



The Strength of a Nation

A Voter's Briefing Guide to The Cherry Point Project



"We shall live again; we shall live again."

COMANCHE GHOST DANCE SONG



A VOTER'S BRIEFING GUIDE TO THE CHERRY POINT PROJECT

This guide is about the opportunity, risk, questions and possibilities surrounding the Cherry Point Project. It includes a brief review of important information gathered over more than five years of study.

However, for the Lummi people to make the important decisions that lie ahead, it is not enough to simply review a few facts, make an emotional judgement and then cast our vote. Rather, we need to understand the facts and the options before us within the context of who we are as a people, and what we want to be; to see where we are as a people, and where we want to go.

Consequently, this guide does not simply present the facts of the Cherry Point Project, but also attempts to describe the challenges we face; the vision of the Lummi people; the responsibilities of government; the role of Economic Development; and the process that the leadership has used to come to a clear understanding of the Project before presenting its findings to the people.

This guide is an important part, but by no means an end to that process. It is the hope and intent of the Lummi leadership that when the time for decisions comes, the Lummi people will make them with knowledge, with vision and with the strength of our Nation.



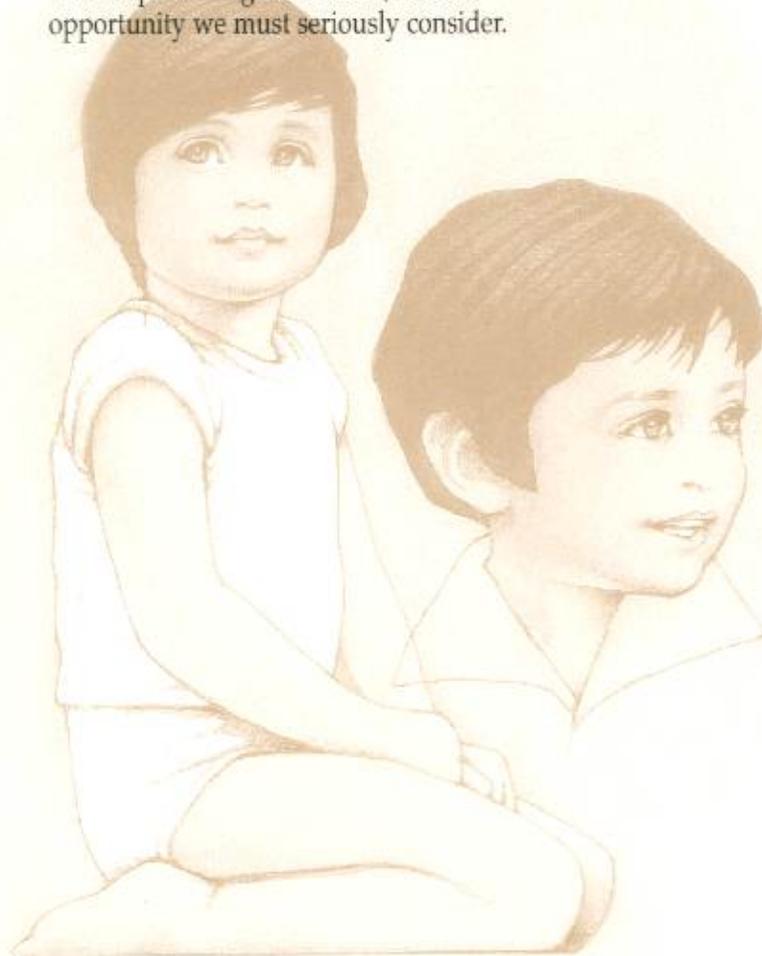
THE CHALLENGE

The world we live in today is not the world of our ancestors. Our people face adversity as great as any we have known. Yet, we also see on the horizon a world of untapped possibilities.

Soon, we will be called on to make important decisions about a project that poses both opportunity and some risk for our Nation and for off-Reservation interests. These decisions will not be easy because not all of the answers will be certain; indeed, not all of the questions will be known. But if our Nation is to be a respected player in the growth management and development issues that will shape our region's future, it is an opportunity we must seriously consider.

Like crabbers setting their pots or fishermen casting their nets, we will need to be patient. Persistence and timing will be important to our success. If we are careful and work hard to avoid mistakes, we stand to enjoy a bountiful catch. It is a catch of **self-sufficiency** and pride; of increased confidence in our ability to govern ourselves. It is a catch of economic strength and respect; respect from within and from outside our territorial borders.

This great bounty will not leap into our nets. We must actively pursue it, and move boldly to capture it for ourselves and for our children.



OUR VISION

To preserve the wisdom of the past: sustaining the legacy of our ancestors, remaining true to ourselves and to our culture, our core values, and continuing to define and preserve what it means to be Lummi.

To protect the values of the present: meeting the responsibility of self-governance, exercising and defending our treaty rights, strengthening our geographic integrity, enhancing our cultural and natural resources and increasing our prosperity and economic vitality.

To build the foundation for a better future: ensuring the health and prosperity of future generations, expanding business opportunity and benefits and improving our quality of life through education, economic diversity and growth.



WHAT IS THE CHERRY POINT PROJECT?

The Cherry Point Project is just one part of a large industrial park that is taking shape north of the Lummi Reservation. The park is located inside a 7,000-acre area designated as an Industrial Development District. Within this District, development is subject to careful planning and uniform regulatory standards.

About 30 percent of the park is already in use — the home of the ARCO and TOSCO refineries, Tenaska power plant and the INTALCO aluminum smelter. These companies each operate their own shipping docks. A fourth dock, also belonging to ARCO, received a permit (including Lummi approvals) in 1993 and is ready to be built. There is capacity in the park for one additional dock.

This fifth and final dock would be part of a development officially called the Gateway Pacific Terminal (GPT), but more familiarly known to the Lummi as the Cherry Point Project. The Project is proposed by a company called Pacific International Terminals (PIT), which is itself a joint venture between two highly respected international firms, Stevedoring Services of America and the James Pattison Group of Canada.

PIT proposes to build this state-of-the-art complex for shipping bulk cargo commodities, such as grain and iron ore, overseas.

Cherry Point is an ideal location because the site is the last remaining natural deep water site on the West Coast of North America, and no dredging would be required.

