



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

**(Approving the purchase of 107 new slot machines and a new slot accounting system for Hon-Dah)**

- WHEREAS,** pursuant to Article IV, Section 1(a) of the Constitution of the White Mountain Apache Tribe, *inter alia*, the Tribal Council has the authority to represent the Tribe and act in all matters that concern the welfare of the Tribe; and
- WHEREAS,** the current slot accounting system at Hon-Dah will be phased out by IGT after June 2008; and
- WHEREAS,** a new slot accounting system is needed to replace the old one, and the cost is approximately \$3,087,617 to be paid over a 36 month period; and
- WHEREAS,** Hon-Dah will also need to replace 107 coin operated slot machines with new slot machines so that the new slot machines can interface with the new slot accounting system; and
- WHEREAS,** the cost of the new slot machines is approximately \$1,654,670; and
- WHEREAS,** IGT and the slot manufacturers require a commitment from the Tribe by November 2, 2007 to sufficiently prepare for an installation before the deadline of June 2008; and
- WHEREAS,** IGT and the slot manufacturers also require a waiver of sovereign immunity in their agreements with the Tribe; and
- WHEREAS,** the casino management recommends that the Tribal Council approve Agreements for the above referenced expenditures as they are needed to efficiently maintain the current expected performance of the casino; and
- WHEREAS,** the Tribal Council finds that it is in the best interests of the Tribe to enter into Agreements to purchase the above referenced equipment; and
- WHEREAS,** the Tribal Council further finds that: (1) this Resolution may be voted upon by signature of a member of the Tribal Council where a signature indicates a vote for this Resolution, (2) the Tribal Council Secretary should attempt to obtain signatures for members of the Tribal Council personally, (3) no signature would mean that the respective Tribal Council member is against this Resolution, (4) the Tribal Council Secretary should wait no longer than a reasonable period of time to obtain a vote by signature or by no signature and so indicate that this Resolution was presented to the respective member of the Tribal Council for a vote.

**BE IT RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that it hereby approves Agreements for the purchase of 107 new slot machines and a new slot accounting system for

**Resolution No. 10-2007-473**

Hon-Dah, with all Agreements related thereto, to be reviewed by the Tribe's Legal Department, for an amount not to exceed \$4,742,287.

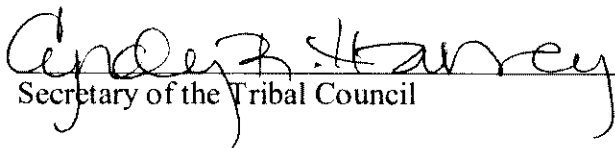
**BE IT FURTHER RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that it approves a limited waiver of sovereign immunity, to be reviewed and approved by the Tribe's Legal Department, for the Agreements referenced herein.

**BE IT FURTHER RESOLVED** by the Tribal Council of the White Mountain Apache Tribe that given the urgency of the request described herein, this Resolution may be voted upon as follows: (a) by signature of a member of the Tribal Council, including the Chairman of the Tribal Council and the Vice-Chairwoman of the Tribal Council, where a signature indicates a vote for this Resolution, (b) the Tribal Council Secretary shall attempt to obtain signatures for members of the Tribal Council personally, (c) no signature shall mean that the respective Tribal Council member is against this Resolution, (d) the Tribal Council Secretary should wait no longer than a reasonable period of time to obtain a vote by signature or by no signature, and so indicate that this Resolution was presented to the respective member of the Tribal Council for a vote.

**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 document necessary to effectuate the intent of this Resolution.

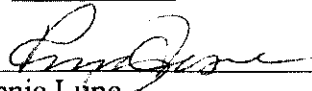
The foregoing resolution was on November 2, 2007 duly adopted by a vote of SEVEN for and ZERO against by the Tribal Council of the White Mountain Apache Tribe, pursuant to the authority vested in it by Article IV, Section 1 (a), (b), (t), and (u) of the Constitution of the Tribe, ratified by the Tribe 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).

  
\_\_\_\_\_  
Chairman of the Tribal Council

  
\_\_\_\_\_  
Secretary of the Tribal Council

Signatures of the members of the Tribal Council represent their approval of Tribal Council Resolution No. 11-2007-473 initiated the 2nd day of November 2007.

Presented Personally by Tribal Council Secretary (TCS)-Indicated by Initials

  
\_\_\_\_\_  
Ronnie Lupe  
Tribal Chairman

11/2/07  
\_\_\_\_\_  
Date Signed

cm TCS Initials

\_\_\_\_\_  
Margaret Baha-Walker  
Vice Chairwoman

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
TCS Initials

\_\_\_\_\_  
Arnold Beach, Sr.  
District I Council Member

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
TCS Initials

\_\_\_\_\_  
Evangeline Gatewood  
District I Council Member


\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
TCS Initials

\_\_\_\_\_  
Lafe Altaha  
District II Council Member

\_\_\_\_\_  
Date Signed

\_\_\_\_\_  
TCS Initials

  
\_\_\_\_\_  
Victoria Brewer  
District II Council Member

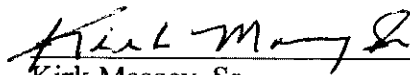
11-2/07  
\_\_\_\_\_  
Date Signed

cm TCS Initials

  
\_\_\_\_\_  
Alvin DeClay, Sr.  
District III Council Member

11-02-07  
\_\_\_\_\_  
Date Signed

cm TCS Initials

  
\_\_\_\_\_  
Kirk Massey, Sr.  
District III Council Member

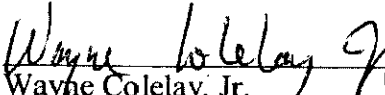
11/02/07  
\_\_\_\_\_  
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\_\_\_\_\_  
Noland Clay  
District IV Council Member


