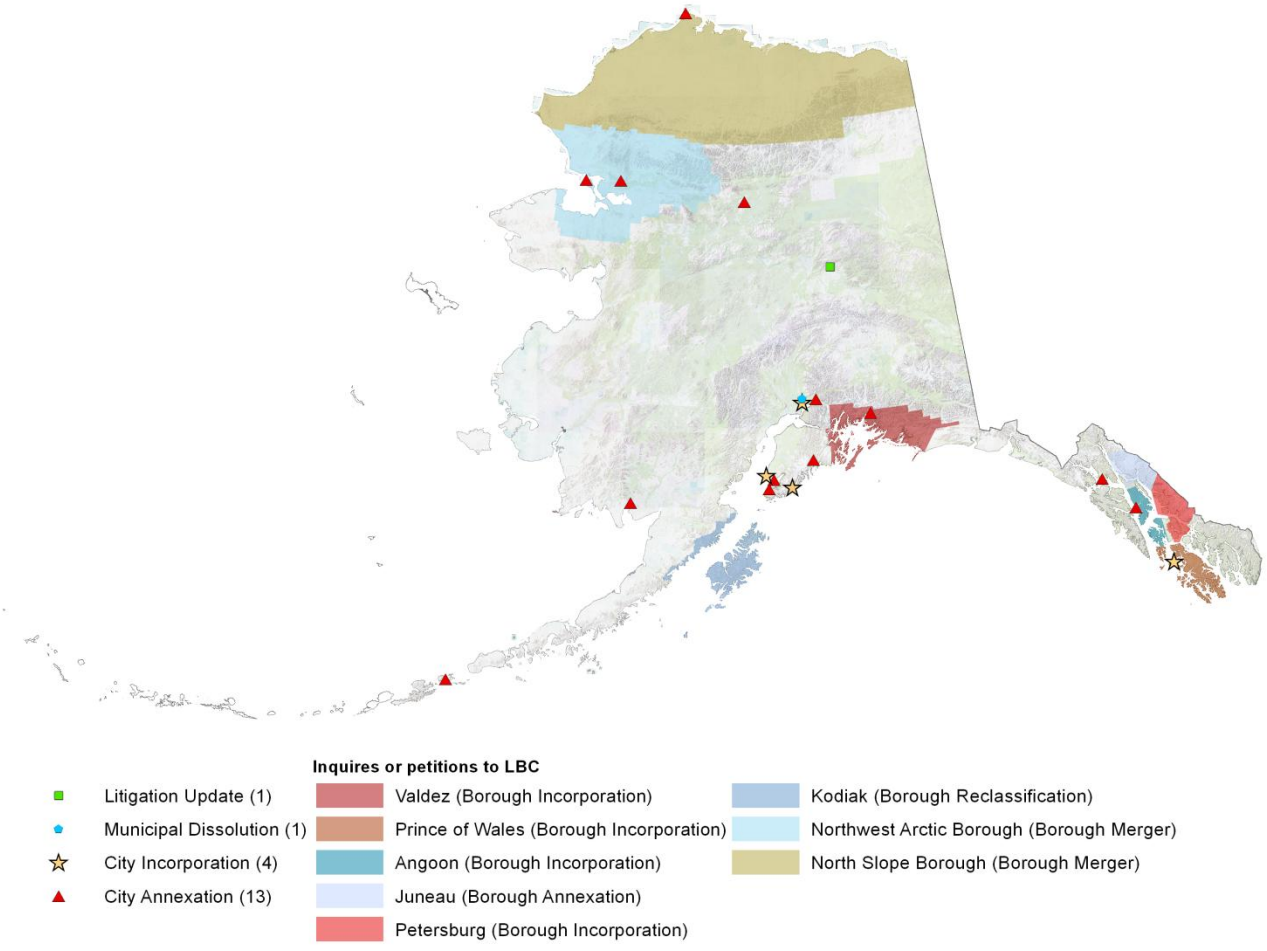
Local Boundary Commission

Report to the 27th Alaska State Legislature, 2nd Session

February 2012



Lynn Crystal, Chair
John Harrington, First Judicial District
Robert Harcharek, Second Judicial District
Larry Semmens, Third Judicial District
Lavell Wilson, Fourth Judicial District

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http://www.commerce.alaska.gov/dcra/lbc/lbc.htm

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State of Alaska
Local Boundary Commission

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February 2012

Dear Members of the Alaska State Legislature:

As members of the Local Boundary Commission, we are pleased to present our annual report to the Second Session of the Twenty-seventh Alaska State Legislature. This report briefly describes the LBC. It summarizes the activities of the commission and its staff during 2011.

The LBC approved a petition for Gustavus to annex territory because the petition met the standards. Per article 10, section 12, of Alaska's constitution, this proposed change is before you for legislative review.

There are boundary issues of particular interest to the commission which have remained in issue since statehood, including:

1. Developing adequate incentives to encourage borough formation and annexation to existing boroughs.
2. Informing the legislature and Alaskan citizens about the commission's role and duties.

We ask that the legislature consider these issues. The LBC is eager to work collaboratively with the Alaska State Legislature to address these local boundary change issues, and to help shape our state's future municipal landscape.

Very truly yours,

The Local Boundary Commission

Lynn Chrystal, Chair

John Harrington, Commissioner

Robert Harcharek, Commissioner

Larry Semmens, Commissioner

Lavell Wilson, Commissioner

Contents

CHAPTER 1. BACKGROUND

LOCAL BOUNDARY COMMISSION'S CONSTITUTIONAL FOUNDATION

Article X of the Constitution of the State of Alaska created the Local Boundary Commission (also referred to as "LBC" or "commission").[1] The commission is responsible for establishing and modifying proposed municipal government boundaries. Those Alaskans who drafted the state's constitution believed that local governments should have authority to determine which powers they would exercise. The drafters of the Alaska State Constitution also asserted their belief that the state should set municipal boundaries because "local political decisions do not usually create proper boundaries and that boundaries should be established at the state level."[2] Placing decision-making authority with a state body allows arguments for and against boundary changes to be analyzed objectively, taking areawide or statewide needs into account.[3]

Local Boundary Commission's Statutory Authority

Pursuant to 29.06.040(a) "the Local Boundary Commission may consider any proposed municipal boundary change." AS 29.06.040(a) further reads:

> the commission may amend the proposed change and may impose conditions on the proposed change. If the commission determines that the proposed change, as amended or conditioned if appropriate, meets the applicable standards under the state constitution and commission regulations and is in the best interests of the state, it may accept the proposed change. Otherwise it shall reject the proposed change. A Local Boundary Commission decision under this subsection may be appealed under AS 44.62.

[1] Article X, section 12 states, "A local boundary commission or board shall be established by law in the executive branch of the state government. The commission or board may consider any proposed local government boundary change. It may present proposed changes to the legislature during the first ten days of any regular session. The change shall become effective forty-five days after presentation or at the end of the session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each house. The commission or board, subject to law, may establish procedures whereby boundaries may be adjusted by local action."

[2] *Fairview Public Utility District No. 1 v. City of Anchorage*, 368 P.2d 540, 543 (Alaska 1962) (citing *Alaska Constitutional Convention Minutes of Committee on Local Government*, November 28 and December 4, 1955).

[3] *Id*.

LBC Duties and Functions

The LBC acts on proposals for several different municipal boundary changes. These are:

- Incorporating municipalities[4]
- Annexing to municipalities
- Detaching from municipalities
- Merging municipalities
- Consolidating municipalities
- Reclassifying municipalities
- Dissolving municipalities

In addition to the above, the LBC under AS 44.33.812 shall:

- Make studies of local government boundary problems
- Adopt regulations providing standards and procedures for municipal incorporation, annexation, detachment, merger, consolidation, reclassification, and dissolution

The LBC may present proposed local boundary changes to the legislature concerning boundary changes under article X, section 12 of Alaska's constitution.

