

On December 12th 2005, the Alaska Mental Health Trust Authority, accompanied by a principal of Alcan Forest Products declared in the council chambers of Petersburg, their Best Interest Decision to log several miles of the steep, landslide-prone mountain slopes above Mitkof Highway.

The claimed necessity to log was based upon a market report co-authored by a Southeast timber consultant who now presides as President of The Alaska Working Forest Group.

The Trust used his market report generated in 2003 to assert several times that evening the timber industry was going to "permanently disappear in 5 years." Ten years and 10 months later, the Trust continues repeating the industry pretense claiming, "the potential loss of a viable timber industry threatens to render these parcels valueless to the Trust if they are not marketed soon."

A recent Petersburg Pilot Op Ed by Ron Loesch rightly questioned the credibility of such claims, though no meaningful scrutiny of Trust claims by regional news media has thus far occurred.

Had any scrutiny or alternative point of view been contrasted with the Trust claims, it would be apparent the Trust has historically both exploited its fiduciary mandate in the service of the timber industry, and otherwise possibly circumvented the fiduciary terms of its statutory authority.

This issue has been raised as, "an extraordinary request," by former Attorney General Bruce Botelho and former DNR Commissioner and Trust Executive Director, Harry Noah in a letter to the Chair of the Alaska Legislative Budget and Audit Committee, dated October 22nd 2016. That letter documents concerns of transparency of Trust Board actions, which as a state corporation, is deciding on how large sums of money are spent, "without effective oversight by the legislature."

A potentially far more grave Trust violation of fiduciary responsibility is unfolding however. The Trust has a responsibility to avoid incurring risks to the corpus of the Trust as its Trust Land Office has stubbornly denied potential landslide risks associated with logging on its documented unstable slopes across several miles above Mitkof Highway.

To put this in perspective, earlier this month CBS news reported a \$10 million dollar out of court settlement to be paid by a timber land owner to victims of the Oso Washington landslide of March 2014. The timber land owner was accused of logging that increased the instability of a documented landslide zone precipitating the Oso landslide which killed 43 people. The state of Washington, charged with regulating the timber industry and residential development, had previously settled out of court for an additional \$50 million dollars.

The Alaska Mental Health Trust Authority's Deputy Director is on record stating, if Senator Murkowski's land exchange legislation does not pass, the Trust is obligated to log both its 2600 acres in Petersburg and 900 acres of Ketchikan's Deer Mountain, while clarifying, "This is not a game of chicken." Yet the mentality at play justifying Trust resource extraction at all costs is indeed playing "a game of chicken." In fact, the Trust is operating under the same failed economic fundamentalism which has created the present 3.8 billion dollar state budget deficit. This game of chicken is not just accompanied by the roaring thunder of debris torrent landslides, but our steady collapse into a failed state unable to fund government and the level of services and governmental functions normally expected in civil society.

Meanwhile, due to Trust intentions to log unstable slopes, there will be monetary threats to our borough revenue tax bases founded upon property values. There will be direct threats to our local tourism economy. There will be direct threats to public and private investments including our roadways, utilities and electrical grid. Then, there are the unquantifiable threats to public safety, peace of mind, and quality of life central to the mental health and well-being of us all.

To be clear, the Trust seeks to obtain money, property, or services from an institution, through force or threats. That is the dictionary definition of extortion, and we are all now facing a hostage crisis. The terms of the ransom note have been penned by Senator Murkowski, in the form of land exchange legislation (S.3006).

The real question at hand is whether we are to remain hostage to a rogue state corporation denying existential threats while operating on an economic policy out of the 1950s — justifying resource extraction at all costs. This policy has only served corporate interests, and is not in the public best interest. The Trust needs to withdraw its decision to log.