We'll Reap What You've Sown

March 5, 2013

Dear Irrigators,

Beginning in 2003, and culminating in April of 2010, seven years of negotiation between the U.S., the CSKT and the FJBC produced a historic agreement, leading to the transfer of the Flathead Indian Irrigation Project (FIIP) from BIA to local control. This local control provided for shared management between the FJBC and CSKT. By nearly all accounts, this transfer worked extremely well from April of 2010 until June of 2013. More work on canals, structures and ditches was done in those three years by the locally operated Cooperative Management Entity (CME) than had been done in the previous thirty years by BIA. Costs were under control, professional managers were hired, and wages were brought in line with local conditions. Unfortunately, all of this is coming to an end. Why?

In May of 2013, the Western Montana Water Users (WMWUA) and "Concerned Citizens" seized control of the FJBC and appointed four new FJBC members to the CME. These new members proved to be anything but 'cooperative'. They immediately began a program to turn the CME from an irrigation management board to a politically driven organization to fight against a proposed Flathead Compact and a Water Use Agreement for the FIIP. After June of 2013, nearly every CME meeting turned into a 'gotcha' game played by the FJBC members of the CME, designed to tear down FIIP management, and minimize CSKT involvement. The FJBC appointees were out to prove that this was 'their' irrigation project and they would not accept the fact that the CSKT were equal partners.

Alarmed by this and by the direction the FJBC was taking with respect to the Compact and Water Use Agreement, the Mission and Jocko Valley Irrigations Districts voted to withdraw from the FJBC, earning them the ire of the Western Montana Water Users and the FJBC. In fact, those two parties filed almost a dozen suits, motions or actions against the two smaller districts, requiring them to answer and driving their legal fees into the stratosphere. With two of the districts withdrawing from joint operations, the FJBC ceased to exist in December of 2013.

In preparation for the dissolution of the FJBC, the U.S. approached the individual irrigation districts and the CSKT with a proposal to continue the FIIP operation under the CME. Several meetings were held with all the parties, beginning in early November 2013. In an email to all the parties dated February 18, 2014, the U.S. said: "As we discussed at the January 24th meeting in Missoula, time is of the essence and in order to have enough time to ensure adequate time to implement an operations plan for 2014, it was necessary for the parties to determine by February 7 whether the proposed Agreement in Principle was acceptable to the three irrigation districts served by FIIP and to the CSKT. As of February 10, BIA had heard from the Mission and Jocko Valley Irrigation districts and the CSKT that they were prepared to proceed with the proposed Agreement in Principle. We later learned that the Flathead Irrigation District had rejected the proposal. Because there was not unanimous support for the proposed Agreement in Principle, it has become necessary for BIA to proceed with other options for securing operations of the FIIP. We will be providing more details in the near future." [Continued on next page]

While the <u>CSKT</u>, <u>Mission and Jocko irrigation districts all agreed</u> to accept the 'Agreement in Principle', <u>which would have left the FIIP under local control</u>, the Flathead Irrigation District (<u>FID</u>) would not agree. Instead, at the insistence of attorneys for the WMWUA and the FID, they demanded a new 13 member CME, made up of 8 FID members, 2 Mission irrigators, 1 Jocko irrigator, and 2 members appointed by the CSKT. This is nothing more than a litigation position being imposed upon all FIIP irrigators by attorneys for the WMWUA and FID. So where does that leave us?

The U.S., acting through BIA, is reassuming control of the FIIP. All CME/FIIP employees are being federalized, complete with federal pay scales. All CME/FIIP property is being re-tagged as U.S. property. Due to past criticism that they did not keep the FIIP adequately repaired, BIA is likely to insist that O&M rates be set at a level to begin returning the FIIP to a reasonable operating status. With employees paid at a federal pay scale, with federal acquisition and employment practices, and with a need to begin repairing a badly dilapidated irrigation project, irrigators can expect O&M rates to climb to \$35/acre or more, by 2016, just to maintain the level of maintenance and work started and carried on by a much leaner operating CME from 2010-2013. On top of that, irrigators will be asked to fund even more litigation. (The FID has already hired a second lawyer).

All of this is because irrigators have remained silent, unwilling to speak out against people who have been sowing seeds of discord and discontent with respect to operation of the FIIP. These radical few have refused to accept over \$100 million State and Federal dollars to repair the irrigation project. They have refused to accept a guarantee of a secure, reliable supply of water—at least as much or more than they are using now. Instead, they work to diminish Tribal involvement, promote conspiracy theories about the U.S. motives, engage in revisionist history and continue to make outlandish claims, unsupported by any court of law. With the seeds of discord and discontent sown by these radical few, all irrigators are going to reap higher costs and less water—much higher costs and much less water.

Wake up irrigators! This is your future that the WMWUA and Concerned Citizens are sowing. What do you want to reap?

Sincerely,

Alan & Lynette Mikkelsen
Jack & Beverly Horner
Harley & Sharon Coleman
Vern & Barb Stipe
Rocky Schock
Mary Stranahan
Jack & Susan Lake
Mark & Carol Castor
Rodd Richardson

Wayne & Maccine Scammon
Jack & Claudia McCready
Chuck & Doris Stipe
Larry & Dee Coleman
Jerry & Valerie Johnson
Glenn & Karen Raisland
Roy & Evelyn Lake
John & Lydia Fleming
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