Nature of the Commission

Boards and commissions frequently are classified as quasi-executive, quasi-legislative, or quasi-judicial, based on their functions within the Alaska constitution's separation of powers framework. The LBC is a quasi-legislative commission with quasi–executive and quasi-judicial attributes.

Quasi-Legislative

In 1974, 1976, and again in 1993, the Alaska Supreme Court stated that Alaska's constitution gives the LBC legislative authority to make fundamental public policy decisions. The court stated that:

> [T]he Local Boundary Commission has been given a broad power to decide in the unique circumstances presented by each petition whether borough government is appropriate. Necessarily, this is an exercise of delegated legislative authority to reach basic policy decisions. Accordingly, acceptance of the incorporation petition should be affirmed if we perceive in the record a reasonable basis of support for the Commission's reading of the standards and its evaluation of the evidence.[5]

Under AS 44.33.812(a)(2), the LBC carries out another quasi-legislative duty when it adopts "regulations providing standards and procedures for municipal incorporation, annexation, detachment, merger, consolidation, reclassification, and dissolution. . . ." [6]

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[4] The term "municipalities" includes both city governments and borough governments.

[5] *Mobil Oil Corp. v. Local Boundary Comm'n,* 518 P.2d 92, 98-99 (Alaska 1974). *See also Moore v. State,* 553 P.2d 8, n. 20 at 36 (Alaska 1976); and *Valleys Borough Support v. Local Boundary Comm'n,* 863 P.2d 232, 234 (Alaska 1993).

[6] *See U.S. Smelting, Refining & Min. Co. v. Local Boundary Comm'n,* 489 P.2d 140 (Alaska 1971), discussing applying due process requirements to develop boundary change standards and procedures in commission proceedings.

Quasi-Executive

Article X, section 12 of Alaska's constitution placed the LBC in the state's executive branch. The commission's duty under AS 44.33.812(a)(1) to "make studies of local government boundary problems" is one example of the LBC's quasi-executive nature.

Quasi-Judicial

Although it is part of the executive branch and exercises delegated legislative authority, the LBC also has a quasi-judicial nature. In particular, the LBC has a mandate to apply pre-established standards to facts, to hold hearings, and to follow due process in conducting petition hearings and rulings.

The LBC's quasi-judicial nature requires that a reasonable basis of support exist for the LBC's reading of the standards and evaluating the evidence. The LBC's quasi-legislative nature provides it with considerable discretion in applying those standards and weighing evidence.

Limits on Directly Contacting the LBC

When the LBC acts on a petition for a municipal boundary change, it does so in a quasi-judicial capacity. LBC proceedings regarding a municipal boundary change must be conducted in a manner that upholds everyone's right to due process and equal protection. Those rights are preserved by ensuring that communications with the LBC concerning municipal boundary proposals are conducted openly and publicly.

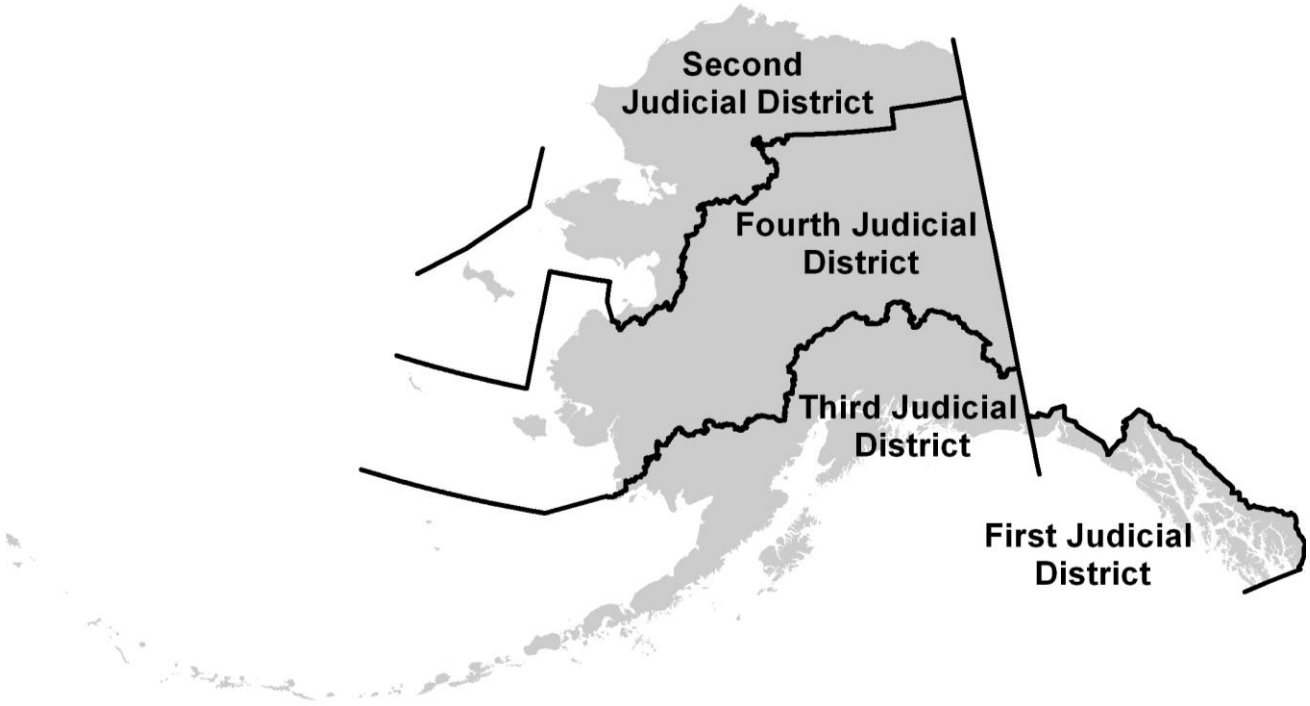
To regulate communications, the LBC adopted 3 AAC 110.500(b) which expressly prohibits private (*ex parte*) contact between the LBC and any individual, other than its staff, except during a public meeting called to address a municipal boundary proposal. The limitation takes effect upon a petition's filing and remains in place through the last date available for the commission to reconsider a decision. If a LBC decision is appealed to the court, the *ex parte* contact limitation is extended throughout the appeal, in the event that the court requires additional consideration by the LBC. All communications with the commission must be submitted through the LBC's staff.

LBC Membership

The LBC is an autonomous commission. The governor appoints LBC members for five-year overlapping terms (AS 44.33.810). Notwithstanding their terms' prescribed length, however, LBC commissioners serve at the governor's pleasure (AS 39.05.060(d)).

The LBC is comprised of five members (AS 44.33.810). One member is appointed from each of Alaska's four judicial districts. The chair is appointed from the state at large. LBC members receive no pay for their service.

ALASKA JUDICIAL MAP



The biographies of LBC members:

Lynn Chrystal, Chair, At Large Appointment, Valdez

Governor Palin appointed Lynn Chrystal as the member from the Third Judicial District on March 27, 2007. Governor Parnell appointed him as the Local Boundary Commission's chair on September 10, 2009. Mr. Chrystal is a current resident and former mayor of the City of Valdez, and former member of the Valdez City Council. He has lived in Valdez since 1975. Mr. Chrystal retired in 2002 from the federal government after four years in the Air Force and 36 years with the National Weather Service. He has worked in Tin City, Barrow, Yakutat, and Valdez. Chair Chrystal has served on the boards of several civic groups and other organizations including the Resource Development Council, Pioneers of Alaska, and Copper Valley Electric Cooperative. His current term on the LBC ends January 31, 2013.

