with the needed water, sewer,
16 and power and (indiscernible) was formed for that
17 reason. If you look at the walls behind me and you,
18 you'll see the past mayors of Hoonah starting in
19 1946. You also notice there's one female mayor on
20 the wall, who's my mother, Steve Gray, she was
21 heavily involved in local politics and the health
22 board to city council to the mayor. She taught me
23 that I couldn't complain about local issues until --
24 unless I was involved in the process. As an elected
25 council member and mayor, and now as administrator,

1 my goal is to advocate for people of Hoonah ensuring
2 that are viable community, and I do that every day.
3 (Indiscernible) Corporation was incorporated in
4 1972, which chartered with the economic development
5 for the people of Hoonah and gain title
6 (indiscernible) 2008, when around Hoonah, which has
7 helped kicked off our recent modern economic
8 successes. All these groups still exist and the
9 reason why Hoonah is successful. These local
10 efforts are based on trying to observe our way of
11 life. If borough government is the next iteration
12 for people of Hoonah trying to ensure that we can
13 move forward with our values and our way of life as
14 we see fit. Borough incorporation efforts, over the
15 past three decades, Hoonah has tried to include
16 communities of Gustavus, Elfin Cove, Pelican,
17 Tenakee Springs into a regional government, they
18 have all declined. We started in 1989, the borough
19 study completed by DCRA that included the Chatham
20 Regional at (Indiscernible) area, Angoon, Hoonah,
21 Pelican, Kake, Tenakee, (Indiscernible) and
22 Freshwater Bay. This was not successful. In 2002,
23 the City of Hoonah, again asked DCRA to complete a
24 feasibility study and work was completed by a
25 contractor for the state and included Hoonah,

1 Gustavus, Elfin Cove, Pelican, and Tenakee. And
2 again, this borough effort failed. In 2007, the
3 City of Hoonah again initiated an effort to create a
4 borough for Northern Southeast and included the
5 following communities, Hoonah, Elfin Cove, Gustavus,
6 Pelican, and Kake, all those communities
7 participated in meetings that tried to frame out
8 proposed borough Charter. We also invited Angoon
9 and Tenakee, but they were non-responsive to our
10 invitations. We had two telecom meetings that were
11 held December 2007 and January 2008, this led to an
12 in-person meeting in Juneau in May of that year.
13 All the concerned communities showed up and -- and
14 participated. That effort was derailed again
15 because of change of leadership in all the
16 communities and priorities changed, and that effort
17 stopped. Again, we tried in 2018, and John Moller
18 will speak to that effort later on in the hearing
19 force. Financial stability. Since 2016, the City
20 of Hoonah has generated more revenue than expenses
21 for a general fund and enterprise funds. This has
22 occurred because of increased revenue from cruise
23 ship tourism and effective budget management. We've
24 expanded our tax base by establishing new alcohol
25 and tobacco taxes to Hoonah. We've also experienced

1 large increases in our CBD tax since in the past
2 eight years. During that same time, we -- our
3 utility rates were increased twice by the city to
4 ensure that our enterprise funds are self-
5 sustaining. Our good stewardship of the enterprise
6 funds has consistently scored as high in the state
7 of Alaska as the rural utility key scoring system.
8 This, in turn, has allowed the city to secure grants
9 to keep utilities in excellent shape as you guys see
10 in our new wastewater plant on the tour today.
11 You'll hear about how well we're doing with our
12 city's contract process engineer later on the
13 hearing, she'll discuss our infrastructure. In
14 2016, 1 percent of our sales tax represented
15 \$224,000 revenue to city. In 2024, we estimate that
16 to be a half million dollars. And again, that's
17 based on tourism impacting our economy so
18 positively. As far as Elfin Cove and outlying
19 communities' integration, the city's intention is in
20 welcoming and to be inclusive to our neighbors like
21 Elfin Cove, as they become part of the new borough.
22 The Hoonah Borough will be a nonunified home rule
23 borough, allowing Elfin Cove to keep its community
24 association. The borough also allows Elfin Cove to
25 create a new service area to address any issues they

1 find important for their community and their
2 location. And as key is that they can form that
3 body to address that to the assembly. We also
4 intend to have available by telecom or Zoom for
5 meetings to be available to constituents in Elfin
6 Cove, but (indiscernible) they can all call it
7 because the City of Hoonah's council currently does
8 that. Today we have Zoom available to anybody who
9 needs to call in if they can and that's the
10 intention to be able to allow the folks that are not
11 in the main area to participate in the process.
12 That's all I have for now. Thank you, Mr. Chair.

13 MR. LARRY WOOD: Thank you, Mr. Gray. Are
14 there questions, commissioners for Mr. Gray? You
15 know, Mr. Gray, I have a few questions, sir. I
16 think I'll read from our final report. Remind us
17 all of some of the language. Thank you again, Mr.
18 Smith for your work. Reading from the second page,
19 second paragraph from the bottom. The petitioner
20 has gone to great lengths and expense to put this
21 proposal forward. The petitioner even commissioned
22 a consulting firm to convene meetings in the
23 regional communities in 2018. A report on these
24 community discussions indicated there were more
25 questions from the community, but not that there

1 were -- was outright opposition from neighboring
2 communities. Despite this opposition, by January
3 2019, Hoonah had appointed a borough formation
4 commission that included representation from the
5 city in Game Creek, but not other neighboring
6 communities. It is unclear why the city moved
7 forward so quickly and a letter from Gustavus' Mayor
8 to Hoonah's mayor in October 2019 expresses
9 puzzlement over a widely multi community-based
10 approach was abandoned. Now, I'm not going to ask
11 this question seeking to know where the truth lies.

12 DENNIS GRAY: Right.

13 MR. LARRY WOOD: It -- it is sufficient to say
14 there is, judging by the comments we've received and
15 we've read, disagreement. My question really
16 relates to the interest that Hoonah might still have
17 in these conversations. Now, Mr. Tillinghast in his
18 opening alluded to, it would be wonderful if there
19 was common agreement. Here's my question, if we had
20 representatives from Elfin Cove and Pelican and
21 Gustavus here and Tenakee Springs, what would be the
22 main selling points you would be making in terms of
23 why borough formation would be good for everyone?

24 DENNIS GRAY: Again, it -- it is back to my
25 statement about we're trying to preserve our way of

1 life as we see fit. We're rural residents in
2 Southeast Alaska. We want to ensure that we don't
3 have the Haines Borough, the (Indiscernible)
4 Borough, Sitka Borough trying to include us in their
5 borough where they have a property tax. Ours is
6 more libertarian than (indiscernible). We think
7 that if you have a property tax, you don't own
8 property, and so we're trying to avoid that context.
9 And so, we think that there's enough of a reason to
10 preserve our way of life. We want to have a sales
11 tax and (indiscernible) to run government. We don't
12 need to have a property tax. And that's our biggest
13 thing that we want to try to preserve. And we've
14 done that discussion with them over the years. And
15 it's just been a stumbling block continually. And
16 John Moller will speak better to the 2018 effort --

17 MR. LARRY WOOD: Yes.

18 DENNIS GRAY: -- later on in the testimony
19 line (indiscernible).

20 MR. LARRY WOOD: There was something in the
21 petition caught my eye and I -- I guess if I were in
22 your seat, maybe I would allude to this as an
23 important consideration.

24 DENNIS GRAY: Okay.

25 MR. LARRY WOOD: It's on -- what the page

1 number is? But it's part of section six. I don't
2 think they're page numbers, but I could be wrong.
3 Here's what the sentence says. Excuse me.
4 Moreover, the water surrounding the proposed borough
5 represent untapped wealth, that through fair and
6 uniform taxation can better the lives of everyone
7 within a borough. If I were living in one of these
8 included and excluded communities, how would you
9 make that clear to me?

10 DENNIS GRAY: So, we, at one point in time in
11 our efforts to try to (indiscernible) borough to
12 figure out a way to fund it, we didn't have an
13 excise pass on commercial fishing as a component of
14 our budget. We have since dropped that from the
15 discussion because we realize the inequities and
16 costs and values across (indiscernible) fishing is
17 more expensive than salmon, top of (indiscernible)
18 saying it's a pink. And so, that discussion is --
19 is kind of away because we don't -- we're not going
20 to do an excise tax and sales tax (indiscernible)
21 simple.

22 MR. LARRY WOOD: You know what? I've read a
23 lot of -- I've read all of these topics and there's
24 several points. Excuse me, I'm getting over a cold
25 here a little bit. One of those is the concern that

1 -- well, wait a minute, your assembly could change.
2 We're not necessarily going to be represented. This
3 is obviously Elfin Cove comments. What's to prevent
4 an assembly from changing that?

5 DENNIS GRAY: Well, economics is a big
6 concerning course. You heard (Indiscernible) talk
7 about the (indiscernible) state of the sand in the -
8 - for price that we have. The assembly is not going
9 to want to try to push our (indiscernible) that's
10 already in -- on the (indiscernible) as well and
11 even (indiscernible) this year because the price is
12 so low. So, I don't see the assembly wanting to --
13 to do that ever.

14 MR. LARRY WOOD: Okay.

15 DENNIS GRAY: Can -- can John add to that?

16 MR. LARRY WOOD: I'm sorry. John?

17 MR. JOHN TILLINGHAST: I -- I -- I wasn't
18 going to interject until I got permission to
19 interject. Oh, just add -- to add something to --
20 to Dennis' comment. It -- it is -- it's -- it's in
21 the charter and now charters are not amenable,
22 they're (indiscernible), but there's immutable as
23 any local development (indiscernible).

24 MR. LARRY WOOD: I read that in your brief.
25 Yes.

1 MR. JOHN TILLINGHAST: Yeah. Yeah. And --
2 and the charter says that the sales tax is the only
3 tax that's going to be applied on every
4 (indiscernible) basis meeting outside the
5 (indiscernible) outside service area. And that it
6 would take a charter amendment for that to change.
7 Of course, with the sales tax, if the fish that's
8 caught out in Icy Bay has landed in Hoonah, Hoonah
9 assesses the tax. If the sales tax is landed in
10 Gustavus, Gustavus assesses the tax. We're not
11 reaching out and taxing Gustavus' fish. Our charter
12 says we can't reach out and tax Gustavus' fish.

13 MR. LARRY WOOD: There are concerns expressed.
14 I - let me just pick some from that long -- let me -
15 - the hub, where's the hub of the borough? Where's
16 the seat of the borough? How about representation
17 on the assembly? What local services are going to
18 be provided either now or in the future? Taxes?
19 We've been talking generally about taxes.
20 Transportation, social interaction. And I -- I
21 think we'll be talking to Mr. Moller, but part of
22 what I'm driving at here, Mr. Gray, is I don't -- I
23 think you're open to those conversations, is that
24 correct?

25 DENNIS GRAY: Certainly. And we have been

1 (indiscernible) this way. We've been trying since
2 1989 to have those discussions and we've had
3 discussions always (indiscernible) including Mayor
4 Phillips, you've been involved that discussion
5 multiple times. So, we've been trying. And so, the
6 thinking is that if we set up a borough that is
7 simple and it's clear that they can see the benefit
8 being part of that borough later date. So, that's
9 the -- you have got to leave in the front, right?
10 The point is if we want get this set up and Pelican
11 (indiscernible) Elfin Cove to see the benefits
12 because (indiscernible), part of our borough, but
13 you can't have something functioning till you get it
14 going. So, that's the thinking is that we're trying
15 leave.

16 MR. LARRY WOOD: Did my questions generate any
17 questions, commissioners? Okay. Well, I hope they
18 were good questions.

19 DENNIS GRAY: Yes, sir, (indiscernible).

20 MR. LARRY WOOD: All right. Thank you very
21 much, Mr. Gray. Now, your next witness, Mr.
22 (Indiscernible).

23 MR. LARRY WOOD: Our next witness is going to
24 be Meilani Schijvens, who should be online and ready
25 to go. There she is.

1 MEILANI SCHIJVENS: Hello. I am going to be
2 sharing a few slides. So, I was told that the
3 disabled screen slide sharing would be updated so
4 that I could share slides during my 10 minutes.

5 MR. LARRY WOOD: Yes.

6 MEILANI SCHIJVENS: There we go. Thank you.
7 So, as mentioned, my name is Meilani Schijvens. I
8 am the owner and director of Rain Coast Data. Rain
9 Coast Data is a economics publications firm that we
10 started 10 years ago. I've been doing economic
11 analysis in Southeast for 25 years now. Sorry, was
12 there a question?

13 MR. LARRY WOOD: No, there was not.

14 MEILANI SCHIJVENS: Okay. So, what I'm going
15 to do today is just really quickly go over some
16 economic updates of the affidavit I provided in
17 February of 2023. Just -- we'll be just going over
18 some top line Hoonah economic indicators including
19 cruise ship passengers, jobs, wages, unemployment,
20 population, K through 12 enrollment, and the
21 business climate. So, I think the best place to
22 start is cruise ship passenger arrivals because this
23 chart sort of sets the stage and tells the story of
24 -- and informs all of the other charts. The first
25 cruise ship coming to ISP came in in 2004. Cruise

1 ship passenger numbers increased through 2019. Of
2 course in 2020 there was no cruise ships coming to
3 Southeast. In 2021, there was a 10th of the 2019
4 cruise ship season. Obviously, cruise ship
5 passengers have come back quite strongly to Hoonah
6 since then. In 2024, we're projecting 545,000 just
7 a bit over that in terms of cruise passengers coming
8 to Hoonah. That number is expected to stay stable.
9 We see a similar number in 2024 as 2023 and similar
10 projections moving forward at just above a half
11 million. What's happened between 2018 and 2024 is
12 we -- the -- the number of cruise ship passengers
13 coming to Hoonah have just about tripled. It
14 doesn't -- my screen doesn't want to move forward.
15 Oh. Huh. All right, there we go. Moving on to
16 wage and labor. When we look at total jobs, jobs
17 increased through in - in 2019. Let me just
18 explain, the Hoonah SSA is the Hoonah -- Hoonah sub
19 sub area, it's the smallest economic area that we
20 can measure. It does include Hoonah, Elfin Cove,
21 Pelican, and a number of other smaller places. It
22 does not include self-employment, but because Hoonah
23 is by far the largest community in -- in -- in this
24 SSA, that the percentages really, really are a good
25 reflection of what's going on in the local Hoonah

1 economy. So, a 12 percent increase in jobs in 2019.
2 In 2020, Hoonah lost 24 percent of all of its jobs.
3 Jobs came back by 18 percent in 2021, 23 percent in
4 2022, and another 9 percent in 2023. This means
5 that the 2018 to 2023 job increase in Hoonah was 35
6 percent, 35 percent job increase. And if this
7 sounds like a really large number, it is, it means
8 that Hoonah is the fastest growing community in
9 Southeast by a job count. The entire region, when
10 we're kind of looking at this -- these -- these wage
11 and labor jobs, let me just point out these jobs are
12 not peak jobs, they're annualized jobs. So,
13 annualized over a year annual equivalent job. The
14 region added 20 wage and labor jobs, Hoonah added
15 135. So, really significant growth. We see a
16 similar story when it comes to wages. Wages were up
17 in Hoonah in 2019 by 10 percent. They went down
18 with the pandemic by 13 percent in 2020, started to
19 come back in 2021. Really strong growth. 39
20 percent increase in 2022 and another 15 percent wage
21 growth in 2023. This means that between 2018 and
22 2023, Hoonah's wages grew by 82 percent. And again,
23 this -- this - this time it makes it -- this -- the
24 second lar -- the -- the community with the second
25 largest wage growth in Southeast Alaska. Yakutat

1 was a bit higher and Gustavus was just a bit lower.
2 And then just moving on to unemployment, what we saw
3 is unemployment -- and -- and now we're looking at
4 the Hoonah Angoon census area because that's the
5 area that we can look at unemployment. If we look -
6 - since logging shutdown in the early 2000s, we saw
7 double digit unemployment rates annually. That went
8 on through 2021. Real significant change in 2022
9 and 2023 when the unemployment rate -- the annual
10 unemployment rate was just above 5 percent. We
11 don't have a number for 2024 yet, but just a spot
12 check in July of 2023 -- of 2024, the -- the La --
13 latest number that we have, Hoonah Angoon census
14 area had a 3 percent unemployment rate. So, really,
15 really low, especially compared to those past
16 numbers. Not all of the indicators are up. The
17 population data peaked. When we look at the
18 proposed Hoonah Borough population, it peaked in
19 2019 with 994 residents, so six such shy of a
20 thousand. Of course, the -- the big economic hits
21 the community took in 2021. In 2020 and 2021 ended
22 up in some population decreases. This is also
23 something that we've seen -- a trend that we've seen
24 across all of Southeast, so not only in Hoonah. But
25 this number increased to 943 residents in 2023 in

1 the proposed borough area. K through 12 enrollments
2 has tracked the population data. So, we saw some
3 higher numbers in 2019, 2020 and 2021 with some
4 decreases in 2022 and 2023. The way that we track
5 enrollment numbers, as we look at the number of
6 students enrolled on October 1st of each year,
7 obviously we're not to that yet, or -- but so what
8 we did is looked at the September 1st enrollment.
9 So, this is not an official number, but it looks,
10 you know, one student less than -- than the year
11 before. So, those numbers seem to be leveling out.
12 The other thing I wanted to present to you today is
13 the business climate survey findings for 2024. This
14 is a survey that's done across all of Southeast
15 Alaska on an annual basis. In 2024, 18 Hoonah
16 businesses participated in the survey representing
17 115 workers in Hoonah. We saw a very strong
18 business climate. 78 percent of all business
19 leaders in Hoonah were positive about the -- the
20 current business climate in the spring of 2024 with
21 8 percent calling the business climate very good.
22 And that puts Hoonah as the fourth most top
23 community when looking at business climate. But
24 when we look at the outlook, we ask Hoonah business
25 leaders to look a year forward. The Hoonah outlook

1 is the best in the region, the most optimistic. 73
2 percent of Hoonah business leaders are positive
3 about their business or industry moving forward and
4 including 55 percent more than half of Hoonah
5 business leaders who feel like their business is
6 going to be doing better in the upcoming year, the
7 rest of 2024, moving into 2025. And that means that
8 Hoonah had the most positive outlook of any
9 community in Southeast Alaska. And this is really
10 interesting when we compare it to 2021 when Hoonah
11 actually had the worst economic outlook in the
12 region. A quarter of Hoonah businesses at that time
13 expected the outlook to become worse or much worse
14 over the next 12 months. So, 2021 was a -- was a
15 hard year for Hoonah. And so, we can see that in
16 2024, back to 2024, Hoonah is on top in terms of
17 optimistic outlook -- economic outlook for the
18 future for that community with more than half of all
19 business leaders feeling like it's going to get
20 better. Hoonah is also in a hiring phase. We asked
21 Hoonah business leaders if they expected to add jobs
22 over the next year. 45 percent of business leaders
23 expect to add jobs, new jobs to their businesses
24 over the next year. And this also means that Hoonah
25 is at the top in terms of the percentage of business

1 leaders in a community expecting to add jobs tied
2 with Prince of Wales Island as a whole. So, just a
3 quick over summary of what I just presented to you
4 today, we looked at cruise ship passenger arrivals,
5 which had an 194 percent growth rate between 2018
6 and 2024, jobs were up by 35 percent between 2018
7 and 2023, the highest in the region. Wages were up
8 by 82 percent between 2018 and 2023, the second
9 highest in the region. Unemployment, a spot check
10 of July was 3 percent in the Hoonah Angoon census
11 area. The population is a little bit down and we
12 see a 3.9 percent population decrease between 2018
13 and 2023. K through 12 enrollments, a similar
14 decrease, 7 percent decrease between 2018 and 2023.
15 When we look at the business climate, Hoonah has the
16 best economic outlook of the region and has the
17 highest percentages of businesses currently in a
18 hiring phase. And those are all my comments. Thank
19 you so much.

20 MR. LARRY WOOD: Okay. Well, for MS.
21 Schijvens, are there questions? Did you send a copy
22 yet of those updated slides to Mr. Jed Smith? Or if
23 you haven't, could you?

24 MEILANI SCHIJVENS: I've sent them to several
25 people, so I think probably one of them in the room

1 can forward them on pretty easily. I can do that.

2 MR. LARRY WOOD: You can do that? Okay. Let
3 me ask, I guess I can turn around toward the
4 microphone. I was turned around looking at you, but
5 I'll turn around the other way so I get near the
6 mic. The projections that you've made end in 2025.
7 Is it too speculative to go out a few years, two or
8 three years on some of these outlook slides?

9 MEILANI SCHIJVENS: Sure. So, let me just
10 bring up my presentation again. I think that what
11 you're specifically talking about is for cruise ship
12 passengers.

13 MR. LARRY WOOD: Yeah, not necessarily, I
14 wasn't looking at any particular slide, but it's
15 generally speaking, is it too speculative to go
16 beyond 2025?

17 MEILANI SCHIJVENS: I -- I haven't done that
18 extra piece of work in -- in terms of really doing a
19 -- a deep projection. It's something I can do, but
20 I haven't specifically done it. It takes a bit of
21 work for -- to -- to look that far forward.

