

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

WHEREAS, the Plan of Operation of the Fort Apache Timber Company approved July 14, 1961 and revised and approved June 20, 1967 was felt to be in need of further review as the result of the dynamic growth of the Tribal Forest enterprise and the changes in the local forest products industry, and

WHEREAS, as the result of this review several revisions appear desirable to increase administrative efficiency and promote functional flexibility, and

WHEREAS, the plan presently states under Section B3 and Section B4 as follows:

B 3 Timber Source. The Tribe agrees to sell to the company and the company agrees to buy under subsidiary timber sale contracts and in accordance with the terms and conditions of this plan and the Special Timber Contract Provisions, all the timber and other forest resources which may be manufactured, processed or produced by the Company, as may be designated for sale and removal by the Bureau of Indian Affairs within the Tribal Sawmill Block. The Block contains 219,403 acres of commercial timber land and an estimated volume of timber to be cut during the 20-year cutting cycle, beginning January 1, 1960, of about 600 million board feet in the following estimated amounts by species:

Ponderosa pine	266 million board feet
Mexican white pine	10 million board feet
Douglas fir	113 million board feet
White fir	72 million board feet
Cork bark fir	10 million board feet
spruce	129 million board feet

The foregoing is an estimate only and shall not be construed as a guarantee or limitation of the volume of timber designated for cutting. The actual volume of timber designated for cutting under subsidiary timber sale contracts, the general terms of agreement, and the Bureau's approved procedures shall be controlling, regardless of whether it is more or less than the above estimate. The subsidiary timber sale contracts shall be subject to the consent of the Tribal Council and the approval of the Area Director. The Company may not assign an

Received in Superintendent's Office

JUL 17 1968

interest in this timber or subsidiary timber sale contracts without the approval of the Area Director. The Tribe reserves the right to sell to others, under approved Bureau procedure, forest products from the Tribal Sawmill Block which the Company cannot manufacture, process or produce.

The maximum volumes of timber that may be cut from the Tribal Sawmill Block during any calendar year shall be thirty-five million board feet; provided that no more than one hundred thirty-five million board feet shall be cut in any five-year period ending December 31 of the years 1965, 1970, 1975 and 1980. Should the Company expand production beyond these limits established for the Tribal Sawmill Block, it may secure by the right of first refusal, with Tribal Council approval, or through competitive bids other timber offerings on or off of the Reservation. In the event of extreme emergencies on the Tribal Sawmill Block, when timber must be salvaged to avoid value loss through deterioration, the Tribe with the approval of the Area Director may sell that salvage timber to others which is in excess of the Company's capability for utilization to insure the best economic interests of the Tribe.

B 4 Stumpage Rates and Special Requirements.

a. Stumpage Rates. The stumpage rates to be paid for timber specified in Section B-3 of this plan shall be the appraised rates determined by separate appraisals for each subsidiary timber sale contract, subject to any periodic adjustment which may be required under the particular contract.

b. Performance and Damage Bonds. Because of the relationship of the Company to the Tribe, no performance bond will be required under the subsidiary timber sale contracts. A cash penal damage bond may be a requirement of subsidiary timber sale contracts to be used for offsetting damages caused by the Company's operation.

BE IT RESOLVED that Section B3 and Section B4 of the Plan of Operation be revised to be as follows:

SECTION B PLAN OF OPERATIONS

SECTION B(3) (Revised)

TIMBER SOURCE The Tribe agrees to sell the company and the company agrees to buy under subsidiary timber sale contracts and in accordance with the terms and conditions of this plan and the Special Timber Contract Provisions, all the timber and other forest resources which may be manufactured, processed or produced by the Company, as may be designated for sale and removal by the Bureau of Indian Affairs within the Tribal, Northfork and Maverick Blocks, hereafter known as the Fort Apache Timber Company Operating area. The subsidiary timber sale contracts shall be subject to the consent of the Tribal Council and the approval of the Area Director. The Company may not assign an interest in this timber or subsidiary timber sale contracts without the approval of the Area Director. The Tribe reserves the right to sell to others, under approved Bureau procedure, forest products from the Fort Apache Timber Company Operating Area which the Company cannot manufacture, process or produce.

The maximum volume of timber which may be cut, for any five-year period beginning December 31, 1965 from the Tribal, Northfork and Maverick Blocks shall equal the Allowable Annual Cut for these respective areas as stated in the Forest Management Plan. During any one-year period, this Allowable Annual Cut may be exceeded by 25%. In the event of extreme emergencies on the Fort Apache Timber Company Operating Area, when timber must be salvaged to avoid value loss through deterioration, the Tribe, with the approval of the Area Director, may sell that salvage timber to others which is in excess of the Company's capability for utilization to insure the best economic interests of the Tribe. The company may secure additional timber from off-reservation sources.

SECTION B4 (Revised)

PAYMENT FOR TIMBER AND SPECIAL REQUIREMENTS

Payments for timber

- a. The rates to be paid for timber specified in Section B-3 of this plan may be the appraised rates determined by separate appraisals of the individual logging units under the subsidiary timber sale contracts, subject to any specified adjustment provisions under the particular contracts; or any other reasonable method or combination of methods developed as a basis of payment which is satisfactory to the contracting parties and acceptable to the Approving Officer. The basis of payment will be specified in the individual subsidiary contracts.

Performance and Damage Bonds

- b. Because of the relationship of the Company to the Tribe, no performance bond will be required under the subsidiary timber sale contract. A cash penal damage bond may be a requirement of subsidiary timber sale contracts to be used for offsetting damages caused by the Company's operation.

BE IT FURTHER RESOLVED that the Chairman is authorized to approve and execute the revised Plan of Operation for and on behalf of the Council under the terms and conditions provided in this resolution.

The foregoing resolution was on July 12, 1968 duly adopted by a vote of 10 for and 0 against by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it by Article V, Section 1 (i) of the Amended Constitution and By-Laws of the Tribe, ratified by the Tribe June 27, 1958 and approved by the Secretary of the Interior on May 29, 1958, pursuant to Section 16 of the Act of June 18, 1934 (48 Stat. 984).

Acting Chairman of the Tribal Council

Secretary of the Tribal Council