John Harrington, First Judicial District, Ketchikan

Governor Parnell appointed John Harrington of Ketchikan as the member from the First Judicial District on the Local Boundary Commission on September 10, 2009. Mr. Harrington is a real estate manager and previously worked as an adult education coordinator in Ketchikan from 1985-97. He was also a special education teacher and administrator in Washington state from 1972-84. He served on the Ketchikan Gateway Borough Assembly 2005 through 2011, chairing the borough's Planning Liaison and Economic Development Advisory Committee among others. His community service includes chairing the North Tongass Fire and EMS Service Area Board from 2002-05, serving on the Ketchikan Charter Commission from 2003-04, and serving as an elected member of the Ketchikan Gateway Borough school board from 1988-94. Commissioner Harrington earned a bachelor's degree in psychology and history from Western Washington University and a master's degree in educational administration from Seattle University. His current term on the LBC ends January 31, 2016.

Robert “Bob” Harcharek, Second Judicial District, Barrow

Governor Knowles appointed Robert "Bob" Harcharek as the member from the Second Judicial District on the Local Boundary Commission on July 18, 2002. Governor Murkowski reappointed him to the LBC on March 24, 2004. He has served as the commission’s vice chair. On March 9, 2009, Governor Palin reappointed him to the LBC. In 1977 he earned a Ph.D. in international and development education from the University of Pittsburgh. Commissioner Harcharek served for three years in Thailand as a Peace Corps volunteer. Dr. Harcharek has lived and worked on the North Slope for more than 30 years. Commissioner Harcharek recently retired from the North Slope Borough as the Community and Capital Improvement Projects (CIP) Planner for the Department of Public Works. He served as a member of the Barrow City Council for fifteen years, and is currently Mayor and Chief Administrative Officer for the City of Barrow. His current LBC term ends January 31, 2014.

Larry Semmens, Vice Chair, Third Judicial District, Soldotna

Governor Parnell appointed Larry Semmens of Soldotna as the member from the Third Judicial District on the Local Boundary Commission, on September 10, 2009. In May 2010, his fellow commissioners elected him to a three-year term as vice chair. Mr. Semmens is a certified public accountant and the manager of the City of Soldotna. Previously, he was the finance director for the City of Kenai from 1996-2008. He also served the Kenai Peninsula Borough as finance director from 1995-96, controller from 1988-95, and treasury manager from 1981-88. Commissioner Semmens currently chairs the Alaska Public Entities Insurance Pool, and is a member of the Alaska Government Finance Officers Association, the American Institute of Certified Public Accountants, and the International City Managers Association. He was reappointed to the Alaska Municipal League Investment Pool Board. Semmens served in the U.S. Air Force from 1973-76 and earned a bachelor's degree in business administration from Boise State University. His current term on the LBC ended January 31, 2012.

Lavell Wilson, Fourth Judicial District, Tok

Governor Palin appointed Lavell Wilson, a Tok resident, as the member from the Fourth Judicial District on the Local Boundary Commission, on June 4, 2007. Commissioner Wilson is a former member of the Alaska House of Representatives, serving the area outside of the Fairbanks North Star Borough in the Eighth State Legislature. He moved to Alaska in 1949 and has lived in the Northway/Tok area since. Commissioner Wilson attended the University of Alaska Fairbanks and Brigham Young University. Commissioner Wilson worked as a licensed aircraft mechanic, commercial pilot, and flight instructor for 40 Mile Air from 1981-1995, retiring as the company's chief pilot and office manager. Mr. Wilson became a licensed big game guide in 1963. He has also worked as a surveyor, teamster, and construction laborer, retiring from the Operating Engineers' Local 302 in Fairbanks. As a member of Local 302, he worked for 12 years on the U.S. Air Force's White Alice system, the ballistic missile defense site at Clear, and the radar site at Cape Newenham. Commissioner Wilson has also taught a course at the University of Alaska for the past few years on the history of the Upper Tanana Valley. His current term on the LBC ends January 31, 2015.

Local Government Agency

Constitutional Origin

Alaska's constitution called for establishing an executive branch agency to advise and assist local governments (article X, section 14). The duty to serve as the constitutional local government agency is presently delegated to the Alaska Department of Commerce, Community, and Economic Development (Commerce) pursuant to AS 44.33.020(a)(4)[7]. Within Commerce, the Division of Community and Regional Affairs (DCRA) performs the local government agency's functions. In addition to its more general duty to aid local governments, DCRA provides staff, research, and assistance to the LBC.

LBC Staff Role

3 AAC 110.435 sets out the role of the LBC staff. LBC staff is required by 3 AAC 110.530[8] to investigate and analyze each boundary change proposal and to make recommendations regarding the proposal to the LBC. For each petition, staff will write at least one report for the commission. The report(s) is made available to the public as well. Staff follows a reasonable basis standard in developing recommendations on matters before the LBC. Its recommendations to the LBC are based on properly interpreting the applicable legal standards, and rationally applying those standards to the proceeding's evidence. Due process is best served by providing the LBC with a thorough, credible, and objective analysis of every municipal boundary proposal.

[7] AS 44.33.020(a)(1) provides that Commerce "shall (1) advise and assist local governments."
[8] *Also see* AS 29.04.040, AS 29.05.080, AS 29.06.110, and AS 29.06.480 - 29.06.490.

The LBC staff provides support to the commission. The LBC's staff also delivers technical assistance to municipalities, to residents of areas impacted by existing or potential petitions to create or alter municipal governments, to petitioners, to respondents, to agencies, and to others.

Assistance the LBC staff provides includes:

- Answering citizen, legislative, and other governmental inquiries relating to municipal government issues
- Writing reports on petitions for the LBC
- Drafting LBC decisions
- Traveling to communities to hold meetings and to answer questions about proposed local boundary changes
- Drafting for the LBC an annual report to the legislature
- Developing and updating municipal incorporation or alteration forms
- Sending local boundary change forms and materials to interested persons
- Providing a link between the LBC and the public
- Maintaining incorporation and boundary records for Alaska's municipal governments
- Coordinating and scheduling LBC public meetings and hearings
- Developing orientation materials and providing training for new LBC members
- Maintaining and preserving LBC records in accordance with Alaska's public records laws

The LBC staff contacts:

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PETITION PROCEDURES

Procedures to establish and alter municipal boundaries and to reclassify cities are designed to ensure every proposal's reasonable and timely determination. The procedures are also intended to ensure commission decisions are based on an analysis of the facts and the applicable legal standards. Procedures are as follows:

Preparing and Filing a Petition

The LBC staff offers technical assistance, information, and forms to prospective petitioners. LBC staff routinely advises submitting drafts so staff can identify any technical deficiencies in form and content. This allows the petitioner to correct the draft before it is circulated for voter signatures, or before adoption by a municipal government. Once a formal petition is prepared, it is submitted to LBC staff for technical review. If it contains all the required information, the LBC staff accepts it for filing.

Public Notice and Public Review

Once a petition is accepted for filing, the staff arranges extensive public notice. There is ample opportunity for public comment during the process. Interested parties are given at least seven weeks to submit responsive briefs and comments supporting or opposing a petition. The petitioner is provided at least two weeks to file one brief replying to public comments and responsive briefs.

Analysis

Following the public comment period, the LBC staff analyzes the petition, responsive briefs, written comments, the reply brief, and other materials. The petitioner and the LBC staff can conduct informational meetings. If the petition is for incorporation, the LBC staff must hold at least one public meeting within the boundaries proposed for incorporation. When it ends its analysis, the LBC staff issues a preliminary report including a recommendation to the LBC.

The preliminary report is circulated for public review and comment typically for a minimum of four weeks. After reviewing the comments on its report, the LBC staff typically issues its final report[9]. The final report typically discusses comments received on the preliminary report, and notes any changes to the LBC staff's recommendations to the commission. The final report must be issued at least three weeks prior to the LBC's public hearing.

Commission Review of Materials and Public Hearings

LBC members review the petition, responsive briefs, written comments, reply briefs, and the staff reports. The LBC is an autonomous commission. While the commission is not obligated to follow the staff's recommendations, it has historically considered the LBC staff's analyses and recommendations to be critical components of the record in municipal boundary proceedings. The LBC considers the entire record when it renders a decision.

