

LOCAL BOUNDARY COMM.

Public Decisional Meeting

Room 426 Mackay Building Anchorage, Alaska, December 11, 1975

Sig: This is the convening of the Local Boundary Commission public decisional meeting in Anchorage, Alaska, Room 426 Mackay Building. The date is December 11, 1975 and the time is 9:30 a.m.

The Commission, today, is meeting to reach determinations on two agenda items. Number 1, the Chugiak-Eagle River Borough proposal and number 2, the annexation proposal of the City of Delta Junction. I am going to defer the rollcall of an introduction until after our fifth Local Boundary Commissioner arrives. At this point we're going to stand in recess until that fifth Boundary Commissioner arrives and then we'll immediately reconvene. For the benefit of the audience present, we will introduce Boundary Commissioners and the other people that are sitting around the table who comprise staff to the Commission, from the Department of Community and Regional Affairs. I might mention that after our recess and after we reconvene that the Commission's meeting is one where we consider the record and our purpose is not to add to the testimony on record; consequently, we will not hear from any of the audience present. If you will be patient, I am sure that our fifth Commissioner is going to be arriving here momentarily. We'll stand in recess.

Sig: This is the reconvening of the Local Boundary Commission decisional meeting in Anchorage, Alaska in the Mackay Building, Room 426. I have prepared, as chairman, prepared a brief agenda, which I'd like to share with my fellow Commissioners, however, first of all, because we do have an audience present, I want to introduce the Boundary Commissioners and simultaneously let that represent our rollcall. Starting on my far left - the bearded gentleman is Gary Ackerman, Local Boundary Commissioner from Fairbanks - on my immediate right, Sheila G. Jones, Boundary Commissioner from Anchorage - to her immediate right Jo Anderson, of Wrangell - and I am Sig Strandberg, the Chairman. Missing Commissioner - Boundary Commissioner is Oliver Leavett whom we are seeking out. He is apparently detained, but, we expect to have him with us later in the meeting. The staff members present, and I want to start again on my left, the other bearded gentleman, Palmer McCarter, is the new Director of the State's Division of Local Government Assistance in the Department of Community and Regional Affairs. We'd like to welcome, I don't know whether we can welcome Palmer on-board, because we're an independent agency, but we're certainly glad to see that important slot filled. Palmer heads up the staff to the Local Boundary Commission. Dorothy Tolson, our recording secretary, will be operating the recording machine and taking copious notes and 2 staff members are departed on various errands, at the request of the Commission. For Commission, once again let me repeat for the audience's benefit that this is a public decisional meeting. We are going to consider a record that is closed, and consequently, the audience is welcome to sit in; but we are not going to entertain any questions or comments from the audience and feel free to come and go, as you like. We'd like to keep the turmoil down to a minimum, because we're giving very careful consideration to a rather large record. The agenda, fellow Commissioners, as I have drawn it up, is as follows; and I appreciate your advice and recommended changes, if any. Number 1, we've proceeded through our rollcall, number 2, I'd like to confirm that the agenda which we will be considering at this decisional meeting will consider number 1, the Chugiak-Eagle River Borough petition and number 2, the City of Delta Junction annexation petition. Are there any additions to the items listed there?

Sig: The third item on our agenda will be our work session on the Chugiak-Eagle River Borough petition and I would propose that our work session follow with number 1 a review of the record, as it has been established. Number 2 that we discuss the historical development of Borough government, the upper Cook Inlet, Anchorage area, to and including, the Mandatory Borough Act and the various borough formation activities that took place in 1963. Number 3 the correlation of the established record testimony with the relevant statutes. The final part of the Chugiak-Eagle River Borough petition consideration will consist of a category, which I have entitled "Disposition." Number 1 we'll, under that heading we will consider our legal counsels' opinion on the options available to the Commission. Number 2, the floor will be open for motion and discussion, and number 3 we'll take our vote and number 4, we will formulate and adopt a statement of decision. Are there any suggestions on the part of the Commissioners, as to, perhaps, additional items that should be placed in this agenda? We'll earn our per diem today. Hearing no further additions or changes, why, we'll proceed with our work session. Now, what we are going to do, right now, we have the tape going, but, because we do have a recording secretary we are going to shut the tape machine down and ask that Dorothy Tolson take notes, which will be sufficient to follow our consideration of the record, in accordance with the agenda, which we have just adopted. So, at this time we are going to resolve ourselves into a work session. We'll be off tape and Dorothy, if you'll keep notes on our activities.

