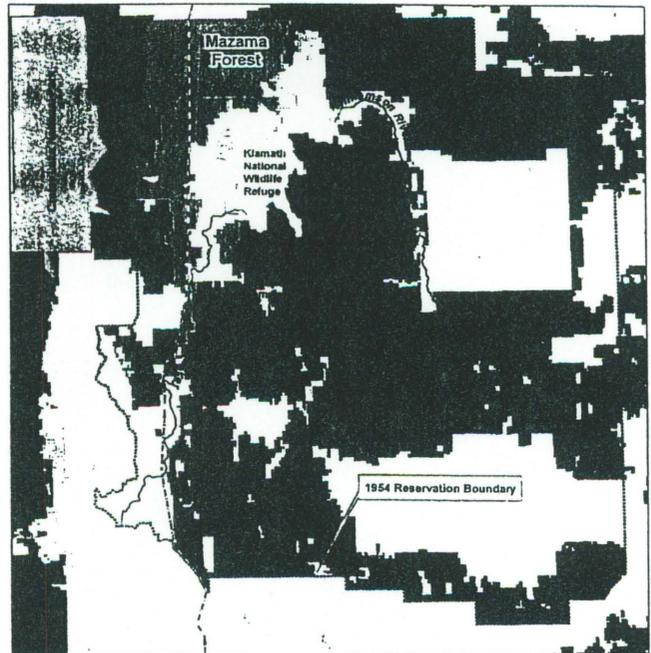


What Does the Settlement Agreement Mean to the Future of the Klamath Tribes?

On December 8, 2007, the General Council will meet at 9:30 AM in the Klamath Tribes Administration Building in Chiloquin to consider matters of extreme importance to the well being of Tribal members both today and 50 years from now. For over a year now, the Klamath Tribes and 26 other groups have been negotiating a far reaching Settlement Agreement that can accomplish many things for which the Tribes have been striving for a long time. Tribal government and staff have fought to develop a settlement package that brings the following benefits to the Tribes and the resources that Tribal members depend upon.

➤ Funding and Implementation of the Mazama Forest Project which:

- includes \$21 million in federal money to purchase 90,000 acres of the former reservation.
- Will leverage up to an additional \$8 million from private sources.
- purchase the Crater Lake Mill site and provide startup funds for Tribal forest product businesses (firewood, post and pole, and small-scale biomass) that will put Tribal members back to work in the woods.
- Enable the Tribes to restore health to the Mazama Forest AND build businesses by implementing the Klamath Tribes Forest Management Plan.



➤ Mazama Forest positions us to be a nationwide showcase for implementing the Tribal Forest Protection Act (TFPA).

- The TFPA is a new federal law under which Tribes can exert significant influence over the management of adjacent federal lands. A key component of the TFPA, which the Tribes currently lack, is Tribal ownership of property that is adjacent to Forest Service lands. Over 50 miles of the Mazama boundary touch the Fremont-Winema National Forest. With Mazama we can make powerful use of the TFPA.
- The TFPA enables the Tribes work with the Forest Service to collaboratively implement the Klamath Tribes Forest Management Plan on the National Forest, which will greatly increase our ability to improve forest condition and improve mule deer habitat.
- The TFPA and Mazama Forest allows the Tribes to make full use of Stewardship Agreements and other mechanisms with the Forest Service to generate Tribal jobs on the National Forest.

➤ Bringing the salmon Home: The largest dam removal effort in history.

- Copco I dam exterminated our salmon fishery in 1917 – settlement removes this dam along with Iron Gate Dam, Copco II Dam, and J. C. Boyle Dam.
- The dams have been killing our salmon downstream in the Klamath River ever since they were built – if we don't get them removed, many salmon populations in the Klamath face extinction over the next 50 years. If we don't remove them and restore salmon now, they will be forever lost to us.
- We have been working to achieve removal of these dams since 2001.