The commission may tour the subject area before the hearing. Following extensive public notice, the LBC conducts at least one hearing in or near the affected area or territory. The commission must act on the petition within 90 days of its final public hearing.
The LBC may act by:

- Approving the petition as presented
- Amending the petition (e.g., expanding or contracting the proposed boundaries)
- Imposing conditions on approving the petition (e.g., requiring voter approval of a proposition authorizing levying taxes to ensure financial viability)
- Denying the petition

[9] "Typically" refers to the fact that under 3 AAC 110.590, procedures for some kinds of local action petitions are modified. This pertains to annexations if the municipality already owns the property to be annexed, or if all the property owners and voters in the area proposed to be annexed petition the municipality's governing body.

LBC Decisions Must Have a Reasonable Basis

LBC decisions regarding petitions must have a reasonable basis. Both the LBC's interpretation of the applicable legal standards and its evaluation of the evidence in the proceeding must be rational.[10] The LBC must proceed within its jurisdiction, conduct a fair hearing and avoid any prejudicial abuse of discretion. Abuse of discretion occurs if the LBC has not proceeded in the manner required by law, or if the evidence does not support the LBC's decision.

While the law allows the commission 90 days following its last petition hearing to reach a decision, the LBC typically renders its decision within a few days of the hearing. Within 30 days of its decision date, the LBC must adopt a written decision stating the basis for its decision. Decision copies are provided to the petitioner, respondents, and others who request them.

At that point the decision becomes final, but any person may ask the LBC to reconsider its decision. Such requests must be filed within 18 days after the decision is mailed. The LBC may order reconsideration on its own motion. If the LBC does not approve any reconsideration requests within 30 days of the decision's mailing date, all such requests are automatically denied.

Implementation

3 AAC 110.630(a) specifies conditions that must be met before a LBC final decision is effective. If the LBC approves a petition, the proposal is typically subject to approval by voters or disapproval by the legislature, depending on whether it was filed as a local action petition, or a legislative review petition, respectively. A petition that has been approved by the commission takes effect upon satisfying any stipulations imposed by the commission. If an election was held, certification of the legally required voter approval of the LBC's final decision is needed from the director of elections or the appropriate municipal official. The action must also receive favorable review under the federal Voting Rights Act of 1965. If all of 3 AAC 110.630(a)'s requirements have been met, the department shall issue a certificate describing the effective change.

Alaskan Municipal Government Overview

Alaska law provides for types of two municipalities: city governments and organized boroughs. City governments are community municipalities and organized boroughs are regional municipalities. Those Alaska regions not in an organized borough constitute a single unorganized borough.[11]

Boroughs

Alaska law provides for the following classes of organized boroughs:

- Home rule: unified and nonunified
- General: first class and second class

Home rule boroughs are the most popular form of organized borough in Alaska, followed closely by second class boroughs. There is only one first class borough, the Municipality of Skagway.

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[10] *See Keane v. Local Boundary Commission,* 893 P.2d 1239, 1241 (Alaska 1995). When an administrative decision involves expertise regarding either complex subject matter or fundamental policy formulation, the court defers to the decision if the decision has a reasonable basis.

[11] AS 29.03.010 provides that "[a]reas of the state not within the boundaries of an organized borough constitute a single unorganized borough."

By law, every organized borough must exercise the following powers areawide:

- Public education
- Tax assessment and collection where municipal taxes are levied
- Planning
- Platting
- Regulation of land use

Home rule boroughs have charters (constitutions). Article X, section 11, of Alaska's constitution provides that home rule boroughs "may exercise all legislative powers not prohibited by law or by charter." AS 29.10.200 lists 61 specific limitations on home rule municipalities.

Alaska's unified home rule boroughs can have no city governments within them.[12] When a unified municipality is formed, all city governments within the unified municipality are automatically dissolved. No city can ever form again as long as the borough remains a unified borough. Non-unified home rule boroughs may have cities within them.

There are four unified boroughs in Alaska:

- City and Borough of Juneau
- City and Borough of Sitka
- Municipality of Anchorage
- City and Borough of Wrangell

There are four other organized boroughs in Alaska that also have no city governments within them. They are the Bristol Bay Borough, the Haines Borough, the Municipality of Skagway, and the City and Borough of Yakutat. As such, city governments could legally be formed in those boroughs.

General law boroughs (first and second class) are empowered exclusively by statutes. Still, statutes allow general law boroughs to assume a broad array of powers. First class boroughs have greater powers than second class boroughs. A principal distinction between a first class borough and a second class borough relates to how its powers are assumed. A first class borough may exercise any power not prohibited by law on a non-areawide basis (i.e., in the area of the borough outside cities) by adopting an ordinance. In contrast, voters must approve a second class borough's authority to exercise many non-areawide powers.

Cities

There are three city government classifications:

- Home rule
- First class
- Second class

[12] A unified municipality is defined as a borough by 3 AAC 110.990(1). Article. X, section. 2 of Alaska's constitution recognizes only cities and boroughs as municipalities. Further, the legislature treats unified municipalities as boroughs. For example, the statutes use the same standards for borough incorporation as they do for incorporation of a unified municipality (AS 29.05.031). By contrast, the legislature has established separate standards for city incorporation (AS 29.05.011).

A city government's powers and duties vary both with its particular classification, and whether it is located within an organized borough. The most fundamental distinction among city governments is that home rule and first class city governments in the unorganized borough must provide for education, planning, platting, and land use regulation. Second class cities are not permitted to exercise education powers.

Generally, first class cities have more powers than do second class cities. Other differences between first and second class cities include taxing authority and the mayor's powers and duties. A community must have at least 400 permanent residents to form a first class city.

Any city within an organized borough may, upon authority delegated by the organized borough which it's in, exercise planning, platting, and land use regulation. Second class cities in the unorganized borough are permitted, but not required, to exercise planning, platting, and land use regulation.

Conclusion

This chapter has described the Local Boundary Commission's background, including its legal basis, powers, membership, and procedures. It also gave an overview of Alaska municipal government.

Chapter 2 will discuss the activities that the LBC and its staff have engaged in during the past year, including petitions, legal matters, and citizen or government requests for assistance and information.

CHAPTER 2. ACTIVITIES AND DEVELOPMENTS

SECTION I. CITY INCORPORATION

- Anchor Point
- Big Lake
- Edna Bay
- Razdolna

Anchor Point

Location:	Anchor Point is located on the Kenai Peninsula at the junction of the Anchor River and its north fork, 14 miles northwest of Homer. It lies at mile 156 of the Sterling Highway.
Population:	1,930 (2010 U.S. Census population)
Classification:	Unincorporated
Borough:	Kenai Peninsula Borough

An Anchor Point resident asked for second class city incorporation information. LBC staff sent the requested information.

Big Lake

Location:	Big Lake is a community on the shore of Big Lake, 13 miles southwest of Wasilla, in the Chugach Mountains. It lies adjacent to Houston and Knik-Fairview.
Population:	3,350 (2010 U.S. Census population)
Classification:	Unincorporated
Borough:	Matanuska-Susitna Borough

LBC staff was approached by Big Lake residents on how to file an incorporation petition. Big Lake's community council has been working on a petition to incorporate as a second class city for a number of months. LBC staff traveled to Big Lake and gave a presentation on incorporation to the council and community members. Staff also discussed petition procedures, methods, and timelines on several occasions. The community council imposed a deadline of November 2011 to submit an incorporation petition. Unfortunately, several critical pieces of the petition remain uncompleted. Big Lake continues its efforts to produce a petition, but has not submitted one to date.

Edna Bay

Location:	Edna Bay is located on the southeast coast of Kosciusko Island, northwest of Prince of Wales Island, in Southeast Alaska. It lies 90 miles northwest of Ketchikan.
Population:	42 (2010 U.S. Census population)
Classification:	Unincorporated
Borough:	Unorganized borough

Edna Bay is interested in incorporating as a second class city. An Edna Bay resident contacted LBC staff to indicate the community was ready to fill out a second class city incorporation petition. LBC staff sent the requested form. Staff answered questions from a resident about the number of voters needed to sign an incorporation petition.

