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

- WHEREAS, the 1991 2000 Forest Management Plan, White Mountain Apache Tribe, recommends thinning for stand density management and overall forest health in all sizes classes of trees in managed timber stands; and
- WHEREAS, no stumpage rate for material from small diameter trees (less than 10" dbh) has been set by the Tribe; and
- WHEREAS, until recently, no market or supplemental funding has existed to support harvest or disposal of products from small diameter (dbh 10" and less) trees removed from such thinning operations; and
- WHEREAS, the Federal government has responded to a nationwide need to thin forest stands of small diameter trees by providing significant funding to the Department of Interior for fuel hazard reduction projects to reduce the hazard of catastrophic wildfire to forest/urban interface communities; and
- WHEREAS, this fuel hazard reduction funding will be available to the White Mountain Apache Tribe through the Bureau of Indian Affairs at a significant level for approximately three to five years henceforward and these funds can facilitate employment of Tribal members in thinning projects and developing markets for wood products from small diameter trees as well as accomplish forest management objectives for density management and forest health; and
- WHEREAS, markets for products from small diameter trees such as poles, posts, vigas, latillas, mulch, etc. are limited in scale and subject to strong competition from fuel reduction projects on adjacent National Forest and private lands; and
- WHEREAS, the White Mountain Apache Tribe, Tribal Forestry Department and the Fort Apache Timber Company have begun to develop market outlets for these products from pilot projects on the Reservation and a zero rate stumpage for this material would facilitate sale and removal of small diameter trees and foster the development of new products and job opportunities for the Tribe; and
- WHEREAS, the Beck Group Report analysis of the Fort Apache Timber Company recommends a zero stumpage trial for this size material to improve forest health and growth, provide an economic small log to FATCO and expand employment opportunities;
- WHEREAS, the White Mountain Apache Tribal Forestry Department recommends a zero stumpage rate to facilitate removing thinned material to reduce smoke from burning

in addition to the Beck Group recommendations, but recognizes that any realized revenues from products sold through Tribal Forestry should accrue as stumpage to the Tribe with 10% forest management deductions as provided under the White Mountain Apache Natural Resources Code.

- BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby establishes a base stumpage rate of \$0.00 per ccf for any and all products from small diameter trees (less than 10" dbh) removed from timber sales, thinning or fuel reduction projects on the Fort Apache Reservation and purchased, marketed or brokered by the Fort Apache Timber Company or the Tribal Forestry Department except that revenue realized from products sold or marketed through the Tribal Forestry Department would be paid to the Tribe as stumpage with 10% forest management deductions.
- **BE IT FURTHER RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that gross revenues from these small diameter tree products marketed or brokered by the Fort Apache Timber Company shall be accounted for and specifically exempted from the 1% Central Tribe Expense and 3% Enterprise Privilege Tax payments to the Tribe.
- **BE IT FURTHER RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that this stumpage rate for small diameter trees will remain in effect until rescinded or modified by the Tribal Council.
- BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that removal of products from small diameter trees will not exceed the annual allowable cut of 42,642 cords for those products as described in the 1991 2000 Forest Management Plan, White Mountain Apache Tribe.

The foregoing resolution was on <u>January 5, 2001</u> duly adopted by a vote of <u>FOUR</u> for and <u>ONE</u> against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (b), (f), (h), (i), (s), (t), and (u) of the Constitution of the Tribe, ratified by the Tribe 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).

FEB 14 2001 ACTING Waynet Balla Chairman of the Tribal Council

Secretary of the Tribal Council