LBC delays Red Dog decision by one week

by Jim Benedetto Tundra Times Editor

The Local Boundary Commission has delayed for one week its decision on whether to detach 2.1 million acres from the North Slope Borough in favor of a Kotzebue-based borough which has yet to be formed.

Commissioners announced that they will meet in Juneau on January 18 in order to further consider the detachment.

Full texts of Hensley and Ahmaogak speeches on pp. 8&9

The five commissioners met in Fairbanks, ending a week of regional meetings in Anchorage, Noatak, Kotzebue, Point Hope and Barrow, where testimony was heard from local residents, some opposed to and some in favor of the detachment.

The voters of the North Slope Borough rejected a ballot resolution on October I which would have authorized Mayor Ahmaogak and his staff to negotiate the terms under which the borough would voluntarily detach the land.

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Elders at the Local Boundary Commission hearings in Barrow spoke to the commissioners in Inupiaq on the proposed detachment of Red Dog lands from the NSB. Interpreters were provided.

photo by Steve Kakaruk

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The Local Boundary Commission can approve the detachment if it determines that it is in the "best interests of the state, the territory to be detached, and the borough affected by the detachment." During Saturday's meeting in Fairbanks, boundary commissioner Bob Eder said he believed the detachment would be in the best interests of the borough. Eder said that providing services to the remote region where the mine would be located would be both difficult and costly to the borough.

Eder also said that the borough's
"tax losses" would be overshadowed by an end to the division between
the borough and its NANA neighbors.

But an employee for the state's Office of Management and Budget, Gordon Harrison, who prepared a report on the proposed detachment, wrote that "the voters and elected officials of the borough are a very good judge of their own best interests."

Other recent developments in the Red Dog detachment proposal included the replacement of the state attorney, John Rubini, who had advised both the Local Boundary Commission and the Department of Community and Regional Affairs, and boundary commissioner Bert Greist removal of himself from the proceedings to ensure confidence in the impartiality of the commission's decision. North Slope Borough officials had alleged a conflict of interest existed in both cases.

Superior Court Judge Paul Jones of Kotzebue ordered Rubini's removal from the case, saying because he had advised both bodies, he "gave the appearance of impropriety," and that leaving him on the case would cause "immediate and irreparable injury" to the North Slope Borough.

Wilson Condon, a former state attorney general now in private practice, was hired to replace Rubini.

The Red Dog mine is one of the world's largest deposits of lead and zinc in the world, with rich deposits of other minerals as well. Although the land is under the legal and taxing jurisdiction of the North Slope Borough, it is within the corporate boundaries of the NANA Regional Corporation.

At issue is the \$3 million in yearly

revenues which operation of the mine will generate, perhaps for the next hundred years. NANA would like to use those revenues to form a borough of its own, in order to provide the services to its residents which local government can provide. The North Slope Borough replies that it needs the yearly revenue which the mine would generate in order to offset its \$1.2 billion debt.

Last week, the northwestern residents of the state submitted a petition to the state requesting to form a Kotzebue-based borough. The petition had over 700 signatures.

NANA's claim is based upon the historic use of the land by the residents of Noatak and Kivalina as hunting and fishing grounds. The North Slope Borough argues that to allow a private corporation to detach lands from a state borough is a dangerous precedent that might lead to further incursions into mineral-rich areas existing within already existing boroughs.

If the Local Boundary Commission approves the detachment, the decision must reach the Legislature by January 22 in order to take affect this year. If the Legislature takes no action, the commission's action is official.