June 22, 2004

Mr. Bob Weinstein Mayor City of Ketchikan 334 Front Street Ketchikan, AK 99901 The TRUST
LAND OFFICE

Post-it Fax Note 7671 Date 6 22 # of pages 7671

To Bob Weinstein, Mayor From 5. Planchon
Co. Dept. of Katchian
Phone # 264-8658

Fax # 907 225-555

RE: K

Ketchikan Area Timber Sales

Dear Mayor Weinstein:

Thank you for your June 16, 2004 letter. It is clear from your letter that you are very concerned about outcomes of planned Trust timber sales in the Ketchikan area. Please know that Trust timber sale contracts require strict adherence to all applicable laws, regulations and ordinances, including regulations or ordinances associated with watershed protection. The TLO required and achieved a "no violation" outcome on all Trust timber sales to date, with over 200 million board feet sold and harvested. Key to the success of TLO timber sales is the use of experienced timber sale administrators. The TLO is in the process of hiring an administrator for Ketchikan area sales.

While the TLO has formally and informally shared general information about the planned timber sale, specific information will not be available to share until the sale offering process has been completed and a timber sale contract awarded. I expect that the bid award process will be completed by late July or early August. The TLO will then know where timber will be harvested, how it will be harvested and who will be harvesting it. This information will be shared with interested parties, including the City of Ketchikan. Please be assured that the timber sale contract will be awarded to an entity that has the wherewithal and experience necessary to complete the harvest operations in strict compliance with the contract and applicable provisions of law.

As to your concern about Trust timber being exported, Trust land management regulations require that Trust assets be disposed of on a competitive basis. Accordingly, the marketplace will determine the final disposition of Trust timber. Having said that, it has been our general experience that marketplace variables do result in some Trust timber going to domestic processors.

I am hopeful that you will give the TLO a chance to demonstrate its commitment to professional resource development and positive community relations. I am also hopeful that you will come to find, as we have, that Trust timber sales result in positive community benefits, while at the same time providing essential revenues for the improvement of the lives and circumstances of Trust beneficiaries throughout the state, including in Ketchikan.

Sincerely.

Stephen C. Planchon Executive Director

cc: Governor Murkowski, Representative Bill Williams, Senator Bert Stedman, AMHTA Trustees, Commissioners Tom Irwin and Ernesta Ballard, Ketchikan Gateway Borough Manager