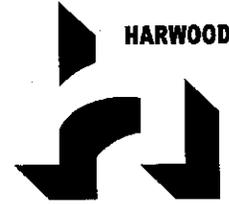


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July 13, 2006

Ms. Tam M. Dodue
Chair
State Water Resources Control Board
1001 I Street
Sacramento, CA 95814



SRF Loan Number C-6090-110/Big River and Salmon Creek Conservation Project

Dear Ms. Dodue;

I understand that on July 19th the State Water Board will consider a State Revolving Fund loan to The Conservation Fund to assist with the purchase of approximately 16,400 acres of forestland in the Big River and Salmon Creek watersheds in Mendocino County. I am writing to express my enthusiastic support for this exciting project.

Due to competing economic pressures, North Coast Redwood forestland is slowly being converted from productive forests providing jobs, clean air, clean water and healthy ecosystems to something quite different including subdivision and vineyards with the negative ecological and economic things that go with them such as erosion, loss of jobs, habitat degradation etc.

The Big River / Salmon Creek acquisition is the first step in an innovative new way to slow this conversation of forestland. What makes it unique is that it brings the community into the equation from an input and access standpoint which will help to diminish controversy over timber harvest on the North Coast. As importantly, utilizing low cost financing which combined with conservation dollars means that we can protect large landscapes with the limited conservation dollars available. The fact that you have to log to pay off the loans makes this project very appealing. That this logging must be done sustainably while protecting if not enhancing eco-systems makes it a win / win situation for all.

There is a broad cross section of people on the North Coast working together to crate a new paradigm in regards to forest ownership and management. State Revolving Fund loans can be an important part of making this a reality. I urge the State Water Board to step forward and be part of this exciting new course.

Sincerely;

Art Harwood / CEO