David Jensen: Session reconvenes in decisional meeting at 3:30 p.m.

Sig: The Local Boundary Commission is now reconvened on item number 4, of our agenda, disposition of the petition. We have just concluded a reading of our legal counsel's opinion on the options which are available to the Commission, in this matter, and is there any further discussion on the topics covered by our attorney?

Sheila: I had a question as to the restrictive nature of one of the sections and I didn't quite follow the question.

Sig: I'm just wondering if the opinion would constrain us to consideration under the Alaska Administrative Code as opposed to considering the subject matter in accordance with provisions in Title 29, as they relate to the Constitutional and statutory standards.

Sheila: I don't think they are mutually exclusive. I think we can look at both areas.

Sig: True.

Sheila: And I don't think there is any doubt but what we can look at the Constitution.

Sig: Right. The floor is open for a motion on the subject matter. Gary.

Gary: (Unintelligible) I think, like you said, we ought to disclose the fifteen nineteen, fifteen to thirty-eight one to, in answer to decide whether this does matter or not.

Sheila: You mean whether or not we should answer one and two.

Gary: (He asked something about a copy machine being available)

Sig: We'll recess for just a few minutes until we can get copies.

Sig: We have reconvened after a brief recess, at ten minutes to 4. I'm going to open the floor to a motion to accept or reject the petition proposing to detach the Chugiak-Eagle River area, as defined in the petition, from the Anchorage Municipality. The floor is open for a motion.

Gary: I move for discussion that the petition be accepted.

Sig: O.K. It's been moved that the petition for detachment of the Chugiak-Eagle River area, as defined in the petition, be accepted. Is there a second to that motion?

Jo: I second it.

Sig: Second by Mrs. Anderson. Discussion. Now, I think we can get back into 19 Alaskan Administrative Code chapter 15 section 230, which reads:

The Local Boundary Commission shall review the petition, all exhibits thereto and all other pertinent data. Such review shall be limited to the following factors:

1. Whether the detachment would be inimical to the interest of the State or any municipality, other than the municipality from which detachment of the territory is sought.

Sig: Floor is open for discussion. Gary.

Sig: Floor is open for discussion. Gary.

Gary: What do you mean - what does detachment mean - inimical, what do you just exactly mean?

Sheila: Not in the best interest.

Gary: (Gary is speaking low and tape makes cracking sounds, however, he is speaking about effect of detachment. Question is whether it would adversely effect the area that much.)

Sheila: Doesn't it say, a municipality, other than the municipality from which the detachment is sought?

Sig: Yes, what is your interpretation of that reading?

Sheila: The second section doesn't refer to the Anchorage Municipality. It refers, I think, to number 1, the State interest or from the way it's written, an area other than the Anchorage area. I think, it goes without saying, that (noise on tape.) Some way.

Sig: I think, probably, what's contemplated here, under these circumstances, is the need for us to discuss the detachment in terms of the Constitutional standards, governing the placement of borough boundaries. I think we need to look at the impact, which separation of this area would have on the interpretation, I suppose, of the statutory standards. Sheila have you any comments on this particular section?

Sheila: Well, yes. I think you said - we can look at article 10 section 1, because obviously, that speaks directly to the interests of the State and what the rationale of the State interest in this Constitutional article and in the Mandatory Borough Act and in setting out what is it - 29.18.030. It's my opinion that the requirement in the Constitution is that the boroughs embrace an area and a population with common interest, to the maximum degree possible and that if we set up a system of duplication of, or multiple tax levying jurisdictions, that we are violating the Constitution.

Sig: Is it - for the purposes of discussion - let me play devil's advocate. Would this detachment, then, in your opinion, contravene - in part at least - section 1 of article 10 which states that the purpose of the article is to provide maximum local self-government with a minimum of local government units and to prevent duplication of tax levying jurisdictions.