22 MR. LARRY WOOD: Let may also ask you, please,
23 and I'm going to refer to the Glacier Bay
24 communities. Is there a way to determine with this
25 hiring where those workers are come -- coming from

1 or any coming from the broader Glacier Bay
2 communities in addition to Hoonah?

3 MEILANI SCHIJVENS: So, we did see -- I -- so
4 Gustavus in terms of being the Glacier Bay
5 community, Gustavus is also right up there with
6 Hoonah as having just incredible job growth and wage
7 growth. So, I would say the two fastest growing
8 communities from an economic point of view in
9 Southeast are Hoonah and Gustavus.

10 MR. LARRY WOOD: Is there any cross
11 pollination -- that's a horrible way to come up with
12 a metaphor, but is there any interplay between the
13 two communities in terms of the type of work and the
14 integration of the work itself between, for example,
15 Gustavus and Hoonah?

16 MEILANI SCHIJVENS: You know, I -- I don't
17 have -- what we typically see is communities moving
18 from rural communities in Southeast to Juneau and
19 Ketchikan really are the hubs. And then moving in
20 some cases back from those communities to the more
21 rural communities. We don't see a lot of population
22 movement between those communities as much when --
23 when we see population changes. There's some, and I
24 can -- I can look it up, there -- that data set is
25 available. But -- but generally, I -- I don't think

1 a -- a lot of that. And I also know that ISP is --
2 is focused on Alaska native hire. And so, I think
3 that there's -- because of that, you know, deal
4 taking -- creating jobs from maybe a different
5 population subset than -- than we see in Gustavus.

6 MR. LARRY WOOD: So, when you're - when you
7 took your business survey, I think 45 percent of
8 owners opine that they would be adding jobs.

9 MEILANI SCHIJVENS: Yes.

10 MR. LARRY WOOD: Where do those jobs generally
11 come -- or applicants generally come from?

12 MEILANI SCHIJVENS: Let's see, I -- I -- I am
13 -- where did the applicants come from? Well, this
14 is -- this is certainly an issue in -- in Southeast
15 Alaska. We're -- there's -- there's a lot of jobs
16 right now and business leaders are all looking you -
17 you know, for -- for a workforce to -- to fill
18 different jobs across the region. And so, I know
19 that ISP does a lot of recruiting from Alaska
20 native, you know, from their membership Alaska
21 native groups within Southeast Alaska. In terms of
22 specifically where, I mean, we're -- we -- yeah,
23 we're -- we're all -- we're all trying to grow the
24 workforce and -- and make sure that we're doing the
25 best to attract and retain sort of that workforce

1 population in Southeast. And -- and I think every
2 community is -- is really -- we're focused on the
3 same effort.

4 MR. LARRY WOOD: Okay. Thank you very much.
5 Further questions, commissioners? Thank you very
6 much.

7 MEILANI SCHIJVENS: Thank you.

8 MR. LARRY WOOD: (Indiscernible), I think
9 we're ready for your next witness.

10 Mr. Chairman, our next witness, this will be
11 one Johann Dybdahl, who is the Special Project
12 Director Icy Strait Point.

13 JOHANN DYBDAHL: Yes. Hello?

14 MR. LARRY WOOD: Hello, Mr. Dybdahl?

15 JOHANN DYBDAHL: Yeah. Hello.

16 MR. LARRY WOOD: Yeah.

17 JOHANN DYBDAHL: Yes.

18 MR. LARRY WOOD: You know I forgot to swear
19 the last witness. You need to remind me. Would you
20 please raise your right hand, Mr. Dybdahl?

21 JOHANN DYBDAHL: It's raised.

22 MR. LARRY WOOD: Do you solemnly swear to --
23 do you solemnly affirm or swear to tell the truth?

24 JOHANN DYBDAHL: Yes, I do.

25 MR. LARRY WOOD: Thank you. You may proceed.

1 JOHANN DYBDAHL: Okay. my name is Johann
2 Dybdahl, that's D-Y-B-D-A-H-L. And I'm the Director
3 of Special Projects at Icy Strait Point. And I'm to
4 present on the economic impact of Icy Strait on the
5 City of Hoonah. And in the in -- interest of
6 brevity, I -- I would cover the operational years of
7 2022, 2023, and 2024. And I'll start with Hoonah
8 sales tax. In 2022, it was 1.6 million, in 2023,
9 it's 1.9 million, in 2024, it'll be 2 million plus.
10 Also, the (indiscernible) tax to the city, in 2022,
11 it's 2.1, in '23, it's 2.5 million, in 2024, 2.5
12 million plus. And it's a little tough to -- to
13 gauge that because I use one part of the prior
14 operating season because of the way the state's
15 budget is. Utilities that we paid to the City of
16 Hoonah. 2022, 77,000, '23, 96,000, 2024, a hundred
17 thousand plus. IPEC, who we buy power from there,
18 in 2022, 413,000, 2023, 577,000, in 2024, it'll be
19 600,000 plus. Local payroll. In 2022, 3.3 million,
20 2023, 4.9 million, in 2024, it'll be 5 million plus.
21 The number of employees. 2022, 301, 2023, 369, in
22 2024, 394 to date. Local business purchases that
23 Icy Strait. Made in Hoonah in 2022, 2.3 million, in
24 2023, 3. -- excuse me, 2.3 million, in '23, 3.2
25 million, in 2024, 4 -- 4 million plus. We also --

1 on the number of ships, in 2022, we had 209, in
2 2023, 242, in 2024, 241. Preliminary -- preliminary
3 numbers for 2025 right now stand at 227 and we'll --
4 we'll get close to that number when all of the lines
5 work out of their schedules. I think Meilani
6 already covered the number of guests, but basically
7 in 2022, we had 447,000, in 2023, we had 535,000, in
8 2024, 543, 000. And those are the numbers that's
9 support the economic engine in Hoonah.

10 MR. LARRY WOOD: Any questions? Any questions
11 from the commissioners? Thank you very much and for
12 coming today too. Mr. Tillinghast, your next --
13 next witness.

14 MR. JOHN TILLINGHAST: Mr. Chair, is Hoonah
15 Harbormaster, Andy Gray. I believe he's here on the
16 line.

17 MR. LARRY WOOD: Mr. Andy Gray, is your line
18 muted?

19 ANDY GRAY: Sorry. Yes. Can you hear me?

20 MR. LARRY WOOD: Can hear you now. Could you
21 please raise your right hand?

22 ANDY GRAY: Yes, it's raised.

23 MR. LARRY WOOD: Do you solemnly swear or
24 affirm to tell the truth?

25 ANDY GRAY: Yes, I do.

1 MR. LARRY WOOD: Thank you. You may proceed
2 and you have five minutes.

3 ANDY GRAY: Okay. Yeah. Hello. I'm -- I'm --
4 - I'm Andy Gray. I'm the City of Hoonah
5 Harbormaster. You know, for our harbor here, we
6 have a, you know, a capacity of a 271, you know,
7 slips available. Well, before the actual harbor
8 itself, we pretty much occupy, you know, probably
9 about 225, you know, stalls, you know, slips
10 annually. And yeah, right now we, you know, we have
11 our facility, which is, you know, we have a boat
12 haul out. We haul boats out. We can you know,
13 supply that -- that service and the actual, you
14 know, service of a transient mortgage, annual
15 mortgage, especially for, you know, the, you know,
16 Elfin Cove folks, you know, they actually -- we have
17 about -- probably about nine, nine of them, nine
18 that bring in their, you know, use either charter or
19 commercial, you know, vessels for, you know, doing --
20 - doing the, you know, haul out -- hauling their
21 boat out, doing their, you know, their cleanup and,
22 you know, just they -- we have those services for
23 them. You know, we have -- we even have a few of
24 them that actually, you know, use our -- use our
25 stall annually. They'll just, you know, leave it

1 here throughout the year. And I'd say we have about
2 -- maybe about two or three of them actually that
3 use the -- the harbor for the annual -- annual slip.
4 For the Game Creek side, we have Game Creek, you
5 know, folks, they actually use the -- the Harbor
6 (indiscernible). Yeah, we got about like four of
7 them, you know, four individuals, but they actually,
8 you know, there's maybe one in -- individual that
9 has like four, you know, four different vessels as
10 well. But, you know, there's quite a few of them
11 and they -- they use the harbor annually also using
12 the -- the boat hail out to do all their -- their
13 kind of work and getting out, you know, getting out
14 every year. So, but yeah, I mean, you know, the --
15 the facilities are there, you know, for, you know,
16 for when they want to do their work, you know, to,
17 you know, hail out, do -- when doing work, but they
18 actually do come here and then even, you know, keep
19 their boat here annually as well. But, you know, if
20 we can actually keep on, you know, having them come
21 and, you know, getting more and more, you know,
22 that'd be great. And then just to -- I mean,
23 that'll benefit them as long as, you know, benefit
24 the you know, city, you know, the City of Hoonah,
25 the borough as well. But -- that's pretty much all

1 I have right now.

2 MR. LARRY WOOD: Thank you. Commissioners,
3 questions?

4 Mr. Gray, you mentioned Elfin Cove boat
5 owners. Are there any other, what I would call --
6 and I hope they're called Glacier Bay Community boat
7 owners that use the Harbor facilities?

8 ANDY GRAY: Yes. There's -- yeah, quite a few
9 of, you know, the, you know, Glacier Bay, Gustavus,
10 you know, area, you know. They've -- there've been
11 quite a few of them there that use the facility
12 mainly for, you know, for hauling out and doing
13 their work. But, you know, a few of them that are
14 here that use -- use the annual slips as well. I
15 actually -- I think I had a -- I had a number for
16 that, but I think the number's probably even greater
17 than the -- the Elfin Cove and Game Creek and the --
18 the (Indiscernible) Bay (indiscernible), et cetera
19 there. But yeah, if you want me to get you a number
20 there, I can -- I can work on that too, you know,
21 for the Glacier Bay.

22 MR. LARRY WOOD: Please send that number to
23 Mr. Jed Smith or to -- to Mr. Tillinghast, and he
24 could -- he can submit it to us.

25 ANDY GRAY: Okay.

1 MR. LARRY WOOD: Do you see if the growth of
2 the harbor itself, are you projecting any growth
3 over the next five years?

4 ANDY GRAY: Oh, yes. I mean, I think it's
5 just going to be -- start getting bigger and bigger,
6 especially for, you know, charter vessels and folks
7 coming in, bringing in their -- their -- their
8 businesses as well even just starting local
9 businesses. But I -- I definitely see the growth.
10 I see the growth now, so it's just going to keep --
11 keep getting better and expanding even more and
12 more.

13 MR. LARRY WOOD: Are there any designs on the
14 hooks now? Anything that's been proposed to the
15 other Mr. Gray?

16 DENNIS GRAY: Any -- anything in the offing?

17 ANDY GRAY: Oh, sorry you were talking to --
18 talking to me?

19 MR. LARRY WOOD: Do you have anything
20 currently in design now? Any sort of additional
21 space or forfeit or slips or?

22 ANDY GRAY: No. No, unfortunately we don't
23 have anything right now, but it would be -- yeah, it
24 would be nice definitely to, you know, work on a
25 lobby especially to, you know, expand and then even,

1 you know -- you know, keep these docks up in, you
2 know, up to par and going.

3 MR. LARRY WOOD: So, as I understand it, the
4 city owns the facility but doesn't do the service
5 thing itself. In other words, do you
6 (indiscernible) boats?

7 ANDY GRAY: (Indiscernible)?

8 MR. LARRY WOOD: Please.

9 ANDY GRAY: So, we do have, of course, the
10 arena itself and the travel lift. The travel lift
11 is a different component than harbor, just mortgage
12 to harbor.

13 MR. LARRY WOOD: Okay.

14 ANDY GRAY: Travel is where both can get
15 hauled out and do their own maintenance. But there
16 are craftsmen in town that offers the ship
17 (indiscernible).

18 MR. LARRY WOOD: But -- but no city employees?

19 ANDY GRAY: No (indiscernible). We only haul
20 a boat and pressure wash the boat who are on a
21 (indiscernible), it gets (indiscernible). And as
22 far as the port expansion, we do have a number of
23 projects in the queue. We have Harbor replacement
24 project lined up for \$306 million. I've got a
25 meeting at the Army Court to address that project on

1 October 10th, and we have a major port expansion
2 coming up for a cargo dock. Currently, we have
3 shuttle bars that come in from Petersburg. The goal
4 is to have our own ocean-going barge facility, and
5 so we'll be able to land freight directly from
6 Seattle without having go through any of the port,
7 which would then make freight more attractive for
8 folks in the region. But that -- we'll have a
9 decision on that grant application, which is
10 particularly be currently October 15. So, there's a
11 number of things (indiscernible) that are
12 definitely, you know, took it up for
13 (indiscernible).

14 MR. LARRY WOOD: Okay. Thank you very much.
15 Thank you, Mr. Gray. And thank you, Mr. Gray. So,
16 we're going to take a five-minute brief and we'll be
17 back. If you're online, we should be back within --
18 let's make that 3 -- 3:35. Yeah. Thank you. We're
19 off the record. I realize we're getting back from
20 the break, trying to stay true to our word here.
21 Already five minutes are over. Mr. Tillinghast,
22 your next witness?

23 MR. JOHN TILLINGHAST: Our next witness is
24 Heidi Halverson, who is (indiscernible).

25 MR. LARRY WOOD: Ms. Halverson, are you line?

1 HEIDI HALVERSON: I am.

2 MR. LARRY WOOD: Okay. Good afternoon. Would
3 you please raise your right hand? Do you swear to -
4 - do you swear or affirm to tell the truth?

5 HEIDI HALVERSON: Yes.

6 MR. LARRY WOOD: Okay. Thank you. You have
7 five minutes and thank you for your testimony today.

8 HEIDI HALVERSON: Yeah. So, my name's Heidi.
9 I work with GV Jones and Associates as a process
10 engineer (indiscernible).

11 MR. LARRY WOOD: Ms. Halverson, you're
12 chomping up on us. Do we have a bad connection?

13 MR. JED SMITH: No, we do not.

14 MR. LARRY WOOD: Okay. Can we switch
15 witnesses and would give Heidi a chance to maybe
16 find a different piece of hardware to call in on?

17 MR. JOHN TILLINGHAST: Oh, okay. Can you hear
18 what we're talking about? Maybe find a different
19 line.

20 HEIDI HALVERSON: Okay.

21 MR. LARRY WOOD: Why don't we do that? Let's
22 go to the next witness, we'll come right back to
23 you. We'll be there in five minutes, Heidi.

24 HEIDI HALVERSON: Okay. Did this work if I
25 took my headphones out? Is it any better?

1 MR. LARRY WOOD: Well, thank you. You have
2 five minutes.

3 HEIDI HALVERSON: Okay. So, my -- my name's
4 Heidi. I work with GV Jones and Associates, and I'm
5 just going to give a -- a little overview of the
6 water and wastewater utility systems for Hoonah.
7 So, I've been involved with several water and
8 wastewater projects for the city. Just a quick
9 background, the wastewater treatment plant newly
10 upgraded is designed to treat around 800,000 gallons
11 per day. The water treatment system brings water
12 from an upland source up at (Indiscernible) mountain
13 down into town for treatment, delivers the water
14 through three pressure zones using three storage
15 tanks to about 300 service connections. The
16 wastewater treatment plant is a secondary treatment
17 system. So, this means it provides physical and
18 biological treatment in the process, which is a step
19 above facilities that are doing just physical
20 treatment, which is also often called primary
21 treatment. And primary treatment is not uncommon in
22 Alaska, even though it does produce a lower quality
23 effluent. So, a few years ago, we were involved
24 with the design of this major expansion that was
25 previously referenced at the wastewater plant. And

1 the city upgraded to a process called a sequencing
2 batch reactor, and now produces an effluent that
3 often significantly exceeds the regulatory
4 requirements for their permanent discharge. And any
5 treatment system is dependent on -- their success is
6 dependent on the operators that run them. So, for
7 regulations, every facility is required to have an
8 operator certified to the level that that system is
9 classified at. So, a level two system requires an
10 operator to be certified to level two. This is
11 something that a lot of utilities actually struggle
12 with around the state. They struggle to maintain
13 operators that are certified at all. But for
14 Hoonah, the primary operator is certified as a level
15 two for water treatment, water distribution,
16 wastewater treatment, and wastewater collection,
17 which meets or exceeds the level of certification
18 that the system and Hoonah require. The city's
19 taken a proactive approach to their capital
20 improvement projects and operation and maintenance
21 of their systems. In our experience, it's pretty
22 common for utilities to default to a reactive
23 approach where we get a call to say they have a
24 problem, they're getting permit violations, their
25 infrastructure stopped working, they're past the

1 capacity on their system essentially fix the problem
2 as it occurs. But with good foresight and planning,
3 you can stay on top of capital upgrades and ONM and
4 that's something that Hoonah's really demonstrated
5 to us. They've had our firm come down and look at
6 their facility and identify upgrade recommendations
7 that should be done to ensure that the system can
8 continue effective operations. And then they've
9 followed up with those recommendations by actually
10 implementing them, replacing pumps and instruments,
11 upgrading their SCADA system, which is pretty big.
12 So, it's what they use to control and monitor all of
13 their treatment equipment between both plants and
14 including trying to get equipment outside of the
15 treatment plans to be integrated into that
16 monitoring system too. It's important for early
17 identification of problems that arise. The city
18 does regular check-ins with us to keep us apprised
19 of what's happening in the community and make sure
20 that there's -- that they could be aware of any
21 unintended impacts to the utilities or vice versa of
22 projects that are happening. And this helps ensure
23 that we have a big picture understanding of what's
24 happening in the community when we're planning
25 upgrades and designs for various projects. The city

1 recently did a study to identify leaks in the sewer
2 collection system to develop a plan to reduce the
3 amount of rainwater and groundwater that enters the
4 wastewater treatment plant, which is actually a
5 major problem that many facilities struggle with,
6 but often ignore because as you can imagine, buried
7 infrastructure is easy to ignore until all of a
8 sudden it fails. So, Hoonah's been taking this
9 proactive approach to identify problem areas and
10 procure funding for seeing those upgrades through.
11 As of this month, they're about to wrap up a project
12 to upgrade all the lift stations in the wastewater
13 collection system. And in terms of the water
14 distribution system, operation staff have been
15 equipped with tools purchased by this facility or by
16 the city and training to use their equipment to
17 identify leaks within the distribution system around
18 town. Which again, buried pipes, this is a
19 proactive approach that is oftentimes only seen in
20 large cities and sometimes not even there. So, the
21 city does well enough with planning and prep that
22 they're often able to help other communities in the
23 region lending out spare parts or expertise. And
24 they've appropriately scheduled periodic rate
25 increases to make sure they can continue to have

1 sufficient funds to do all these operation and
2 maintenance and capital improvement projects. And
3 in 2024, the Alaska Municipal League awarded Hoonah
4 Utility Management Excellence Award that just
5 highlighted all of the high work and successes of
6 the utility. So, overall, based on several years of
7 working with the city on their water and wastewater
8 systems, our assessment is that the utility is well
9 operated, maintained, and sustainably managed for
10 long-term operation.

11 MR. LARRY WOOD: And thank you. Are there any
12 questions, commissioners? Would you say the City of
13 Hoonah is the top 10 percent of your clients in
14 terms of proactivity?

15 HEIDI HALVERSON: For proactivity? Yeah, I
16 think I probably would guess that.

17 MR. LARRY WOOD: Thank you for your testimony
18 today.

19 HEIDI HALVERSON: Mm-hmm. Thank you.

20 MR. LARRY WOOD: So, Mr. Carlos Frias, is he
21 on the line?

22 UNKNOWN MALE: He's here. Oh, he's here
23 close.

24 MR. LARRY WOOD: Oh, you're great. Good to
25 have you here. Would you please take a seat if

1 you'd like.

2 MR. CARLOS FRIAS: If I sit down, I won't be
3 able to get up.

4 MR. LARRY WOOD: Oh, okay.

5 MR. CARLOS FRIAS: So, if you don't mind, I'll
6 (indiscernible) to stand.

7 MR. LARRY WOOD: Okay. Would you please raise
8 your right hand? Do you solemnly affirm or swear to
9 tell the truth?

10 MR. CARLOS FRIAS: I do.

11 MR. LARRY WOOD: Would you please state your
12 name for the record?

13 MR. CARLOS FRIAS: Of course. My first name
14 is Carlos, last name Frias, and that's F-R-I-A-S.

15 MR. LARRY WOOD: Okay, great.

16 MR. CARLOS FRIAS: I won't take too much time
17 off your -- you guys' hands. I will say that I
18 might have to run out here in a minute. I do have a
19 call pending.

