



# Spilyay Tymoo

Coyote News, est. 1976

November 12, 2015 Vol. 40, No. 23

November – Anaku Ipach'aanxa Yaamash

PO Box 489  
Warm Springs, OR 97761

ECR WSS  
Postal Patron

U.S. Postage  
PRSR STD  
Warm Springs, OR 97761

## December referendum on cannabis project

The tribal membership will decide on December 17 whether to pursue the economic opportunity of cannabis commercialization.

The referendum will ask the members whether Tribal Council should be authorized to “allow, regulate and operate an on-reservation, tribally owned cannabis cultivation and extraction facility, with retail sales allowed only off the reservation.”

The referendum would not change the tribal criminal code regarding personal possession or sale of cannabis on the reservation.

The legalization of cannabis off-reservation in the state of Oregon created this economic opportunity for the tribes. And the opportunity is a big one, according to research and analysis by the Warm Springs Ventures team.

Revenue from the cannabis enterprise in the first year would be more than \$11.7 million net, according to the financial study.

In the second year, the first full year of operation, revenue is estimated at \$26.1 million. Over the first seven years of operation, the cannabis enterprise would generate more than \$173 million net, according to the study.

For comparison, the 2016 total enterprise revenue—from Indian Head Casino, Power and Water, Composite Products, Kah-Nee-Ta, Credit and Ventures—is estimated at \$8.75 million.



Courtesy Warm Springs Ventures.

Conceptual drawing of greenhouses for the project.

Repairing the tribal budget, and creating new jobs for the members are the reasons why Tribal Council and Ventures have been studying the cannabis commercialization project.

The new enterprise would create a minimum of 82 jobs, according to the Ventures report (*for detailed information see pages 5 and 8*).

### The enterprise

In brief, if the referendum passes, the tribes would create a tribally-owned enterprise that would work with an experienced partner to establish the cannabis growing operation.

This would be housed in a 36,000-square-foot cultivation facility. The enterprise would also operate three retail outlets in the Portland and Bend market areas.

Eventually, after the employees gain experience and training in the industry, the tribal enterprise would run on its own without an outside partner.

The initial partnership would be

with Sentinel-Strainwise.

Sentinel is a private equity fund, with \$700 million under management. The group, based in Florida, has worked with other tribes on economic development projects.

Strainwise is one of the largest cannabis cultivation, retailer and extraction management companies in the U.S. Strainwise has nine retail stores, and manages five grow operations with 130 employees.

Strainwise and Sentinel this year began working together to help advance responsible economic development on Native American land through the cannabis industry.

Chris Hardiman, Sentinel associate director, was on hand this week for the Tribal Council meeting on the resolution approving the referendum.

Hardiman said the idea is to work with the tribes in developing a successful and profitable growing operation. Then eventually the tribes will be the sole operators of the project, Hardiman said.

See **REFERENDUM** on 5

## Council member comments

At the Tribal Council meeting approving the December 17 referendum, Councilman Reuben Henry said the question for him is an easy one. “We have needs here that are not being met,” he said.

A new community center is an example, Councilman Henry said. In coming years, “What if Power and Water has no dividend? We need something done, and we need it done now.”

Councilman Scott Moses said that in the 1990s there was some hesitation about Warm Springs opening a casino, until other tribes showed that gaming can be profitable. In this case, he said, “Our job is not to follow other tribes, but to do what is right for this tribe.”

Councilman Carlos Smith said he is not an advocate of cannabis, nor of gambling, alcohol and tobacco. But the tribes allow casino gambling, and alcohol and cigarette sales on the reservation for economic reasons.

The same reasoning applies to the cannabis project, he said.

Councilman Orvie Danzuka said the tribes should also look into the still-unsettled revenue management aspect of the cannabis industry, as this may be another new source of revenue.

Councilwoman Evaline Patt said she was impressed with the progress that the Ventures team has made over the past 10 months in evaluating the cannabis project. The presentation was very thorough and professional, she said.

Councilman Kahseuss Jackson, Wasco Chief J.R. Smith, Warm Springs Chief Delvis and Paiute Chief Joe Moses joined the above Council members in approving the resolution for the December 17 referendum. Council Chairman Austin Greene Jr. did not vote, as the chairman votes in case of a tie.

## USDA video features Academy

The U.S. Department of Agriculture has produced a video that features the Warm Springs k-8 Academy and the community of Warm Springs.

USDA representatives were in Warm Springs last week, meeting with Tribal Council. Jill Rees and Vicki Walker from the USDA showed the video to the Council, and requested permission to release the film to the public.