Sheila: Well, here's where it gets sticky, because, if we agree to detach the area and then we deny a petition for incorporation, so that the area is left in limbo, we have not set up a system of a multiplication or a duplication of tax levying jurisdictions. So from that standpoint, acting in that way, we would not be violating the Constitution. But, I think we could be, if you say that a borough must embrace the common interest - dot - an area with common interest and we allow the detachment on that basis, we would be violating the Constitution. Follow me?

Sig: Say it once again.

Sheila: O.K. Well, there are two ways, a minimum of two ways in which the Constitution could be violated, one is if you contravene the Constitutional statutory requirements that you, the boroughs embrace an area of common interest and this goes to the geographical cultural, economic integration factor set out in the statute and the other factor that the Constitution wished to avoid, if at all possible, would be a duplication of tax levying jurisdictions or governments, you know they didn't want mushrooming governmental units all over the whole State.

Gary: Did you say duplication? This wouldn't be duplication, because they would be separate tax levying jurisdiction.

Sheila: No, but it could be a multiplication of, if we turned around and approved a petition to incorporate.

Gary: (unintelligible) . We had only one basic area before that.

Sig: I wonder if our purposes might not best be served by conditioning the detachment on, or tying the two together, a motion that would call for the detachment of the area from the Anchorage Municipality and simultaneous acceptance of the petition for incorporation.

Sheila: I'm not in favor of that. I think they're two separate issues. I think the thought process you go through in your vote on one obviously, you are considering how you are going to react on two. But, I'm not in favor of combining them in one motion.

Gary: How about if we had a motion to see whether this standard had been met, or not, rather a motion to detach?

Sig: I think, ultimately, we gotta find our --

Sheila: I don't understand what Gary means,

Gary: With a motion to detach, it doesn't necessarily mean that they are going to incorporate, we will find out if the standards have been met, or not. That's all we find out.

Sheila: I still miss something. Are you saying that we can just look at a --

Gary: I just want the motion.

Sheila: Well, don't we have a motion on the floor?

Sig: The motion is to detach the area, as prescribed in the petition. Detach that area from the Anchorage Municipality, and presumably, if that motion is carried, then we'll move on to the incorporation petition.

Sheila: But, I think it's valid to, as we have already cited, look at the Constitutional provisions on the subject. I also think it's valid to look at some of the factors that have been spelled out in the statutes, as to what constitutes a borough and, Gary, if it can be incorporated.

Sig: In other words, let's look at the impact of an acceptance of this the passing of this motion. Would the area meet the standards for the incorporation of the borough.

Sheila: The remaining area?

Sig: Yes.

Sheila: The area that seeks to be detached?

Sig: Yes.

Sheila: In my opinion, no.

Sig: O.K. We've gotta discuss that. I think very carefully, in light of the record that is before us. I myself have very serious doubts about the Eagle River-Chugiak Borough meeting the Constitutional standards and I say that with some difficulty, because, looking at the historical development of borough government, in the first place, the borough was formed under mandate of the legislature, on the one hand, on the other hand the boundaries have been reviewed on occasion by the Boundary Commission and have not been materially changed. To accept the detachment petition and to follow with the acceptance of an incorporation petition would create a borough in a confined geographic area and I think that that area just would not meet the Constitutional standards. I think that there is a strengthening relationship among all of the contiguous areas of the Anchorage Municipality.

Sheila: I think it might be helpful to point out too, that the standards as set out in the statute regarding incorporation that any proposal for incorporation has to meet all of them, you know, it can't just meet one.

Sig: That's right.

Sheila: It has to be total package, it has to meet all 4.

Gary: I think they meet the standards as well as any other borough we have in the State. Personally, I think that it's interrelated, integrated, and has the social, cultural and economic activities and is large enough and stable enough to support organized borough government. We had enough expertise from the proposed borough at the hearing in Eagle River, just from the testimony they presented to us. They do have a like interest and it's more or less the borough is not a large urban area like the Anchorage area is. It has larger lots (unintelligible.)