The complex would include a dock for berthing, loading and unloading ships and barges, an upland terminal facility for storage of bulk cargo, and an approach trestle connecting the dock to the storage area. This area would be equipped with modern conveyor handling systems and a railroad for moving materials between ships, dock and terminal.

The dock would be located between the ARCO and INTALCO docks, and would have the capacity to accommodate three vessels ranging in size from 60,000 to 250,000 deadweight tons ("Panamax" and "Cape Size") and six barges. This 24-hour-a-day facility could move an estimated 8.2 million metric tons of material every year, averaging about three ship movements per week.

The Cherry Point Project would be built and operational within three years after all permits (county, state and federal, including Lummi Nation), are obtained.

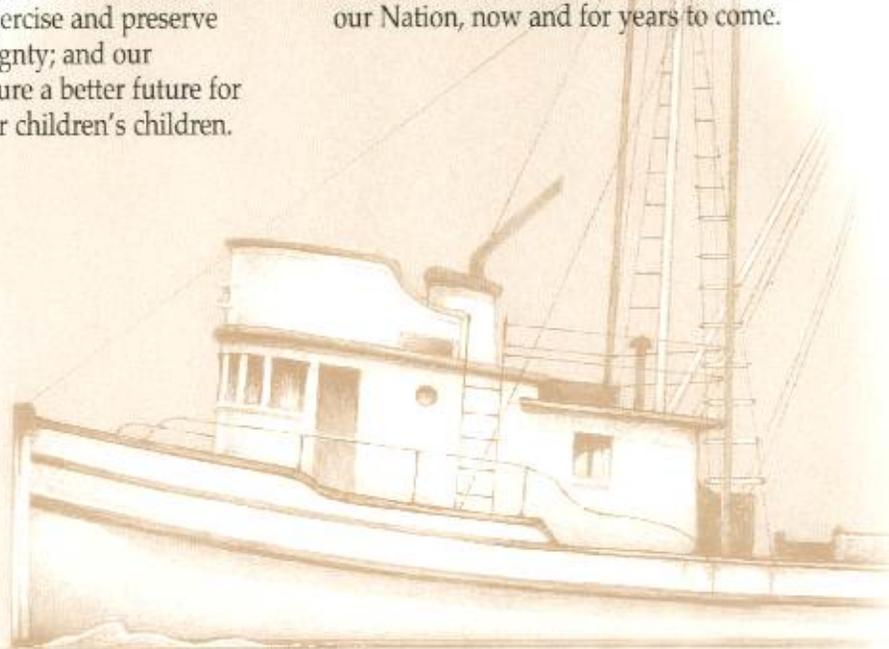


GUIDING PRINCIPLES

All of a nation's important decisions must be made within the context of the values of its people. From the beginning, Lummi leaders studying the Cherry Point Project have been guided by the values of our people — our heritage of life in harmony with the sea and the Earth; our stewardship responsibility for the environment; our history of making a livelihood from natural resources; our belief in the importance of honor and trust; our need to exercise and preserve our national sovereignty; and our responsibility to secure a better future for our children and our children's children.

These are the values of our people, and of our ancestors. These are the principles that make our nation strong. We know that if we ignore or compromise them, our efforts will ultimately fail. We cannot and will not allow that to happen.

It is important for all Lummi to keep these principles in mind as we consider the facts, potential benefits and risks of the Cherry Point Project and prepare to make decisions that will have great impact on our Nation, now and for years to come.





THE ROLE OF GOVERNMENT

Seeking Opportunity, Gaining Influence

As a self-governing sovereign, our Nation has important governmental responsibilities. If we fail to meet these responsibilities, the very meaning of "government" is diminished, and we lose much, if not all, of what a Nation truly is. One of the most important responsibilities of government is to examine all opportunities that might advance the Nation's goals, both on and off the reservation.

Today we live in what is called the Cascadia Corridor — a vast region encompassing the Pacific Northwest and southwestern Canada that is quickly becoming an important global center for the computer revolution and international trade. To be influential in this region (to maintain our "seat at the table") the Lummi Nation must forge relationships with the many players that will help guide its development. Only in this way will the government be able to fulfill its responsibility to add value to the Nation's assets and to realize the full potential of economic development, investment and prosperity.

Fairly Enforcing The Laws

The Lummi government also has a responsibility to establish and to fairly enforce the Nation's laws — even, sometimes, off the reservation. For example, we have a responsibility to participate in the permitting process for siting of commercial or industrial projects in the Strait of Georgia waterway, where the Nation has "reserved rights of commerce," including the right to fish.

Because this waterway is not exclusively a Lummi asset, decisions on how to use or treat it must consider the interests, laws and legal procedures of the other sovereigns with whom we share responsibilities.

Managing Impacts of Development

The government also plays a significant role in managing, reducing or eliminating the impacts of future development on both our human and natural resources, and in ensuring that Lummi Nation Treaty rights are not infringed upon or violated.

Lummi Rights In the Strait of Georgia

At the time of the Treaty, salmon was the center of commerce for the Lummi — in fact, of all commerce in the region. For this reason, we believe the Treaty implies broad protection of the Tribe's rights, not only to fish, but to wider commercial enterprise in the Strait. This may include navigation; transportation; shipping; ocean energy; pollution controls; submarine activities; shoreline development; communications; minerals; nutrients; scientific research; and platforms and installations in the waterways.

To ignore these broader activities would significantly weaken our Treaty rights. We must also be certain that the exercise of our rights does not spoil the abundant resources for future generations.



The Obligations of Leadership

• By definition, leaders must think ahead of current events — anticipating problems and preparing solutions for the future. They must see issues not solely from the perspective of short-term special interests or concerns, but try to understand the bigger picture — how today's actions (or inaction) will affect people years into the future.

• Leadership means caring about people and about a positive environment for the community. It means fostering mutual understanding and building constructive relations with the external community. It means being graceful, fair and responsible.

• Leadership means having the courage to accept responsibility for decisions; being accountable for the Nation's actions. It means teaching, guiding, setting examples and offering a vision of the future that others will be eager to follow.