After viewing the documentary, Council approved its release.

The USDA was a funding partner in the construction of the Warm

Springs Academy. They produced the video to show the opportunities the USDA can offer to tribal nations.

The video will be posted soon on the USDA website: usda.gov

Meanwhile you can see the documentary on Youtube. Search for Warm Springs Academy and USDA.

Featured speakers in the video are a student, Council Chairman Austin Greene Jr., school district board member Laurie Danzuka, and district superintendent. The background music was provided by the KWSO 91.9 radio station.

## Chief Judge retires from tribal court

Walter ‘Spud’ Langnese has retired from the Tribal Court, after 18 years on the bench. For the past two years he has been the Chief Judge. His final day at court was last Friday.

During retirement, one of his hobbies will be training his papillon dogs, and bringing them competitions. The competitions involve the dogs running through an obstacle course. Langnese will be pursuing this hobby with his wife Elna.

And he’ll be doing some travelling. Coming up is a trip to the Cayman Islands, where he’ll meet up with friends he met while in the Marine Corps.

Walter served in the Marines in the early 1970s, including time in Vietnam.

He lost contact with his Marine Corps friends until a few years ago, when they got together for a reunion. Now they plan trips and have regular reunions.

The best part of his job as Tribal Court Judge was seeing some people make a successful change in their lives.

“So much of what the court deals with is negative,” he says. “But occasionally you see a success story, when someone does what they’re supposed to do, and



Walter ‘Spud’ Langnese

way it’s been presented—grown here and sold off the reservation.” Personal possession of marijuana would remain illegal on the reservation, and it should stay that way, Langnese said.

### Alternate sentencing

Compared to state and federal court, Langnese says, the Tribal Court has the benefit of allowing some creativity in dealing with criminal cases.

State and federal judges are often required by law to impose a certain and specific sentence.

A tribal judge can take other factors into consideration, including tradition. Langnese remembers a case in which the whipman was used as part of the sentence. The youth involved responded as his parents hoped, and stayed out of trouble.

The Wellbriety Court is another example: A person can have criminal charges dismissed by completing the Wellbriety program, which began a year ago.

Tribal Council is now in the process of finding new judges for the court. Not only has Langnese left the bench, but former judge Glendon Smith also left this fall, taking on the secretary-treasurer job.

it works for them.”

The problem that generates most of the crime in the community is methamphetamine, Langnese says. “I would say 90 percent of our cases are meth related,” he says.

Asked about his impression of the tribes’ proposed cannabis project, he says, “From the business side, I think it’s a good move, as long as it’s followed through the

## General Council on 2016 budget

There is a General Council meeting scheduled for this Thursday evening, Nov. 12, at the Agency Longhouse. The topic for discussion is the 2016 tribal budget. Dinner is at 6 and the meeting starts at 7.

This year the budget process was even more difficult that during recent years.

In October Tribal Council approved a 2016 proposal for posting. Council then learned that the Power and Water Enterprises dividend will be substantially less than the amount anticipated. Finance came up with an option that would cover the shortfall, which was over \$2 million, without any employee lay-offs.

The situation only goes to show the importance of bringing new revenue to the tribes, such as through

the cannabis project, said Tribal Councilman Scott Moses.

Some years ago, Power and Water Enterprises was a main source of revenue for the Confederated Tribes. Annual dividends were at times over \$10 million.

The power market in more recent years, among other factors, has significantly limited the Power and Water Enterprise dividend, with no plan for an increase at least over the next few years.

Among enterprises, Warm Springs Ventures, working in partnership with the Natural Resources Branch, is expecting to bring in new revenue for 2016. This is through the carbon sequestration project. The cannabis project is the next Ventures proposal, with the potential for much greater revenue.



**INDIAN HEAD CASINO**

**Now - November 28 • Fridays & Saturdays**

**KICKING FOR CASH**   **KICKING FOR CASH**   **FOOTBALL FRENZY**

**EXTREME**   **HOT SEATS**

6pm - 10pm   11/27 & 11/28   1pm - 4:30pm

Win your share of \$3,000 nightly   6pm - 10pm   Win your share of \$6,000 nightly!



**\$50,000**

**FOOTBALL FEVER**

IndianHeadGaming.com | 541-460-7777 | US-26, Warm Springs Oregon 97761

All promotions require Players' Club membership to participate. Management reserves all rights. Minimum points required. See Players' Club for complete details.