Razdolna

Location:	Roughly 25 miles east of Homer
Population:	Information unavailable
Classification:	Unincorporated
Borough:	Kenai Peninsula Borough

A Razdolna resident requested information on incorporating the community as a second class city. LBC staff sent the requested information.

SECTION II. CITY ANNEXATION

- Akutan
- Allakaket
- Angoon
- Barrow
- Dillingham
- Gustavus
- Kachemak
- Kiana
- Kotzebue
- Palmer
- Seldovia
- Seward
- Valdez

Akutan

Location:	Akutan is located on Akutan Island in the eastern Aleutians, one of the Krenitzin Islands of the Fox Island group. It is 35 miles east of Unalaska and 766 air miles southwest of Anchorage. The area encompasses 14.0 square miles of land and 4.9 square miles of water.
Population:	1,027 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Aleutians East Borough

The City of Akutan submitted a "unanimous consent" petition on November 4. LBC staff acknowledged receipt of the petition, and let the city and its representatives know December 19 was the deadline to complete the technical review of their petition. Upon completing the technical review, LBC staff accepted the City of Akutan's annexation petition for filing.

The petition was filed as a modified procedures petition, which shortens the length of time from petition filing to LBC decision. A petition can use the modified procedures, or "unanimous consent" method when all the voters and property owners in the area proposed for annexation unanimously consent to annexation.

The public comment period for this petition was December 16 through 30. The petition is expected to be completed in April 2012.

Allakaket

Location:	Allakaket is on the south bank of the Koyukuk River, southwest of its junction with the Alatna River, approximately 190 air miles northwest of Fairbanks and 57 miles upriver from Hughes. The village of Alatna is located directly across the river. The area encompasses 3.6 square miles of land and 0.7 square miles of water.
Population:	105 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Unorganized borough

Allakaket city administrator contacted LBC staff regarding the process for annexing land to a city in the unorganized borough. Staff sent forms, discussed the process, and assisted the administrator as much as possible in producing a petition to annex land that was inadvertently outside of the city limits. Allakaket had a flood some years ago that destroyed the city. The residents moved to higher ground and settled there. Unfortunately, that property was not within the city limits, causing issues of disenfranchisement when locals were not able to vote or hold office because they did not live within the city boundaries.

Later, staff responded to a call from the City of Allakaket's new city administrator who inquired about the LBC annexation process, forms, etc. The city clerk and the city residents were directly involved in a search and rescue operation at the time and the city clerk was unable to speak with LBC staff. Contact information was exchanged, and the call was not returned as of 9/8/2011.

Angoon

Location:	Angoon is the only permanent settlement on Admiralty Island, located on the southwest coast at Kootznahoo Inlet. Angoon is 55 miles southwest of Juneau and 41 miles northeast of Sitka. The area encompasses 22.5 square miles of land and 16.1 square miles of water.
Population:	459 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Unorganized borough

An Angoon planner and resident asked for second class city annexation by legislative review information. LBC staff sent the requested information.

Barrow

Location:	Barrow, the northernmost community in the United States, is located on the Chukchi Sea coast, ten miles south of Point Barrow, from which it takes its name. It lies 725 air miles from Anchorage. The area encompasses 18.4 square miles of land and 2.9 square miles of water.
Population:	4,212 (2010 U.S. Census population)
Classification:	First class city
Borough:	North Slope Borough

The City of Barrow mayor contacted LBC staff to determine the city's municipal boundaries. Some subdivisions have recently been built near, and potentially outside, the city limits. The mayor stated that if the subdivisions are outside city limits, the city would possibly be annexing that land.

Dillingham

Location:	Dillingham is located at the extreme northern end of Nushagak Bay in northern Bristol Bay, at the confluence of the Wood and Nushagak Rivers. It lies 327 miles southwest of Anchorage and is a 6 hour flight from Seattle. The area encompasses 33.6 square miles of land and 2.1 square miles of water.
Population:	2,329 (2010 U.S. Census population)
Classification:	First class city
Borough:	Unorganized borough

On Monday, April 25th, the Local Boundary Commission held a public hearing to hear testimony and public comments on the petition to annex approximately 396 square miles of water and three square miles of land to the City of Dillingham.

The hearing ran from 4 pm to 10:30 pm, with the petitioner City of Dillingham and the respondent Native Village of Ekuk presenting their opening statements and witnesses. The hearing continued Tuesday, April 26 with public comments and concluded with closing arguments from the two parties.

The commissioners immediately convened the decisional meeting at approximately 11:30 pm. The commissioners approved each of the standards; however, Commissioner Harcharek offered an amendment to the petition (see exact language below) which required the City of Dillingham to communicate with specified neighboring municipalities and entities and to submit a report on the results of those meetings no later than November 30, 2011. Upon approval of the report, the petition will be approved. The City of Dillingham will be able to proceed with the US Department of Justice preclearance, and then a local election on whether to annex the territory to the city.

The motion's language was: "I motion to alter the petition as follows: Petitioner shall attempt to meet with [the] cities of Aleknagik, Clark's Point, New Stuyahok, Ekwok, Manokotak, New Kolignek Village Council (dba Native Village of Koliganek) and the respondent Native Village of Ekuk regarding post-annexation financial matters affecting such parties due to the annexation[;] and file a report of the meeting attempts, whether or not held, and meetings held, if any, with the LBC by [no later than] 11/15/2011."
The required report's due date was changed to November 30, 2011, per request of both parties.

The decision conditionally approving Dillingham's annexation petition was mailed on Friday, May 27.
The respondent, Native Village of Ekuk, requested reconsideration of the LBC decision approving the annexation. The LBC met on Friday, June 24, to hear the reconsideration request. After much discussion and clarification of the process, the LBC voted to reconsider two of the seven points requested by the respondent. Both parties later submitted briefs.

On October 4, 2011, the LBC met and unanimously voted to approve reconsideration of point 1, which clarifies that the decision will be considered final only after the condition is satisfied; and of point 2, which places the condition under 3 AAC 110.135 - Best Interests of State. On November 16, LBC staff received an 83-page report from petitioner City of Dillingham. The report was filed timely and included text, logs, and letters documenting the attempted and successful contacts with the required communities.

On November 30, 2011, the LBC met and found the condition imposed on the petitioner at the April 26 decisional meeting had been met, and granted final approval of the petition. The commission approved the June 14, 2010, petition of the City of Dillingham to annex approximately 396 square miles of water and three square miles of land.

Staff mailed the final Dillingham decision on Monday, Dec. 19, marking the start of the reconsideration period. A second reconsideration request was filed by the respondent, which was not granted by the LBC.

Gustavus

Location:	Gustavus lies on the north shore of Icy Passage at the mouth of the Salmon River in the St. Elias Mountains, 48 air miles northwest of Juneau. It is bordered by Glacier Bay National Park and Preserve on three sides and the waters of Icy Passage on the south. The area encompasses 29.2 square miles of land and 10.0 square miles of water.
Population:	442 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Unorganized borough

The City of Gustavus submitted an annexation petition in 2010, to annex approximately 16 square miles of land and water including approximately four square miles of Falls Creek drainage uplands, and approximately 12 square miles of Icy Passage tidelands and submerged lands between present City limits and Pleasant Island. There was a public coment period, a preliminary report written by staff, comments on the preliminary report, staff final report, and a final opportunity for written public comment prior to the public hearing.

The commission held a duly-noticed public hearing on Wednesday, August 17, 2011, regarding the City of Gustavus' annexation petition. The hearing began at 1:00 p.m. in the Gustavus City Hall and was teleconferenced for the city, residents affected by this annexation petition, and the city's sworn witnesses. The commission heard sworn testimony from Gustavus' witnesses, as well as public comments supporting the proposed annexation. There were no comments in opposition. The decisional meeting immediately followed the public hearing. The commission voted 5 to 0 to approve the petition as submitted.

