



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

(Resolution for protection of federal water rights grant funds)

WHEREAS, the reserved water rights of the White Mountain Apache Tribe are priceless vested property rights without which the White Mountain Apache Tribe cannot survive; and

WHEREAS, the Tribal Council approved on January 13, 2009, the White Mountain Apache Tribe Water Rights Quantification Agreement and proposed congressional legislation entitled the White Mountain Apache Water Rights Quantification Act of 2009, which has been introduced into the United States Senate and the House; and

WHEREAS, the State of Arizona, the Salt River Project, the Phoenix Valley Cities, and all other parties have signed the Quantification Agreement, and there has been at least one hearing before the Senate Committee on Indian affairs on the congressional legislation that would implement the Tribe's Quantification Agreement, with another Hearing scheduled for July 21, 2009, before the House Subcommittee on Water and Power; and

WHEREAS, the Tribal Council has the constitutional obligation to protect and develop the priceless reserved water rights of the White Mountain Apache Tribe and to protect those rights, and in order to do so must continue to travel to meet with representatives of the United States, the Tribe's trustee, and to appear at congressional hearings and present testimony in support of the reserved water rights legislation for the Tribe, and also to meet with Freeport McMoRan Copper and Gold Inc., and as necessary, the United States, to resolve the Tribe's Black River trespass claims against Freeport and the United States, and to otherwise implement water development on the Tribe's lands; and

WHEREAS, since 1998, and from as early as 1981, the Tribe has mostly relied on federal funding from the Environmental Protection Agency, Rural Development, and the Bureau of Indian affairs, amongst other Federal agencies, to fund its water resources and environmental office, to fund water rights developments and litigation support, to pay outside consultants and experts to prepare a water budget and reserved water rights claim for the Tribe, and to pay for travel expenses for the Tribal Council, staff, and outside consultants and experts to effectively participate in water rights negotiations; and

WHEREAS, the wise and diligent use of federal grant monies has resulted in the Tribal Council successfully negotiating a Quantification Agreement that will protect the reserved water use rights of the White Mountain Apache people for future generations; and

WHEREAS, the Tribal Council has an ongoing fiduciary duty to protect federal grant funds that have been earmarked for the protection and development of the Tribe's reserved water rights, and to implement the Quantification Agreement approved by the Tribal Council through the White Mountain Apache Water Rights Quantification Act of 2009 which will take more years to complete; and

WHEREAS, the Tribal Council concludes that Tribal Council protection of federal grant monies earmarked for water rights litigation support, protection and development will allow the Tribal Council, its water rights staff, outside experts, consultants and water rights attorney, to meet travel expenses, and to pay for the professional services of the Tribe's water rights experts and consultants without delay or interruption that could jeopardize timely and effective protection of the Tribe's water rights; and

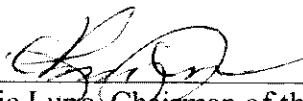
WHEREAS, the Tribal Council further concludes, without implying any prior wrongdoing, that the Tribal Treasurer, Comptroller, and any other employee responsible for Federal water rights grant funds, should be directed by Tribal Council resolution to only use Federal water rights and development grant funds, regardless of whether the federal grant funds are reimbursement monies or advance funds, for water rights litigation support and development as determined by the scope of work for each grant award, and for no other tribal purpose whatsoever.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that as a matter of enforceable Tribal Council policy, it hereby directs the Tribal Treasurer and the Tribal Comptroller, Tribal Grants Department, and all supervisors and staff, to insure that federal grant funds that have been earmarked for water rights development and litigation support received by the Tribe from the Bureau of Indian affairs, EPA, Rural Development, IHS, or any other Federal agency, shall be kept in separate accounts, if not already in separate accounts, and not be commingled or used in any way for any other purpose whatsoever other than for the scope of work authorized by the grant award and conditions; further, that the Tribal Treasurer and Controller make timely payment of water rights attorney invoices pursuant to the Special Counsel Contract requirements.

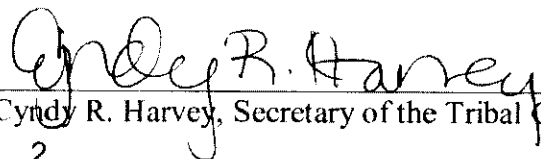
BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes the Tribal Chairman, and in absence, the Vice Chairwoman, to implement this resolution and to take disciplinary action against any employee for any violation of this resolution, including, but not limited to, a recommendation to the Tribal Council to suspend or terminate the violating employee after giving the employee the opportunity to explain any defense he or she may have in regards to a violation of this policy

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the Chairman, or in his absence, the Vice Chairwoman, is hereby authorized to execute any and all documents necessary to effectuate the intent of this Resolution.

The foregoing resolution was on July 10, 2009, duly adopted by a vote of EIGHT for, ZERO against and ONE abstention by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (f), (h), (i), (j) (r) (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).



Ronnie Lupe, Chairman of the Tribal Council



Cyndy R. Harvey, Secretary of the Tribal Council