• Leadership means laying the foundation for economic opportunity, stability and prosperity. It means working toward a future that guarantees revenue to the Government to provide the kind of services, social programs and law enforcement that the Lummi Nation deserves; a future that guarantees a place for all Lummi citizens in a thriving, healthy environment.





THE ROLE OF ECONOMIC DEVELOPMENT

Today, our people recognize that economic strength is the means to attain self-sufficiency, preserve our sovereignty and determine our own destiny in the modern world. That is why the Lummi Indian Business Council created the Economic Development Department (EDD).

The EDD exists, in part, to position the Nation to secure diverse employment opportunities and better livelihoods for our people. It also exists to help create new sources of revenue for the Tribe. The EDD's job, then, is to determine how the Nation can effectively enhance or add value to its assets, preserve and protect them, and at the same time use them to generate revenue, create economic opportunity or otherwise provide benefits for the Nation.

The EDD must also work cooperatively with many interests to cultivate the spiritual, social, cultural, educational and environmental needs of our people. Only this combination of

economic growth with cultural respect will allow us to peacefully co-exist with those around us in pride, confidence and strength.

Finally, the EDD has also served as the coordinating center for processing permit applications for commercial projects like Cherry Point — projects that require the Nation's permission for development of shoreline-dependent industrial activities. Among its duties, the EDD provides procedural coordination and support to the Core Team which manages the permit process, under supervision of the Lummi Indian Business Council Vice Chair and CEO.





HOW OPPORTUNITIES FOR ECONOMIC DEVELOPMENT ARE EVALUATED

In seeking new opportunities for the Tribe to grow and to become stronger through economic advancement, the Lummi government evaluates new projects, including Cherry Point, for their economic impact on the Nation in six key areas.

Return on Investment — The Lummi Nation seeks investments that provide both near-and-long-term benefits. Both cash flow and financial growth are important. Making sure that projects are viable and productive, and monitoring their compliance with laws, regulations and treaties, can be expensive. This cost must be factored into an analysis of return on investment.

Jobs & Scholarships — One of the primary economic development objectives of the Lummi Nation is to provide for the economic well-being of tribal members. We believe the surest way to achieve this objective is to provide scholarships, jobs and job training, which in turn open doors of opportunity for individuals to pursue their own educational and professional goals.

Business Opportunities — It is important to seek job opportunities for Lummi in the area economy. Equally important, however, is the creation of Lummi private enterprises that contribute to the long-term economic vitality and quality of life of the Nation.

Land — The Lummi continually seek opportunities to acquire land on and off the Reservation, both to build a long-term asset base and to participate in the conservation and growth of the region.

Environmental & Fishing Industry Protections — Given the Lummi Nation's long history as a fishing people and as environmental stewards, strengthening of protections for the environment and the fishing industry is a top priority. The Lummi seek to minimize impacts on the fishing industry while ensuring co-existence of fishers, shipping and other Treaty rights of commerce.

Cultural Enhancement — The Lummi Nation seeks cultural enhancement initiatives as a fundamental component of all economic development opportunities.



WORKING WITHIN A FRAMEWORK OF LAWS

A fair government cannot carry out its responsibilities arbitrarily. It must exercise its powers within certain standards and guidelines to the extent permissible by law and in accordance with the policies and goals of the Nation.

All Lummi have certain rights and freedoms, exercised through laws that define permissible actions and the rules under which they may be conducted. In many cases, these laws apply to anyone who lives or performs certain activities under the Nation's umbrella or within her Lands.

Even if the Lummi people choose not to participate directly in the Cherry Point Project, construction of the Gateway Pacific Terminal dock requires Lummi Government licensing and permit approval because it involves activity within our territorial waters.

Certain activities are so important to public health, safety and welfare that they require the Nation to issue licenses and permits designed to protect the public interest.

These are essentially legal contracts, issued for a set period of time. They require the licensee to conduct activities according to established rules and standards, or risk losing the license or permit.

There are important criteria defining when the Nation may exercise, or may be required to exercise, its authority to issue or reject permits. They include circumstances in which:

- The activity occurs within the territory of the Nation and/or involves the Nation's resources interconnected with other territories.
- The Lummi public health, safety and welfare are at stake.
- There are Lummi laws in place imposing government conditions on the activity.

Currently, the Lummi exercise their jurisdiction over such activity at the Federal level through the U.S. Army Corps of Engineers.

It is the orderly process of abiding by the laws, complying with standards and fairly enforcing regulations that helps to define a responsible government.



FOLLOWING THE PROCESS

Determining whether an activity such as the Cherry Point Project will receive Lummi permission is not as simple as issuing a fishing license. It is neither a hasty nor an arbitrary process. In fact, it is exceedingly complex and time consuming, because every potential benefit and risk to the Nation must be carefully analyzed.

To ensure fairness, all permit requests, including those associated with the Cherry Point Project, are considered through an orderly administrative process. This process includes three basic elements: Due Diligence, Critical Path and Management.

Due Diligence

Due Diligence refers to the period during which a proposed project or activity is formally considered. There are three phases to Due Diligence:

Phase One: Research and Study

The Research and Study phase involves gathering as much detailed and accurate information about the project as possible in every area where standards must be met. This phase can take months or years, depending on the scale of project and its complexity.

The Lummi government has been studying the Cherry Point Project for five years.

Phase Two: Evaluation and Assessment

As information begins to accumulate from the Study Phase, thousands of questions must be answered and

uncertainties resolved. For example, if a project does not fully meet a government-established standard, will it cause change? What kind of change? Is the change beneficial or harmful? If harmful, can the change be avoided, or modified in such a way that its harmful effects are reduced (a process known as "mitigation") or replaced with something better? What are the potential benefits and risks of acting? Of failing to act?

During this phase, which can also take months or years, every significant impact of a proposal on the Nation must be considered and carefully assessed, using all available facts, evidence, experience, judgement and instinct. In all cases, regardless of the specific type activity, any project proposal must do the following:

1. Assert or strengthen, not abridge or weaken, Treaty rights.
2. Enhance, not jeopardize, the Lummi Nation's economic security.
3. Strengthen and protect, not threaten, the Nation's environmental security.
4. Maintain or increase, not weaken or diminish, the Nation's geographic integrity.
5. Strengthen and enhance, not weaken, the Nation's cultural integrity.



