

**RESOLUTION OF THE
WHITE MOUNTAIN APACHE TRIBE OF THE
FORT APACHE INDIAN RESERVATION**

- WHEREAS,** the FATCO Board of Directors has authorized FATCO General Manager, Carl Alsup, to expend part of the Fort Apache Timber Company's reserve account to remodel and retool the small log mill in order to allow the mill to process timber with a five inch top; and
- WHEREAS,** currently the small log mill can only process a seven inch top; and
- WHEREAS,** retooling the small log mill to take a five inch top may eliminate up to twenty percent of the slash presently left in the Tribe's forests, thereby reducing fire hazard, cost of slash work, and cost of fire control; and
- WHEREAS,** the overrun at the small log mill is presently about 10%, and retooling the small log mill will result in an estimated overrun of 80% ; and
- WHEREAS,** based upon a feasibility study conducted by an outside consultant, FATCO management estimates that the \$1.4 million necessary to remodel the small log mill will be paid back within six months of said investment; and
- WHEREAS,** remodeling of the small log mill will result in a shutdown of the small log mill for approximately three weeks and employees of the small log mill will be transferred to the large mill until the small log mill is ready to go into operations; and
- WHEREAS,** after remodeling there will be no lay-offs of personnel, except for five temporary hires now working the half night shift, but two employees of the five employees will be retained at the small log mill; and
- WHEREAS,** the estimated commencement time for remodeling will be on or about March 15, 1997, with completion by early August, 1997, if approved by the Tribal Council; and
- WHEREAS,** the Tribal Council concludes that remodeling the small log mill will allow greater utilization of individual trees, will reduce slash, increase profits at the small log mill, maintain employment, and reduce the cost and hazard of fires in the forests due to the accumulation of slash; and
- WHEREAS,** the Tribal Council concludes that approval should be granted to the FATCO Board of Directors and General Manager to utilize up to \$1.4 million of the FATCO Reserve Account to remodel the small log mill for the purposes outlined herein.

Resolution No. 03-97-053

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby grants approval and authority for the FATCO Board of Directors and its General Manager to remodel the small log mill as described herein and to withdraw \$1.4 million from the Reserve Account for that purpose.

BE IT FURTHER RESOLVED by the Tribal Council that within 90 to 120 days after completion of the remodeling of the small log mill, it shall expect a report from the FATCO Board of Directors and General Manager of any increases in the overrun achieved by the remodeling.

The foregoing resolution was on March 13, 1997, duly adopted by a vote of eight for and zero against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by the White Mountain Apache Tribal Constitution, including Article IV, Sections 1 (a), (i), (s), (t) and (u) of the Constitution of the Tribe, ratified by the Tribe on September 30, 1993, and approved by the Secretary of the Interior on November 12, 1993, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).



Chairman of the Tribal Council



Secretary of the Tribal Council