20 MR. LARRY WOOD: Okay.

21 MR. CARLOS FRIAS: But really quick, again, my
22 name is Carlos. I'm the current Director of public
23 safety in the town of Hoonah, Alaska. I have been
24 the director of public safety for a year now, but
25 prior to that I was a police officer in City of

1 Tucson. As it currently stands, we do have a total
2 amount of 10 full-time staff at the police station,
3 and that encompasses dispatch and patrol, 14
4 volunteer staff with EMS, 16 volunteer staff with
5 Fire. We have six police department patrol
6 vehicles, two working ambulance rigs, and two fire
7 department rigs that can be utilized within the city
8 and out of city limits. All three agencies have
9 been working together to assist everyone in and out
10 of city limits. Currently we do have a contract
11 with Forest Service where it establishes that the PD
12 will conduct patrols at least twice a year from here
13 to Freshwater and (Indiscernible) Bay. The
14 Freshwater Bay is approximately 2 -- 22 miles out
15 the road one way, and (Indiscernible) Bay is 21
16 miles also out the road the opposite direction of
17 each other, totaling 43 miles of unpaved road that
18 is patrolled and utilized for calls for service when
19 needed. Security checks that are conducted while
20 patrol units are out there, they check for any
21 vandalism or ille -- illegal activity. Excuse me.
22 Officers should be on the lookout for illegal
23 activity such as DUIs, cutting green saw timber
24 without a permit, damaging property or resources, et
25 cetera. Two patrols have been completed this year

1 with the assistance of the previous chief police,
2 Chief Rick (Indiscernible). And in addition to the
3 contract of patrols of Forest Services, there have
4 been multiple occasions where the Department of
5 Public Safety has responded outside of the city
6 limit jurisdiction to assist out of the road. Some
7 calls have been related to medical calls for service
8 where EMS has assisted patients that have been
9 injured during an excursion or a hike, more
10 recently, the cruise guests and the occasional
11 local. The Department of Public Safety has also
12 conducted search and rescue calls for service with
13 the assistant of the Alaska State Trooper, and that
14 would be Trooper Norris that is located here for
15 both people that are lost and in -- in immediate
16 assistance of the police. Although the Department
17 of Police -- or excuse me, although the Department
18 of Public Safety mainly stays within city limits, if
19 there is a call for service that requires us to head
20 out of the road, everyone is always ready to respond
21 and help out in any way possible that we can, you
22 know, within our means. That's all I got for you
23 guys. If you'll excuse me, I do have to go to that
24 call unless you have something really quick that I
25 can answer for you.

1 MR. LARRY WOOD: Chief, one question for me
2 is, how frequently do you do the patrols for the
3 Forest Service?

4 MR. CARLOS FRIAS: So, they are twice a year.

5 MR. LARRY WOOD: Twice a year?

6 MR. CARLOS FRIAS: Yes. And Commissioner --
7 excuse me, Chief (Indiscernible) who was here --
8 what was that? May or June. He -- he completed
9 those two within a span of a month.

10 MR. LARRY WOOD: Okay.

11 MR. CARLOS FRIAS: Yeah.

12 MR. LARRY WOOD: Great. Any quick questions?
13 Chief, thank you for your time. Good luck on that
14 call.

15 MR. CARLOS FRIAS: Excuse me. Thank you.

16 MR. LARRY WOOD: Thank you for coming. Mr.
17 Frank Wright, Jr, thank you for coming. Please have
18 a seat and when you're ready, if you'd raise your
19 right hand, we'll administer the oath. Do you
20 solemnly swear or affirm to tell the truth?

21 MR. FRANK WRIGHT: Yes.

22 MR. LARRY WOOD: Thank you. You may be seated
23 and please state your name.

24 MR. FRANK WRIGHT: My name is Frank Wright,
25 Jr. I'm a commercial fisherman. I'm also president

1 of the Hoonah Indian Association. And I've been
2 living here for 73 years. I've been fishing since
3 I've been 11 years old. Fishing -- fishing this
4 whole area of -- of Icy Strait and my fish -- and my
5 main fishing is per staining and crabbing cane crab
6 and tanner crab, long line in black cotton halibut.
7 And I fish -- fished for -- I've been a captain
8 since 1988. I was fishing with my father with the -
9 - when he ran the Patricia May, and he ran the Mary
10 Joan, and he ran (Indiscernible) Queen. I also fish
11 with my Uncle Sean Hitchman (phonetic), who had had
12 a Johnny (indiscernible). I fished up -- up by on
13 the outside. I fished up from outside of Sweet Bay
14 out up to the -- to the edge, and I fished north of
15 that from outside of Graves Harbor to the edge. I
16 fished Fairweather grounds, and you can imagine what
17 it's like up there when it's too much fun. There
18 was a time when I was up there and I was all in
19 (indiscernible) here, and this guy -- I told him,
20 hey, the big one's coming. And he happened to have
21 a grab -- have a hook, and he grabbed -- hook down
22 to the helmet and he -- he went underwater. And he
23 -- I -- I said, hey, Dave, you okay? And he said,
24 yeah, I got it. So, it was -- it was quite the
25 experience, you know, that (indiscernible) I also

1 fished to the Indian Islands.

2 MR. LARRY WOOD: Mr. Wright, can I interrupt
3 you? We have a map of there. I wonder if I moved
4 it closer to you, would it be possible I -- we're
5 not familiar with the locations you're describing.
6 Maybe -- and I think what you were doing is talking
7 about the areas (indiscernible). That's --there you
8 go. Thank you.

9 MR. FRANK WRIGHT: Okay. This is outside and
10 then Fairweather ground is up around up here. And
11 then -- then this is -- this down here by Squid Bay
12 and then the harbor, Gravestone harbor. And I've
13 fished all the way -- I've even -- I fished all the
14 way up to Yakutat. But I've also fished in
15 Lisianski and the Indian Islands right here. And I
16 fished on where -- where it's called the Laundry and
17 I fish where (indiscernible) pass. I fish in the
18 North Pass, fish in Bubbles Bay. It was all in --
19 all in the Indian Islands. Inside Blinker was a fun
20 one. That was sometimes you got caught in a tide,
21 then you just (indiscernible) called it Cape Spencer
22 Express. All of a sudden, your -- your
23 (indiscernible) got caught in the wave tying the
24 boat. So, going around a circle. So, he -- we
25 called the Cape Spencer Express because then that's

1 when you got -- that's when you ended up almost by
2 Spencer. So, I've also fished -- pointed off as
3 then -- this area here with a sand. And then I
4 fished over here at Elfin Cove and Point
5 (Indiscernible), and Point Augusta excursion inlet.
6 And I'm (indiscernible), I'm trolling. Trolling,
7 I'm sure. One of the things that -- I live on Front
8 Street down -- down the road here. And one thing I
9 notice is -- oh, I -- and see out all day, every day
10 and I see boats going out, just going out all the
11 time. Sometimes I wonder where they're going
12 because the weather doesn't look that good. But
13 being a commercial fisherman, we just -- we just go,
14 you know, so it's -- it's quite a -- quite a blast.
15 You know, we brought -- fished all the way up here,
16 up -- up by Pelican and almost all -- all the way up
17 here. And I've -- I fished in Lisianski and Stag
18 Bay right here, Stag Bay and Lisianski right here.
19 And right here there's (Indiscernible) Cove and --
20 and the -- I fish (indiscernible). I'm -- I've been
21 trolling up here and (Indiscernible) Bay, then in --
22 in -- up by -- by an island -- island up here, King
23 salmon. And there's a place called Waterfall, and
24 we do a lot of king salmon fishing. So, I pretty
25 much fish all this -- all this area -- this whole

1 area from up -- up here, down even -- down to Sitka.

2 So, I -- I would like --

3 MR. LARRY WOOD: Thank you for your testimony.

4 You -- you may be seated if you'd like.

5 Commissioners, do you have questions?

6 COMMISONER CLAY WALKER: How many commercial

7 fishermen, roughly speaking, are based in Hoonah?

8 MR. FRANK WRIGHT: Oh, boy, I --

9 COMMISONER CLAY WALKER: Just -- just

10 ballpark.

11 MR. FRANK WRIGHT: A hundred.

12 COMMISONER CLAY WALKER: And of those 100

13 ballparks, how many range as far as you do and have

14 done in the -- in the -- in this -- this area you've

15 been pointing out? Half? 25 percent?

16 MR. FRANK WRIGHT: Maybe 20 percent at least

17 (indiscernible). On the inside water's probably a

18 hundred -- a hundred percent. But then the outside

19 waters, it's de -- depending on the weather, you

20 know, sometimes they -- they (indiscernible) 15-foot

21 seas and stuff, so your boat can only take, you

22 know, some boats can only be out there because of

23 their size and it's too dangerous, you know,

24 (indiscernible).

25 COMMISONER CLAY WALKER: How far out is too

1 dangerous. How many miles?

2 MR. FRANK WRIGHT: 20 miles off shore.

3 COMMISONER CLAY WALKER: 20 miles off shore?

4 MR. FRANK WRIGHT: Even -- even -- even by
5 Cape Spencer, the weather -- I just listened to
6 weather this morning and it was about 10 foot
7 (indiscernible). And I -- you don't want be out
8 there in -- in those small boat. My boat is 58
9 foot, so 58 foot and it's 17 feet wide and about
10 (indiscernible) feet deep, so. But there are bigger
11 boats that are out there, so that's what I fish on.

12 COMMISONER CLAY WALKER: You would consider
13 that a small boat for 20 miles out?

14 MR. FRANK WRIGHT: You shouldn't -- you
15 shouldn't be good.

16 MR. LARRY WOOD: Thank you very much. Any
17 other questions? Thank you so much. Appreciate
18 your testimony.

19 MR. FRANK WRIGHT: Okay. Thank you.

20 MR. LARRY WOOD: Well, Mr. Tillinghast, we
21 have Jeremy. Is it Jerome? Jeromy Grant.

22 JEROMY GRANT: It is Jeromy.

23 MR. LARRY WOOD: Okay. Great. I have a son,
24 Jeremy, we spell his name differently.

25 JEROMY GRANT: Yep. Yes, sir. Story of my

1 life. Only (indiscernible).

2 MR. LARRY WOOD: Would you please raise your
3 right hand?

4 JEROMY GRANT: Yes, sir.

5 MR. LARRY WOOD: Mr. Grant, do you solemnly
6 swear or affirm to tell the truth?

7 JEROMY GRANT: I do.

8 MR. LARRY WOOD: Thank you. You have five --
9 let's see, you have 10 minutes.

10 JEROMY GRANT: I don't know if I'll take that
11 up. Frank, you did an amazing job. He pointed out
12 way more than I could, so.

13 MR. LARRY WOOD: Oh, okay. Well, you're free
14 to use the map too. In fact, if you do refer to geo
15 or geographical locations, that helps us.

16 JEROMY GRANT: That's perfect. I have three.

17 MR. LARRY WOOD: Okay.

18 JEROMY GRANT: I'll point those out.

19 MR. LARRY WOOD: All right.

20 JEROMY GRANT: Okay. So, my name is Jeromy
21 Grant. I work for Hoonah Indian Association. I am
22 an environmental coordinator program manager for
23 Environmental Department. I manage several
24 programs, one of those programs being our
25 subsistence program. It's a program to get people

1 more involved in subsistence, but also teach what we
2 know and provide for the community for our elders.
3 So, that's why I'm here today, talk about
4 subsistence and providing. So, the proposed
5 boundaries are aligned with traditionally Tlingit
6 territory. All of this stuff is to the best of my
7 knowledge, what I've gathered from other people.
8 Also, some of the stats in here are from the Lauren
9 (Indiscernible) survey from 2012. So, some of those
10 will be in here. Okay. So, it's from the
11 traditional Tlingit territory. So, for thousands of
12 years, we've hunted fish, gathered medicine and
13 maintained the environment and our way of life
14 within this territory. But time doesn't stand still
15 and things have changed. Fish camps and canoes have
16 given away to fast boats and day trips. So, from
17 Lawrenceville, 78 -- 6 percent of Hoonah households
18 report participating in harvesting subsistence
19 resources equaling 898 pounds annually per year. 98
20 percent of Hoonah households are using those
21 harvested resources. So, despite these numbers, 45
22 percent of Hoonah people report concerns over access
23 to those subsistence resources. Concern of food
24 insecurity weighs heavily in the minds and hearts of
25 Hoonah people, their minds, hearts, and their

1 wallets. We rely heavily on harvesting within our
2 traditional territory to offset the extremely high
3 cost of food in the grocery stores and maintain our
4 connections to our land. As our ancestors did
5 before us, we continue to hunt the coastlines.
6 Yeah. Okay. So, hunt the coastlines, the musk eggs
7 and the mountaintops for deer, moose, goats and
8 seal. We continue to gather (indiscernible) eggs
9 from the park and also (indiscernible) island,
10 Dallas Club, seaweed from shorelines, berries of all
11 sorts, Hudson Bay (indiscernible). So, for fishing
12 -- this is where we get them out. So, fishing from
13 the inner to the outer coast. So, we call this like
14 the inner, this would be the outer. As -- Frank did
15 a great job. For Port Frederick, where Hoonah is
16 located, right there to the southwest boundary down
17 this area. Southwest boundary, Surge Bay and
18 (Indiscernible) to Pavlov Lake, which is on the
19 eastern tip of Freshwater (indiscernible), like
20 right there. And then to (Indiscernible) Lake
21 (indiscernible) excursion in that -- which should be
22 right there, so basically triangle. (Indiscernible)
23 in the -- near the (indiscernible), that's the
24 northern boundary, the traditional (indiscernible)
25 and cocoa harvest areas. So, traditionally, Tlingit

1 people have traveled to these areas depending on the
2 time of the year, and also the weather and the fish
3 run, so timing of the fish run and strength of the
4 fish run, where they would set up their fish camps,
5 harvest responsibly, and steward those areas. Our
6 people today utilize these areas and apply these
7 same principles to this day. Traditionally, the
8 families would go to these areas and they would kind
9 of do stewardship over the rivers. So, other tribe
10 -- tribal people, Tlingit people would come to these
11 areas to harvest. If the fish strength in that
12 river is good, yeah, come on and fish. But if it
13 wasn't good, it was a late run or a slow run, there
14 wasn't enough to feed people, they would say, you
15 need to find another place and that was respected.
16 So, that's just an example of our stewardship within
17 the environment here for thousands of years. So,
18 onto the stats, 98 percent of Hoonah people report
19 using these areas, the three areas I pointed out,
20 mainly (indiscernible) at 80 percent to secure our
21 (indiscernible) and cocoa food in Hoonah. HIA is
22 working with se -- in -- with several partnerships
23 to collect data on fish runs and Springhouse in
24 (Indiscernible) Lake. We have also projects
25 submitted to expand our monitoring to

1 (Indiscernible) and Pavlov Lake. We have ongoing
2 enhancement projects within the proposed borough
3 boundary, and we feel a borough could only bring
4 communities together and strengthen our co-
5 management and ensure that subsistence practices and
6 resources are accessible and available for future
7 generations. And that's all I have.

8 MR. LARRY WOOD: Questions. Thank you, Mr.
9 Grant. What -- before you get away, --

10 JEROMY GRANT: Yes sir.

11 MR. LARRY WOOD: You mentioned that 45 percent
12 express concerns about subsistence. What type of
13 concerns, generally speaking, are people expressing?

14 JEROMY GRANT: Yeah. So, what I was talking
15 about was food insecurity. So, when it comes to the
16 changing environment, the different times of the
17 year, so a lot of things have changed. So, just a
18 quick example is they used to have -- we have had a
19 saying that you'd only dig shellfish in months that
20 end in (indiscernible). We knew that forever having
21 to do with PSP poisoning and you don't dig in the
22 summertime basically. So, part of my job with the
23 (Indiscernible) Program is doing exactly that,
24 sampling the shellfish, send them off for testing
25 and keeping that data and well, giving out to

1 community and local like the police department and
2 also search clinic in case there is a spike in PSP
3 and somebody comes in there. But what I'm -- what
4 I've seen over my eight years, almost nine years of
5 doing this monitoring, is that the old adage no
6 longer applies in the same sense that it used to.
7 Like people still do adhere to it, but the data
8 shows that PSP is essentially in their year-round.
9 There's times of year where it's a lot higher. For
10 Hoonah it's a weird thing. We get a huge spike in
11 December, which is kind of spooky because that's
12 when a lot of people do harvest. So, yeah, I hope
13 that answers your question.

14 MR. LARRY WOOD: My last question is, you
15 mentioned that you felt borough formation would
16 bring communities together.

17 JEROMY GRANT: Yes, sir.

18 MR. LARRY WOOD: What communities are you
19 referring to?

20 JEROMY GRANT: Everywhere around us, a lot of
21 the communities that are here today present with
22 their representatives.

23 MR. LARRY WOOD: In -- including those on the
24 phone?

25 JEROMY GRANT: Yes, sir.

1 MR. LARRY WOOD: Okay.

2 JEROMY GRANT: Yeah. You know, --

3 MR. LARRY WOOD: (Indiscernible).

4 JEROMY GRANT: Yeah. So, no, I agree. That -
5 - it's a -- it's a changing time and we need to work
6 together. That's just a fact. We have to work
7 together. There's differences, there's differences
8 of opinions, and that is what it is, but there is a
9 way to coexist and there's a way to do this and owe
10 it to the land, the people everywhere around us to
11 do so.

12 MR. LARRY WOOD: Thank you very much.

13 JEROMY GRANT: Yes, sir.

14 MR. LARRY WOOD: Thank you for coming today
15 too.

16 JEROMY GRANT: Yes. Thank you.

17 MR. LARRY WOOD: Thank you. Erica Simpson.

18 MR. JOHN TILLINGHAST: She's online, she
19 should be ready.

20 ERICA SIMPSON: I'm here.

21 MR. LARRY WOOD: Would you please -- welcome.
22 Would you please raise -- raise your right hand?

23 ERICA SIMPSON: Yes.

24 MR. LARRY WOOD: Do you solemnly swear or
25 affirm to tell the truth?

1 ERICA SIMPSON: I do.

2 MR. LARRY WOOD: Can you please state your
3 name? And you have 10 minutes.

4 ERICA SIMPSON: Thank you. My name is Erica
5 Simpson and I am speaking on behalf of the property
6 owners of Horse and Colt Islands. While -- while
7 Horse and Colt Island don't have an official
8 homeowner's association or official representative,
9 I suppose I would be the closest person that we have
10 to that that fulfills such a role like that. We are
11 all neighbors in a remote area, so we do our best to
12 help each other out and keep each other informed.
13 And I am currently the keeper of the most up-to-date
14 contact information for all of the owners and
15 residents that reside there. So, when I was made
16 aware of the Hoonah Borough plan, I gathered
17 information to share with residents, and I spent
18 countless hours reaching out to as many owners as
19 possible to get a sense of how everyone collectively
20 felt about the proposal. And ultimately, I was able
21 to communicate with 69 property owners prior to
22 drafting and sending our collective letter that we
23 sent. 68 out of the 69 owners read the letter and
24 chose to sign on in support of the Hoonah Borough
25 plan. After the letter was sent to the LBC, I was

1 contacted by four more owners who missed the
2 deadline to sign the letter to support the Hoonah
3 Borough plan but I encouraged them to send their own
4 individual letters. I was deeply offended, and to
5 be frank, I was disgusted at the staff's implication
6 that the 68 residents had only purportedly signed
7 onto the letter that I submitted on behalf of our
8 residents. And to allege that I could make this up
9 or falsify an accounting of how many people
10 supported the Hoonah Borough plan made -- made me
11 feel that my efforts were meaningless and gives me
12 very little faith in this type of public process.
13 And further to imply in the final report that the
14 only reason that we want to be incorporated with the
15 Hoonah Borough is to avoid being annexed by the City
16 and Borough of Juneau. Well, the City and Borough
17 of Juneau opposed this petition for the sole reason
18 that they would like to annex Horse and Colt Islands
19 and collect property tax revenue without having to
20 provide any services. So, I mean, of course our
21 residents are aware that the City and Borough of
22 Juneau has twice had unsuccessful attempts to annex
23 our island communities. But for us, this was a
24 breath of fresh air for our community to see that
25 the Hoonah charter does not intend to levy property

1 taxes on our residents and acknowledging that they
2 cannot and would not be able to provide services to
3 the residents of our remote properties. And we very
4 much welcomed that acknowledgement. However, we do,
5 you know, fully understand that taxation may be part
6 of our future down the road one way or the other.
7 So, I can assure you to -- that avoiding annexation
8 by any other borough is not our sole reason for our
9 support. As I mentioned in our letter that we
10 submitted on behalf of our -- our Island residents,
11 our community's overall consensus is that we believe
12 that we align more with the Hoonah Borough than any
13 other potential incorporation that we may face
14 socioeconomically, culturally, geographically. Many
15 of our residents elected to live or recreate on
16 these islands to have closer access to subsistence
17 hunting and fishing in Icy Strait and the
18 surrounding remote areas. And we believe that our
19 properties have much more in common with the rural
20 nature of the proposed borough and the other -- and
21 the other proposed communities that it would
22 include. And further, it is because the obvious
23 socioeconomic ties that Horse and Colt Islands were
24 placed in the state legislative District 2A, the
25 island district that includes Hoonah as confirmed

1 that by the Alaska Supreme Court during decisions
2 regarding the 2020 redistricting. Again, you know,
3 with the understanding that the intent of the state
4 of Alaska is to eventually have all unincorporated
5 lands placed in a borough, our residents very much
6 feel that we align most closely with the planned
7 Hoonah Borough and all communities impacted deserve
8 a voice in this. And our island community is small,
9 but we're not an exception. Our island residents
10 overwhelmingly support being incorporated with the
11 Hoonah Borough. We look forward to the LBC's
12 approval to include us, and I look forward to you
13 hearing from more of our residents in public
14 testimony this evening. So, thank you for your
15 time.