Phase Three: Public Comment and Decision

In the final phase, Public Comment and Decision, all of the information gathered and its analysis and assessment are compiled and presented to appropriate decision-making bodies, including committees, commissions, departments, the LIBC and the General Council.

Feedback from the General Council representing the public interest is an extremely important consideration in every decision, and often, the determinant of a government decision.

Critical Path

Because the Cherry Point Project impacts resources that the Lummi and other governments share in common, *our Nation cannot, by itself, approve or disapprove it*. Rather, it must go through three levels of permitting — county, state and federal — and each level has its own strict government standards of performance and compliance.

This process must follow a “critical path” — an exact protocol involving more than 100 permits covering 50 different laws, acts, conventions and agreements, and 25 different agencies, commissions, councils and authorities!

The Lummi government approves or denies a permit at the federal level, with the U.S. Army Corps of Engineers acting as its administrative agent. If the project fails to meet standards at any level, mitigation is required. If mitigation can resolve a problem, it is attached as a condition to the permit, enforceable by law. If mitigation cannot resolve a problem, the permit is denied.

Management

Cherry Point represents a commercial project of enormous complexity. Just a few of the many issues involved are Treaty rights and responsibilities, legal standing, real estate, legal contracts, financial models, engineering and design, environment, etc.

With its expertise in managing commercial development and other complex projects, the EDD serves as the Lummi government’s coordinating center for managing our Nation’s portion of the multi-jurisdictional permitting process.

EDD develops the project control plan; helps coordinate the permitting process, provides technical support and contractor procurement; recommends evaluations to be conducted; and studies and develops business terms for the project in cooperation with other Lummi departments (organized as a “Core Team”). All information is brought to both the LIBC and General Council for final determination of the Nation’s position on the project.



How Mitigation Works

If government rejected every proposal that initially had some negative elements, no proposal would ever succeed. A responsible government looks for ways to correct negative elements, or to replace them with something just as good or better. This concept of correcting a problem or negative impact by making up for it in some other way is known as "mitigation."

Here's an example how mitigation might work:

- Situation:** Today, ships and tugs plying the waters near Cherry Point often pull up crab pots and gear. This can be very costly to some of our people.
- Proposal:** The Cherry Point Project would involve construction of a new dock.
- Study:** Studies determine that a new dock would mean more ships and tugs in the Cherry Point area which, in turn, could mean more lost crab pots and gear.
- Evaluation:** One answer would be to reject the proposal outright. Another would be to include provisions that would keep all new and existing ships clear from the crab pots and require owner compensation for lost or damaged gear caused by inadvertent or chance snagging.
- Decision:** Careful analysis suggests that if the provision could be achieved, the proposal might actually create a better situation for our crabbers than exists today.



THE NATION'S RESPONSIBILITIES AT CHERRY POINT

The Lummi government's participation in the Cherry Point Process has never been an option — it is a solemn and legal responsibility. To forsake this responsibility would be to surrender a critical element of sovereignty.

By Resolution #99-99 of the LIBC, the structure chosen to fulfill our responsibilities pertaining to the Project is a "Core Team," overseen by the Vice Chair's office, consisting of the Vice Chair, the CEO and representatives of the Natural Resources, Planning, Culture, Legal and Economic Development Departments.

Our Nation bears these responsibilities for many reasons, among them:

1. The Project proposes to use the waterways of the Lummi Nation's usual and accustomed grounds — more than 100 square miles in the Strait of Georgia, which are shared in common with other authorities.
2. The Lummi Reservation is adjacent to the industrial park and shares many environmental, habitat and water resource interests, creating a mandatory fiduciary responsibility in the permitting process.
3. The Nation has an obligation to ensure that decisions made by non-Lummi government agencies do not restrict our ability to exercise our rights and duties.
4. As a proprietor, the Nation has the right to determine what activities are permissible; what taxes, levies or fees will be assessed; and what measures will be required to maximize the Nation's property rights and add value to its assets.
5. Governments have a responsibility to protect the public health, safety and welfare within their sovereign territory. To this end, the Nation must also act as a regulator, setting and enforcing rules and standards for projects while still adding value to the Nation's assets.

The Nation's primary goal at Cherry Point therefore, is to assert its Treaty Reserved Rights and our authority in the Strait of Georgia by:

- Acting accountably as a self-governing sovereign within this multi-jurisdictional area.
- Exercising our self-governance duties responsibly, consistent with our laws and with reasonable regard to other sovereigns.
- Upholding people's faith in government by considering all things essential to the public interest and integrity of the Nation, both as a proprietor and as a regulator.

After evaluating project proposals, the Lummi government by law must do one of the following:

1. If the project meets standards:

- Grant a permit as long as the project continues to meet standards over time.

2. If the project does not meet standards:

- Decide whether it is absolutely unjustifiable without the possibility of mitigation and therefore, deny the permit.

3. If it partially meets standards:

- Decide what is acceptable with certain unavoidable impacts that can be "mitigated" to specific conditions that the Nation imposes; and thus, grant a conditional permit, with severe penalties and consequences for non-compliance.



GENERAL GOALS IN PERMITTING

The Lummi government has established the following general goals in the process of determining whether to grant a permit to the Cherry Point Project.

- Protect from risk and/or displacement all permissible Lummi maritime industries and their related activities.
- Ensure that other governments do not restrict the Lummi Nation's ability to exercise its rights and responsibilities in waterways that belong in whole or in part to the Nation.
- Ensure the Project complies with all environmental impact concerns in such principal areas as: hazardous waste, oil spills, dredging and dredge disposal, water quality, sediment quality, watershed management, alien aquatic nuisance species and threatened/endangered species.
- Ensure the Project meets all building codes established for man-made installations in waterways necessary to protect public safety.
- Ensure the ability to generate revenue from the use of the resource in a manner fair to all proprietors who share the resource in common.
- Ensure that all uses and activities in the marine environment advance policies in the following **five strategic goal areas**, whether or not there is any new development.





STRATEGIC GOAL AREAS

The Lummi government seeks to insure that all uses and activities taking place in the Strait of Georgia advance policies in the following strategic goal areas for the marine environment:

1. Prevention

- Reduce incident risk by installing an enhanced vessel traffic management system coordinated with Lummi fisheries.
- Install a superior response system for any possible accident, coordinated with Lummi fisheries.

