

Details of Remaining Area Agricultural Program Told; Hunting, Fishing Rights, Etc. Discussed

Following is the third and final article in the series dealing with the remaining area and its management by the U. S. National Bank as trustee. This article deals with the farming and grazing prospects of the area, hunting and fishing, water rights, and miscellaneous topics.

"The Managing Trustee is intent upon developing a progressive program for the agricultural phases of the Management Trust. A plan cannot be developed overnight but does require the consolidation of ideas proposed by experts in the particular fields."

Thus William Bradshaw, U. S. Nat'l Bank trust officer in charge of remaining area management, summarizes farming and grazing prospects on the area. A forward-looking program is being sought which will realize maximum income from agricultural resources. Determination of the exact program to be followed will be made within the year.

"Any program of improvements will involve expenditure of funds from the earnings of the trust," Bradshaw points out. "Surveys and studies of the areas will have to be completed so we may ascertain whether or not such programs will be economical to complete. We have requested assistance in the preliminary survey of the area from the Soil Conservation Service. The recommendations received will be studied and final determination made by the trustee, as to what program will be followed, during the balance of this calendar year."

As of now it is expected that much of the development of the farming and grazing resources will be in relation to facilities already available.

"A great deal of the anticipated productivity of the area will depend on what can actually be done physically improve the existing facilities," Bradshaw explains. "The present facilities do require maintenance and improvement. The trustee believes this program to be all important. However, we also foresee substantial work in the form of reclamation and improvement of areas not presently useable which must be taken into consideration in the expenditure of funds on presently useable areas. Marsh and swamp areas may be drained and irrigation projects started. This is particularly true with the Agency Farm and the Three Creeks grazing area. It may also apply to the Wocus Bay area."

Just what are the agricultural resources in the management

area, presently useable or subject to development?

The Agency Farm, as a unit, is at present the most important such resource. Bradshaw provides the following information concerning it: "The Agency Farm consisting of approximately 2,528.3 acres is considered as a moderate size cattle operation. The area encompasses lands suitable for pasture and hay production. A large portion of the total acreage, however, is subject to uncontrolled flooding and, at the present, is not useable as productive land. The original appraised value of the farm including land, timber and improvements, was \$264,270.00 while the value of some 206 head of cattle was \$28,850.00. It has been the practice, in the past, to utilize the southern portion of the farm area for the Tribal Herd and to lease the area north and west of the farm buildings as pasture lands to other operations in the area. The pasture areas and hay production of the southerly portion have apparently been sufficient to maintain the Tribal Herd of approximately 200 head of cattle on a year around basis.

"Water for irrigation and farm use is available from Crooked Creek, Agency Canal, Fort Creek Canal, Crooked Creek Canal and Wood River. Uncontrolled water supplies from Wood River and apparent underground springs have resulted in substantial areas remaining in marsh lands not useable for pasture or other farm purposes."

Also an important grazing area, whether actual or potential, is the Three Creeks area, consisting of approximately 6,000 acres and located in the North Klamath Marsh.

"These lands are best suited for pasture and some hay production," Bradshaw states. "As in the case of the Agency Farm, however, a substantial portion is subject to uncontrolled flooding by waters from the Williamson River, Three Creeks, Cole Creek and Mosquito Creek. Continued water on the land has converted areas of good grass into marsh and swamp, again reducing the desirability of the area even at useable intervals. (The area has a rated seasonal capacity of 1400 head of cattle in good years. Over the past 3 years, however, about half the area hasn't been used at all and the other half only on about a 50 or 60% of capacity basis)."

Still another area retained for remaining members, having both grazing and hunting potential, is Wocus Bay located in the south-

ern portion of Klamath Marsh. Approximately 1,000 acres in size this area has heretofore had very limited grazing use, the usage again depending, as in the Three Creeks area, on weather conditions and the water level. Its present capacities for hunting are also regarded as limited and this area is in a strictly developmental stage.

Also entering the picture are the grazing qualities of the forest areas.

"Along with the cutting of timber in the forested areas, there has been developed as secondary revenue substantial income from grazing rights and permits," Bradshaw relates.

The forest units of the remaining area have a rated seasonal carrying capacity of 3500 sheep and 170 cattle. Further, they have been used at their rated capacity for a good many years, under the permit system. Permits have been issued on a yearly basis, being bid upon by operators.

Hunting and Fishing

"Fishing and hunting rights and privileges are, at this time, in a state of confusion. As to whether or not these rights may be converted to an income-producing program will depend a great deal upon the progress of the Reservation Termination program," Bradshaw reports.

Attorneys for the trustee have indicated that until withdrawing members are paid in full they retain hunting and fishing rights on the reservation area, including the remaining area. It is therefore considered that any program undertaken now to issue permits for hunting and fishing, deriving income therefrom for the remainees, would conflict with hunting and fishing rights of the withdrawees.

"Until there is a definite break we won't try to capitalize on hunting and fishing rights. They're just for the members to use," Bradshaw affirms.

Bradshaw further advises that future development of an income-producing program through sale of hunting and fishing privileges will be subject to tribal approval, hunting and fishing rights of the members being of a personal nature, secured by treaty. Policing of hunting and fishing, Bradshaw states, is presently a responsibility of the trustee.

Mineral Resources

In regard to possible mineral resources on the management unit and their development, Bradshaw reports that his staff has taken full cognizance of Stanford Research Institute's mineral resources survey conducted in 1955. Considering its negative findings, he says it is not now deemed rea-

sonable to expend funds on mineral research and development.

Water Rights

Concerning water rights, Bradshaw first observes that these rights have primary value in relation to the farming and grazing resources. He points out that the Bureau of Indian Affairs considers water rights on reservations supreme to Indians and their successors in interest. He adds, however, that the State of Oregon has opined that it has jurisdiction over all water in the State including that on reservations.

"We are going ahead with filing water rights with the State. The application is conditioned on the fact it does not detract from any previous rights the land may have acquired."

Taxation

Two types of taxation are to be considered in relation to the management program. A property tax will be imposed on real estate in the unit for the 1959-60 fiscal year. What this tax will amount to in total dollars is not yet definite.

The money now being distributed to individual beneficiaries as income will be subject to income tax regulations. However, it is foreseen that only a small amount of it will be reportable. Bradshaw explains that income derived from timber sales is subject to capital gains tax, but only in such amount as is in excess of the appraised value of the timber. It is anticipated that this amount in excess will be relatively small. Income from grazing leases will be reportable as straight income, subject to income tax, but such income will represent a small percentage of the total. Proceeds from sale of cattle would again be capital gains matter, with proceeds in excess of the appraised worth of the cattle being reportable.

As to exactly how much will be reportable and in what category, Bradshaw states: "This is a matter we will have to compute. Individuals will be advised at the end of the year how much they must report and in what categories."

Ellen Cook (Con. from Page 2)

right that you would think people would want to hold." Lou Ellen enjoys hunting and fishing with her father, and as a remaining member will continue to exercise these rights.

The special education program for Klamath Indians is a "wonderful opportunity", according to Lou Ellen, but "It's a shame that so few are taking advantage of it." She feels that the credit for her attitude towards education and her determination to go to college belong to her parents.