(Rattling of papers and coughing in the room made his statement impossible to hear.)

Gary: The boundaries of proposed boroughs conform, generally, with the natural geographic and includes all areas necessary for full development of local services. Here's a mountain range boundary on one side and you've got the military reservation that's pretty well contiguously separating them.

Sheila: You consider military reservation land to be a natural boundary?

Sig: I don't see that -

Gary: I don't say it's a natural boundary, but, that isn't to say that you couldn't run utilities through or anything like that, so it's separated from (unclear) They receive part of their utilities from the Mat-Su Borough, rather than getting all their utilities and services from this borough here - that's certainly a (unclear) so, there's got to be some connection here.

Sheila: Course, I think there's a difference between land use that can be a barrier and natural geography, because land use can change.

Gary: Just the same boundaries in this borough - now, you gotta look at the Mandatory Borough Act and how these boundaries were formed, the boroughs were formed under the Municipal Borough Act and the appointed time in which they were done. It was 1963, I think, '59, was the time that we entered into all of this. At that time, the legislature thought that something had to be done and that's why the Mandatory Borough Act was passed in the first place. It was just something that had to be done. At that point-in-time, this might have been more reasonable grounds than it is now, but, since then there's been population increase. I think at that time there was 62,000 people, 43,000 in Anchorage and I don't know how many people there were in this area. They could have been just as well in election district 7, it's just the way someone drew the election district boundaries. This happened by chance.

Sheila: Well, Gary, you spoke to the fact that you feel that the area wants to be detached is an integrated area. Do you deny though that the area is also integrated with the Anchorage Bowl area?

Gary: Yes, it's connected with the Anchorage Bowl area. Just like the whole State's connected. We're all connected.

Sheila: But, isn't their degree of connection greater than, for instance, than Fairbanks, and the doesn't the record reflect that a lot of the people in the area work in the Anchorage area?

Gary: It reflects that they work outside the Eagle River-Chugiak area, that's why it reflects that 95 percent of the people work outside that area. It doesn't specify, say how many work in, say, the Fort Richardson area. I don't know, I don't know, I don't think it doesn't - you know, it doesn't spell it out, where the people started from.

Whether they were from Fort Rich or (unintelligible.)

Sheila: Don't they receive their goods, for instance, by truck from Anchorage?

Gary: Fairbanks receives the majority of their goods by truck from Anchorage (rest of statement unintelligible.)

Sig: I think that we're looking at a real difficult question and it has to do with definition of community of interests. On the one hand, when we look at Eagle River and Chugiak (pause) having - I'm a life long resident of this area and I saw that area develop. First, as a neighborhood, then as a community that if it hadn't been for unification quite possibly in another couple years would've developed into a city form of government. But, when we talk about the borough concept and what is contemplated by the dual petitions here, I think we have to look at a larger community of interest, composed of a multitude of smaller community situations. Such as Eagle River and Chugiak and as I mentioned this morning, my own community of interest in Sand Lake. As to the record, I think it's been amply demonstrated and we've observed it ourselves, that while Chugiak and Eagle River are developing a business economic base in their own right -- (tape stopped)

Jo: Well, I was trying to think what I can add to what you and Sheila have already mentioned, but I realize what a difficult situation the people in Chugiak-Eagle River have had in some areas, but hopefully, with the new community councils under the Municipality of Anchorage, it would work out better. But I would feel that they are interrelated and integrated in many ways.

Gary: I might say that Eagle River has the capacity for (unintelligible). This is more or less a rural area it's not an urbanized area (unintelligible). We have different circumstances. What would be good for the City of Anchorage would not, necessarily, be good for Eagle River-Chugiak. Like I said, the original boundaries were set by an election district. It's just by chance that they are in the Anchorage area. Their utilities are being owned and served by Mat-Su. They might just well connect with them and get their services or electric and telephone service from the Mat-Su Borough.

Oliver: When they did that though, did they, wasn't it because it was a regional concept?

Gary: It was done by the Mandatory Borough Act. Nobody was forming a borough. No one was taking the initiative, so the legislature took it for 'em.