11/5/07  
\_\_\_\_\_  
Date Signed

cm TCS Initials

  
\_\_\_\_\_  
Wayne Colelay, Jr.  
District IV Council Member

11/2/07  
\_\_\_\_\_  
Date Signed

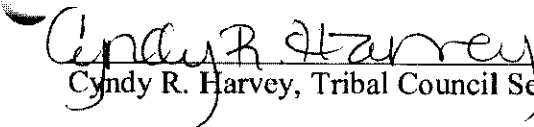
cm TCS Initials

  
\_\_\_\_\_  
Reno Johnson, Sr.  
District IV Council Member

11-5-07  
\_\_\_\_\_  
Date Signed

cm TCS Initials

ATTEST:

  
\_\_\_\_\_  
Cindy R. Harvey, Tribal Council Secretary

11.5.07  
\_\_\_\_\_  
Date Signed



**HON-DAH RESORT-CASINO**  
**777 Highway 260**  
**Pinetop, Arizona 85935**  
**(928) 369-0299**

**TO: Anthony Lee**  
**Deputy Attorney**

**FROM: Kevin L. Hansen** *[Signature]*  
**Assistant General Manager**

**SUBJECT: Tribal Council Resolution Capital Expenditures**    **DATE: November 1, 2007**

**CC: Brent Kurth, Cyndy Harvey, Cathy Tate**

Attached please find a cost breakdown for upgrading our Slot Accounting System from our present system IGS to the new system called Advantage. The cost of this new system is \$3,087,617 to be paid over a 36 month period. We are presently scheduled for an install date of February 18, 2008. This new system is needed because our present system will no longer be supported by IGT after June of 2008.

In order to make this upgrade in systems we will need to replace all of our coin machines on the casino floor. This will require the purchase of 107 new slot machines at a cost of \$1,654,670 that will be spread over 12 equal payments. The Slot machines have a lead time of 60 days and will have to be ordered in November in order to assure delivery and installation before the February install date of the new Slot System.

## Hon-Dah Resort - Casino & Conference Center Slot System Upgrade Recommendation

### Hardware Cost

Description	Cost
Economy Game Hardware Kits (Player Tracking)	\$653,830
Other Hardware	\$84,750
Backoffice Hardware	<u>\$300,767</u>
Total Hardware Cost	<u>\$1,039,347</u>

### Application Software Cost

Description	Cost
Machine Accounting	\$125,000
Event Monitoring	\$45,000
Patron Management	<u>\$150,000</u>
Total Application Software Cost	<u>\$320,000</u>

### Installation & Training

Description	Cost
Project Management and Software Configuration	\$65,550
Pre Go Live Training (up to 400 Hours)	\$85,500
Go Live Support (up to 5 days after Go Live)	\$43,700
Travel Cost for Trainers	\$60,410
Turnkey Player Tracking Game Hardware Kit Installation	<u>\$86,600</u>
Total Installation & Training Cost	<u>\$341,760</u>

### Recommended Options and Upgrades

Description	Cost
Player Interface Hardware Upgrades to Premium Hardware	\$415,680

### Specialty Software

Visual Slot Performance	\$50,000
Interface with InfoGenesis Point of Sale (Restaurant)	\$30,000
(Installation, Training, Go Live Support)	\$8,000

### Cashless Gaming Software

IVS Software (Training, Go Live Support)	\$28,945
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### Bonusing Software

3 Bonus Package (any 3 bonuses)	\$589,950
(Installation, Training, Go Live Support)	\$29,498
Mystery Progressives (Carded Lucky Coin)	\$159,505

Total Recommended Options and Upgrades	<u>\$1,311,578</u>
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### Printer, Terminals, Cable

Printer, Terminals, Cable	\$17,432
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### Document Scanning Software

Document Scanning Software	\$57,500
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Total Cost for Advantage System	<u><u>\$3,087,617</u></u>
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**Hon-Dah Resort - Casino  
Slot Machine Cost  
Replacing Coin Machine with Ticket Machines**

Machine Manufacturer	Quantity	Description	Unit Cost	Total Cost
IGT	18	AVP Video Uprights	\$15,850	\$285,300
IGT	8	S-2000 Upright Reel	\$12,415	\$99,320
<b>Total IGT Machines</b>	<b>26</b>			<b>\$384,620</b>
<b>Konami</b>	<b>21</b>	<b>K2V Video Uprights</b>	<b>\$15,195</b>	<b>\$319,095</b>
Aristocrat	17	MKVI Slant Cabinets	\$16,795	\$285,515
	5	MAV500 Uprights	\$16,295	\$81,475
<b>Total Aristocrat Machines</b>	<b>22</b>			<b>\$366,990</b>
<b>WMS</b>	<b>19</b>	<b>Bluebird Slants</b>	<b>\$15,490</b>	<b>\$294,310</b>
<b>Bally</b>	<b>19</b>	<b>C900 CineVision Slants</b>	<b>\$15,245</b>	<b>\$289,655</b>
<b>Total Slot Machines</b>	<b>107</b>			<b>\$1,654,670</b>