2. Conservation

- Install an extensive long-term plant, wildlife and fisheries restoration program, including salmon and herring recovery.
- Set world-class water quality standards for the entire Strait of Georgia waterway.

3. Accountability

- Install a shared liability program among all users, so that no one user bears the sole financial burden.
- Contractually bind the financial duties and obligations of users in each strategic goal area.

4. Integrated Management

- Encourage the implementation of a convention on ocean and coastal zone development and management between all responsible jurisdictions, reducing the current fragmented and single sector approach.
- Develop and integrate solutions pertaining to other interrelated public interests such as upland development (wildlife, environment, and cultural-resources — including incident prevention measures), water supply, beach erosion, farm pollution and other sources, and river habitat restoration.

5. Future Generations

- Conduct on-going planning and scientific research related to ocean space and coastal zone exploration and utilization.
- Conduct long-term carrying capacity and sea use planning and analysis including a performance scheme.



PERMIT OBJECTIVES

In evaluating whether or not to grant a permit for the Cherry Point Project, the Lummi government has established 18 specific objectives.

Regulatory Objectives

- 1. Quality Vessel Traffic Safety** — An improved vessel traffic management system at Cherry Point, with designated approach and departure corridors, holding zones for tugs, barges and other vessels, and coordination between cargo traffic and Lummi fishing vessels.
- 2. Gear Loss Prevention** — Implementation of a gear loss prevention and recovery program, uniformly applicable to all dock owners, providing appropriate compensation to registered Lummi fishers and crabbers for gear lost or damaged at no fault of their own.
- 3. First Response** — Installation of a world-class oil spill prevention and rapid response program to reduce incident risk; a complete command center; staging barges and state-of-the-art clean-up equipment.
- 4. Species Replenishment** — Establishment of programs for restoration, replenishment and conservation of existing species, including artificial spawning grounds, production targets and schedules.
- 5. On-going Environmental Monitoring** — Ensured measurement, testing and ongoing evaluation of the project for environmental performance and compliance with Lummi and other standards.
- 6. Compliance with Highest Technology Standards** — Continuously upgrading of the facility with the latest techniques, materials, hardware, software and management supportive of the Nation's strategic goals.
- 7. Cultural Protections** — On-site representation during construction of all land and sea facilities and full compliance with Lummi cultural resource management standards.
- 8. On-going Scientific Research** — Establishment of an agenda for excellence, including financial commitments, supporting studies and on-going research needed to achieve the Nation's operating environment goals for the Strait of Georgia.
- 9. Safe Ship Operations and Business Practices** — Establishment of conditions for ship operations and a framework for accountability by the terminal operator.
- 10. Integrated Management** — An acceptable system of accountability and coordination between all levels of government in addressing all concerns relating to Project operations at Cherry Point.
- 11. Upland Development Coordination** — A system of joint coordination for handling regional problems and organization of an industrial development district and comprehensive master plan for neighboring communities.

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Regulatory Objectives *(Continued)*

12. **Integrate Acceptable Water Solutions** — Encourage cooperation with other jurisdictions to seek solutions for challenges to the ecosystem, including water supply and demand issues.
13. **Building-Codes Compliance** — Ensure that all public safety issues, including natural disaster impacts, are satisfactorily addressed. Comply with the highest standards established by approved codes and building laws across multiple jurisdictions.

How our objectives will be addressed “at the table”

The Lummi’s objectives will be addressed in a “non-binding letter of intent” between the Lummi Government and other partners in the Project. They would then serve as an agenda by which all parties would discuss the Nation’s permitting concerns in an orderly fashion.

Details of any final agreement between the parties would be carefully outlined in separate, legal, binding contracts or a conditional permit agreement. These contracts would limit the Nation’s risks and exposure, protect all rights guaranteed by Treaty, and ensure that both the Project’s developer and operator would comply with all Lummi standards, controls and regulations established for the Project in each objective area.

Revenue Objectives

14. **Access Fees** — Limit and regulate access, as reasonably possible, to special designated economic zones within Lummi waterways where we have reserved commercial rights and receive ongoing revenue for use of and/or access to the zone.
15. **Land Options for Commercial Purpose** — Purchase and ownership of significant amounts of land at Cherry Point, which could be developed for commercial purposes by Lummi companies or leased to others.
16. **Non-developable Land** — Acquisition and stewardship of additional lands on Cherry Point for cultural preservation and conservation placed in a Lummi land trust with public access to historical sites and select interpretive centers.
17. **Partnering for New Business and Associated Jobs** — Opportunity for Lummi business interests to enter into Cherry Point business ventures that would create more jobs and revenue for the Nation.
18. **Scholarships and Job Training** — Development of diverse and plentiful educational opportunities and job training programs.