Oliver: That's what the State legislature set up, was these regional type boroughs, and if you're talking about barriers, well, for instance, if you talk about the military sites - what will happen if military pulled out of there - and it becomes an appropriate land for somebody to pick up. What happens to your natural barrier? You don't have a regular (he was interrupted).

Sheila: It disappears. O.K.

Gary: It's obvious that the native corporations will pick it up.

Audience: (Laughter.)

Sheila: (Unintelligible)

Oliver: I don't see any natural barrier there.

Gary: There is a barrier there that does separate the areas, whether it is natural or otherwise.

Oliver: It's just a piece of property that's been acquired by the Federal government for the military, but it's not a natural barrier as per se', say a -

Sheila: A geographical barrier.

Oliver: A geographical barrier.

Gary: Course, what you have now isn't necessarily a natural boundary. It's an election district. It's a natural boundary, by chance.

Sheila: Course, Jo has touched on something I think is important too, the Community Council provision in the Charter, the possibility of a Community Council, also that's under that reapportionment plan, or the apportionment plan, in the new unified municipality Eagle River-Chugiak is guaranteed of a representative on the Borough Assembly and Ernie Brannon is that representative now.

Gary: What that means is that they'll have one voice and one vote. Which doesn't mean that they will be able to control their destiny, or be able to pursue their interests, or get the services that they need. They'll still be dependant upon - just like they are now. They'll be guaranteed to have somebody to speak for them and to cast one vote. He can make a motion, but he can't second it. (interrupted)

Oliver: It's the same kind of kind of government that we have in the State. In the State legislature we have one person that comes from our region that goes down there - you've got, how many, from Anchorage.

Gary: Well, let me see, the fact that you have a representative (unintelligible)

In the lower 48, or the 48 and he got up and he spoke for us and he did us a hell of a lot of good.

Oliver: Well, couldn't that same person do the same thing from Chugiak-Eagle River?

Gary: When I said that, Oliver, I didn't mean he did us a lot of good. He didn't do us much good, at all.

Sig: I'd like to say just for my own perspective, after much thought, that I - in looking at the Anchorage municipal boundaries as they now exist, I think that those boundaries, as they are currently placed best meet the standards, as outlined in State law and in the Constitution. As much as I look very carefully and conscientiously at the record that we established in this matter, I have found nothing in the testimony or the submitted written documents that has been able to persuade me otherwise.

Sheila: Joe Wiley pointed out something in his testimony that would - also would be an impact on the whole State and definitely the remaining fragment of the Anchorage area and he referred to some of the Federal funding, and I can never remember those initials.

Sig: SMSA

Sheila: Yes, number 1, there's only one of them in the whole State and that if the Eagle River-Chugiak area becomes a separate borough then this affects the population of the remaining Anchorage area and puts us under the minimum number of persons needed to qualify for one of these numbers - and there's no doubt too in addition and he also touched on this - that if you have, if you then develop two separate governments, they'll be competing for the same number of dollars at the legislature and at the Federal level and I don't see why -

Gary: Course you've got the same amount of dollars (unintelligible) and you don't get to say have they're going to be expended and the Municipality, as they call it, is that what they call it now?

Sheila: Yes.

Gary Tell how it will be spent for'em.

Sheila: Well, you've talked about how they have always gotten the short stick, but I think you can (interrupted)

Gary: I didn't say that.

Sheila: Well, you said that - well, o.k.

Gary: I didn't say that at all, I just was relating to a testimony --

Sheila: And I think there is, also, testimony in the record that reflects in many ways the residents in Chugiak-Eagle River have been subsidized in some areas by the populace of the Anchorage Bowl. They've had services up there that their taxes that come from that area could not possibly have supported.

Member of Audience: What?

Sheila: Schools, health center - Things like that.

Member of Audience: There are schools all over the State.

Sheila: I know that.

Danny Bell, Member of Audience: You guys ain't got the G-D- guts to do what's right. (Mr. Bell leaves the room)

Sig: Further discussion, please.

Oliver: Mr. Chairman, when you look at the administrative platform, it shows the best interest of the State; yet, the other part could be that you will have a whole bunch of others that will be following suit, not just Chugiak-Eagle River.