The petition is a legislative review petition. Per article 10, section 12 of Alaska's constitution, the LBC "may present proposed changes to the legislature during the first ten days of any regular session. The change shall become effective forty-five days after presentation or at the end of the session, whichever is earlier, unless disapproved by a resolution concurred in by a majority of the members of each house." The decision was submitted on January 18, 2012.

Kachemak

Location:	Kachemak is on the East Road, adjacent to Homer, on the Kenai Peninsula. It is on the northern shore of Kachemak Bay. The area encompasses 1.6 sq. miles of land and 0.0 sq. miles of water.
Population:	472 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Kenai Peninsula Borough

The City of Kachemak submitted a "unanimous consent" by local action annexation petition to the LBC for technical review in January. LBC staff completed the technical review and returned the petition for additional modifications necessary for acceptance.

The City of Kachemak resubmitted the annexation petition in March, and it was accepted for filing in April. By regulation, the petition was able to use modified procedures because all the property owners and voters included in the territory proposed for annexation had consented to being annexed.

The petition went through a public comment period, and several comments from residents requesting inclusion in the City of Kachemak were received. Several additional residents requested they be added to the petition. LBC staff wrote a report concluding the annexation met all applicable standards. The report recommended that all properties requesting annexation should be approved for annexation.

On July 21, the LBC held a public hearing and after completing the public hearing immediately convened a decisional meeting. The LBC amended the petition to include those owners and voters who had later requested to be annexed. The LBC then unanimously approved the City of Kachemak's annexation petition.

The City of Kachemak has requested the U.S. Department of Justice's (DOJ) preclearance for annexation. Once DOJ preclearance has been obtained, a new municipal certificate will be prepared and signed by the DCCED commissioner. Then Kachemak will be able to assume responsibility for the approved annexed territories.

Kiana

Location:	Kiana is located on the north bank of the Kobuk River, 57 air miles east of Kotzebue. The area encompasses 0.2 square miles of land and 0.0 square miles of water.
Population:	105 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Northwest Arctic Borough

LGS staff spoke with the city administrator regarding land issues. Kiana needs its boundaries updated because a subdivision on the south side of the city is not within city boundaries. The administrator has been doing the necessary research and is reviewing the city's past comprehensive plans.

Kotzebue

Location:	Kotzebue is on the Baldwin Peninsula in Kotzebue Sound, on a three-mile long spit, which ranges in width from 1,100 to 3,600 feet. It is located near the mouths of the Kobuk, Noatak, and Selawik Rivers, 549 air miles northwest of Anchorage and 26 miles above the Arctic Circle. The area encompasses 27.0 square miles of land and 1.7 square miles of water.
Population:	3,201 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Northwest Arctic Borough

Kotzebue is interested in annexing territory within the Northwest Arctic Borough (NWB) for the primary purpose of including a new port in Cape Blossom, about 10 miles from town. Kotzebue invited staff to present information on city annexation. On September 30, LBC staff traveled to Kotzebue for a NWB and City of Kotzebue Joint Planning Commission meeting. The annexation would put the port in town and give the city room to expand. LBC staff presented the materials on city annexation and answered questions. Staff has no anticipated date for the annexation petition submission.

Palmer

Location:	Palmer is located in the center of the farmlands of the Matanuska Valley, 42 miles northeast of Anchorage on the Glenn Highway. The area encompasses 3.8 square miles of land and 0.0 square miles of water.
Population:	5,937 (2010 U.S. Census population)
Classification:	Home rule city
Borough:	Matanuska-Susitna Borough

The City of Palmer submitted a “unanimous consent” petition in late October to annex approximately .34 acres of property into the city’s boundaries. LBC staff had previously discussed with Palmer’s planning staff whether or not the city planned to request regulatory relaxations for its petition. The city indicated would not request those regulatory relaxations. LBC staff acknowledged receipt of the petition and let the city know the technical review of the petition would be completed by December 12.

LBC staff accepted Palmer’s annexation petition on December 12. The petition is expected to be reintroduced before the city council to discuss approval for filing. Public comment was between December 16 through 30, and the petitioner is expected to complete the petition process in April 2012.

Seldovia

Location:	Seldovia is on the Kenai Peninsula on the south shore of Kachemak Bay, a 15-minute flight from Homer. Flight time to Anchorage is 45 minutes. The area encompasses 0.4 square miles of land and 0.2 square miles of water.
Population:	255 (2010 U.S. Census population)
Classification:	First class city
Borough:	Kenai Peninsula Borough

A Seldovia resident asked for and received an annexation by legislative review petition form.

Seward

Location:	Seward is situated on Resurrection Bay on the east coast of the Kenai Peninsula, 125 highway miles south of Anchorage. It lies at the foot of Mount Marathon and is the gateway to Kenai Fjords National Park. The area encompasses 14.4 square miles of land and 7.1 square miles of water.
Population:	2,693 (2010 U.S. Census population)
Classification:	Home rule city
Borough:	Kenai Peninsula Borough

A Seward resident called to ask for a list of the current LBC members. The resident also asked about annexation in general terms, and specifically asked if there were any annexations planned in Seward. LBC staff gave him a link to the LBC website with the LBC members' biographies, explained the annexation process, and said that there were no annexation plans in Seward that LBC staff was aware of.

Valdez

Location:	Valdez is located on the north shore of Port Valdez, a deep water fjord in Prince William Sound. It lies 305 road miles east of Anchorage and 364 road miles south of Fairbanks. It is the southern terminus of the Trans-Alaska oil pipeline. The area encompasses 222.0 square miles of land and 55.1 square miles of water.
Population:	3,976 (2010 U.S. Census population)
Classification:	Home rule city
Borough:	Unorganized

City of Valdez officials recently requested an informational meeting with staff regarding city annexation. No meeting has occurred to date, but LBC staff expects to meet with Valdez officials soon.

SECTION III. CITY RECLASSIFICATION

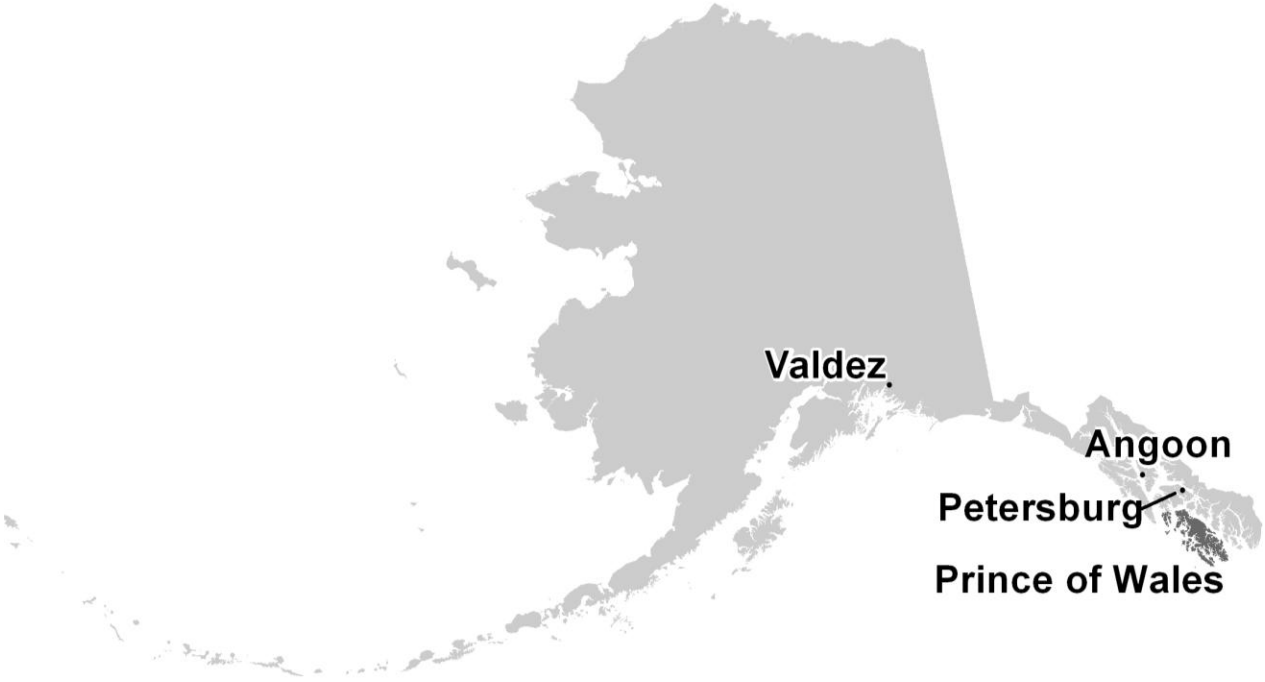
Whittier

Location:	Whittier is on the northeast shore of the Kenai Peninsula, at the head of Passage Canal. It is on the west side of Prince William Sound, 60 miles southeast of Anchorage. The area encompasses 12.5 square miles of land and 7.2 square miles of water.
Population:	220 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Unorganized borough