16 MR. LARRY WOOD: Any questions, commissioners?
17 I have a few questions. Ms. Simpson, are you --
18 these 69 folks that you chatted with, how many own
19 properties in Juneau as well?

20 ERICA SIMPSON: So, that's a really good
21 question. I don't have an exact number on that. It
22 -- I can tell you that there are quite a few
23 residents that live out there that do not own any
24 property in Juneau. They are full-time residents
25 out there. We also have a lot of people that live,

1 you know, like they might have residents in
2 different places around Alaska, not necessarily
3 Juneau. I would say that there's obviously quite a
4 few that have homes in Juneau as well. But per a
5 good few, they're actual, like keep their main like
6 house on Horse and Colt Islands and maybe have like
7 a, you know, a small dwelling in Juneau. But
8 there's people from Anchorage that have their homes
9 on, you know, Horse and Colt and then we have
10 multiple people that don't actually own any property
11 in Juneau at all. So, yes, there are some that do
12 obviously, but it's -- it's a very -- you'd be
13 surprised by the mixture.

14 MR. LARRY WOOD: Ballpark, would you say half?

15 ERICA SIMPSON: That might be a fair guess,
16 but I -- I wouldn't be able to tell you an exact
17 number.

18 MR. LARRY WOOD: Where -- where -- where's
19 your principal residence?

20 ERICA SIMPSON: My principal residence is in
21 Juneau.

22 MR. LARRY WOOD: If I were to buy a piece of
23 property at Colt or Horse Island, what would the
24 average cost of a cabin and property amount to,
25 ballpark?

1 ERICA SIMPSON: They -- they vary greatly.
2 They -- all the properties are very different. You
3 know, there's -- there's small cabins, small
4 properties, there's land. Depending on the land,
5 it's -- it varies between probably, you know, like
6 50,000 to a hundred thousand dollars for a piece of
7 land out there. And then for the cabins, they can -
8 - I don't know, they might range from a hundred
9 thousand dollars and up depending on what they --
10 what they are, how big they are, how big of a
11 property they sit on. It is -- there is no like
12 average price point for those islands.

13 MR. LARRY WOOD: Next question might be a
14 little confusing, but I don't mind admitting that I
15 was born in a different part of the state, and I'm
16 not as familiar as I should be with Southeast
17 because it's beautiful here. But as a part of that
18 sort of interesting question I've got is, you were
19 saying that Hoonah Borough as described would be
20 more rural in character, and you and the folks
21 you're representing would be aligning with that,
22 whereas we've had comments from other communities
23 that say just the opposite. I'm just kind of
24 wondering in your mind why you would see the borough
25 in a different light than maybe other communities in

1 the Glacier Bay region?

2 ERICA SIMPSON: I can't speak to why other
3 people feel the way that they feel. So, I -- I
4 don't know how to answer your question. But what I
5 can say is that, you know, when -- when our
6 residents are spending time on the islands, we feel
7 -- we feel far away from everything. And we
8 actually enjoy that, and we like that. And we -- we
9 enjoy the solitude. And for me personally, I have --
10 -- I've spent time in a lot of different Southeast
11 Alaska communities, I know most of them very, very
12 well. And I would say that -- that Horse and Colt
13 Island is -- is very similar to a lot of them in
14 many ways.

15 MR. LARRY WOOD: Okay. I will let it go with
16 that. But thank you very much for being here today
17 for your testimony. Okay. Next, we have Mr. David
18 Benton.

19 MR. JOHN TILLINGHAST: He is online, should be
20 here.

21 MR. LARRY WOOD: Mr. Benton, can you hear me?

22 DAVID BENTON: Can you hear me? Is this the
23 chairman?

24 MR. LARRY WOOD: Yeah. Could you please raise
25 your right hand?

1 DAVID BENTON: It's up.

2 MR. LARRY WOOD: Okay. You solemnly swear or
3 affirm to tell the truth?

4 DAVID BENTON: I do indeed.

5 MR. LARRY WOOD: Can you please state your
6 name? And you have five minutes.

7 DAVID BENTON: Okay. Thank you very much.
8 For the record, my name is David Benton. I am the
9 President of the Alaska Lighthouse Association. I'm
10 calling you from Point Retreat Lighthouse on the
11 northern tip of Mansfield Peninsula. And this is
12 where I -- my primary residence is. And I just want
13 to speak in favor of the proposed Hoonah Borough.
14 The Alaska Lighthouse Association was formed in the
15 late 1990s. It's a nonprofit organization dedicated
16 to historical preservation and public education, and
17 we own the Point Retreat Lighthouse and Lighthouse
18 Reserve on the northern end of the Mansfield
19 Peninsula. The -- it encompasses all of the
20 historical buildings and 1500 acres of the
21 lighthouse reservation. The association owns the
22 property outright. And I would like to maybe echo
23 some of the kinds of things I was hearing a little
24 bit when I was listening in about why we support the
25 Hoonah Borough and feel that it would be most

1 appropriate for us. Now, we're -- we recognize that
2 the Alaska Constitution, and it's the goal of the
3 state of Alaska to incorporate rural areas into
4 local government. And so, this is not something
5 that we take lightly. We have looked at both the
6 proposals from Juneau and the Hoonah Borough, and it
7 seems to us that we are most closely aligned with
8 the goals and the aspirations of the Hoonah Borough
9 and their approach to local government in what is a
10 fairly remote and distinct part of our -- our state
11 here in Southeast. For us, the borough's charter
12 and their proposal recognize the unique qualities
13 and characteristics and challenges of living in
14 rural Southeast Alaska. It's a little bit different
15 maybe than what you have up north. The -- the --
16 the main waterways around here are, of course, the -
17 - our mode of transportation that -- and air -- air
18 travel. Getting to and from a very remote property
19 can be quite challenging. It's also very rewarding.
20 It was with -- with real pleasure that we looked at
21 the Hoonah proposal because they recognize those
22 unique challenges that you have, and especially if
23 you are developing and protecting a remote
24 historical property. It's -- it's quite a -- quite
25 a -- a lot of logistics and -- and a lot of hard

1 work but it provides a lot of rewards. And the
2 Hoonah proposal recognizes that rural nature of this
3 part of Southeast it in fact seems to -- well, it's
4 most compatible with it, but it seems almost to
5 celebrate the fact that rural areas and people that
6 live in rural areas are part of the unique fabric of
7 our state and they want to be encouraging and -- of
8 that and want to provide opportunities for that way
9 of being to continue. In conversations that we have
10 had with the city manager, those conversations are
11 very positive. We explored with them their goals
12 and what they were looking for. We recognize that
13 at least for now, they're -- they are saying that
14 they are not interested in taxing properties in
15 these more rural spots. We recognize, of course,
16 that may change. We are a non-profit corporation
17 and there are certain, you know, benefits that come
18 along with that, certain detriments too. But some
19 of the benefits, of course, are that depending on
20 how you use the property, property taxes are either
21 going to be not an issue or they're going to be
22 diminished. So, for us, we -- we appreciate that
23 they are saying, and have incorporated into their
24 charter that property taxes are not something that
25 they are interested in levying on properties such as

1 ours. But being the nature of our property and our
2 association, the concern about property taxes is
3 there, but it's lesser probably than maybe for --
4 for other -- other residents in the proposed new
5 borough.

6 MR. LARRY WOOD: Mr. Benton, I'm going to stop
7 your testimony. We've gone over those five minutes.
8 You have questions from the commissioners.

9 DAVID BENTON: My apologies.

10 MR. LARRY WOOD: That's okay. That's all
11 right.

12 DAVID BENTON: My apologies. Could I -- could
13 I add one small thing though? And that is that I
14 didn't want to come here talking about the Juneau
15 proposal, but Hoonah was much more forthright with
16 us than Juneau was when we had conversations with
17 them. I just wanted to add that just as point of
18 clarification. Thank you.

19 MR. LARRY WOOD: Thank you, Mr. Benton.
20 Questions from the commissioners.

21 COMMISSIONER ELY CYRUS: Mr. Benton, how many
22 private parcels on the Mansfield Peninsula, in your
23 judgment? Ballpark.

24 DAVID BENTON: Pardon me. I -- I -- you're
25 sort of breaking up. I -- I apologize.

1 COMMISSIONER ELY CYRUS: How many -- how many,
2 ballpark number only, of private parcels on the
3 Mansfield Peninsula?

4 DAVID BENTON: Oh, that's a good question.
5 There's -- I would say there's probably -- if you
6 include -- well, I'm not going to -- I don't know
7 how many private parcels would be in Thunder Bay.
8 They would -- that would include Thunder Bay, of
9 course. Other than Thunder Bay, there's probably, I
10 would guess, 10 to 15. But they're mostly, you
11 know, very small holdings for cabins and -- and that
12 kind of thing.

13 MR. LARRY WOOD: Here's a tourist question.
14 Is your lighthouse available to, like stay at? Is
15 that what you're doing?

16 DAVID BENTON: Well, not currently. Our --
17 our plan for this facility is -- it was abandoned
18 for 40 years and -- and we're an all -- all
19 volunteer not for profit. So, it's been quite a
20 journey. We -- we are the only historical White
21 House in Alaska that is continuously manned and
22 occupied on a year-round 24/7 basis all by
23 volunteers. And --

24 MR. LARRY WOOD: Thank -- thank you for what
25 you're doing.

1 DAVID BENTON: -- our goal is to become a
2 historical, a -- a educational facility for students
3 and from around Alaska in K through 12 or at the
4 university.

5 MR. LARRY WOOD: Well, you're a great advocate
6 for what you're doing, and thank you for doing it.
7 And that's preserving history is indeed important.
8 Okay. We're going to move to -- thank you, Mr.
9 Benton. I'm going to move to Mr. Bob.

10 DAVID BENTON: You're more than welcome.
11 Thank you.

12 MR. JOHN TILLINGHAST: Mr. Christenson is
13 online, he should be there.

14 MR. LARRY WOOD: Mr. Christenson, are you
15 present?

16 BOB CHRISTENSON: Yes, I am.

17 MR. LARRY WOOD: Would you please raise your
18 right hand?

19 BOB CHRISTENSON: It's raised.

20 MR. LARRY WOOD: Okay. Thank you. Do you
21 solemnly swear or affirm to tell the truth?

22 BOB CHRISTENSON: Yes.

23 MR. LARRY WOOD: Thank you. You have five
24 minutes. Thank you for your testimony.

25 BOB CHRISTENSON: Okay. Thank you very much.

1 So, my name again is Bob Christensen, and I've been
2 living on Lemesurier Island for almost 30 years now.
3 And I am a partial holder of -- of the two
4 inholdings out here on the island. There's one
5 that's about 40 acres and then one that's about four
6 acres. And I work as a what's called a regional
7 catalyst for community forestry, spend a lot of time
8 working with folks in Hoonah, the city, the tribe,
9 the corporation in particular and worked through an
10 organization or a -- really, it's a -- a network
11 called the Sustainable Southeast Partnership. It's
12 been in existence for about 15 years and -- and
13 myself, and really the whole partnership, you know,
14 we're -- one of our primary sort of goals is to
15 promote, you know, fairness and a level playing
16 field for the Tlingit people in Southeast Alaska to
17 have more authority and sort of decision making
18 power for their traditional territories. And so,
19 that's one of my three main reasons that I want to
20 share with you today. All of my reasons are -- are
21 kind of broad sort of -- sort of objectives or broad
22 values, less so real specifics, like -- like your
23 last contributor, who was excellent by the way. I
24 just believe that -- that, you know, the traditional
25 territory of Hoonah would best be served by the

1 community of Hoonah overseeing and stewarding and
2 supporting, you know, all of the people and the
3 lands and the waters of this place. And that kind
4 of leads me to my second primary point, which is I'm
5 a -- a believer not in unlimited government by any
6 stretch, I like limited government. But I do think
7 that an organized form of collaboration, especially
8 when trying to tackle some of the more difficult
9 challenges that your last caller spoke to, and that
10 I could speak to again with a variety of
11 transportation related, energy related, just
12 economic development constraints, changes in the
13 climate, et cetera, that -- that an organized
14 approach to responding to those challenges would be
15 better than -- than one where everybody's sort of
16 working on their own in isolation. And I also
17 really appreciated that the charter was laid out in
18 a way where I felt that I could participate in the
19 borough if I, you know, for example, appreciated the
20 -- the low likelihood of being taxed as an inholding
21 in the borough. If that changed, that there would
22 be ample opportunity for me to participate in the
23 borough and -- and sort of advocate on the behalf of
24 -- of lower taxes for -- for those who live a remote
25 lifestyle in the area. So, those are my three main

1 points. I'm trying to keep it -- keep it short for
2 you to -- to stay on schedule, but happy to take any
3 questions.

4 MR. LARRY WOOD: Thank you, Mr. Christensen.
5 Any questions? Well, I have some.

6 COMMISONER RICHARD TROTTER: Yeah, I have -- I
7 have one.

8 MR. LARRY WOOD: Do you? Okay.

9 COMMISONER RICHARD TROTTER: What would you
10 say is -- is your greatest concern about this whole
11 process? Whether, you know, we've heard people say
12 that they had a proposal from Juneau and -- and then
13 the proposal from here. What -- I guess what you
14 worry about the most is my question.

15 BOB CHRISTENSON: Yeah. I think right now my
16 main concern is that the other small communities in
17 the area right now are not participating that
18 they're asking to be excluded. And -- and, you
19 know, of course I think that's fine for -- for
20 starting out, but my hope would be that the -- the
21 new borough would really prioritize investing in the
22 resources necessary to bring people on board so that
23 we could work more collaboratively, more effectively
24 as a region. And -- and you know, communities like
25 Gustavus and Elfin Cove, and Pelican and Tenakee

1 we're all working in lockstep with Hoonah, and that
2 they shared in the benefits that the borough would
3 provide as well as, you know, collaborated on
4 sometimes the sacrifice that are necessary for the,
5 you know, health and wellbeing of the majority of
6 the people.

7 COMMISONER RICHARD TROTTER: Thank you.

8 MR. LARRY WOOD: Thank you, Commissioner. Mr.
9 Christenson, where is your primary residence today?

10 BOB CHRISTENSON: Lemesurier Island.

11 MR. LARRY WOOD: And -- and you're calling us
12 from there?

13 BOB CHRISTENSON: Yeah, I am.

14 MR. LARRY WOOD: Okay. So, if you were to
15 have an opportunity, just pretend, to have a
16 conversation with these other communities that
17 haven't been identified in the new borough or made a
18 part of it, what would be the three salient points
19 you would offer up as why this incorporation, this
20 formation is important from the perspective of a
21 rural resident? Sort of a similar question I'll ask
22 Ms. (Indiscernible) -- Ms. Simpson.

23 BOB CHRISTENSON: Well, I'm not sure if I'm
24 going to give you a three, but, you know, I'll --
25 I'll -- overarching one for sure, and -- and you

1 could break it down if you'd like, is there's just a
2 lot of shared values. Like the last caller I heard
3 speaking to, you know, just living in a remote
4 location with a challenging, you know,
5 transportation, communications, really everything,
6 the cost of doing business here that, you know,
7 we're -- we're basically stronger together. If
8 we're problem solving together, we're going to be
9 better off. And, you know, Gustavus certainly faces
10 lots of challenges. I know Tenakee and Pelican
11 folks too. And many of those challenges are the
12 same challenges that people in Hoonah face. And --
13 and I -- I would just think that they would benefit
14 from sort of tackling their challenges together.
15 They'd have a stronger voice for advocating to
16 things, you know, like the federal government in
17 particular, you know, like today would be Lisa
18 Murkowski, right? That if they were together, I'm
19 sure they would get more of a year than if they were
20 apart. And -- and, you know, that might benefit
21 with things that are, you know, sort of a common
22 concern, whether it's ferry schedules or the cost of
23 fuel, cost of electricity, et cetera. So, I think
24 it's really just about shared values. And then, you
25 know, I -- I -- I really don't want the sort of lack

1 of trust that, you know, appears to currently exist
2 between the communities to persist, especially
3 again, as -- as challenges grow more. So, you know,
4 I'm very concerned about the health of our
5 fisheries, for example, and -- and whether they're
6 going to persist, you know, as they have been so
7 resilient in the last a hundred years. And it would
8 be unfortunate if we missed an opportunity to work
9 together to -- to be more resilient to whatever
10 changes are -- are in our future.

11 MR. LARRY WOOD: Thank you very much, Mr.
12 Christenson. I'm going to call Dr. Stephen Langdon.
13 And Dr. Langdon is on the phone.

14 MR. JOHN TILLINGHAST: He is the next on the
15 line.

16 MR. LARRY WOOD: He's online. He should be on
17 TV. Should be ready. Okay. Steve, you there with
18 us?

19 DR. STEPHEN LANGDON: Can you hear me now?

20 MR. LARRY WOOD: There you go. Would you
21 please raise your right hand, doctor?

22 DR. STEPHEN LANGDON: Okay. There you go.

23 MR. LARRY WOOD: You go. Do you solemnly
24 swear to tell -- excuse me. Do you solemnly swear
25 or affirm to tell the truth?

1 DR. STEPHEN LANGDON: I do.

2 MR. LARRY WOOD: Thank you. Thank you, Dr.
3 Langdon for being here. You have 10 minutes, sir.

4 DR. STEPHEN LANGDON: I'd like at some point
5 here momentarily to share my screen as well for a
6 slide. My name is Steve Langdon. I'm a pro --
7 Professor Emeritus of Anthropology as indicated on
8 the commission list. I was asked by Hoonah to
9 provide testimony concerning the traditional
10 territory of the Huna Kaa'wu, the Tlingit people who
11 primary residence now is Hoonah. I don't speak for
12 the Tlingit people in this regard, but it's based on
13 my research and learning from them. And I want to
14 thank all of the mentorship and consideration shown
15 to me over the years to provide insights and
16 understandings to me. So, I'm going to hit the
17 share screen, if that's all right. Is that all
18 right, Mr. Chairman?

19 MR. LARRY WOOD: Yes, please do.

20 DR. STEPHEN LANGDON: Okay. Let's see what we
21 can do here. I can find where it is on this panoply
22 of options. There it is. Okay. Let's see. I
23 don't see it show -- showing up. I -- I've hit
24 share screen. It says I'm screen sharing, but I
25 don't see it.

1 MR. LARRY WOOD: You don't see it? We do see
2 it.

3 DR. STEPHEN LANGDON: Well, you -- you see it.
4 Okay. Fine and dandy. As long as you see it. I
5 don't have to see it, it's right in front of me.
6 Okay. So, my testimony concerns the evidence of
7 around the traditional territory of -- of the -- the
8 (Indiscernible) or the equivalent of
9 (Indiscernible), the Kaa'wu, the Hoonah people. And
10 this traditional territory description is based on
11 circa 1890 at the time. And it has antecedents that
12 I'll mention briefly as well as we go on. This
13 particular map that you see comes from George
14 Emmons' book, the Tlingit Indians, which details all
15 of the socio geographic regions of the Tlingit
16 people in Southeastern Alaska. And you can note its
17 boundaries he -- beginning here and following all
18 the way down into these areas here, and with the
19 name in the middle, (Indiscernible) designating that
20 particular location. And this is a -- a -- a -- a
21 strong a quote from Emmons' description of those
22 lands. It says, their historic country included the
23 northern shore of Chichagof Island, and the opposite
24 continental coast from Co -- Cross Sound and Icy
25 Strait, which connect the island channels of the

1 Alexander Archipelago with the Pacific Ocean, which
2 is all evident in this map as you can see. Glacier
3 Bay was a significant part of their homeland and
4 ancestral Huna Kaa'wu clans resided at a large
5 village in the lower part of the bay, from which
6 they moved out into several settlements, including
7 Hoonah following the glacial advance. And this
8 slide depicts from National Park Service publication
9 based upon research shows the nature of that
10 occupation in the homeland and the glacial advance
11 after 1800 and the departure of the resident clans,
12 both from here and moving into locations known quite
13 well including the shore to Port (Indiscernible)
14 under the opposite shore as well as beyond. The
15 territorial limits of this area with wind -- within
16 which they hunted and gathered their food extends
17 along the outer coast northward to Cape Fairweather,
18 including (Indiscernible) Bay. And the Fairweather
19 Grounds was held in common by the Chookaneidi and
20 the T'akdeintaan. And I want to make two points
21 about this particular observation and a description
22 by Commander Emmons. First is the -- in -- he does
23 not in -- he does not mention the fact that Yakobi
24 Island is also included. And in my affidavit that I
25 submitted as that was then submitted as part of the

1 -- of the Hoonah's submittal to the commission
2 includes the considerable discussion about the
3 occupation utilization of Yakobi Island. The second
4 part, which I -- when I was doing this research and
5 found this quote about the outer coast out to the
6 Fairweather grounds, this is research that I did
7 back in 2015. On this particular question of the
8 offshore waters, particularly related to challenge
9 to their claims by Tsimshians who came up to hunt on
10 Sea Otter grounds and the Hoonah people radically
11 rejected their presence and they went to the US
12 Navy, who in fact, recognized their claims. And
13 that research demonstrates that in fact, Sea Otters
14 were able to go out to at least a fair --
15 Fairweather grounds, and we're using those areas
16 after the -- the tremendous amount of pressure that
17 was put on them on inshore waters. That research
18 also demonstrated that there was substantial
19 environmental information on the ways in which the -
20 - these offshore waters were utilized, so that in
21 fact, Hoonah, this does not -- this map does not
22 recognize or represent the traditional territorial
23 claims to waters past the Fairweather grounds down
24 in the region leading down to Yakobi Island as well.
25 One of the most important of the wolf clans that

1 continued the Chookaneidi, one of the clan o --
2 offshoots after they had moved to Hoonah from
3 Glacier Bay then broke off and moved to Freshwater
4 Bay from whom all the way around occupied Freshwater
5 Bay. And they occupied the area south to the mouth
6 of Tenakee Inlet before moving to Sitka. Quick
7 comment on the north side of eastern side of the
8 territory and Icy straits, it extends down to Port
9 (Indiscernible). And in that region around
10 (Indiscernible) and it extends well up into
11 Excursion Inlet, which unfortunately, that part of
12 the traditional territory somehow was glommed on to
13 by the Haines Borough. That is not in any way
14 traditional, and that region is associated with the
15 -- the Wooshkeetaan clan, particularly as I think
16 Mr. Gray will testify following me, but that too was
17 a part of that territory. And so, this particular
18 traditional territory is well understood by many of
19 the elders. And as they -- as they have taught me,
20 and they te -- te -- teach their descendants, these
21 are the waters. I can't remember precisely waters
22 and lands of -- of their traditional holdings. I
23 believe it was in -- gosh, around -- around 1990, my
24 -- you can correct me commissioners, when Yakutat
25 put forward a proposal for the bor -, -- for the

1 borough that they -- they sought and presented their
2 case before the Boundary Commission. They -- let me
3 just call it, mistakenly extended that initial
4 boundary to Cape Spencer. And when this became
5 aware to the people in Hoonah, they came to the
6 Boundary Commission, and it'll be in your records.
7 If you have audio, you can hear it, and they gave
8 traditional clan songs and reg -- war regalia
9 demonstrating their ownership of their lands all the
10 way down to Cape Spencer. And following that
11 circumstance, I believe the Yakutat people
12 resubmitted their proposal in which they used the
13 boundary at Cape Fairweather as their southern
14 boundary. So, there's -- in your own records,
15 there's a significant presence amongst
16 (indiscernible) and recognizing that. So, with
17 that, I'm be happy to answer any questions that I
18 might be able to.