Gary: I would say that that's a possibility. If you have areas in a borough that could support their own government and they weren't getting service from the borough, that was there, they should have some recourse open to them, where they could seek government that would serve and take care of their needs - and I think that's a very important question. I think it's something that we shouldn't treat lightly. If the rest of the boroughs get the idea that a detachment here would establish a precedent, you know, that's going to carry on and on. and on. The fact that somebody did something somewhere other than the facts and everything else. Another thing you're going to find is that a lot of areas that aren't rightly called an area that are being denied services because there's nothing they can do about it. I mean they don't have recourse open to them.

Oliver: You have a lot of communities within the State under the State government that are not getting the funding due to the lack of funds. You can't (interrupted)

Gary: We've got areas (interrupted)

Oliver: and this is a subsidiary of the State. It serves like the State legislature.

Gary: We've got areas in our borough that if they didn't get services that they were asking for such as schools (unintelligible)

Sheila: Well, Gary, if the Chugiak-Eagle River area borough is formed, do you think that that's going to work in the Anchorage urban area?

Gary: I don't see where that's material.

Sheila: Well, I think it is material, because then these people would not be within the jurisdiction of the tax levying municipality, but they will be using the services.

Gary: They'd be using the services, but the businesses that they are working for usually takes and pays part of their taxes - takes half their taxes and provides services. I think that is pretty much standard, wouldn't you say?

Sig: I am not going to speak to that, without any statistics, but -

Gary: (unintelligible)

Sig: Works both ways.

Gary: It should be pointed out that they will have to absorb that themselves.

Sheila: Course, you've got a lot of (interrupted)

Gary: Like I say, you don't know exactly, how many of them work in the City of Anchorage and how many work at Fort Wainright, where you have no taxes.

Sig: Fort Richardson

Gary: Fort Richardson. Right. I mean, this is something else in the traffic count you can't obviously know - how many, or what percentage work on the military reservation and what percentage work (unintelligible)

Sheila: I don't know, I think you can look at areas outside though and see where there's an intercity government and then there's a suburban area that develops and the people reside than in the suburban areas. It's had a terrible impact on the core city. A terrible financial impact on the core city. Now we may not get to that state here, but it could certainly happen.

Gary: Well, we -

Sheila: But, if the area developed further, if they had more -

Gary: If the area developed further (unintelligible)

Sig: Further discussion. I think one of the questions we ought to ask ourselves perhaps, it's one that is quite easily countered, but given that the original boundaries for the Anchorage Borough met Constitutional standards, I think we should ask how have conditions changed in this Anchorage area, since 1963. Which would give more weight to our considering a boundary adjustment, at this time, to the boundaries of the Anchorage Municipality. What kind of changes have taken place?

Sheila: Well, I think the main one is the increased population in the Eagle River-Chugiak area. Or, increased population period, throughout the whole area and the increased population, specifically, in the Eagle River-Chugiak area.

Gary: Well, I might since we are considering the State as a whole (unintelligible)

Sheila: O.K. But, you know, we've talked about the increased population for this area and the Eagle River-Chugiak area isn't a lot of that increased population, because of the availability and the accessibility of the Anchorage Bowl area and the advantages of the Anchorage Bowl area be they employment, cultural, civic etc. In other words, would the population have increased so much in that area if there hadn't been the existence of the urban part of Anchorage.

Gary: Well, if it hadn't been for the port of Anchorage, Fairbanks wouldn't have any transportation to speak of either and most likely, wouldn't be as large as it is. You know by the same token -

Sheila: But, the residents in the Eagle River-Chugiak area wish additional services you know the new Charter did continue on the differential taxing section, which are called service areas and they can certainly increase.

Gary: Do they provide services themselves, or are they provided by the Municipality?

Sheila: Well, let's see. They should provide a Board of Supervisors and all that kind of thing.

Gary: Is a Board of Supervisors the advisors or what?