Whittier's city clerk requested documentation of Whittier's change from a fourth-class city to its current status as a second-class city. Whittier was incorporated as a fourth-class city in 1969. LBC staff replied that according to AS 20.08.050, Whittier and all other fourth-class cities incorporated prior to September 10, 1972, automatically became second-class cities on that date. It is not clear if any new certificates were created by the state for those cities.

SECTION IV. BOROUGH INCORPORATION

- Angoon
- Petersburg
- Prince of Wales
- Valdez



Angoon

Location:	Angoon is the only permanent settlement on Admiralty Island, located on the southwest coast at Kootznahoo Inlet. Angoon is 55 miles southwest of Juneau and 41 miles northeast of Sitka. The area encompasses 22.5 square miles of land and 16.1 square miles of water.
Population:	459 (2010 U.S. Census population)
Classification: Borough:	Second class city Unorganized borough

City residents and officials contacted the LBC with questions regarding borough formation for the Angoon area. The individuals asked questions of the LBC staff but did not have a specific timeline for completing a petition, or specific details about an Angoon borough. LBC staff provided all the necessary information including petition forms, LBC publications regarding borough formation, and guidance on the borough incorporation process.

To date, LBC staff has not received any additional inquiries from the region regarding borough formation.

Petersburg

Location:	The City of Petersburg is located on the northwest end of Mitkof Island, where the Wrangell Narrows meet Frederick Sound. It lies midway between Juneau and Ketchikan, about 120 miles from either community. The area encompasses 43.9 square miles of land and 2.2 square miles of water.
Population:	2,948 (2010 U.S. Census population)
Classification:	Home rule city
Borough:	Unorganized borough

Petersburg area citizens submitted a borough incorporation petition on April 6. LBC staff conducted its technical review, and after requesting and receiving additional information, accepted the petition for filing on July 25.

The area proposed for incorporation extends from the City and Borough of Wrangell to the City and Borough of Juneau. It also includes Mitkof Island, part of Kupreanof Island, and parts of Frederick Sound, Sumner Strait, and Stephens Passage.

The public comment period for the petition exceeded 80 days, during which time LBC staff answered residents' inquiries about the petition, conducted media interviews, and assisted commenters and respondents in understanding their opportunity to comment on the petition. Staff conducted in-person informational meetings in the City of Petersburg and at Keene Channel. The LBC received 51 public comments, including four responsive briefs. This constitutes the most public involvement in any recent petition.

Staff is currently analyzing the petition, comments, and responsive briefs to produce and publish its findings and recommendations to the Local Boundary Commission in its preliminary report. The publicly available report is expected to be issued at the end of February, 2012.

Prince of Wales

Location:	Craig is located on a small island off the west coast of Prince of Wales Island and is connected by a short causeway. It is 31 road miles west of Hollis. It lies 56 air miles northwest of Ketchikan, 750 air miles north of Seattle, and 220 miles south of Juneau. The area encompasses 6.7 square miles of land and 2.7 square miles of water.
Population:	1,201 (2010 U.S. Census population)
Classification:	First class city
Borough:	Unorganized borough

Craig's city administrator contacted LBC staff about attending a meeting of Prince of Wales Island public officials. Staff traveled to Craig and met with City of Craig officials, with mayors of Coffman Cove, Craig, Hydaburg, Kasaan, Klawock, and Thorne Bay, and with all four of the island's school district superintendents. The meeting was a dialogue among the cities to determine the possibility of forming a borough. LBC staff presented a brief overview to the attendees, and moderated a discussion of the possibility for borough formation.

After the presentation and meeting, the attendees took the information received back to their respective communities for more discussion. The attendees concluded they were very pleased with the myths dispelled about incorporation. They wanted to ask additional questions in order to write a white paper on the possibilities of borough incorporation for Prince of Wales Island residents. The attendees also iterated their belief that it would take between two and five years to complete the process of educating their communities, and to draft and submit a petition for consideration by the LBC.

Valdez

Location:	Valdez is located on the north shore of Port Valdez, a deep water fjord in Prince William Sound. It lies 305 road miles east of Anchorage and 364 road miles south of Fairbanks. It is the southern terminus of the Trans-Alaska oil pipeline. The area encompasses 222.0 square miles of land and 55.1 square miles of water.
Population:	3,976 (2010 U.S. Census population)
Classification:	Home rule city
Borough:	Unorganized

LBC staff received several inquiries regarding the "Valdez-Cordova Borough" this year. While there is currently no such borough, several inquiries came from residents of the region who believed they were already in a borough. We also recently received correspondence from City of Valdez officials requesting an informational meeting with staff regarding borough formation. No meeting has occurred to date, but LBC staff expects to meet with Valdez officials soon.

SECTION V. BOROUGH ANNEXATION

- City and Borough of Juneau

City and Borough of Juneau

Location:	Juneau was built at the heart of the Inside Passage along the Gastineau Channel. It lies 900 air miles northwest of Seattle and 577 air miles southeast of Anchorage. The area encompasses 2,716.7 sq. miles of land and 538.3 sq. miles of water.
Population:	31,275 (2010 U.S. Census population)
Classification:	Unified home rule borough
Borough:	City and Borough of Juneau

On October 31, the Juneau assembly voted 7-1 to file a petition to annex approximately 1,967 square miles of land south of its current borough boundary. The area includes Tracy Arm and Hobart Bay. The area partly overlaps the area of the proposed Petersburg borough. The City and Borough of Juneau filed an annexation brief on November 2, the deadline to file if the LBC were to grant postponement of the Petersburg borough incorporation petition.

The City and Borough of Juneau requested postponement of the Petersburg petition. It also requested consolidation of the two petitions - City and Borough of Juneau's annexation petition, and the Petersburg borough incorporation petition. The LBC met to discuss the requests, on December 14. After considering the requests, the LBC denied the request to postpone the Petersburg petition, and also denied the request to consolidate the petitions.

LBC staff completed its technical review of the Juneau annexation petition on December 19. With the LBC chair's concurrence, staff found some necessary changes for the petitioner to make before the petition could be accepted for filing. This is common in the petition process. Staff sent Juneau the list of requested changes. As of the end of the year, staff has not received the necessary changes.

