SCOTIA'S 2011 MAIN STREET CHRISTMAS DECORATIONS

Dear Friends and Neighbors in Scotia:

Recently, in planning for Christmas decorations and festivities here, the Town of Scotia Company made a business decision we believe is both practical and responsible. We decided to increase our emphasis on decorating the property that we own and control *within the Town of Scotia*. As a result, we will be installing more decorations and lights than ever before right in the heart of Scotia—in the commercial center and along Main Street, including the historic Winema Theater and the Scotia Museum.

At the same time, we decided we can no longer erect and maintain decorations which are *not in Scotia*, are not on our lands, which require third party permits or involve management of anyone else's land and resources. This means that we will not construct lights in the shape of a "tree" in the timberland and wildlife habitat on the east side of Highway 101, which is outside of Scotia.

We understand there may be some in the community who will be disappointed with our decision. Unfortunately, TOS just doesn't have the resources, staff, permits or timber rights that Palco once had when it owned and operated not only the town, but all of the surrounding timberlands. Palco was also self-insured, and it employed hundreds of specialized employees. Through much of its history, Palco was not required to undertake consultation or request permits from the wildlife and resource agencies. Today, all these circumstances have changed.

As most of you know, the Christmas lights in trees on the timbered hillsides above Scotia have been moved from time to time and place to place as the forest has grown and changed in size and shape. In an effort to erect lights that can be seen from much of the town, over the years Palco felled or trimmed trees, and relocated the lights from tree to tree. The company constructed and reopened roads and trails to provide access to these various locations. Of course, Palco had hundreds of employees – thousands at one point. Palco engaged tree climbers, tree trimmers, tree fallers, tree haulers, forest and road construction crews, compliance staff, biologists, engineers, etc.

By comparison, TOS has 20-some employees, including seasonal, part-time staff. We don't engage any tree climbers, tree fallers, tree trimmers or road construction crews. We aren't self-insured the way Palco was, and we're neither insured for conducting this kind of forestry activity nor permitted to exercise such operations.

The timberlands in which the Christmas lights were previously strung are "covered lands" subject to one of the most conservative and highly technical habitat conservation plans (HCPs) in force anywhere on private land in the west. The timber rights to those lands are held by Humboldt Redwood Company (HRC). In our opinion, before any tree trimming, tree falling, tree slashing or other operations in the timberland habitat may be undertaken, project plans must be discussed with wildlife and resource agencies charged with enforcing the HCP. Marbled murrelets, spotted owls, peregrine falcons and many other threatened and endangered species are

known to utilize the forest habitat in this particular area. Therefore, to be able to assess the potential impacts of any project, seasonally appropriate surveys should be taken, by certified wildlife biologists, in accord with specific protocols, and the results of those surveys should be reported to the agencies before any work is done. In our view, these requirements apply to the kind of activities necessary to erect Christmas decorations in the forest visible to all Scotia residents.

I am communicating our decision to you directly in the event that some among you may feel strongly enough about this matter that you may wish to take on that project yourselves. Some other group may be able to raise the funds, procure the insurance, hire the staff, engage the specialists, obtain the permits and make the arrangements with the timber rights owner. However, that activity is outside of the Town of Scotia, beyond the scope of TOS's purpose, and beyond our capacity.

If someone else decides to take on this project, we will help in any way we can, given the limitations we've described. As always, if anyone has any questions or concerns please feel free to contact me.

In the meantime, I hope you will assist with and enjoy the new decorations we have planned for town. Let us know what a Scotia-centered Christmas looks like to you. All ideas are welcome. Here's wishing you a very Scotia Christmas and a happy New Year!

Respectfully,

Frank

Frank Bacik Town of Scotia Company