

Alaska Bulk Water Inc.
726 Siginaka Way Sitka, Alaska 99835 907 747 4902

March 25, 2015

sent via email

Mr. Garry White
Executive Director Gary Paxton Industrial Park
329 Harbor Drive Suite 212
Sitka, Alaska 99835

Dear Garry:

I am pleased to inform you that we have signed contracts to begin shipping bulk water to California as soon as we complete the loading station in Silver Bay. Initial plans call for delivering a minimum of 10 million gallons of water per month. We have obtained our permit from the Army Corp of Engineers and have now begun construction. We hope to have the loading station completed sometime in June or July and begin shipping water. The parties contracting for the California water will be in Sitka April 20 and wish to tour Blue Lake and meet the officials at the city.

We are in negotiations with the water stressed parts of the world and all are interested in purchasing bulk water. We have worked out key shipping alliances to transport water as the receiving countries are ready to receive it. However, as I discussed with you and the city last December, a major factor in the bulk water business will be each country's infrastructure and capability to accept and store the water.

We have explored a number of options to help provide temporary storage until more permanent facilities can be constructed. What has emerged as an immediate viable option with several countries as well as for further distribution in the West Coast and Southwest, is the use of flexi-tanks transported inside containers. We could fill containers in quantity and send these South to Seattle via dedicated barge. We expect to create 5 to 10 full time new jobs if we can perform this business.

To accomplish this will require about 3 acres of land or more to stage containers for transport via barge. To this end, we are interested in purchasing or leasing all or parts of Lots 15 and 9a/9c. Without adequate land to load containers with water, we will not be able to ship this bulk water. This would be a revenue loss to the city and deny the delivery of bulk water to many users.

We ask that you consider this need in your planning for the sale or leasing of the remaining real estate in the Gary Paxton Industrial Park.

Yours truly
Terry Trapp – CEO Alaska Bulk Water Inc

Copies to: Mark Gorman,
Mim McConnell