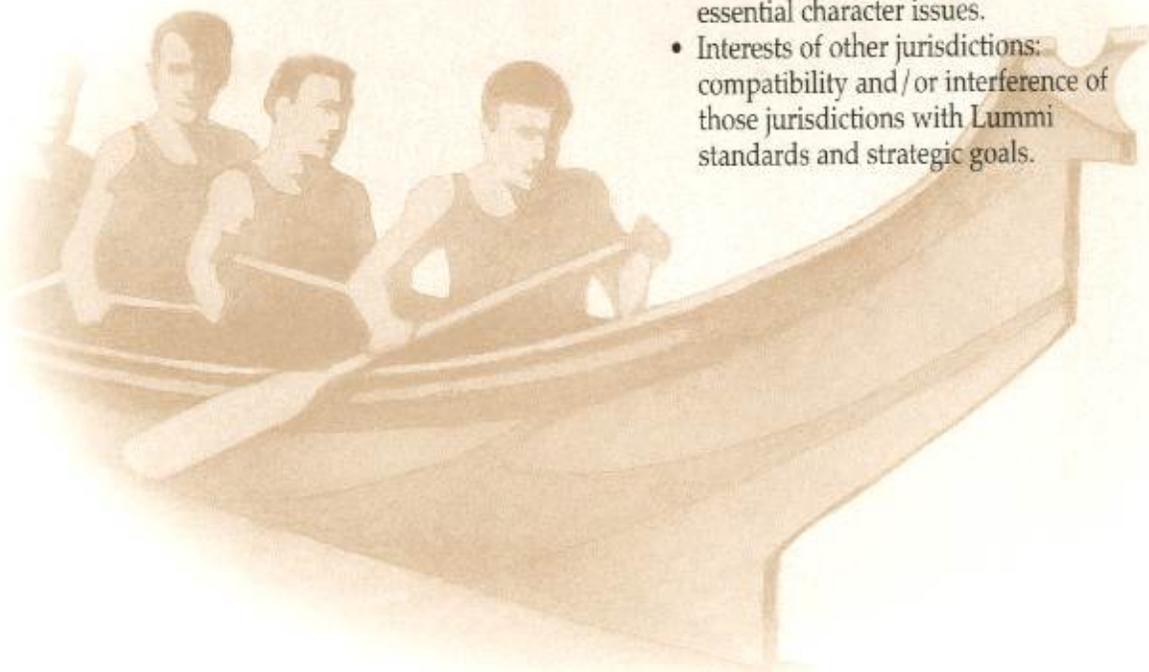
CONCERNS

The following are areas of concern that the Lummi Government has identified in the Study Phase of the Cherry Point permitting process.

Having a concern does not mean that potential problems cannot be avoided or mitigated — only that we must be aware of them and seek ways to ensure that they do not adversely affect the Nation's interest.

- The Project's draw on Lummi water resources; demand and use issues; availability and scarcity.

- Construction and public safety issues; performance and durability; natural disaster consequences.
- Pollution and impact on living resources; operations and ancillary activities; discharge and incident risks.
- Potential for disturbance to or displacement of existing and/or traditional industry uses.
- Potential diminishment or destruction of marine wildlife habitat: fish/mammal.
- Growth and encroachment on existing physical environment; congestion complications from increased ancillary activities; stress on overall ecology.
- Cultural disturbance consideration; national treasures and spiritual areas; identity retention and essential character issues.
- Interests of other jurisdictions: compatibility and/or interference of those jurisdictions with Lummi standards and strategic goals.





RISKS

No significant undertaking with potential rewards is without some risk. Because it is impossible to eliminate all risk, progress toward our vision requires that we carefully assess and manage risk to limit or mitigate it wherever possible.

The Cherry Point Project raises several kinds of risks.

Risks Out of Our Control — No matter how many preventive and protective measures are installed, there is always the possibility of a ship collision resulting in substantial environmental damage. That risk exists today. However, potential damage from an incident could be reduced if improved response measures are implemented as part of the Cherry Point Project.

Risk of Broken Contracts — No matter how many legally binding contracts are entered into by the parties, there is always the possibility that some part of an agreement could be broken. Contracts would have solid legal provisions built in, limiting the Tribe's

exposure and providing appropriate recourse and remedies if any provision were broken.

Impacts of Growth — No matter how carefully planned, a new shipping business will require many support activities. This will bring growth, people, homes, cars and traffic — drawing on already scarce resources and permanently altering the size, density and sophistication of the regional community. An increase in growth could cost local governments more money and require more services. It could, however, also mean increased revenue for government, resulting in improved or expanded public services such as education, health, housing, youth development and public safety.

Risk of Inaction

Sometimes, the greatest risk comes not from any action, but from a failure to act. Human history offers many examples of people who perished because they were unable or unwilling to anticipate challenges and adapt to a changing world.

- If we fail to aggressively exercise our treaty rights, efforts to weaken or destroy them may gain momentum.
- If we fail to actively manage our natural resources to their full potential, others may attempt to do so, eroding our ability to preserve and protect them.
- If we fail to act now to lay the foundation for a strong economy, good jobs and better educational opportunities in the future, we may be dooming future generations to a life of poverty and despair.
- If we cannot work in the spirit of partnership to resolve problems and find solutions, our influence on crucial regional decisions may disappear, leaving us at the mercy of outside interests or governments.



BENEFITS

If the Cherry Point Project can substantially achieve its permitting objectives, it then holds potential to yield significant benefits to the Lummi Nation.

Strong Economic Opportunities — By creating Lummi businesses, the Project would produce direct revenue, new jobs and job opportunities. Training programs would qualify Lummi citizens to compete for jobs with other Project companies. Revenue generated within Lummi economic zones would support social and public interest programs.

Strong Assets — By viewing our marine assets within an economic, as well as an environmental and cultural framework, the Nation would realize much of their previously untapped potential.

Strong Fishing Industry — The Project would produce a world-class operating environment in the Strait of Georgia, including improved vessel traffic management; long-term carrying capacity planning; new oil spill and ship collision prevention and response integrated with Lummi fisheries; new regulations reducing the potential for gear loss while providing fisherman relief; unprecedented marine species replenishment and management programs; and collaborative maintenance of mandatory water quality standards.

Strong Sovereignty — The Project would recognize and respect the Nation's Treaty rights not only to fish, but to all of the commercial opportunities that the waterways provide to the Nation. That acknowledgement would strengthen our national Sovereignty.

Strong Environmental Protection — Through recognition of our environmental and water quality standards, the Project would help the Nation evolve as a strong center of environmental responsibility and balanced growth.

Strong Culture — The Project would be a catalyst for uniting Lummi with differing viewpoints. It would solidify our position of unique historical and cultural significance. It would allow the financing of many lasting cultural programs and measures advancing Lummi core values and essential Indian character.

Strong Partnerships — We would be full partners in an historic effort to create a regional gateway for trade and prosperity in many communities. Through the strength of our leadership, we could be respected as the conscience of that effort, and show that Lummi values can be of benefit to all.

Strong Neighboring Community — For the first time in its history, the Lummi Nation would exert its leadership as a coastal Nation of distinction. Through our stewardship, the Cherry Point industrial complex would evolve as a model community.