19 MR. LARRY WOOD: Thank you. Commissioners,
20 questions? Culturally speaking, can you describe
21 the nature of the -- nature of the Hoonah people in
22 terms of their inner relations with other
23 communities? For example, we heard testimony from
24 Mr. Grant today about his willingness to hear the
25 interests of other communities in the Glacier Bay

1 region. Is that -- is that philosophy, or is that
2 approach pretty traditional also amongst the Hoonah
3 people?

4 DR. STEPHEN LANGDON: Well, it's a complex
5 question.

6 MR. LARRY WOOD: They run on me too.

7 DR. STEPHEN LANGDON: There are -- there are
8 many individuals that have multiple ties to other
9 individuals. So, the shared region does create the
10 backdrop and the background for people to share
11 information about resources or not, and to, you
12 know, provide information about circumstances to
13 utilize facilities in different locations. I've --
14 when I've been in Pelican, I've seen Tlingit fishing
15 vessels tied up there, and there's a very famous
16 Rosie's bar there that I'm sure a number of people
17 familiar -- when I have frequented. Likewise Elfin
18 Cove and -- and -- and Gustavus people, as they
19 noted have dynamic interaction around the resources
20 of that area. I wanted to make one final point. I
21 -- my -- my apologies, commissioner. The allotments
22 that were submitted in the proposal are a very
23 substantial and powerful evidence of the traditional
24 claims of the Tlingit people, particularly in the --
25 in the Glacier Bay National Park. So, getting back

1 to your -- to your question, there were strong
2 standing ties. And unfortunately, for example,
3 between Hoonah and Excursion Inlet when you've got
4 cannery communities in which people are fishing,
5 these create strong standing ties. And there's
6 still a village in -- at Excursion Inlet that is
7 based upon Tlingit residence on the Neva River in
8 that location. So, back and forth throughout the
9 communities, there are -- there are intersections of
10 interest that are mostly related to the underlying
11 utilization of the resources, and not so much to the
12 governance type questions. It's people's on the
13 ground interactions that I think represent the --
14 the nexus of how they come together.

15 MR. LARRY WOOD: So, when you said allotments,
16 are you referring to native allotments within the
17 park?

18 DR. STEPHEN LANGDON: Yes, I am. In your
19 submission, there's an affidavit that will show all
20 of those to you. I think -- I hope that all the
21 commissioners will look at that.

22 MR. LARRY WOOD: Okay. Do we have copies of
23 these charts also in your presenta -, -- written
24 presentation? I think we do.

25 DR. STEPHEN LANGDON: We have (indiscernible),

1 we do not have that chart.

2 MR. LARRY WOOD: Okay. Could you -- doctor,
3 could you please make sure or send to Mr.
4 Tillinghast what you've shown us, and he'll get that
5 into our record?

6 DR. STEPHEN LANGDON: I certainly will.

7 MR. LARRY WOOD: I got some questions, one
8 more. So, I'm reading or I should have gotten
9 through it by now, but it's a book about John Muir
10 and his very first travel to Glacier Bay and he's
11 accompanied, and I can't recall who the Alaska
12 natives were, which -- which community they were
13 from. Do you recollect?

14 DR. STEPHEN LANGDON: Well, yes. This -- this
15 is an interesting point that it does reflect upon
16 ter -, -- the territorial prerogatives. John Muir
17 was taken up -- up from -- he was picked up in -- in
18 Wrangell. And so, it was the (Indiscernible)
19 Tlingit man named (Indiscernible) who was the head
20 of the -- the canoes that brought him up. So, it
21 was local guys, and he was -- he was a little bit
22 hesitant to go up to (Indiscernible), but when they
23 got into Icy Strait, he we -- went in and made
24 connections with the Hoonah people. And when they
25 went up into Glacier Bay, they -- he went up with

1 guides that were from the Hoonah people. He -- the
2 -- (Indiscernible) did not make an effort to take
3 him up there, but it was Hoonah people who took him
4 up into Glacier Bay.

5 MR. LARRY WOOD: Well, I -- I don't want to
6 ruin the book for anybody who hasn't read it, but
7 they had some excitement in Glacier Bay in that
8 book.

9 DR. STEPHEN LANGDON: Well, there's some other
10 places too. Well, he came up -- he -- he visited a
11 village -- village in Taylor Bay on a Sockeye
12 stream, and sat down and had a -- an interesting
13 conversation there with resident Hoonah clansmen
14 putting up their sockeye. So, yeah, there's lots of
15 -- outside of Cape Spencer is one of the first
16 locations where the English Trader Dixon in 1787
17 acquired Sea Otter from people living on the outside
18 -- outside coast there.

19 MR. LARRY WOOD: Fascinating history. Thank
20 you, doctor very much. And I appreciate your
21 testimony today.

22 DR. STEPHEN LANGDON: Certainly

23 MR. LARRY WOOD: I'm going to go to Dennis
24 Gray, Sr. He's here. Okay. Mr. Gray, thank you
25 for coming today.

1 COMMISONER RICHARD TROTTER: I'm sorry. Just
2 (indiscernible) can I go out and walk back?

3 MR. LARRY WOOD: No, no, no, that's fine. You
4 want to go back?

5 COMMISONER RICHARD TROTTER: No.

6 MR. LARRY WOOD: Are you sure?

7 COMMISONER RICHARD TROTTER: I'll ask the
8 question.

9 MR. LARRY WOOD: Okay. Well, you're --

10 COMMISONER RICHARD TROTTER: Maybe he knows
11 better.

12 MR. LARRY WOOD: Mr. Gray, would you please
13 raise your right hand? Do you solemnly swear or
14 affirm to tell the truth?

15 DENNIS GRAY SR.: I do.

16 MR. LARRY WOOD: Would you please state your
17 name? And I think 10 minutes.

18 DENNIS GRAY SR.: Yes, I do. Welcome
19 commissioners, Mr. Chairman. My name is Dennis
20 Gray, Sr., lifelong resident of Hoonah. And also 12
21 years ago became the -- became the clan leader of
22 the Wooshkeetaan, the Wooshkeetaan clan, which is
23 the (Indiscernible) Clan. And listening to Dr.
24 Langdon, thank you so much for -- for your -- your
25 part, Steve. I know him personally. He spent some

1 time with us and he's done a lot of research. And
2 so, we -- we -- we did also, and he mentioned the
3 different clans, the T'akdeintaan clan, the
4 Kaagwaantaan, and each clan has a -- has their own
5 boundary lines that -- and we know what they are.
6 In fact, I do -- I just have a small topical map of
7 the Wooshkeetaan boundaries, which start at what we
8 call -- we still call Strawberry Point, but people
9 of Gustavus, or even on the chart, it's called --
10 it's called Gustavus Point.

11 MR. LARRY WOOD: Would you mind moving to the
12 map? Would that be --

13 DENNIS GRAY SR.: I don't see (indiscernible).

14 MR. LARRY WOOD: Oh, okay.

15 DENNIS GRAY SR.: Oh, Gustavus Point is right
16 here, mouth of Glacier Bay.

17 MR. LARRY WOOD: Okay.

18 DENNIS GRAY SR.: Okay. Running up on the
19 right side of Glacier Bay up to Bartlett Cove --

20 MR. LARRY WOOD: I'm -- I'm moving off the
21 boundary, up the --

22 DENNIS GRAY SR.: -- Bartlett Cove and then
23 goes on up to --

24 MR. LARRY WOOD: Mm-hmm.

25 DENNIS GRAY SR.: -- Bear Track Mountain.

1 From Bear Track Mountain it goes -- swings to the
2 right over to Excursion Point on up to Excursion
3 Inlet and on down-to-down home shore. And it goes
4 so far down home shore to a fish -- to a fish creek.
5 I'd have to look at name of it at home in my
6 records. And -- and then from there -- from -- a
7 little further on from there, the Kaagwaantaan.
8 See, I can't tell their -- we don't -- we do not try
9 to tell another clan's story. So, I can just tell
10 you where our boundary markers are. So, we have
11 strong, strong ties. I have -- I have a grandmother
12 and a grandfather that lived there their whole life
13 in Excursion Inlet. They were Wooshkeetaan leaders.
14 And David McKinley (indiscernible) was his name.
15 And my grandmother was Julia Johnson. And -- and
16 she also had a sister that spend her life there with
17 them. And -- anyway, I wanted to -- since I'm on a
18 limited time here, I wanted to share an adventure, a
19 historical adventure that happened for -- for the
20 Hoonah, Huna Kaa'wu. See, there's a difference when
21 you're talking about Sitka, Juneau, Angoon, Kake,
22 they're referred to as (Indiscernible). Okay. But
23 Hoonah, the Hoonah Tlingit is Kaa'wu. The
24 difference between the two, the (Indiscernible), the
25 people, when we speak of them, we're talking about

1 people that always been where they're at. They've
2 always been there. The Kaa'wu, we migrated, people
3 that migrated from Glacier Bay to escape the
4 advancing glacier. That's how we ended up here over
5 300 some years ago. And from that -- from that
6 point on, we fished up there. I spent many years
7 fishing up there with my uncles. I was pretty much
8 raised by my uncles culturally. We had -- our
9 parents had no say when we got to a certain age.
10 So, I spent a lot of my life commercial fishing.
11 When I was a logger, drove log truck a lot of years
12 here on the island. And then I worked down at Icy
13 Street Point when they started and logging ended.
14 And I spent 20 years working down there up to last
15 year. And so, anyway, our historical event, we
16 called it our journey back to our ancestral
17 homeland, our journey back to Glacier Bay. And our
18 president, Frank Wright, he knows the story so well.
19 He's been our president for so many years. And --
20 and I was on the board for quite a few years. I
21 still am board member of the Hoonah Indian
22 Association. And we went back and forth, back and
23 forth with the park rangers. They came here, met
24 with us. We went up there, met with them for years
25 and years and years. All we wanted was acceptance,

1 acknowledge. We wanted them to acknowledge that it
2 is Huna Kaa'wu's ancestral homeland and arche --
3 archeology -- archeologists proved it for us by what
4 they -- what they recovered up there on our land,
5 artifacts, crests, clan crests. That's how we --
6 that's how we decided and determined the boundary
7 lines. They found crest further up into the bay,
8 like from Berg Bay on up where the Chookaneidi would
9 live. They covered some of their artifacts,
10 Kaagwaantan. And so, -- so we were all -- we were
11 all involved and such a huge part of it. And we
12 worked so hard to be accepted back into that bay, to
13 be acknowledged. And when we finally -- we finally
14 got them to start listening to our stories, and then
15 when we had the evidence to show them, to actually
16 show them the evidence of our occupation out there.
17 And so, we finally developed a good working
18 relationship with the Park Service. And they helped
19 us build our tribal house up there, (Indiscernible).
20 And that's a beautiful tribal house. And of course,
21 us tribal members of the Huna Kaa'wu we were the
22 inspectors, we were -- we were the architects of
23 that tribal house. So, we drew up -- we drew up the
24 -- the specs for it and we made many, many trips up
25 there to inspect because they were building it for

1 us. And so, they did a beautiful job as you -- as
2 you can see. And that building, well, you can just
3 see the corner of it next to the street there, it's
4 called the (Indiscernible). That's boathouse.
5 That's where our canoes were built. It was an open
6 building. That's where our canoes were built at the
7 time that we're going to make that journey back to
8 our ancestral homeland. Let me tell you, that --
9 that whole thing when it starts happening, it
10 brought our communities together. So, -- so -- I
11 mean, it strengthened us all our people. Our -- our
12 entire community got involved, especially our youth.
13 That was what made my heart feel so good just the --
14 how -- how much energy and excitement it generated
15 for the entire community. It was a quite a long
16 project. The canoes are right out here. They're
17 covered, an eagle canoe and a raven canoe. And I
18 was lucky enough to be chosen to ride in the bow of
19 the eagle canoe as a Wooshketaan, we're the -- we're
20 the eagles. (Indiscernible), raven, they had their
21 own canoe. And then there was a -- there was a
22 third canoe, I believe that one was dedicated to our
23 veterans. So, everyone was included. I mean,
24 communities from all over Alaska, not only
25 Southeast, not only the Tlingits, the

1 (Indiscernible), the Tsimshians, the
2 (Indiscernible), the (Indiscernible) at the Baskins.
3 We heard from all of them. And they gave us their
4 full support when they heard what we were battling
5 and what -- what all (indiscernible). I didn't hear
6 that.

7 MR. LARRY WOOD: One minute.

8 DENNIS GRAY SR.: (Indiscernible) it started.
9 I mean, to stop.

10 MR. LARRY WOOD: Yeah.

11 DENNIS GRAY SR.: I mean, there's so much more
12 to the story, but I'll -- I'll try to cut it a
13 little bit short. Anyway, the day finally came for
14 our journey back to our ancestral homeland. We had
15 our young people as -- as warriors, they went
16 through training and they had to keep their grades
17 up in school. They had to -- they had to stay away
18 from drugs and alcohol. They had to have passing
19 grades at school. And they went through all that
20 training right out here in our bay and other canoes
21 that were provided. And they trained. They trained
22 hard for months and months and months. And the day
23 finally came, August 25th, 2016, sir. And another
24 raven leader was asked to sit in the (indiscernible)
25 row the raven canoe. We entered the Bay. And what

1 a historical event. I mean, there was people from
2 all over acknowledging. They were there to
3 acknowledge when the -- now, you listen to the
4 promotion of the Park Service, they'll say, welcome
5 to Glacier Bay, the ancestral homeland of the Hoonah
6 Tlingit. That's all we wanted to hear.

7 MR. LARRY WOOD: Yeah, I guess --

8 DENNIS GRAY SR.: (Indiscernible) knowledge.

9 MR. LARRY WOOD: -- we'll bring it to a close.
10 But let me ask you this question.

11 DENNIS GRAY SR.: Sure.

12 MR. LARRY WOOD: The Tribal House, which is in
13 Bartlett --

14 DENNIS GRAY SR.: Bartlett Cove.

15 MR. LARRY WOOD: -- Bartlett Cove, how is it
16 used today by the Park Service? How -- how is it
17 used? Is it used?

18 DENNIS GRAY SR.: Oh, it's -- it's used. It
19 is -- it is used. Presently, it's open to the
20 public because we want -- we do have translators up
21 there that tell the story. Telling the story --

22 MR. LARRY WOOD: Are those folks from here,
23 Mr. Gray? Are these local people that go to
24 Bartlett Cove?

25 DENNIS GRAY SR.: No. There are ships that do

1 go into the Glacier Bay and, so.

2 MR. LARRY WOOD: Okay. I realize that.

3 DENNIS GRAY SR.: And we do -- we do -- we do
4 open it up, like for retreats or board meetings for
5 (Indiscernible) board or HIA and especially for our
6 youth, they make as many trips as possible. We --
7 we have -- we have workshops for them up there. And
8 so, it's in constant use. It's a beautiful that --
9 that has house posts on the inside and it has -- in
10 the back it has a Kaagwaantan pole house post, it
11 has a T'akdeintaan house post, has a Chookaneidi
12 house post, and a Wooshkeetaan house post on all
13 four corners. And it's -- it's view --

14 MR. LARRY WOOD: How -- how frequently do
15 folks from Hoonah get to go there?

16 DENNIS GRAY SR.: I -- they're pretty -- they
17 good -- make quite a few trips. They just made
18 about three trips in the last two, three weeks now.

19 MR. LARRY WOOD: Okay.

20 DENNIS GRAY SR.: So, it's in constant use.
21 And -- and we thank the Park Service because --
22 because they -- they (indiscernible), we named them
23 traditionally as the caretakers of our ancestors'
24 house because it's called Hoonah Shuka' Hit,
25 translated that's Huna's Ancestors' House. We

1 dedicated to our ancestors who lived there.

2 MR. LARRY WOOD: Thank you.

3 DENNIS GRAY SR.: So, we made that journey
4 back to our ancestral home on August 25th, 2016.
5 Very historical.

6 MR. LARRY WOOD: Don't go away yet. I need to
7 ask if there are additional questions and --

8 DENNIS GRAY SR.: Yeah.

9 COMMISONER RICHARD TROTTER: --I would just --
10 what -- what I was going to ask the professor is,
11 you know, you've mentioned, I think it's the Kaa'wu
12 --

13 DENNIS GRAY SR.: Yeah.

14 COMMISONER RICHARD TROTTER: -- people, Huna
15 Kaa'wu.

16 DENNIS GRAY SR.: Yes.

17 COMMISONER RICHARD TROTTER: Is there a
18 linguistic group that is the Huna Kaa'wu? Do -- do
19 the people in -- in here and in (indiscernible),
20 Elfin Cove and some of the other cities that we've
21 been talking about, or people that have been
22 testifying, do they all speak the same language
23 other than English? I'm not talking about English
24 now.

25 DENNIS GRAY SR.: Oh, South -- Southeast, yes.

1 COMMISONER RICHARD TROTTER: Okay. And so,
2 you go to any of these towns and villages, you can -
3 - you can speak in your -- I guess I'd call it a
4 dialect, but you can speak in your dialect to
5 anybody in any one of the villages?

6 DENNIS GRAY SR.: Well, yeah. Like -- like
7 Angoon, Kake, Sitka, Juneau, the (indiscernible) out
8 of Juneau --

9 COMMISONER RICHARD TROTTER Mm-hmm.

10 DENNIS GRAY SR.: -- the Yakutat.

11 COMMISONER RICHARD TROTTER: And -- but also -
12 - but what -- what's the Gustavus and the -- the
13 smaller community --

14 DENNIS GRAY SR.: There's -- there's a few --
15 there's a few that understand.

16 COMMISONER RICHARD TROTTER: Mm-hmm.

17 DENNIS GRAY SR.: And they -- they do -- they
18 do try art and they've -- we've gone there to visit
19 them. We've performed with them. We took our
20 dancers with us, --

21 COMMISONER RICHARD TROTTER: Mm-hmm.

22 DENNIS GRAY SR.: -- performed. And they've
23 been -- every -- especially that huge historical
24 ceremony, they were all there. They were all there
25 to support us, and they did everything they could to

1 -- I mean, they -- they provided food for all those
2 people. The most beautiful thing coming around that
3 corner, seeing all that regalia, all that beautiful
4 colorful regalia on the shore right below our tribal
5 house with a huge bonfire singing our Glacier Bay
6 sound, that's the most emotional thing --

7 COMMISONER RICHARD TROTTER: Thank you.

8 MR. LARRY WOOD: Appreciate --

9 DENNIS GRAY SR.: -- I ever experienced.

10 COMMISONER RICHARD TROTTER: Wonderful.

11 MR. LARRY WOOD: Thank you, Mr. Gray.

12 DENNIS GRAY SR.: Really big reasons for my
13 grandparents and my parents who never got to witness
14 this historical event, but they talked about it so
15 long. That's why I made it in my mind I wanted to
16 be involved. That's why I was and I still am.
17 Yeah.