SECTION VI. BOROUGH MERGER

- North Slope Borough
- Northwest Arctic Borough

North Slope Borough

Location:	The North Slope Borough is the largest borough in Alaska. It comprises over 15% of the state's total land area. The borough consists primarily of the north and northeastern coast of Alaska, including the Brooks Range. It includes most American land north of the Arctic Circle. The area encompasses 88,817.1 square miles of land and 5,945.5 square miles of water.
Population:	9,430 (2010 U.S. Census population)
Classification:	Non-unified home rule borough
Borough:	North Slope Borough

Northwest Arctic Borough

Location:	The Northwest Arctic Borough is the second largest borough in Alaska, comprising approximately 39,000 square miles along the Kotzebue Sound and Wulik, Noatak, Kobuk, Selawik, Buckland, and Kugruk Rivers. The area encompasses 35,898.3 square miles of land and 4,863.7 square miles of water.
Population:	7,523 (2010 U.S. Census population)
Classification:	Non-unified home rule borough
Borough:	Northwest Arctic Borough

LBC staff received several calls from northern Alaska residents inquiring about the possible merger of the Northwest Arctic Borough and the North Slope Borough. They informed LBC staff they heard rumors of the two boroughs merging. LBC staff responded they had not received a petition to merge the boroughs, but had heard there might have been some discussion during an economic development summit earlier in the year.

One resident asked questions about which LBC commissioner represents the Northwest Arctic and North Slope boroughs. LBC staff explained there was one commissioner from each of Alaska's four judicial districts, and the commission's chair was the at-large commission member. Staff further explained the commissioners do not "represent" the districts as would a public official like a legislator or assembly/council member. The resident also requested and was sent borough detachment materials.

SECTION VII. BOROUGH RECLASSIFICATION

- Kodiak

Kodiak

Location:	Kodiak is located near the northwestern tip of Kodiak Island in the Gulf of Alaska. The emerald isle is the largest island in Alaska and is the second largest island in the US. It is 252 air miles south of Anchorage (a 45-minute flight) and is a four-hour flight from Seattle. The area encompasses 12,150 square miles.
Population:	13,592 (2010 U.S. Census population)
Classification:	Second class borough
Borough:	Kodiak Island Borough

Kodiak residents asked questions about how to unify the City of Kodiak and the Kodiak Island Borough, or reclassifying the borough as a non-unified home rule borough. LBC staff answered questions and sent pertinent documents regarding unifying, consolidating, or merging the city and borough. Several other individual inquiries regarding the same subject were received and responded to by LBC staff.

SECTION VIII. MUNICIPAL DISSOLUTION

- Houston

Houston

Location:	Houston is located 18 miles northwest of Wasilla and 57 road miles north of Anchorage. It lies on the George Parks Highway, along the Little Susitna River. The area encompasses 22.4 square miles of land and 1.2 square miles of water.
Population:	1,912 (2010 U.S. Census population)
Classification:	Second class city
Borough:	Matanuska-Susitna Borough

An individual requested the LBC send a petition form to dissolve the second class City of Houston. LBC staff sent the requested form, and encouraged the individual to contact staff with questions.

SECTION IX. GENERAL REQUESTS

LBC staff handled dozens of requests during the 2011 calendar year that did not concern proposed local boundary changes. Many requests and queries are not enumerated. They included requests for: Municipalities' incorporation and reclassification certificates; publications; LBC minutes and transcripts; maps; and other LBC related information. There were also questions about: Municipal borders; municipal classifications; past petitions; the LBC website; regulations; general petition procedures; Department of Justice statutory and regulatory preclearance under the federal Voting Rights Act of 1965, and other subjects.

These requests and questions came from Alaska citizens, legislative offices, and from the media, as well as from municipal, state, and federal officials. Staff answered questions efficiently, accurately, and courteously. If the requests were outside of the LBC's purview, staff referred them to the proper agency for further assistance.

SECTION X. LOCAL BOUNDARY COMMISSION ACTIVITIES

Local Boundary Commission Public Meeting Activities

- February 15, 2011: The LBC met telephonically to discuss the 2010 LBC annual report. The LBC voted unanimously to approve the report, with one modification.

- April 6, 2011: The LBC met to approve old minutes, and review hearing and decisional meeting procedures.

- April 25 - 27, 2011: An LBC public hearing and decisional meeting was held to receive public input and sworn testimony from the public and the parties involved in the Dillingham annexation petition. After more than 10 hours of public comment and sworn testimony, the LBC held a decisional meeting and verbally voted to conditionally approve the annexation petition 5-0.

- May 24, 2011: The LBC met and voted 4-0 to approve the written decision of the Dillingham annexation petition. The LBC also relaxed the regulation requiring at least two commissioners be present in Kachemak for the City of Kachemak unanimous consent petition telephonic hearing. The commissioners waived the requirement for commenters to file the paper original of a document sent electronically for Gustavus' annexation petition and Petersburg's borough incorporation petition; easing the process for both commenters and staff.

- June 24, 2011: The LBC met to discuss the request to reconsider the approval of Dillingham annexation petition. The request was submitted by the respondent Native Village of Ekuk. After much discussion and clarification of the process, the LBC voted to reconsider two of the seven points requested by the respondent.

- July 21, 2011: The LBC met for the City of Kachemak annexation petition public hearing and decisional meeting. The commission heard sworn testimony and public comments. Immediately following the public hearing, the commission held its decisional meeting. The LBC amended the petition to include those additional owners and voters who had requested to be annexed after the petition was filed. The LBC then unanimously approved the City of Kachemak's annexation petition.

- August 17, 2011: The LBC met in Gustavus to consider the written decision for Kachemak's annexation petition, to hold a public hearing on the City of Gustavus' annexation petition, and to hold a decisional meeting regarding the City of Gustavus' annexation petition. The LBC postponed approval of the Kachemak written decision pending receipt of the new metes and bounds.

The commission heard sworn testimony and public comment on Gustavus' annexation petition. There were no comments in opposition. The LBC then immediately convened its decisional meeting. The commission voted unanimously 5- 0 to approve the petition. The decision added approximately 16 square miles, including approximately four square miles of Falls Creek drainage uplands, and approximately 12 square miles of Icy Passage tidelands and submerged lands between city limits and Pleasant Island.

- September 15, 2011: The LBC met to consider the Kachemak and Gustavus petitions' draft decisions, and to discuss other matters. Both draft decisions were approved.

- October 4, 2011: The LBC held a decisional meeting on reconsideration of the Dillingham annexation. The commission unanimously approved reconsideration on points one and two.

- October 13, 2011: The LBC held a meeting to hear the written reconsideration decision concerning the Dillingham annexation. The LBC approved the written reconsideration decision. The commission also relaxed 3 AAC 110.690(b) to allow teleconference participants to call in for free for the next meeting.

- November 30, 2011: The LBC found the condition imposed on the petitioner City of Dillingham had been met, and granted final approval of the Dillingham annexation petition. The commission approved the June 14, 2010, petition of the City of Dillingham for the annexation of approximately 396 square miles of water and three square miles of land.

- December 14, 2011: The LBC approved the draft decision of the Dillingham annexation petition. It also denied the request to postpone the Petersburg incorporation petition, and to consolidate the Juneau annexation and Petersburg incorporation petitions. The commissioners also relaxed for the Juneau, Akutan, and Palmer petitions the requirement that commenters file a paper original of an electronically sent comment.

LBC Commissioner Changes

- Governor Parnell reappointed Commissioner John Harrington of Ketchikan to the Local Boundary Commission on April 1, 2011. He was reappointed to the seat for the First Judicial District.

SECTION XI. LITIGATION UPDATE

Fairbanks North Star Borough v. Local Boundary Commission **(Case No. 4FA-10-01181 CI)**

The Local Boundary Commission approved the City of Fairbanks' annexation petition on November 10, 2009. The borough appealed the commission's approval. On December 21, 2011, the hearing for the appeal was heard in Alaska Superior Court, and decision is pending.

CHAPTER 3. CONCLUSION

The Local Boundary Commission was very busy in 2011, approving the annexation petitions of Gustavus, Kachemak, and Dillingham. The decisions made by the Local Boundary Commission help those communities -- strengthening their futures by giving residents improved municipal services, increased tax revenue and direct control of economically valuable ports and harbors. The Commission will consider annexation petitions from Palmer, Akutan, the City and Borough of Juneau, and a petition for a proposed Petersburg borough in 2012.

The LBC is pleased to continue serving the people of Alaska by fulfilling its constitutionally mandated duty of considering any proposed local government boundary change.