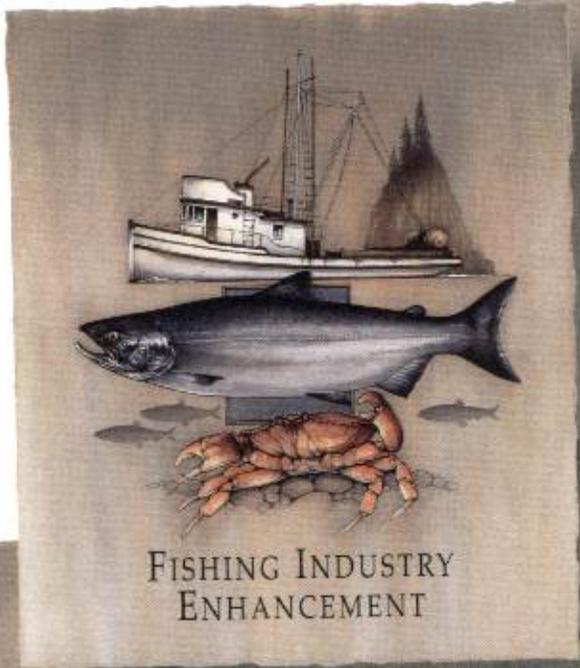
Strong Facility — The Cherry Point dock and marine terminal would introduce 21st century state-of-the-art technology and marine practices that would serve as a new standard of excellence for environmental protection, ecological harmony and community collaboration.

Strong Lummi Nation — The Project could mark the beginning of a new era of self-governance for our Nation, allowing us to become an indispensable part of a growing regional community. Our seat at the table would strengthen our influence on decisions that will affect our many values.



CHERRY POINT PROPOSAL: SEPARATING RUMOR FROM FACT

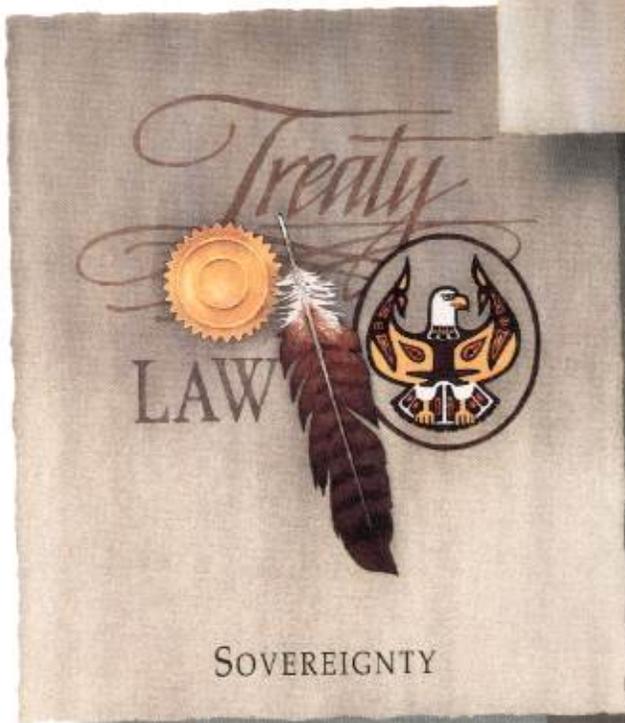
RUMOR	FACT
1. We are "selling away" our Treaty rights.	Our Treaty rights are not for sale. Participation in the Project would strengthen them.
2. We will destroy our fishing industry.	Fishing has always been an important part of the Lummi way of life, and always will be. The Project would offer significant protection for our fishing industry.
3. We will destroy our environment.	Not all environmental impacts are bad. Those that might pose harms can be limited or mitigated.
4. We will undermine our way of life.	Our way of life is currently undermined by economic uncertainty. The Project can help to secure our values for future generations.
5. Only a few will benefit from the Project.	The Project presents genuine opportunity for all, but no guarantee for any individual.
6. New, better jobs are speculative at best.	Our survival as a Nation is speculative without economic strength. Binding contracts would guarantee some jobs and create opportunities to generate more.
7. The deal has already been approved.	There is no deal in place and any decision on one requires General Council approval.
8. The opinion of the people doesn't really matter.	The <i>informed</i> opinion of the people is vital, but misinformed opinion based on rumor or fear, instead of fact, is harmful to the Nation.
9. The LIBC hid the Project from the people.	The LIBC has gathered facts and is presenting them to the people in a timely, responsible manner.
10. We have sold out to big business.	We are attempting to strengthen our power and influence in the broader community by seeking partnerships that give our nation a "seat at the table."
11. It's happening too fast, all at once.	The LIBC has been studying the Project for approximately five years, in order to present accurate, meaningful facts to the people. If approved, the project would be implemented over the next two decades.
12. We won't own the dock.	We would share in benefits of owning the dock without exposure to all of the risks.
13. We're not protecting our cultural assets.	The Project must meet standards as set forth by the Lummi Cultural Resource Management Plan pertaining to off-Reservation projects.



FISHING INDUSTRY
ENHANCEMENT

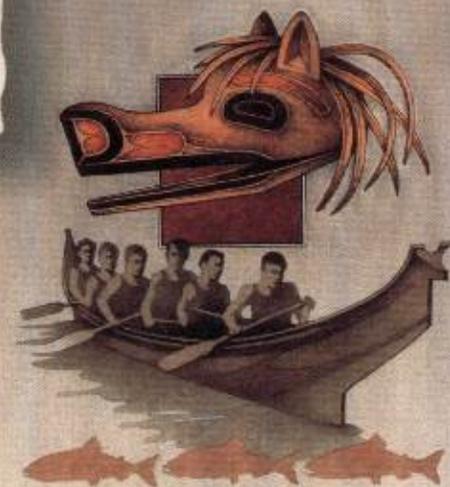


ECONOMIC



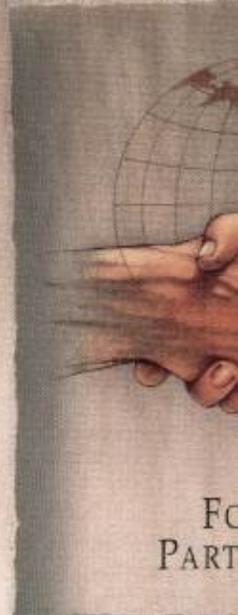
LAW

SOVEREIGNTY



CULTURE

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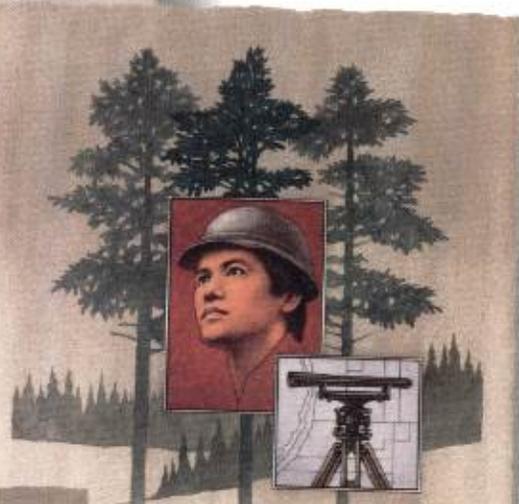