18 MR. LARRY WOOD: Thank you very much. By the
19 way, you -- we met your son.

20 DENNIS GRAY SR.: Okay. And my other son,
21 Andy.

22 MR. LARRY WOOD: I bet you -- oh, that's
23 right. So, I bet you're very proud of your sons.

24 DENNIS GRAY SR.: Oh, I am.

25 MR. LARRY WOOD: Yeah. Thank you for coming

1 and sharing your sons with us too.

2 DENNIS GRAY SR.: And thank you. Thank you.
3 And I appreciate Mr. Chairman for taking your time
4 to -- to hear what we all have to say.

5 MR. LARRY WOOD: Yes. Thank you. It's
6 important.

7 DENNIS GRAY SR.: I (indiscernible), very good
8 thank you.

9 COMMISONER RICHARD TROTTER: Have a good
10 afternoon. Thank you.

11 DENNIS GRAY SR.: You also.

12 MR. LARRY WOOD: Mary Beth Moss,
13 (Indiscernible). Wait a minute, Ms. Moss, can you
14 hear us? Mary Beth, are you on the line? Mary
15 Beth, (indiscernible)? You're mute. Is she muted?
16 Muted screen? She is online and she's not --just
17 unmuted her. Why are you (indiscernible)? I think
18 she wasn't ready for this. Well, we can go to the
19 next witness and come back (indiscernible). Let's
20 go to Mr. John Moller. Is he present?

21 COMMISONER CLAY WALKER: He's online.

22 MR. LARRY WOOD: Good afternoon, Mr. Moller.
23 Would you please raise your right hand? Do you
24 swear or affirm to tell the truth?

25 JOHN MOLLER: Yes, I do.

1 MR. LARRY WOOD: Thank you. Could you please
2 state your name? And you'll have 10 minutes after
3 that.

4 JOHN MOLLER: Yes. Good afternoon. Mr.
5 Commissioner, my name is John Moller, spelled M-O-L-
6 L-E-R. And I'm calling today from Juneau, Alaska.
7 And today, Mr. Chairman, I'd like to testify a
8 little bit on the work that Navigate North
9 Consultants did for the City of Hoonah back in 2018
10 and 2019. Navigate North Consultants was affirmed,
11 owned by former Governor Sean Parnell and myself.
12 It's important to -- to note that the work we did
13 was on the very front side of this conversation. In
14 fact, I'm not even sure that the City of Hoonah at
15 this -- in this timeframe had decided to move
16 forward with an application to form a borough. Our
17 contract with the City of Hoonah had two objectives.
18 One, that all be fully informed on the advantages
19 and the disadvantages of borough formation. And
20 two, that full participation in these discussions by
21 communities and individuals. Our job, as we
22 understood it at the time, was not to take sides or
23 -- or against boroughs, but instead to facilitate
24 discussions and provide information. To help us
25 along, the City of Hoonah adopted five guiding

1 principles to help conversation. The first was to
2 learn more about pros and cons of forming a borough.
3 In part, this was an exercise that would come about
4 by talking to the -- to the communities. Two, to
5 develop a transparent public process for everyone to
6 have a voice in the process. Three, borough
7 formation will be pursued if residents now and into
8 the future can benefit. Four, assure a better
9 education for K12 students, while ensuring each
10 school maintained reasonable local control. And
11 five, develop stronger relationships with
12 surrounding communities. With clear understanding
13 of Hoonah's objectives and guiding principles,
14 Navigate North consultants sent invitations to
15 engage communities and other entities within the
16 region to begin this discussion. Communities
17 included in this invite were the City of Pelican,
18 the City of Gustavus, and the community of Elfin
19 Cove, amongst others. Not all entities accepted our
20 invitation to be a part of the dialogue, and if they
21 didn't accept our invitation, we did not pressure or
22 request a visit at that time. The City of Hoonah
23 recognized in the beginning of the process of the
24 possibility that not every community would want to
25 participate in this discussion, but Hoonah was

1 adamant that all communities and the various
2 organizations within the community were invited.
3 Navigate North Consultants mode of communication
4 consisted of a letter via US Postal Service, and I
5 followed up with an email and eventually a phone
6 call if I hadn't heard back. Once we heard back
7 from our invitations to participate, Nav North
8 scheduled -- Navigate North consultants scheduled
9 visits to surrounding communities. We made in-
10 person visits to Pelican, Tenakee Springs, Gustavus,
11 and Kake. We also had meetings and or phone calls
12 with school districts, tribal governments, and
13 (indiscernible) corporations. Following these
14 meetings and in interest of being transparent and
15 fully inclusive, the City of Hoonah through my
16 consulting company asked each community to name a
17 representative to be a member of a task force that
18 can continue to meet and explore and flesh out
19 concerns of a potential borough. Also, in the
20 interest of receiving as much public -- public
21 comment as possible, we also created a portal where
22 members of potentially affected communities could
23 comment. Our assessment of the visits to the
24 communities were -- the conversations were generally
25 healthy. Obviously, residents expressed concern

1 regarding being included in a borough and the fear
2 of the unknown. But in -- in general, my opinion,
3 there were legitimate, legitimate questions that
4 were raised and that came out of the discussions.
5 And this was good for the process. Some of the
6 questions that expressed -- that were expressed
7 during our visits, I'll just run through a couple of
8 them, Mr. -- Mr. Chairman, what impact would borough
9 formation have on communities regarding forest
10 receipts and the Secure Rural School program? What
11 impact on payment in lieu of taxes can a new borough
12 annex land already incorporated in another borough?
13 How can a borough help with decreasing education
14 funding due to low student numbers? Will there be a
15 property tax? How will smaller communities be
16 fairly represented? In closing, Mr. Chairman,
17 Navigate North Consultants made a few
18 recommendations to the City of Hoonah in its final
19 report. Started with each community should review
20 the answers that we provided and report to the
21 questions that were raised in the communities
22 visits. And two, communities should continue to
23 engage seeking answers to and possibly common ground
24 in the following areas, what services would the
25 borough provide? What revenue base would fund the

1 new borough? How sustainable is this revenue? And
2 once residents are better informed on some of these
3 above questions, what level of public support exists
4 for borough formation? Mr. Chairman, that's all I
5 have for my testimony at this point. I'm happy to
6 address any questions the commissions may have.

7 MR. LARRY WOOD: Thank you, Mr. Moller. Are
8 there questions, commissioners?

9 COMMISONER RICHARD TROTTER: I -- I just want
10 to know, when? You -- you mentioned early on, but
11 when did Navigate North do the work you're
12 describing?

13 JOHN MOLLER: Yeah, to the -- to the Chair,
14 thank you for the question. We were engaged, I
15 think it would've been -- you're tasking my memory
16 now, but I think it was the fall of 2018 and I think
17 into early summer of 2019, we did the visits, is my
18 recollection.

19 MR. LARRY WOOD: I'm sorry, did you mention
20 what day the final report was or what year?

21 COMMISONER RICHARD TROTTER: No, he didn't. I
22 just asked when they did the work.

23 MR. LARRY WOOD: Okay. When they did. What -
24 - what's the date of your final report, Mr. Moller?

25 COMMISONER CLAY WALKER: We have that report

1 though, it's in the file.

2 JOHN MOLLER: Yeah, the final report, I
3 believe came out in -- in -- in late summer of 2019,
4 I believe.

5 MR. LARRY WOOD: I'm going to turn -- do you
6 have a copy of the final report that was given us by
7 our staff? Do you have that?

8 JOHN MOLLER: Yes, indeed. I -- I have -- I
9 have electronically.

10 MR. LARRY WOOD: Oh. Well, --

11 JOHN MOLLER: Not in front of me.

12 MR. LARRY WOOD: Okay. Well, let me just tell
13 you -- ask you this question because I -- I asked
14 earlier to Mr. Gray. It's on page two. A statement
15 from our staff is that the petitioner even
16 commissioned a consulting firm to convene meetings
17 in the regional communities in 2018. A report on
18 these community discussions indicated there were
19 more questions from the community, but not that
20 there was outright opposition from neighboring
21 communities. Despite this opposition, by January
22 2019, Hoonah had appointed a rural formation
23 commission that included representation from the
24 City in Game Creek, but not other neighboring
25 communities. It is unclear why the city moved

1 forward so quickly, and a letter from Gustavus'
2 mayor to Hoonah's mayor in October 2019 expresses
3 puzzlement over why the multi community-based
4 approach was abandoned. Are you familiar with what
5 the narrative describes? I mean, now you called it
6 a task force. Is that the same as what our staff
7 was calling a commission?

8 JOHN MOLLER: Mr. Chairman, I mean, it sounds
9 to me like we're talking about the same thing, just
10 using different terminology.

11 MR. LARRY WOOD: So, was there any effort
12 after the report to get things started again with
13 these other communities?

14 JOHN MOLLER: That I do not know. My firm --
15 when -- once we did the final report, that was the
16 extent of the work that my firm did for the city of
17 Hoonah. And again, it was -- it was -- getting a
18 bunch of feedback here.

19 MR. LARRY WOOD: Okay. So, that's been five
20 years ago?

21 JOHN MOLLER: Yes. So, --

22 MR. LARRY WOOD: Yeah.

23 JOHN MOLLER: So, again, my -- we -- we were
24 engaged -- my firm was engaged by the city of Hoonah
25 to -- to -- to get the conversation started with the

1 communities. And again, we didn't have -- we di --
2 we did not have -- to my knowledge, there was no
3 decision at that point when I was visiting the
4 communities to -- to form a borough by the city of -
5 - by the city of Hoonah. So, the conversation was
6 more of a exploratory conversation with the
7 communities and -- and an introduction to just have
8 a general conversation about the pros and cons of
9 boroughs that a borough might bring. So, I suspect,
10 you know, the -- the history between now and -- and
11 -- and when we did our work, that conversation is
12 certainly much more mature and the questions are
13 much more specific, but we were having general
14 conversations and wanting to, at the request of
15 Hoonah to engage every community we possibly could
16 and wanted to be in part of the conversation. So,
17 that's how I viewed our role. And we made every
18 effort --every effort to contact every community
19 multiple times to engage in this conversation of
20 which I mentioned earlier, some chose not to.

21 MR. LARRY WOOD: Going on, our staff wrote on
22 page three of his report, LBC staff sees high value
23 in an updated borough feasibility study that
24 verifies the impacts to shared revenue programs,
25 school funding, administrative responsibilities, and

1 economic opportunities. We can ask staff, but I
2 don't think there's ever been a thorough feasibility
3 study in this region.

4 MR. JOHN TILLINGHAST: No, there has been, Mr.
5 Chair.

6 MR. LARRY WOOD: Oh, there has been?

7 MR. JOHN TILLINGHAST: Excuse me. I mentioned
8 them three times --

9 MR. LARRY WOOD: Okay.

10 MR. JOHN TILLINGHAST: -- in my presentation,
11 DCRA did two of them, we also had one completed by
12 the contractor, (Indiscernible) Associates did one
13 as well. And so, there is three different reports
14 completed.

15 MR. LARRY WOOD: Now, what was the -- or who
16 said -- who did the first one?

17 MR. JOHN TILLINGHAST: DCRA.

18 MR. LARRY WOOD: DCRA?

19 MR. JOHN TILLINGHAST: Yes.

20 MR. LARRY WOOD: Oh, the state itself?

21 MR. JOHN TILLINGHAST: State of Alaska,
22 correct. Bill -- Peter Reer was the author of that
23 study back.

24 MR. LARRY WOOD: Okay. Remember who did the
25 funding? Was that a special --

1 MR. JOHN TILLINGHAST: It was administrative -
2 -

3 MR. LARRY WOOD: (Indiscernible).

4 MR. JOHN TILLINGHAST: Just the function of
5 state of Alaska, have a bunch of money still in the
6 '90s in oil, they said, spend money on special
7 projects. The last one was completed as a result of
8 the (Indiscernible) Senator representative Bill
9 Thomas got and awarded (indiscernible) to DCRA as
10 passed a grant to (Indiscernible) Associates.

11 MR. LARRY WOOD: Let me go back to our
12 witness. So, Mr. Moller, do you see any value in
13 renewing these conversations after five years with
14 all the communities involved?

15 JOHN MOLLER: Well, I think there's always
16 value -- through the -- to the Chair, I think
17 there's always value in that -- in that I think
18 we've heard, you know, some opposition, you know,
19 some concern. And so, I think there's always some
20 value in -- in trying to resurrect or engage in that
21 conversation. Now, you know, I think there also
22 comes a time where, you know, it may not -- it may
23 not be feasible, it may not be possible, it may not,
24 you know, you -- you -- you can't drag them to the -
25 - anybody to the party in this particular case. But

1 now that the -- we're at where -- where we're at, so
2 I guess, yes, I think there's always value in
3 engaging in the conversation. I think we heard
4 Dennis Gray say that earlier, that he is still
5 willing to do that. So, -- so yes.

6 MR. LARRY WOOD: Okay. Very much for your
7 testimony. Additional questions? Oh, we have one,
8 Commissioner Walker.

9 COMMISONER CLAY WALKER: And -- and this might
10 be for Mr. Gray, and -- and that's regarding the
11 prior studies. What year was the Sheinberg
12 feasibility study?

13 DENNIS GRAY: It was completed, I believe in
14 June 2008.

15 COMMISONER CLAY WALKER: Okay.

16 DENNIS GRAY: Yep.

17 COMMISONER CLAY WALKER: Thank you.

18 MR. LARRY WOOD: Okay. Thank you, Mr. Moller.
19 Appreciate it. Are we back to Ms. Moss?

20 We try.

21 MR. LARRY WOOD: Okay. (Indiscernible)
22 calling in by phone. Mary Beth, are you there?

23 MARY BETH: Yes, I am.

24 MR. LARRY WOOD: Okay. Ms. Moss, would you
25 please raise your right hand?

1 MARY BETH: Yes.

2 MR. LARRY WOOD: Do you solemnly swear to tell
3 the truth -- excuse me. Do you solemnly swear or
4 affirm to the truth?

5 MARY BETH: Yes, I do.

6 MR. LARRY WOOD: Apologize. I'm going back to
7 the old style, but, okay. So, could you please
8 state your name? And you have 10 minutes.

9 MARY BETH: Thank you. My name is Mary Beth
10 Moss. I serve as the cultural anthropologist and
11 tribal liaison for Glacier Bay National Park and
12 Preserve. Prior to my current position, I served as
13 a cultural resource specialist and ultimately the
14 tribal Administrator for Hoonah Indian Association.
15 And prior to that, I served a tenure appointment as
16 the Chief of Resource Management and Sciences at
17 Glacier Bay National Park and Preserve. I was asked
18 to testify today about the relationship between the
19 National Park Service and Hoonah Indian Association,
20 which is the federally recognized tribal government
21 serving the Hoonah clans. The National Park Service
22 has not or will not be taking a position on the --
23 the borough petition. As many other testified
24 already, the Glacier Bay National Park encompasses
25 much of the traditional homeland of the Hoonah

1 Tlingit clans. And unfortunately, for many years
2 the relationship between the Park Service and the
3 people of Hoonah was severely strained due to
4 federal regulations related to National Monument and
5 national park management policies, which precluded
6 many, many traditional Tlingit activities and
7 lifeways. But in the early 1990s, the National Park
8 Service began focusing efforts to build a healthier
9 and more productive relationship with the Hoonah
10 Indian Association. We originally signed a
11 memorandum of understanding with HIA in 1995, which
12 acknowledged the Glacier Bay is traditional homeland
13 of the Hoonah clans and a document that pledged to
14 collaborate on co-stewardship programs with the
15 Hoonah Tlingit. The 1995 MOU was later revised in
16 2016 strengthened and resigned. And in the interim,
17 the Park Service has partnered with HIA, Hoonah
18 Heritage Foundation and Hoonah City Schools to
19 develop a range of programs, including -- including
20 the creation of a Tlingit place names map that
21 outlines Tlingit territory in homeland. We have
22 conducted cooperatively hundreds of journey to
23 Homeland Voyages several of which you heard Mr. Gray
24 speak to. Those voyages range from one to eight
25 days and we carry youth and adults on vessels that

1 range from small charter vessels to large catamarans
2 that carry people to the Glacier Bay. We also have
3 worked with HIA on the reauthorization of
4 traditional gull egg harvest within Park boundaries
5 and the development of a culture camp at Berg Bay
6 (Indiscernible). But the keystone to our
7 partnership, Huna Shuka' Hit, which Mr. Gray spoke
8 so eloquently about, the Huna Tribal House was de --
9 dedicated in 2016. And this -- this cultural
10 treasure now serves as a venue for tribal
11 gatherings, workshops, ceremonies, and meetings.
12 And additionally, tribal interpreters share and get
13 culture with visitors from around the world during
14 the summer season. The National Park Service
15 provides funding to HIA and to Hoonah city schools
16 exceeding a half a million dollars annually to
17 support these and many other programs. And the Park
18 Tribe and School are committed to further
19 collaborative partnerships. I've had the honor of
20 working with and alongside the people of Hoonah for
21 almost 30 years now and -- and have been honored to
22 do so. Thank you very much.

23 MR. LARRY WOOD: Thank you, Ms. Moss. Are the
24 questions from the commissioners? Commissioner
25 Walker?

1 COMMISONER CLAY WALKER: Thank you. I was
2 curious about that -- that funding statement from --
3 funding from Glacier Bay National Park to HIA, how
4 is that directive?

5 MARY BETH: We -- I craft a, what's called a
6 cooperative agreement, which is a funding document.
7 They are five year documents and then every year we
8 amend those documents and transfer additional
9 funding. So, -- so there's a five year program and
10 then annual transfers of funds.

11 COMMISONER CLAY WALKER: In exchange for the -
12 - the for program delivered?

13 MARY BETH: In exchange for co-stewarding of
14 the Huna Tribal House. You asked previous folks
15 about how that program is managed. I oversee the
16 program, but I oversee it in cooperation with Hoonah
17 Indian Association. So, we pay the salary of a
18 Hoonah Indian Association Cultural Program Manager,
19 we pay for cultural interpreters. We provide travel
20 costs for board members and other tribal members to
21 visit the park and to collaborate with us. We pay
22 for journey to Homeland trips. We support funding
23 for the gull egg authorization. And currently we
24 are funding construction work at the Berg Bay
25 culture camp. And likewise, we provide funding to

1 Hoonah City schools for journey to Homeland
2 programs, for cultural programs within the school
3 and at the park. And we now this year will be
4 funding language programs in the school.

5 COMMISONER CLAY WALKER: There a lot sound
6 like a lot of great programs and I commend your work
7 and -- and everybody's work and working together to
8 provide some great opportunities for the -- the --
9 and this increased collaboration is great to hear.
10 Thank you.

11 MR. LARRY WOOD: Thank you, Commissioner. Ms.
12 Moss, is that -- is that going to be an annual
13 appropriation or do you -- do you submit a grant
14 every year for us?

15 MARY BETH: It is -- it has been an -- an --
16 an annual appropriation since I believe -- I'm going
17 to -- I'm going to throw out 2010, I believe was the
18 first year that we transferred funds. And we
19 anticipate that that funding will continue into the
20 future. It is not grant funding, it's funding that
21 the National Park Service re -- receives through our
22 concession franchise fee program.

23 MR. LARRY WOOD: Your concessionary franchise
24 program.

25 MARY BETH: So, -- so -- so concession --

1 concessions who operate in any national park
2 including Glacier Bay pay a portion of their --
3 their revenue to the National Park to support the
4 Park Service providing safe operations and visitor
5 services. So, for example, in Glacier Bay, the bulk
6 of our concession franchise fees comes from cruise
7 ship revenue.

8 MR. LARRY WOOD: So, do you maintain a list of
9 -- of not only what that has looked like since 2010,
10 but how it has been allocated to operations that
11 impact Hoonah and its people?

12 MARY BETH: Yes, sir. We have -- I have a
13 spreadsheet that shows the annual allocations to
14 Hoonah Indian Association, Hoonah City schools,
15 Hoonah Heritage Foundation and Yakutat Tlingit Tribe
16 and Douglas Indian Association, which are also
17 tribes that -- tribal entities that we work with.

18 MR. LARRY WOOD: Is that privileged or
19 confidential information?

20 MARY BETH: I will need to verify that with
21 the superintendent, but I believe I could provide
22 that information to you. As far as I know, it's
23 public information.

24 MR. LARRY WOOD: If you do, please do. And if
25 you could just a summary, I mean, it's just an

1 interesting fact that you presented today and thank
2 you for your testimony. I don't believe there -- we
3 have any more questions. Thank you, Ms. Moss.

4 MARY BETH: Thank you.

5 MR. LARRY WOOD: Another witness time.
6 Georgianna Zimmerle, you should be on line. Okay.
7 Ms. Zimmerle, are you on the line?

8 GEORGIANNA ZIMMERLE: Yes, I'm here.

9 MR. LARRY WOOD: Okay, welcome. And would you
10 please raise your right hand? Do you solemnly swear
11 or affirm to tell the truth?