- **\$83 million in the next 10 years to begin a massive effort to reintroduce and restore salmon runs to Tribal homelands.**
 - Before dam removal we and others will launch major planning and research efforts to lay out the best salmon reintroduction strategy and methods.
 - Reintroduction efforts after dam removal will begin by actively reintroducing Chinook salmon above Upper Klamath Lake; below the lake we will allow fish to recolonize on their own, and start moving fish around only if it is necessary.
 - After dams are removed funding levels will rise, because the main reintroduction effort will then start in earnest.
 - The Klamath Tribes will play a lead role in the reintroduction efforts.
- **Over \$237 million in the next 10 years for a massive effort to fix our lakes and rivers above Iron Gate Dam.**
 - \$88.8 million to restore habitat and provide fish passage on the Sprague, Wood, and middle Williamson rivers.
 - \$51.6 million to evaluate fish, water quality, and habitat responses to restoration.
 - \$16.6 million to treat riparian forests to reduce fuel loads, fix road crossings and provide fish passage on federal lands.
 - \$20.2 million to reconnect marshes to Upper Klamath Lake (Williamson Delta, Agency Lake and Barnes Ranches, Wood River Wetland).
 - \$55 million to restore Lake Ewauna for fish, and to clean up the water that goes down the Klamath River.
 - \$5.3 million to restore river habitats below Keno and build a good fish ladder over Keno Dam.
 - This is a major opportunity to develop Tribal businesses around things the Tribes really care about like river, lake and forest restoration.
 - The Klamath Tribes will be administering a significant portion of these funds through our Cooperative Agreement with the US Department of Interior.
 - This is by far our best chance to restore abundant fisheries for suckers, salmon, and trout.
- **Over \$157 million in the next 10 years for a massive effort to restore habitat and salmon runs in the Klamath River and tributaries downstream of Iron Gate Dam.** This benefits the Klamath Tribes because healthy tributaries (especially the Shasta River) will help us restore spring Chinook to the Upper Basin, and a healthy Klamath River is crucial to the success of up-river runs.
- **\$1.5 million each year (\$14.5 million total) to build capacity of the Tribes Natural Resources Programs.**
- **\$250,000 for a Tribal economic development study.**
- **Interim salmon fishery for the Klamath Tribes on the Klamath River between Iron Gate Dam and the I-5 Bridge.** Tribal members will be able to legally take salmon in this stretch of the river each year as soon as the Iron Gate Hatchery egg take is complete.
- **Improve water conditions in our rivers and lakes.**
 - Klamath Irrigation Project deliveries will be reduced and capped in the drier years, in exchange for a pledge from the Tribes not to further reduce Project diversions EXCEPT in the driest years, when a drought plan will be in place to maintain river flows and lake levels.

- \$47 million to substantially increase river flows in the Sprague, Wood and Williamson by purchasing and retiring enough water rights to increase inflow to Upper Klamath Lake during the irrigation season by 30,000 acre feet.
 - A new process for managing water, in which the Klamath Tribes will be influential.
 - Some claims in the adjudication will be settled, others may be litigated.
- **As a result of our negotiations, the US has committed to do the following outside of the settlement process:**
- Expedite the fee to trust transfer of the Aurora property, which makes our business development plans much more feasible.
 - Facilitate our collaboration with the Forest Service in the application of the Tribal Forest Protection Act as a National Demonstration Project.

Is Settlement in the Best Interest of the Klamath Tribes?

Settlement offers Klamath Tribal members a better future. With the return of the Mazama Forest comes real economic development that will put our people back to work in our forests, doing work that is designed to restore health to our forests and deer herds. The Mazama Forest also enables us to exert much more control over how the National Forest is managed on the former reservation. The Mazama Forest acquisition is the key element of our strategic approach to applying the Klamath Tribes Forest Management Plan across our landscape as a state-of-the-art approach to forest management that will over time transform our forests, restore their capability to produce timber and wildlife, and provide jobs for Tribal members.

With the removal of the Klamath River dams comes the return of our salmon that were lost 90 years ago, and a truly massive aquatic restoration effort designed to repair our damaged rivers and lakes. Before extensive development, the Upper Klamath Basin was a phenomenal producer of trout, salmon, and suckers, and all three will benefit tremendously from the restoration work that settlement will bring. Along with the ecosystem benefits come economic benefits to the Tribes. Many jobs and business opportunities will be generated by the restoration funding that comes to the area.

Is settlement the best way for the Klamath Tribes to provide a healthy future for our people and our homeland? Only the General Council can make that decision, and it is a serious decision that requires careful thought. The most current draft of the settlement agreement can be obtained from Torina Case, Tribal Secretary, at the Tribal Administration Office in Chiloquin. Since the agreement itself is a large document filled with difficult to understand legal language, the Tribal Council has prepared a summary document that details all the important aspects of the settlement in a much more understandable way. At present, it appears that the Tribes will be asked to make a final decision on the settlement agreement in early January. We ask that Tribal members take the time to read the summary document, dig into the settlement agreement itself, and come to a clear understanding of the decision you will be asked to make in January.

Notice: the budget figures reported here are subject to some change as the settlement agreement draft approaches finalization. We believe they will change little at this point, but it is possible and we do not want to mislead Tribal members.