OPPORTUNITY



ENVIRONMENTAL PROTECTIONS

FERRY PROJECT



LAND



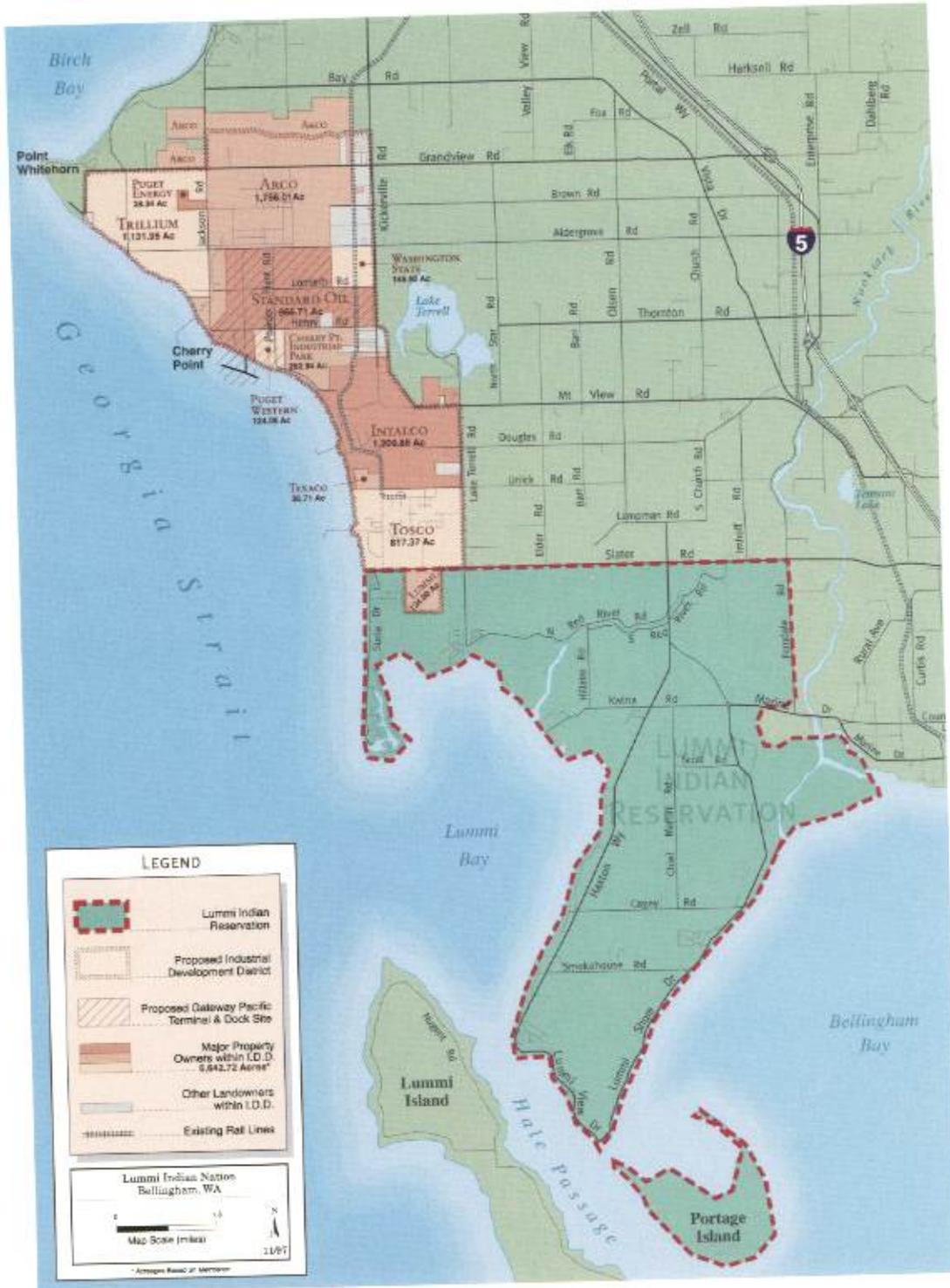
GING
ERSHIPS



FUTURE GENERATIONS



PROPOSED INDUSTRIAL DEVELOPMENT AT CHERRY POINT





GET READY TO VOTE

Every Lummi has a right to criticize, but an equal duty to contribute. It is easy to say “no” — much harder to find workable solutions. While the Cherry Point Project contains some risk, we believe it also holds great potential.

If we agree to the Cherry Point Project, we will be saying:

1. Yes, the Lummi Nation should have firm and high standards surrounding the development of offshore installations in shared territorial waters of the Nation.
2. Yes, all offshore installation projects must be able to comply with the Nation’s laws and meet the Nation’s standards surrounding the Project, either independently or through acceptable alternative solutions.

3. Yes, the Lummi Nation must exercise continual due diligence to ensure compliance and enforcement of the Project and operations throughout its existence.

Soon, you must decide if the framework and approach to the Cherry Point Project is the kind of action that you are proud to see and which represents the action of a responsible and self-governing Sovereign, the Lummi Nation.

A decision for the future

Your decision will be among the most important our Nation has ever made.

Like all families, we are made up of individuals with many differences. When our families unite to face important decisions or great challenges, our differences become small. The things we have in common become our strength.

Seek that strength in the days and months ahead. As you learn more about the Cherry Point Project, do your best to separate fact from rumor. Ask many questions and consider the source of answers. Listen carefully to comments and claims. Most important, talk about the Project with your friends and family.

We will make this decision together. For in that unity and determination lies the strength of our Nation.

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together. For in that
unity and determination lies the
strength of our Nation."*