12 GEORGIANNA ZIMMERLE: I do.

13 MR. LARRY WOOD: Would you please state your
14 name? And you have 10 minutes.

15 GEORGIANNA ZIMMERLE: Good evening. It's
16 almost evening, stomachs are starting to grout.
17 Okay. My name is Georgianna Zimmerle. I worked for
18 the Ketchikan Gateway Borough for 27 years as the
19 clerk and then as the manager. After retirement
20 from the borough in 2001, I was appointed to the
21 Local Boundary Commission in 2003. My entire career
22 I have enjoyed a passion for all things local
23 government. So, this wasn't a punishment for me to
24 sit here and listen to all the testimony, it kind of
25 a blast from the past. Over the years, Ketchikan

1 has had a love-hate relationship with the Local
2 Boundary Commission. The Ketchikan Gateway Borough
3 was one of the original mandatory boroughs
4 established by the state. Because Ketchikan has
5 three local government units, there is a significant
6 amount of duplication and overlap that has plagued
7 our relatively small community for so many years.
8 Therefore, Ketchikan has an extensive history with
9 the Local Boundary Commission, both positive and
10 negative. It was my personal goal as a Local
11 Boundary commissioner to facilitate the formation of
12 cities and boroughs in the state that avoided some
13 of the problems and issues at the past. In 2008,
14 the commission undertook a rewrite of the
15 administrative regulations. The rewrite was
16 extensive and it was a challenge, and in the end the
17 commissioners felt that it was very rewarding. A
18 part of the rewriting included three --

19 MR. LARRY WOOD: I just want to add that we
20 don't follow formal rules of evidence, but when --
21 when you speak for the commissioners, you could
22 personalize that and say it was your goal, you run
23 the commission or allude to some document that might
24 express that opinion that it was unanimous. So,
25 that's the only thing, --

1 GEORGIANNA ZIMMERLE: (Indiscernible) my
2 personal --

3 MR. LARRY WOOD: -- go ahead and testify but
4 with that caution and with the other commissioners
5 understanding that you're testifying from your
6 personal experience and we'll let the records speak
7 for themselves to the extent they exist.

8 GEORGIANNA ZIMMERLE: It was not my -- my
9 intent to speak for anyone other than myself.

10 MR. LARRY WOOD: Okay, good.

11 GEORGIANNA ZIMMERLE: The way I formulated the
12 sentence that's -- I'm sorry. A part of the rewrite
13 included 3AAC110.981 dealing with the term
14 significant population. This section was one of the
15 last sections addressed by the 2008 commission and
16 concluded hours of research and discussion
17 throughout the entire process. The commission at
18 the time addressed the concept of whether a specific
19 population ought to be included in the regulations.
20 My concern both then and now was whether a
21 requirement of a specific population should be
22 spelled out in regulation since a large portion of
23 the unorganized borough is unpopulated. My belief
24 was that the commission -- the commission's goal was
25 to encourage and support the formation of boroughs

1 in the unorganized areas of the state. In my
2 opinion, a specific population number could work to
3 de -- not defeat a proposal to form a borough. I
4 believe that then, I believe that now. The
5 discussion from the Local Boundary Commission staff
6 at the time was the specificity was an attempt to
7 assure a sufficient population to support and
8 provide people to work for the new government. I
9 think there are other ways to gauge the ability of
10 an area to support a borough other than population.
11 A valid point was brought up by commissioners at the
12 time that the terms significant area and the
13 significant population may mean something entirely
14 different to some from a large city versus some --
15 someone from a rural area. The commission at the
16 time of adoption wanted assurance that the terms
17 significant population was a guideline that didn't
18 tie future commission's hands and that the provision
19 was flexible and not mandatory. It was because of
20 the non-mandatory and flexible nature of the term
21 significant population that it was left in the
22 regulation. There are other more measurable
23 criteria to judge the feasibility of a successful
24 borough. That's my opinion now, that's my opinion
25 then. And I always spent a lot of time going

1 through all your materials and I'm not -- I didn't
2 go through them all, which I would've done if I had
3 been a commissioner, but there is a lot to consider.
4 And significant population I think is a minor point
5 and that is what I was requested to testify on. And
6 so, that concludes my testimony. And I'd be
7 available for questions if you have any.

8 MR. LARRY WOOD: Thank you, Ms. Zimmerle. Are
9 there questions, commissioners? You know, we want
10 to thank you for your testimony and also to your
11 service with the state of Alaska with the Local
12 Boundary Commission for I see six years, we realize
13 it's unpaid contribution. Thank you for that and
14 for serving the Ketchikan Borough and we have a
15 member that was (indiscernible). Thank you. I hope
16 you have a great afternoon and evening.

17 GEORGIANNA ZIMMERLE: Thank you.

18 MR. LARRY WOOD: Mr. Tillinghast, I think
19 we've reached the end of that. With that, petition
20 rest. Okay. Thank you very much. Let's take a
21 break.

22 UNKNOWN MALE: Chair, the dinner meals are
23 here.

24 MR. LARRY WOOD: Oh, the dinner is here?

25 UNKNOWN MALE: Yes.

1 MR. LARRY WOOD: Okay. Let's -- people on the
2 phone, we need to make a decision. Do you want just
3 bring the meal back to the table and keep going?

4 UNKNOWN MALE: We can. It's up to you, Mr.
5 Chair.

6 MR. LARRY WOOD: Why don't we take a
7 (indiscernible) Folks on the line, we reached a
8 point in our hearing today where we're going to
9 invite public testimony. You don't have to sign up
10 to testify, but it helps us kind of project the
11 time. Do we have a sign up form? Okay. What we're
12 going to do now is we actually have dinner that's
13 arrived and we need to maybe go secure that. 20
14 minutes? Yeah. I mean, 20 minute break. So, it's
15 -- let's go to 5:55 and we will reconvene. So,
16 we're off the record. Grace, are we ready to go?
17 Okay. We're back on the record. And thank you for
18 coming back, everyone. We appreciate the
19 hospitality shown to us here today. Thank you again
20 for that City of Hoonah. As I mentioned earlier, we
21 reached the point in our hearing procedurally where
22 we invite anyone to testify. I want to at our
23 staff's request, let you know that the -- and let me
24 get this straight, chat has been turned off. So,
25 we're going to start -- begin with the folks that

1 have signed up to testify online, and then we'll
2 open the mic for anyone else out there. But we
3 won't -- we don't have chat turned on, so you're
4 going to have to turn off and mute and then identify
5 yourself and we'll let you talk. And then we'll
6 invite anyone in the room that would like to
7 testify. We won't be putting you under oath.
8 However, we want to remind you that if you possibly
9 can, (indiscernible) to your personal knowledge but
10 there are no restrictions. As I said, we don't
11 follow informal -- formal rules of evidence. Many
12 of you have submitted comments already. It also
13 have been read. If you want to allude to that,
14 you're very welcome to do that. If you -- if you
15 want to repeat what someone else has said, that's
16 fine too. You can also allude to their testimony if
17 you agree or disagree with that. So, we'll try and
18 be as informal as we can. I want to apologize in
19 advance for something in our regulations and that
20 limits our public testimony to three minutes each.
21 I know that isn't a long period of time, so I do
22 want to say I'm sorry, but that's what the law is.
23 Grace -- and thank you Grace, will be letting you
24 know when you've got a minute. I don't know if
25 you'll be able to hear it, but there'll be a ding.

1 And then at that second ding, I'd like you to wrap
2 things up. So, without any further comment, I'm
3 going to invite Scott Spickler or (Indiscernible) to
4 testify to provide his testimony. And Mr. Spickler,
5 are you on the phone? You have to unmute your
6 phone. Scott Spickler?

7 SCOTT SPICKLER: Yeah, how about that one, is
8 that picking up -- picking me up?

9 MR. LARRY WOOD: That's very good. Could --
10 could you please state your name and spell your last
11 name for the record?

12 SCOTT SPICKLER: Sure. My name is Scott
13 Spickler, S-P-I-C-K-L-E-R. And my wife Sandy, and I
14 have a cabin on Horse Island and live in North
15 Douglas part of Juneau, Alaska.

16 MR. LARRY WOOD: Well, please go ahead and --
17 and state your testimony. You have three minutes.

18 SCOTT SPICKLER: Great. Thank you. And I'd
19 like to say right off the bat that I really
20 appreciated Erica Simpson's testimony. And she
21 really did a great job saying I think what most of
22 us believe to be true and accurate out there. And
23 I'm just going to be very brief and just say, I
24 agree with everything that she said. And as a 66-
25 year resident of Juneau and been on Horse Island as

1 a property owner for 21 years, I just feel strongly
2 that being a part of the Juneau municipality is true
3 taxation without representation. When my wife and I
4 bought our lot out there 21 years ago, one of the
5 underlying reasons and attractiveness was the
6 remoteness of the island even though it's a 20
7 minute boat ride from our boat launch out North
8 Douglas, we get zero services. And what appealed to
9 me about the Hoonah proposal was their word and
10 written documentation about not imposing a property
11 tax on us out there. And that concludes my
12 testimony. Thank you very much.

13 MR. LARRY WOOD: Thank you, Mr. Spickler. Are
14 there questions? Am hearing none. Thanks again.
15 We now have Steven Allwine from Colt Island. Mr.
16 Allwine, are you available?

17 STEVE ALLWINE: Yes, sir. Mr. Chairman, can
18 you hear me?

19 MR. LARRY WOOD: Yes, I can. Would you please
20 state your name and spell your last name for the
21 record? And then you'll have three minutes.

22 STEVE ALLWINE: Thank you, Mr. Chairman,
23 members of Commission. For the record, my name is
24 Steve Allwine. My wife and I are property owners on
25 Colt Island. We've been there for about 30 years.

1 We are two of the purported signers of the letter
2 provided to commission by Ms. Simpson. I'm also
3 speaking on behalf of Dale and Pam Lockwood, who are
4 permanent residents on Colt Island. And my purpose
5 in testifying today is to validate that letter and
6 to provide any additional information you might find
7 useful. We also provided an additional letter to
8 commission under separate cover. We are in support
9 of the Hoonah Borough petition and the inclusion of
10 Horse and Colt Islands within that borough. I
11 personally believe the lifestyle in the proposed
12 borough is same of the Horse and Colt, more rural,
13 not much of a cell signal there, whereas Juneau is
14 after all the Alaska's capital city and by
15 definition tends to be more urban. I'm happy to
16 answer any questions you may have, and thank you for
17 your time.

18 MR. LARRY WOOD: Thank you, Mr. Allwine. Are
19 there questions commissioners? Okay. Don't hear
20 any, but thanks again for your time and -- and being
21 present today.

22 STEVE ALLWINE: Thank you, Mr. Chairman.

23 MR. LARRY WOOD: You're welcome. Mr. Larry
24 Landry from Gustavus, are you on the line? Larry
25 Landry, may -- you'll have to unmute your phone

1 possibly. Okay.

2 LARRY LANDRY: Can you hear me now?

3 MR. LARRY WOOD: Yes, now we can hear you.

4 LARRY LANDRY: Okay.

5 MR. LARRY WOOD: Could you please state your
6 name and spell your last name? And you'll have
7 three minutes.

8 LARRY LANDRY: Yes.

9 MR. LARRY WOOD: Welcome today.

10 LARRY LANDRY: My name is Larry Landry and I'm
11 from Gustavus. My last name is L-A-N-D-R-Y. And
12 I'd like to focus on two main things. One is some
13 of the commissioners have raised this. I feel like
14 there was very poor outreach on Hoonah's behalf. I
15 wasn't on the city council at the time, but when I
16 heard that we received a letter from Hoonah about
17 this next petition go round, I went to look at it
18 and as I recall, it was just a single page, maybe
19 two. And I remember asking, you know, was there
20 more than this? And there wasn't, there was no
21 phone call, there were no follow up meetings. There
22 was -- there was nothing else. And, you know, this
23 -- this proposal is a big deal for Gustavus and for
24 the people in our region. And it needs to be
25 treated like a big deal. If we want regional

1 government, then Hoonah needs to be acting in a
2 regional way. After the last failure of their
3 petition because it had a lot of weaknesses, a lot
4 more work is needed to build trust and to -- to
5 convince us that it's the way to go. We're
6 instinctively hesitant about this, but we also know
7 that there's the state constitutional mandate to --
8 to -- to create boroughs. And so, we understand the
9 tension and that we can't just, you know, close our
10 eyes and say no. We still don't have the answers to
11 the five questions that Mr. Moller was talking about
12 from -- from when he was holding hearings in 2018,
13 2019. There hasn't been that follow through. And
14 there really needs to be if this is going to be a
15 process that works for everybody. And second point
16 I want to raise, and I want to say it -- it -- it --
17 it -- it feels awkward because I've only lived here
18 13 years and I, and everybody who lives in -- in
19 Gustavus is acutely mindful of the people of
20 Hoonah's traditional claims and use of Glacier Bay.
21 We respect and celebrate that use, but there are
22 other considerations as well. Gustavus has existed
23 as a community for well over a century, and as near
24 as we can tell, we are not going away anytime soon.
25 In fact, we're the fastest growing community in

1 Southeast Alaska. Any genuine regional government
2 cannot ignore that reality or attempt to flatten us.
3 Gustavus is the gateway town, the epicenter for
4 activities in Glacier Bay National Park. Except for
5 cruise ships stopping at Icy Point on their way to
6 and from the park, pretty much all commercial and
7 tourist activities related to the park are centered
8 in Gustavus. Park facilities are located within our
9 city boundaries. The airport and ferry terminal
10 tourists use to access the park are here. Park
11 related tourism and employees who live here are our
12 economic backbone. The park is tied to -- into our
13 electric grid, et cetera. Many of the
14 justifications in the petition focus on what was not
15 what is. As Meilani of Rain Coast Data said, she
16 said Gustavus -- Gustavus is the Glacier Bay
17 community. And I think that any -- any borough
18 boundaries need to recognize that. And so, while I
19 -- I -- I -- I don't think approval is the way to
20 go. If you do decide to approve the petition, then
21 I think at very least the borough boundaries need to
22 be drastically reduced, excluding Glacier Bay at
23 least --- (Indiscernible). Yeah. I'm sorry?

24 MR. LARRY WOOD: I'm going to have to cut you
25 off.

1 LARRY LANDRY: Okay.

2 MR. LARRY WOOD: Your words, did you have -- I
3 -- I hate to cut you right off, but --

4 LARRY LANDRY: Yeah. I ha -- I had just a --
5 yeah. So, I would say drastically reduce the
6 boundaries. And -- and the last thing I would say
7 is the Hoonah petition states that it gives our town
8 quote, the greatest flexibility to chart their
9 municipal futures. How? Hamstringing forth
10 communities -- four communities --

11 MR. LARRY WOOD: I'm going to have to, it's
12 not fair to other people.

13 LARRY LANDRY: Okay. Okay. Thank you.

14 MR. LARRY WOOD: Don't go away yet. Do we
15 have questions for Mr. Landry? No questions.
16 However, I have a question. Mr. Landry, so I -- I
17 sense that you are one, at least personally, that
18 would be willing to talk about the feasibility of
19 our regional government that might pertain to your
20 community as well.

21 LARRY LANDRY: That is a fact. And I think I
22 fit into the description that I gave, which is
23 instinctively hesitant and nervous about it, but
24 realizing that you just can't say no either in these
25 times. And so, we're at least open to the

1 discussion.

2 MR. LARRY WOOD: Thank you very much. We have
3 someone identified only as M from Gustavus. Is --
4 is there anyone out there name starts with M or?

5 MIKE TAYLOR: Oh, yes. Hello.

6 MR. LARRY WOOD: Hi.

7 MIKE TAYLOR: Yes, this is Mike Taylor.

8 MR. LARRY WOOD: Mm-Hmm.

9 MIKE TAYLOR: I am a city council member and
10 former mayor of the city of Gustavus. And our
11 current mayor, Shelly Owens, has authorized me to
12 speak for the city. The city of Gustavus and the
13 Gustavus community, we represent filed detailed
14 comments in opposition to the formation of the
15 Hoonah Borough. Those comments continue to
16 represent the views of our community. You have them
17 in the record, so I will only summarize. The city
18 of Gustavus agrees with the findings of the staff
19 report that the petition fails to meet the standards
20 for incorporation of a borough, and that it must
21 therefore be rejected. The proposed Hoonah Borough
22 government is not designed or intended to be a true
23 regional government. In Alaska, a borough is
24 intended to be a regional government inclusive of
25 all people in the region, with the expectation that

1 all will willingly work together to form a consensus
2 borough to meet regional needs. The Hoonah Borough
3 is not the outlying Glacier Bay model borough
4 serving all the region's population centers. The
5 city of Hoonah invited Gustavus, Pelican and Tenakee
6 Springs to join them but only after Hoonah had
7 already designed a borough that the other
8 communities would not want to join. Naturally, the
9 cities politely declined. Frankly, we doubt that
10 Hoonah truly wanted any of the other cities in their
11 borough. They proposed to provide no services
12 across the region, only a regional tax. Hoonah
13 seeks to grab authority over a vast area of largely
14 unpopulated land and water with no responsibilities
15 to serve anyone living outside Hoonah. Essentially,
16 Hoonah has proposed to annex 10,000 plus square
17 miles to the city of Hoonah for the per -- for the
18 benefit of Hoonah only. Because Alaska statute
19 forbids annexing vast unpopulated lands to a city,
20 they proposed to change the name of the city of
21 Hoonah to the Hoonah Borough. Name change
22 notwithstanding the violation of Alaska statute and
23 the failure to work toward consensus with and
24 include other regional communities demonstrates that
25 the petition is not in the best interest of the

1 state or the Icy Strait region and is fatally
2 disqualified. We see no possible adjustments to
3 boundaries or other provisions that may remedy these
4 fatal flaws. Gustavus stands with Pelican, Tenakee
5 Springs and Elfin Cove in urging the petition be
6 disqualified. We wish the best for Hoonah as they
7 seek to meet the needs of the residents. They're
8 great folks over there. But if they wish to form a
9 regional government, they must work with all other
10 cities and associations in the region to achieve
11 consensus on its existence, design and provisions.
12 However, it may well be that residents in the region
13 are better served by continuing their own
14 independent local municipalities and associations,
15 and that no overarching regional government will add
16 value to any of them. Thank you.

17 MR. LARRY WOOD: Mr. Taylor. Do you have
18 questions, commissioners? Thank you for coming
19 today and testify. Appreciate it. I'm going to
20 open the mic and then we'll invite people in the
21 room here. Is there anyone on -- on the phone that
22 would like to speak? You might -- you'll have to
23 unmute your device.

24 STEVE OLMSTEAD: Yes. This is Steve Olmstead.

25 MR. LARRY WOOD: Okay. Hi Mr. Olmstead, could

1 you please state your name and spell your last name?
2 And you'll have three minutes.

3 STEVE OLMSTEAD: My name is Steve Olmsted, O-
4 L-M-S-T-E-A-D. My wife and I are on a cabin on
5 Horse Island and I support what's already been
6 shared by Erica Simpson, Steve Allwine, and Scott
7 Spickler. I did want to add that the two couples
8 that live year round on the islands, Colt -- Horse
9 and Colt, do not have any property in Juneau. That
10 was a question asked earlier. And so, those who
11 actually live there year-round do not, my wife and I
12 for two years lived year round on the island, we
13 hope to be able to go back and live year around on
14 the island. And we support this Horse and Colt
15 being included in this Hoonah Borough.

16 MR. LARRY WOOD: Thank you, Mr. Olmstead.
17 Questions, commissioners? Thank you for taking the
18 time to testify today. Appreciated. Anyone else on
19 the line?

20 HEATHER MAHLE: Hi.

21 MR. LARRY WOOD: Can you please state your
22 name and spell your last name?

23 HEATHER MAHLE: Hi. This is Heather Mahle.
24 Can you hear me?

25 MR. LARRY WOOD: Yes. It's Mahle, Ms. Mahle?

1 HEATHER MAHLE: Yes. M-A-H-L-E.

2 MR. LARRY WOOD: Okay. You have three
3 minutes.

4 HEATHER MAHLE: All right. My family have two
5 very small lots on Horse Island that overlook
6 Hoonah. It's a place where we are closer relaxed
7 with nature, and can breathe in the beauty of the
8 land. We enjoy the environment of this area and the
9 learning opportunities it provides for our children.
10 We have a very simple cabin, no plumbing, been
11 around for over 30 years called Horse Hilton. We
12 could love to upgrade, but this -- the purpose of
13 our cabin is in a vocational home. It's a chance
14 that we connect to the family and our land. So, my
15 husband and sons are Alaska natives who are
16 descendants of the (Indiscernible) Bay Elliot
17 survivors during World War II, which happens to be
18 just seven miles away from our cabin. The decision
19 made by the overreaching government in World War II
20 to lock alleys away in southeast Alaska was
21 devastating and it disseminated the people. But
22 then there was a release of the Elliots and a lot of
23 them were left in shambles and not a lot of
24 opportunities but to make Southeast Alaska their
25 home. Horse Island is a place where my husband and

1 my son to feel more connected with the land and it's
2 a perfect home base for us to use for subsistence
3 and hunting. We would feel so much more comfortable
4 with the land being under Hoonah Borough, where the
5 Hoonah Tlingit would have influence in the decision
6 affecting the area. This is a superior option over
7 being snagged up by any other overreaching
8 government borough with track records based on the
9 pocketbook instead of the land and the people. We
10 enjoy the learning opportunities that are available
11 at this (indiscernible) location as we spend time
12 connecting with each other. At Horse Island, Colt,
13 and the surrounding areas, it's a stark contrast
14 with the urban city of Juneau. We enjoy
15 accessibility to indigenous lands and being in
16 historical area that shaped my husband's family.
17 His father's history is my son's history too. And
18 it's with that same sentiment that we want our
19 children to be able to exercise their right to self-
20 determination and autonomy related to the internal
21 affairs that are local to Horse Island and their
22 land. The Horse Island community and lifestyle is
23 very similar to other small and independent
24 communities within the proposed Hoonah Borough. The
25 Hoonah Borough would be less invasive than the

1 heavily regulated boroughs, and I believe more
2 genuine and trustworthy in its dealings with the
3 people. Any opposition specifically to the Horse
4 Island and Colt being part of the Hoonah boundary by
5 any other boroughs is disingenuous at best. I
6 believe the boundary exemption board should allow
7 for Horse Island and Colt to be part of Hoonah
8 Borough. The majority, if not all of Horse Island
9 landowners have signed the petition stating this is
10 our desire, and for that it should be honored. So,
11 I appreciate your time.

