



Alaska Mountain &
Wilderness Huts Assoc.

Alaska Huts

wilderness stewardship through personal experience & education

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12 July 2007

Joe Meade, Forest Supervisor
Jeni Evans, Seward District Ranger
Chugach National Forest, Alaska
VIA E-MAIL

Subject: Alaska Huts Financial Viability, Meeting Request

Dear Joe Meade and Jeni Evans:

This is to follow up on our letter to you dated June 30, 2007. That letter expressed the primary messages we heard from you at our meeting May 29, 2007 and noted for the record some possible misunderstandings or errors in the Independent Resources review of our financial model. The primary messages we heard were as follows. If this hut-to-hut effort is to move ahead, the Forest Service would like to see:

- More information about construction costs, funding plans (including endowment), and indications from funders that the needed capital funds will be forthcoming.
- Evaluation of a construction effort that could start smaller and build more slowly.
- More information about the hut-to-hut user market and greater assurance that the service/pricing we propose is matched to the user market.

We heard that such efforts would help the Forest Service to minimize risk if the project is to go forward.

We have gathered sufficient information to understand that a full user market analysis is likely to cost \$75,000+, completing a capital campaign feasibility assessment is likely to cost \$15,000+, actually pursuing funding support would entail hiring a fundraising professional, "firm" construction cost estimates are likely to cost tens of thousands more than we have spent to date, and reconstructing the financial operating model is likely to cost several thousand dollars. Our board cannot make these investments given the inaccuracies of the Independent Resources review and the tenor of your May 25 letter. However, such investment may be warranted if we knew with some degree of certainty that information generated would adequately address your agency's concerns and could lead to reopening the NEPA process and timely completion of the EIS.

For these reasons, we request that you meet with us with the purpose of discussing and mutually identifying specific steps and information needs that are reasonable and necessary to reopen the NEPA process, and potential options for meeting the needs of all parties. We propose meeting on Monday Aug. 20, 2007 at 1 p.m. Please respond to me via mhenrich@gci.net or 632-6440, because our executive director, John Wolfe, will be out of state until mid-August. The Forest Service and Alaska Huts board have previously identified many common values. We look forward to continuing dialog in that spirit.

Sincerely,

Michael Henrich, President

Copies: Alaska Huts Board of Directors

Our Mission:

Include Alaska's back country in a worldwide tradition of places in which hikers and skiers can travel hut to hut, and provide warm comfortable huts in inspiring settings to foster camaraderie and promote wilderness education and stewardship.

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