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Council considers tribal timber company

Tribal Council later this month plans to take up the matter of the Warm Springs Timber Company.

Council discussed the issue at length last week, but took no final action as to possible future operation of the company.

The Branch of Natural Resources is an essential partner to this potential enterprise. Council and Natural Resources met with Calvin Mukumoto in regard to the timber company question.

Mukumoto is a business consultant, working with Clyde

Hamstreet & Associates, Natural Resources and Council on the idea of establishing a company focused on the sale of reservation timber in 2017.

The issue is of great significance to the tribes, as the approved 2017 budget anticipates timber revenue.

Tribal Council is set to take up the question again on December 27, the last currently scheduled Council meeting of 2016.

Tribal Council established an initial version of the company ear-

lier this year, a necessary step as Forest Products Industries had ceased operation.

The question now is whether to establish the company, in partnership with the Branch of Natural Resources, at least through 2017.

During 2016, the timber company established good marketing relationships in the regional timber industry, Mukumoto said. There were some challenges, he said, as the company was a start-up enterprise.

With a full year of operation in 2017 the timber company could realize a good profit for the tribes, Mukumoto said.

This would be based on the sale of timber from the approved allowable cut. In this arrangement, the company would be the sole purchaser of timber, and would then market the logs to the highest bidder.

(See **TIMBER** on 3)

Plan to help KNT

Tribal Council approved a loan proposal that would Kah-Nee-Ta resort to stay in operation through the winter.

Council worked with the secretary-treasurer and resort board on developing the loan plan. The source of the revenue would be a gas tax refund to the tribes.

The plan is to transfer \$400,000 from the gas tax refund to the Business Investment Revolving Fund (BIRF). The loan to Kah-Nee-Ta can then be made from this fund.

The process for this involves a supplemental budget to the already approved 2017 budget. Council members plan to meet with the membership before final approval of the supplemental budget.

The gas tax refund is specifically intended, by earlier Council resolution, for economic development projects.

Under general manager Jim Bankson, Kah-Nee-Ta has implemented significant cost-cutting measures. These include reducing the hours of operation, and closure of the Kah-Nee-Ta office in Portland and the golf course.

Mr. Bankson has a work background in turning around resorts that are in financial trouble, such as Kah-Nee-Ta.

Kah-Nee-Ta has not made a profit in many years, but management and the board are looking at ways to correct the situation. Bringing in an outside partner, for instance, could be part of the solution. Meanwhile, Kah-Nee-Ta is now on winter hours of operation, open Friday through Sunday.



Jayson Smith photos

Young people were enjoying the school snow days last week, as a winter storm brought several inches of snow to the reservation.

School and sports activities were cancelled during the last part of the week, and the tribal organization was closed for one whole day and part of another day. Snow plows were out in force, keeping the main roads open. Utilities made the effort to clear the driveways of people who might have medical conditions.



Mill, new Council top news of the past year

There was an effort—unsuccessful in the end—to make major changes to the tribal Constitution. The year saw the ground-breaking for the cannabis production facility, which then saw some delay as Ventures plans to pursue the project in 2017.

Elizabeth Woody became Poet Laureate of Oregon, the first Native American to hold this honor.

The Managed Care program saw great improvement in finances, as more billing options were made available to the program.

Ventures' unmanned aerial systems program saw growth with the development of a new training center at Kah-Nee-Ta.

The year 2016 saw many changes on the reservation, but two items were particularly newsworthy.

The first was the closure of the Warm Springs Forest Products Industries mill. The official announcement of the closure came in April, though the mill had closed for part of the winter.

And the closure was not a surprise, as the enterprise for some time was having trouble meeting the timber stumpage payments to the Confederated Tribes. WSFPI also required more reservation timber than was recommended by the Branch

of Natural Resources.

The BIA was involved, refusing to approve new timber sales without some acknowledgment from Tribal Council that the timber was being sold to the mill below market value.

The tribes had owned and operated the mill since 1966. Its closure put 85 people out of work. It was sad news, and a most memorable development from 2016.

Meanwhile, the districts chose the members of the Twenty-Seventh Tribal Council of the Confederated Tribes.

An interesting part of this story is the number of new members to join the Council.

In the Seekseequa District, both Brigitte McConville and Lee Tom are new members at Council. In the Agency District, Val Squiempfen and Carina Miller joined for their first terms.

And in Simnasho, Jody Calica, former secretary-treasurer for several years, joined the Tribal Council. And Ron Suppah, a former Council chairman, returned to Council.

Of the elected members, Raymond Tsumpti and Chairman Austin Greene were the two incumbents to be re-elected.

Council, BNR set 2017 allowable cut

The Branch of Natural Resources Forestry reported to Tribal Council this week on the projected annual allowable cut of reservation timber for 2017-2021.

The allowable cut was then set by Council resolution at 25.1 million board feet per year for that time period.

There is an additional 11 million board feet that is being carried over from the current year. This is an amount that remained unharvested from the 2016 allowable cut, due to the closure of the Forest Products mill.

The vote on the 2017-2021 allowable cut was seven in favor, one opposed, and one abstain. Tribal Forest manager Orvie Danzuka, branch manager Bobby Brunoe and staff made the report to Council on Tuesday, December 13.

The allowable cut is based on forest inventories, the Integrated Resource Management Plan (IRMP), and other relevant documents, Danzuka said.

The 25-million board feet

per year figure is considerably less than that from other recent years. The mill required a higher allowable cut to remain in operation, so the figure was adjusted upward to meet this demand.

In 2012, for instance, the allowable cut was over 40-million board feet; and above 30-million in other recent years.

With the mill no longer in operation, the cut can be reduced to the recommended sustainable level.

This can allow for better management in regard to, for instance, huckleberries and other first foods, Danzuka said. Some other points of discussion during the Council session with Natural Resources Forestry:

The mountain pine beetle problem has seen improvement in recent years, said Vernon Wolf of Forestry. However, drought conditions led to forest stress in some areas, providing conditions for some infestation from a different kind of beetle, called ips.

(See **ALLOWABLE CUT** on 3)

509-J board positions may be zoned

The Jefferson County School District 509-J Board of Directors includes five individuals, all elected from the district at large.

The board has directed district superintendent Rick Molitor to look at the possibility of implementing a zone approach to the board.

Warm Springs, for instance, could be one zone. This would ensure that the board has at least one tribal member representative.

The positions of three members of the current board—Laurie Danzuka, Tom Norton and Lyle Rehwinkel—are up for election in March. It is possible the board could adopt the zone approach prior to this election, said Superintendent Molitor.

The issue to be addressed is the possibility that one area of the school district could be heavily represented on the board, while another area would have no representation.

(See **SCHOOL** on 10)



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