

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

WHEREAS, Tribal Council Resolution 05-2004-97, dated May 20, 2004, rescinded the Kinishba Salvage Sale approval to be salvaged and processed by FATCO; and

WHEREAS, the Tribal Council approved the use of the trust fund account accrued from the Rodeo-Chediski fire stumpage trust account to pay for the logging costs for the Kinishba Salvage Sale in the approximate amount of Five Hundred Thousand Dollars (\$500,000.00); and

WHEREAS, FATCO provided the Tribal Council with an economic analysis of the Kinishba Fire indicating that to log this salvage sale and to transport it to Cibecue would result in losses equivalent to the costs of logging while providing less than 60 days additional work for the sawmill and based on this analysis FATCO recommended to the Tribal Council that this sale be approved for outside sales bid by the Bureau of Indian Affairs; and

WHEREAS, FATCO has as its priority to return to the East side green harvest of its Annual Allowable Cut to obtain the highest value possible while terminating any further salvage operations due to the loss in value from stain and checking of the material, creating a situation of higher operating losses for FATCO; and

WHEREAS, FATCO is experiencing the highest prices for its lumber products since 1999 and is providing the Tribe with positive net revenues averaging over \$450.00 per thousand board feet and there is a need to take advantage of this realization on behalf of the Tribe while the market is strong.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby rescinds the use of the Rodeo-Chediski fire stumpage trust account for the Kinishba Fire Salvage Sale.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that upon review of the financial status of the Tribe and the need to increase revenues hereby authorizes the use of the funds available in the Rodeo-Chediski Fire stumpage trust account in the amount of approximately \$500,000.00 for the first quarter of FY 2004-2005 logging expense for FATCO.

The foregoing resolution was on MAY 20, 2004 duly adopted by a vote of SIX for and ONE against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article IV, Section 1 (a), (b), (c), (f), (g), (h), (i), (s), (t), and (u) of the Constitution of the Tribe,

Resolution No. 05-2004-98

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).

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ACTING

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Chairman of the Tribal Council

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Secretary of the Tribal Council