Sheila: There's an existing, or at least there used to be, an existing - o.k. the Assembly sets up the procedures for how the service areas are going to be administered and in subsection (c) it says:

"The Assembly may provide for appointed or elected Boards to supervise the furnishing of special services and service areas"

and I'm positive that there is a Board of Supervisors in that area now. I know there has been in the past.

Gary: ((unintelligible))

Sheila: No, I am just saying that, if, the residents of that particular area feel that they are not getting a certain service or they want an additional level of service or something like that, that a service area could be established to provide the service and then, only the residents in the particular area would have to pay for it.

Gary: (unintelligible)

Sheila: I'm trying to think of a good example.

Gary: (unintelligible).

Sheila: Well, let's take fire services as an example. They want to set up a service area for fire service, in that area. They don't have to have the same fleet of fire trucks and that big snorkle thing and all that. They can choose to have, or they would have the kind of equipment that would be necessary to have to meet the fire needs, of that particular area and since it's more sparsely developed, it's not as much an industrial business area. I would think the kind of equipment needs would be different, from what downtown Anchorage. So, I think in answer to your question, it would not have to be the identical level of service that is in the rest of the Bowl, that's the whole reason to have a service area. So, you can have varying levels of service.

Gary: (unintelligible)

Sheila: For maintenance, I don't know.

Gary: (unintelligible)

Sig: I think there's probably more to it than that. We would --

Jo: Couldn't the Board of Supervisors (interrupted)

Gary: (unintelligible)

Jo: Wouldn't the service area, whatever you call it

Sheila: Board of Supervisors.

Jo: Board of Supervisors - couldn't they handle the road situation, possibly, as the same as the fire or otherwise, because the level of the road situation would not be the same out there that would be right downtown, especially in the residential areas.

Sig: Probably, a number of roads out there that would have to be upgraded, in order to meet the general standards of the Municipality. Which would call for the establishment of road improvement districts, in various areas. Many of the roads there now are new subdivision roads that meet - would probably meet - the reasonable test of the borough's requirements.

Sheila: What's a better example than roads then? Since we're not fully informed on -
Sig: Police protection.

Sheila: Police protection. Fire, police and parks and rec. For instance now, there's no parks and recreation authority in that area. Parks and recreation is only in service area 30, which is the urban Anchorage bowl. Because of the land that's available and Beach Lake, Edmond's Lake. Beach Lake isn't in that area? The level of parks and rec service they might wish in the service area that they might create out there, would be probably less expensive than the urban area or certainly, could be. Police service that's another good example. You wouldn't need such a dense level of police service, perhaps, in the Eagle River-Chugiak area, as you would in the Metropolitan Anchorage area and therefore, hopefully, it should cost less. If logic follows. So, I think there is a lot of built-in flexibility in the service area concept that could take care of some of the individual problems.

Gary: Well, there is flexibility built-in there, whether it is exercised or not
(unintelligible)

Sheila: Well, I don't think the police plan that was presented for that area was at the same level of density as the police plan that was presented to Metropolitan Anchorage. In fact, I know it wasn't.

Gary: (unintelligible) There wasn't too much detail --

Jo: Course, as far as looking backward, it's (unintelligible) Of course, but, we really are looking forward to the future of these areas, rather than backward, I would feel.

Gary: Well, I would say, that we should look backward to when the borough was established. (unintelligible.)

Sheila: That area now is the second fastest growing area in the Anchorage Borough.

Sig: It's becoming of increasing importance to the Anchorage area, as a residential development area.

Gary: (unintelligible)

Sheila: Course, on that supporting itself, how many "con" letters were there - 43 - and I think the overwhelming percentage of them dealt with the economics and the fact that they didn't feel that the area had the tax base capability to support the services, the very basic minimal services, that would be needed.

Gary: (unintelligible)

Sig: Except that the statute, I would say, requires us to look at the participated functions, expenses, and income of the proposed borough and the reason why the statute is directory in that regard is, there is a limit to the amount that a municipality can tax its residents under property and sales tax mechanisms.

Gary: What was the figure that they came up with? Wasn't it 18 or 20 mils? Something like that.

Sig: 18 to 20 mils was the estimate.

Gary: Was that areawide?

Sig: On an areawide basis.

