

July 1, 2006

Dan Higgins & Carol Brown
Harbor Point
Meyers Chuck, AK 99903

Local Boundary Commission
550 West Seventh Avenue, Suite 1770
Anchorage, AK 99501-3510

Re: Wrangell Borough Incorporation Proposal

Dear Commissioners,

With interest, we have read the Wrangell Borough Incorporation Proposal and considered it with regards to both the Ketchikan annexation proposal and the recent passage of HB 133. While Wrangell's proposal appears to have some merits, it, like that of Ketchikan, fails to identify any reason other than revenue for incorporating Meyers Chuck.

Clearly evident is the fact that both of these communities need Meyers Chuck far more than Meyers Chuck needs or wants them. In neither case does their struggle for a justification describe any existing problem they will correct or any benefit they will provide. In Wrangell's case, it seems Meyers Chuck is included in order to meet a perceived "two community" standard for borough formation. Ketchikan appears to have included Meyers Chuck in response to an earlier application denial when the LBC incorrectly assumed we wanted the services of an organized borough. Creating another level of government for Meyers Chuck is not needed or warranted given the demographics, geographical isolation, and minimal economic activities in Meyers Chuck.

Additionally, there is a procedural issue. The recent approval of HB 133 requires that prior to approving any boundary proposal, the Local Boundary Commission is obligated to propose, adopt, and apply new standards for proposals submitted under both "local action" and "legislative review" methods. As stated by Governor Murkowski, the intent of this recently signed legislation, is "putting appropriate sideboards on the Local Boundary Commission to make sure their processes do not usurp or conflict with the direction the communities want to go." Meyers Chuck residents clearly wish to maintain their current status as independent of any organized borough. Furthermore, as stated by the Governor's press secretary, HB 133 "requires a majority vote of the voters residing in an area that is to be annexed to an existing municipality or borough". Current LBC procedures deny us a voting voice in regards to annexation under the Ketchikan proposal and this appears contrary to the expressed intent of the legislation.

The remote location of Meyers Chuck imposes considerable difficulty and expense in order to participate in a borough centered either in Ketchikan or Wrangell. Our local telephone provider has denied us Internet service so electronic communications is limited, and very slow. Mail service is once a week. There are no scheduled transportation services or roads between Wrangell and Meyers Chuck. Chartered seaplane services are not based in either community. Ketchikan is difficult to access given the open stretch of water separating us. The list goes on.

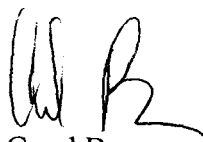
Both the Ketchikan Borough and the proposed Wrangell borough have substantial, pre-existing financial indebtedness. The infrastructure and services related to this debt are of no value to Meyers Chuck, yet by association, we would share this burden. Meyers Chuck residents would be taxed for services not rendered, as both proposals clearly state their intentions to tax but not provide any services or infrastructure.

Similar to Ketchikan, the Wrangell proposal attempts to justify taxing Meyers Chuck by stating the "residents...use and rely upon the public and private infrastructure provided by the current City of Wrangell and therefore should bear some of the public cost..." This is an overstatement as it relates to Meyers Chuck. Usage of infrastructure such as docks, transportation, healthcare, retail and cargo facilities is occasional and residents in no way rely upon such facilities from any single community or any single borough. (In fact, neither of us has even been to Wrangell in over 10 years). We applaud Wrangell's proposal to apply a lower rate of taxation in Meyers Chuck in recognition of this fact. However, even this lower rate appears egregious given the benefits. Like any other visitor, Meyers Chuck residents pay all appropriate taxes when they transact business in other communities.

The Wrangell proposal is more consistent with the Constitutional requirement that a borough embrace an area and population with common interests. At some future date, it may be appropriate for Meyers Chuck to be included in an organized borough, and Wrangell might indeed be the appropriate one. However, there is no immediate call for this action. Placing Meyers Chuck in an organized borough at this time would create strife and bureaucracy where none currently exists. This clearly is inconsistent with the spirit of the regulations and directives guiding the Boundary Commission.

The Commission has authority to alter proposals as a condition for approval. We recommend you exercise this power and exclude Meyers Chuck from incorporation into an organized borough at this time. We welcome the formation of the Wrangell Borough and suggest that including Meyers Chuck in it would occur at some future date when our needs for local government services become apparent.

Sincerely,



Dan Higgins and Carol Brown