12 MR. LARRY WOOD: Thank you very much. Excuse
13 me. Commissioners, do you have questions? Thank
14 you for your testimony. Anyone else on the line
15 that would like to testify today, provide public
16 testimony? Remember, you'll have to unmute your
17 device. Okay. Let me turn to the room. Thank you
18 all for attending today. It's been a long one, I'm
19 sure for you. Anyone here like to testify as a
20 member of the public? Yes, sir. Please come
21 forward. State your last name and -- I'm sorry,
22 your name and spell your last name.

23 JAMES SHEEHAN: Sure. My name is James
24 Sheehan. I'm -- last name is S-H-E-E-H-A-N, from
25 Juneau, Alaska. I actually am an attorney in the

1 same law firm as Mr. Tillinghast. And I'm the City
2 Attorney for the City of Hoonah. So, I just wanted
3 to take three minutes to clear the record as far as
4 like the statements made by the individuals from
5 Gustavus that, you know, the claim that there was no
6 outreach more recently. First off, with regards to
7 Gustavus, we sent them, I believe -- and I -- I --
8 I'm -- I'm the one who drafted and sent the letter,
9 I believe, and Mr. Tillinghast signed out it as
10 well. But we clearly asked them to be a part of
11 this process back in 2022. And in response to our
12 letter, the city of Gustavus said we would be
13 delighted -- actually, we -- we said to them we'd be
14 delighted to attend an upcoming city council meeting
15 to, you know, talk about this process with them and
16 -- and see if they wanted to be a part of it. And
17 their -- their response was, no council member saw
18 the need to reconsider the city's policies as
19 stating -- as stated in a resolution CY19-19,
20 opposing the formation of a borough that included
21 Gustavus and Glacier Bay National Park. Therefore,
22 must once -- we must once again respectfully decline
23 your offer, we do not feel a borough that spanned
24 the communities of Gustavus and Hoonah would serve
25 the interest of either community well. So, this

1 idea that there was no outreach is false. There was
2 outreach to Gustavus. We sent two letters to
3 Tenakee Springs. I even like -- because they'd
4 never responded to those letters, so I even tracked
5 down their attorney and they still didn't respond to
6 my emails to the attorney. We -- the only community
7 that we had outreach with and actually had a meeting
8 with is in Pelican. And we attended, myself and
9 John Tillinghast attended their city council
10 meeting. And there was a discussion about, you
11 know, them being a part of this process, but at the
12 end of the day, they decided not to be. So, again,
13 this idea that there was no outreach is false. Just
14 want to make that clear for the record.

15 MR. LARRY WOOD: Thank you, Mr. Sheehan. Are
16 there any questions? Thank you, again. That was a
17 one minute. Any further comments from folks here in
18 the hearing room today? We're going to be getting
19 into closing remarks pretty soon, but I have an
20 additional question. And Mr. Gray, you over here,
21 so I think I would like to ask you. And it came up
22 earlier today and I neglected to ask it when I
23 should have, you'll forgive me. We have a petition
24 for borough formation that does not contemplate
25 participation by Gustavus, Pelican and -- and

1 Tenakee Springs, but it does include Elfin Cove.

2 DENNIS GRAY: Right.

3 MR. LARRY WOOD: I'd like to ask the question,
4 why does it include Elfin Cove? Because we have
5 overwhelming comments from folks there that they
6 don't want to participate --

7 DENNIS GRAY: Correct.

8 MR. LARRY WOOD: -- like those other
9 communities.

10 DENNIS GRAY: Right. And so, you -- you heard
11 Professor Langdon speak to the issue of the
12 traditional Hoonah territory --

13 MR. LARRY WOOD: Mm-hmm.

14 DENNIS GRAY: -- Cross Sound is part of that
15 territory. And so, we -- (indiscernible) use Cross
16 Sound for lots of different activities, salmon
17 harvesting, of course we go out to get seaweed, our
18 local fish plant and a cold storage actually has a
19 (indiscernible) station in (Indiscernible), Elfin
20 Cove. So, there's a lot of continuity that people
21 don't realize. And so, we want to have that
22 connection to Cross Sound and unfortunately in the
23 middle of that discussion, so they don't have an
24 organized government to say no, they have an
25 association. So, this is a chance to be

1 (indiscernible) in a regional government for the
2 first time in their history.

3 MR. LARRY WOOD: Thank you. Did that generate
4 further questions, commissioners?

5 What's the nature of the association?

6 DENNIS GRAY: It's a nonprofit community
7 association.

8 MR. LARRY WOOD: So, you don't know if they
9 represent the whole community, correct?

10 DENNIS GRAY: Yep.

11 MR. LARRY WOOD: Okay. If you're listening
12 online or for folks in the room, we're going to move
13 to that part of the hearing that allows for closing
14 statements, first by the petitioner, city of Hoonah.
15 We received a note that Elfin Cove won't be
16 participating there. Also, respondent that they've
17 chosen not to do a closing statement. But then we
18 will open the mic for folks in Pelican and I presume
19 it'll be the mayor. And then at the very end of
20 that, the city of Hoonah would have an opportunity
21 for reply. So, let's begin with Mr. Tillinghast
22 with 10 minutes.

23 MR. JOHN TILLINGHAST: It's the end of some
24 fairly complete testimony. So, this is going to be
25 bits and pieces (indiscernible) left. You know, we

1 agree with the staff on one thing. We agree that
2 our constitutional framers wanted areas to organize
3 as boroughs when they were capable of doing it. And
4 you heard a lot of testimony today that if you look
5 at this borough standing alone within the confines
6 of the boundaries that we've drawn for the Hoonah
7 Borough, that borough meets all of the state
8 standards. My gosh, it's got the economy that can
9 easily support borough government far more robustly
10 than most of the boroughs in Southeast Alaska can.
11 And the standard that this commission adopted in the
12 Lake Peninsula case -- Lake -- Lake and Peninsula
13 Borough case, was that that standard should be
14 applied to the proposed borough standing alone.
15 Now, I know we were faulted by staff and making a
16 lot of -- criticizing us making a lot of reference
17 to other cases. All these are other cases, they
18 don't matter here but (indiscernible) their
19 precedents. And s of an agency, just like
20 precedents of a court, matter. They're an integral
21 part of our rule of law. They prevent courts and
22 they prevent agencies from acting arbitrarily
23 according to whether they like or dislike
24 (indiscernible) was making close the argument. And
25 yes, you can depart from the precedent, you can

1 overrule it, but you need to think long and hard and
2 come up with a very reasoned, rational explanations
3 for why you were abandoning the precedent that was
4 made years ago and you've been following since. So,
5 my urge -- my -- I'm urging the commission when it
6 applies the standards to apply them to the Hoonah
7 Borough and this commission's words standing alone.
8 I'm going to apply one of those standards before
9 (indiscernible) and that's the transportation
10 standard. And the folks at Elfin Cove made a point
11 that Elfin Cove's, you know, fair along away. For
12 those of you, it's kind of gratuitous, who are not
13 familiar with Southeast Alaska, we don't have any
14 roads. Icy Strait is our park highway. That's it.
15 And to ply our park highway, you have got to get a
16 boat. And that is our primary means of
17 transportation here in this neck of the woods. And
18 it reminds me of Mobil Oil cases (indiscernible)
19 outside of it a lot and said one more time and then
20 shut up. Because one of the challenges in Mobil Oil
21 was that there were no reasonable means of
22 transportation between Borough (Indiscernible) and
23 the rest of the borough. And the court said, well,
24 wait a minute, this is Alaska. You can get to be
25 aggravated by snow machine and snow machine, that's

1 fine up there. Well, you're not going to get from
2 (Indiscernible) by snow machine, but you get here by
3 boat and you know the folks from Elfin Cove come
4 here by boat. Andy Gray, our Harbormaster told you
5 to that they come here regularly. You know, they
6 don't go to Gustavus to get their boat worked on
7 because Gustavus doesn't have a boat harbor. If
8 they want to get the boat worked on, then there's a
9 boat harbor to get anything done to the boat. It's
10 right here in Hoonah. That's the nip. And I think
11 I'm going to wrap up there and let's -- let our good
12 friends in Pelican close.

13 MR. LARRY WOOD: Thank you, Mr. Tillinghast.
14 Mayor Phillips, are you on the line? And would you
15 like to make some closing remarks? If so, you have
16 10 minutes.

17 MAYOR PHILLIPS: Thank you. Okay. I'm trying
18 to figure this out. All right. It won't -- it
19 won't enable my video. This is Patricia Phillips,
20 mayor for the City of Pelican. The Pelican City
21 Council asserts that the Hoonah's -- Hoonah's
22 Borough petition is unfair to the interests of
23 Pelican, Gustavus, and Tenakee Springs. The
24 petition map resembles a gerrymandered redistricting
25 map that maximizes Hoonah's power and downplays the

1 controversy related to Hoonah's petition. The City
2 of Pelican is carved out of the petition with a kite
3 shape enclave that removes much of Pelican's
4 traditional use areas. Because the enclave is
5 bordered primarily by the petition and the boundary
6 of the Sitka Borough, by boxing in Pelican, Hoonah's
7 petition impermissibly predetermines and limits
8 Pelican's local government choices. Pelican has the
9 Alaska State Constitution -- constitutional right to
10 be allowed the opportunity to decide if and when to
11 take the steps to participate in an organized
12 borough and to decide which communities are the best
13 social, cultural, and economic fit. Hoonah's
14 petition limits that opportunity. Should the three
15 enclave communities agree to form a future borough,
16 with or without Hoonah, the communities would be
17 precluded because the communities would be separated
18 by the -- by Hoonah's petition boundaries. The way
19 the petition boundaries are drawn maximizes the
20 value of municipal entitlement lands for borough
21 selection. The City of Pelican strongly opposes the
22 petition boundary lines. Pelican asserts that the
23 boundaries be modified to a more acceptable range of
24 territory that does not infringe on the ability of
25 surrounding communities to support their school's

1 growth and development. Pelican submitted a map
2 exhibit with a modified boundary in its responsive
3 brief. The modified boundary represents what
4 Pelican suggests for our community and the other
5 effective communities may have further boundary
6 modifications that delineate their community
7 interest. The immediate land ownership around
8 Pelican is primarily the US Forest Service, the
9 state of Alaska, City of Pelican Trust for public
10 lands and private property owners limited to
11 Pelican, Sunnyside and Lisianski view, small
12 settlements in close proximity to Pelican. The
13 petition in essence attempts to predetermine
14 Pelican's way of life by placing boundaries around
15 us that form an enclave that is a violation of this
16 right to live a life independent of overreach as set
17 forth in Hoonah's petition. Exhibit E brief Pelican
18 that aside and as with Pelican --- Gustavus, it
19 would be quite difficult for the new borough to
20 coordinate the provision of public services with a
21 governing body that is formerly opposed to its
22 inclusion. The Pelican City Council does not
23 support being part -- part of the Hoonah Borough.
24 The City of Pelican supports the final report to the
25 Local Boundary Commission. LBC staff does not

1 recommend adopting the petition in its current form.
2 And the petition trades one local government for
3 another is limited in its benefit to the state
4 delivering state services. Education in a borough
5 is an area-wide service. But the petition charter
6 identifies education being limited to the Hoonah
7 Town site service area. Exhibit F, transition plan
8 5.0 -- 5.0 Hoonah Town site service area. As of the
9 assumption date, the borough will perform all
10 functions formally performed by the City of Pelican
11 within the Hoonah Town site service area. Exhibit
12 F, taxation. Collection of the existing 6.5 percent
13 sales tax for transactions within the boundaries of
14 the former city of Hoonah will continue
15 uninterrupted. Exhibit F, additional service areas.
16 Any prediction regarding the location of any
17 additional service areas or service that might be
18 provided would be mere speculation. The 229/2024
19 City of Pelican responsive brief addendum states,
20 the Local Boundary Commission has discretion to
21 amend boundaries for a borough petition. In Yakutat
22 versus Local Boundary Commission 900P.2DD721 Alaska
23 1995, the Alaska State Supreme Courts explained, by
24 requiring that each borough embrace an area and
25 population with common interest to the maximum

1 extent possible, Article 10, Section 3 of the Alaska
2 Constitution necessarily vest the LBC with power to
3 find non-compliance with the boundaries originally
4 described in a petition for incorporation, do not
5 maximize common interests. In that case, the court
6 ruled that the LBC acted well within the purview of
7 the authority in considering the desirability of
8 future incorporation of neighboring areas such as
9 Prince William Sound, and the interests of the
10 affected landowners and users such as the
11 (Indiscernible) Alaska Corporation. The City of
12 Pelican urges the LBC to either deny the petition or
13 redraw the boundaries to meet the requirements of
14 Alaska Law. The further discussions -- further
15 discussions needs to address dissimilarities and
16 opposition from the other communities in the region.
17 The 2017 community meeting conducted by Navigate
18 North produced a report that was not made available
19 to Pelican. There were no further follow through
20 discussions to continue public outreach. As a
21 matter of recommendation for greater public
22 outreach, the City of Hoonah should improve the
23 public access to Hoonah's City Council meeting
24 minutes on its website. The City of Pelican
25 applauds the City of Hoonah for its effort to build

1 upon its successes as an active and well-functioning
2 city that is working for the wellbeing of its
3 residents. The most updated Local Boundary
4 Commission notices had not been updated on the City
5 of Pelican's websites. We, the residents of Pelican
6 of Alaska have a right to live a way of life that is
7 independent and representative of our lifeways and a
8 way of life protected by the Constitution of the
9 state of Alaska. I had put in my name to provide
10 public testimony. I put that through the website
11 and I missed that opportunity. But since I still
12 have time, I'm going to provide a couple more
13 statements. The City of Pelican formed a borough
14 committee after Navigate -- after Navigate North was
15 in Pelican to respond to borough discussion, but
16 this committee stalled out as there were no further
17 outreach to Pelican from Hoonah. The May 2007
18 report is the Glacier Bay Chatham Borough Economic
19 Feasibility Assessment prepared by Scheinberg &
20 Associates. It includes Pelican, Elfin Cove,
21 Gustavus, Hoonah, Tenakee Springs, Angoon, and Kake.
22 I truly value the record of history and the culture
23 being shared by the Hoonah people. I have great
24 admiration and respect for the people that I know in
25 Hoonah. But I would like to re -- quote the report

1 on Page 27. As one commenter succinctly noted,
2 borough formation is not about recognizing
3 indigenous historic territory, rather borough
4 incorporation is a modern governance construct
5 intended to unify communities of common interest and
6 deliver services on an area wide basis. And I would
7 also like to commend Jedediah Smith -- Smith as the
8 Local Boundary Commission staff for his willingness
9 to take phone calls and answer questions that the
10 City of Pelican had. Thank you very much.

11 MR. LARRY WOOD: Thank you, Mayor -- Mayor
12 Phillips. I'm sorry we missed you on the public
13 testimony and thank you for your kind remarks
14 regarding our staff. We're very pleased with Jed
15 Smith and he works very hard to keep us up to
16 (indiscernible). Mr. Tillinghast, do you -- would
17 you like to make any reply? I'm sorry? Would you
18 like to make -- you're entitled to.

19 MR. JOHN TILLINGHAST: We do, but I think -- I
20 think Dennis is going to handle that one.

21 MR. LARRY WOOD: Oh, Mr. Gray.

22 DENNIS GRAY: Mr. Chair, thank you. Again,
23 thank you for taking the time today to come to
24 Hoonah and hear the testimony. Lots of different
25 views of course, and that's part of the public

1 process. And we've been involved in public process
2 for a long time. Of course, we believe our
3 application is correct. We've done extensive
4 outreach. The record reflects the fact I've done
5 extent of outreach. Recently done outreach, Pelican
6 said no, Gustavus said no, Tenakee has been not
7 responsive for three, five years. Doesn't matter
8 what form is, email, fax, or letters, they don't
9 reply to anything. So, Tenakee Springs is never in
10 a discussion. The one thing I wish you would've
11 asked the Elfin Cove respondent is where he lives
12 majority of the time. He's not on because he's in
13 the middle (indiscernible) too late to be part of
14 the discussion that he's in (indiscernible). That
15 should be pointed out. The other concern I have
16 with the discussions and the points of view being
17 conveyed by the commission today was concerning the
18 fact that it seems like, well, you guys should go
19 back to the -- the start and collaborate. We've
20 been collaborating for 30 years and gotten nowhere.
21 We want to lead from the front and establish a well-
22 functioning borough that allows these folks that
23 share the same common traits that we have to join
24 us. When we get it up, they can see the values that
25 we bring. And that's all we're trying to do is lead

1 from the front and do what we can to make this place
2 a better place. So, thank you again for your time.
3 Appreciate it. And thanks.

4 MR. JOHN TILLINGHAST: We (indiscernible) a
5 minute left to the five? On top of the five
6 minutes, is there a minute or two left?

7 MR. LARRY WOOD: Sure there is.

8 MR. JOHN TILLINGHASTHARRINGTON: Because I'll
9 take it.

10 MR. LARRY WOOD: You'll take it?

11 MR. JOHN TILLINGHAST: The concern that --
12 that we've got is that it seems as though some folks
13 have taken a look at what I might describe as the
14 easy way out to deny this petition along with a very
15 strong, (indiscernible) request to the parties. Do
16 we seriously urge the parties to resume their
17 deliberations? Please don't do that. Because what
18 we're afraid is going to happen is if you simply
19 deny the petition and the -- and the hopes of
20 encouraging people to get together, but that will
21 just pull this apart even further. Everybody will --
22 -- will go back to their bunker. The other
23 communities will just have a big celebration, a big
24 party in Gustavus and Pelican, and Tenakee Springs
25 and they'll be done with it. They'll think, boy, we

1 won. It's all over. We don't have to deal with
2 those people anymore. That's what's going to happen
3 if you take the easy way out. You -- and you don't
4 have to create an inadequate, illegal, insufficient
5 borough in order to avoid that easy case. Because
6 as I said before, if you look at our borough
7 proposal standing alone, we meet the standards. So,
8 please don't deny a borough who meets the standards
9 the right to incorporate, just because there's an
10 easy way out that'll lead to basically writing off
11 the Icy Strait area to organize government for a
12 long, long time.

13 MR. LARRY WOOD: Thank you, Mr. Gray, Mr.
14 Tillinghast. I want to thank you city of Hoonah for
15 your hospitality. And I know it's been a long day
16 for everybody. Thank you for being patient. We
17 thank you for answering our questions. Now,
18 procedurally, this was the hearing to take oral
19 testimony. Within 90 days, the commission is for
20 its own regulation to issue or to have a decisional
21 meeting in which it makes that decision that Mr.
22 (Indiscernible) has alluded to. Now, I haven't done
23 the math, but I -- I think Mr. Smith, it was
24 December 03 and one of the -- I can't do that in by
25 head, but whatever 90 days is. Now, there is --

1 that's a procedural rule. And there are regulations
2 say, well, you can -- you can waive procedural rules
3 under certain circumstances, not saying you would.
4 I just want to let everyone know what's out there in
5 terms of what the law requires. So, for now, I'm
6 going to thank you all on behalf of the Local
7 Boundary Commission. And by the way -- got a hand
8 up.

9 MR. JOHN TILLINGHAST: Could you -- you
10 mentioned the decisional meeting.

11 DENNISGRAY: Yes, sir.

12 MR. JOHN TILLINGHAST: Can you tell all of the
13 processes that happened from here on? All the
14 processes --

15 MR. LARRY WOOD: Well, I'm going to let Mr.
16 Smith do that.

17 **END OF RECORDING**

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C E R T I F I C A T E

I, Hector Solomon, hereby certify that the foregoing pages contain a full, true and correct transcript of the proceedings in the above-referenced matter, transcribed by me to the best of my knowledge and ability, or at my direction, from the electronic sound recording.

October 18, 2024



Date

Hector Solomon, Proofer