Gary: I think Fairbanks is 18 mils, something like that.

Sheila: Well, I'm sure we do here. (unintelligible) What's the tax rate for the City of Anchorage?

Sig: 19.20 mils. But, of course, we're talking about - I think the proposal here was talking about a 18 to 20 mil tax rate without adding other service area functions as Chugiak-Eagle River.

Sheila: Didn't that also presuppose a cut in the school budget, or a cutback in the functions of the school?

Sig: No, I think they held back some of those funds for emergency purposes, these moneys would have been folded back into the budget.

Sheila: Well, I just want to point out again too, you know the Charter you know, you can't see a magic document a magic wand, but at least it had some built-in guarantees 1.) the residents of Eagle River - Chugiak are guaranteed that one voice on the Assembly - which in the past, it had too. Ed Willis was on the Assembly for 8 years, but he also of course, had to run in part, from the Muldoon area. But, now they are guaranteed that seat. 2.) There is a provision for the establishment of community councils and I think the Assembly so, has established - I want to say 12 - but, I won't swear to it - and they've been very receptive to the idea of creation of these community councils. So this is another way in which the people of the area can make their voice heard. 3.) The service areas I've already talked about.

Gary: I'm sure these things, when a voter goes to the polls, he should consider when he votes for detachment, whether it will be better service areas, through the Municipality. I'm sure this is something he should consider when he goes to the polls.

Sig: Further discussion on the motion. Ollie.

Oliver: I think we've about exhausted it.

Sig: Jo, any more?

Sheila: Before I vote, I've got my statement.

Jo: I guess we've exhausted it.

Sig: Before we do vote on the matter. Go ahead Gary.

Gary: What are we on now, are we on this 19.15.230?

Sig: We're on the motion to -

Sheila: Approve the petition.

Sig: Approve the petition for detachment of the area, as defined in the petition. But, before we do vote Sheila, you have a statement that you would like to make concerning your voting status.

Sheila: Uhuh. That's right, just in case there's no question about whether or not I might have a conflict of interest. At the time of my appointment to the Local Boundary Commission, because I knew the Eagle River question would be coming up, I asked the Attorney General for an opinion as to whether or not I would be able to participate in the entire discussions. Whether or not, I would be able to participate as a voting member of the Commission, because of my previous status of having been the Borough Attorney for the Municipality of Anchorage and the school district. I now, no longer, represent the Anchorage Borough, nor do I represent the Anchorage school district, except on a contractual basis - having to do with contract claim arbitrations. But, I made a complete and full disclosure of my connections and Av Gross rendered an opinion that I was not disqualified from serving on the Eagle River petition and that I could be a full participating and voting member on the issue and I wanted to make that perfectly clear. Because it's often very - factually, I know that I do not have a conflict from my past association but, it's not the appearance of a conflict - what someone else might think and that's why I asked the Attorney General for the decision and he rendered it and said, "Participate."

Sig: Thank you, Sheila. Are there any other comments?

Gary: Well, I think that the service area would be best served by the people there. I think there's the capabilities there to provide the services that are needed by them and I think that they would be better provided by themselves and from the testimony given, at the hearing, than by the Municipality. I think they can better serve their needs. I think the area is large enough and stable enough to handle the situation.

Sig: Somebody want to call the question?

Sheila: Call the question.

Sig: Question has been called for. We'll vote on a rollcall basis. The motion -

Jo: We do have a motion.

Sig: Yes, the motion is to accept the petition proposing the detachment of the area contained in the petition for detachment of the formation of the Chugiak-Eagle River Borough. This is a motion merely to detach this area. Mr. Ackerman?

Mr. Ackerman: Yes.

Sig: Mr. Leavitt?

Mr. Leavitt: No.

Sig: Mrs. Anderson?

Mrs. Anderson: No.

Sig: Mrs. Jones?

Mrs. Jones: No.

Sig: And the chair votes "No".

Sig: The motion is defeated. As a consequence of this motion the petition proposing the incorporation of the Chugiak-Eagle River Borough is rejected.

Sheila: It's moot.

Sig: It's rendered moot.