



WHITE MOUNTAIN APACHE TRIBE

A Sovereign Tribal Nation

(Allocating Up to \$6 Million in American Rescue Plan Act Funds for White Mountain Apache Timber Company Capital Investment, Contingent Upon Determination of Allowability)

- WHEREAS,** The Constitution of the White Mountain Apache Tribe (“Tribe”) of the Fort Apache Indian Reservation provides, at Article IV, Section 1(i) that the Tribal Council (“Council”) shall exercise the power, “To manage all economic affairs and enterprises of the Tribe”; and
- WHEREAS,** The Tribe’s sawmill business, White Mountain Apache Timber Company (“WMATCO”), employs many members of the Tribe and fulfills a vital role in the management of the Tribe’s timberlands; and
- WHEREAS,** WMATCO has been working to secure capital investment upgrades to the sawmill to improve efficiency, and expand employment and the economic benefits to the Tribe; and
- WHEREAS,** The WMATCO management team inspected equipment to be auctioned from a sawmill at Rushmore, South Dakota that is closing down, and in particular, has identified the planner line equipment as an excellent option to replace the outdated Stetson Ross planner at WMATCO’s sawmill; and
- WHEREAS,** WMATCO’s long-term development plans have identified the replacement of the current planner line as a critical upgrade that is needed to improve efficiency; and
- WHEREAS,** The planner line at the Rushmore mill could be obtained for considerably less cost and much sooner than for comparable new equipment, if WMATCO can successfully negotiate purchase terms; and
- WHEREAS,** WMATCO does not have funding for the Rushmore mill planner line, and requests that the Tribe make an investment from its award of American Rescue Plan Act of 2021 (“ARPA”) funds for this purpose; and
- WHEREAS,** The Council recognizes that the investment in the Whiteriver mill for this purchase would enhance efficiency and bring necessary long-term benefit to the mill and the Tribe; and
- WHEREAS,** The Rushmore mill equipment will be put up for auction in July, and for that reason, the WMATCO management team would like the opportunity to attempt to negotiate a direct purchase prior to the end of the June, and have, available to it, up to \$6 million for this purpose; and

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WHEREAS, While the negotiation may not succeed, unless WMATCO has the funding available to use, it would not be in a position to negotiate for the purchase; and

WHEREAS, The usage of ARPA funds is governed by extensive guidelines. To assist the Tribe in adhering to these guidelines, the Tribe has hired a consultant, Moss Adams, to guide expenditures; and

WHEREAS, The Council finds that allocating up to \$6 million of the Tribe's ARPA funding, subject to a determination of allowability by Moss Adams, for the purpose of WMATCO negotiation and the purchase and transportation of the Rushmore Mill Planning Line.

BE IT RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby authorizes the allocation of up to \$6 million of ARPA funds to WMATCO for the negotiation and potential purchase of the planner line equipment at the Rushmore South Dakota sawmill, with such funds to be made immediately available to the seller, as specified in a written purchase agreement, and contingent upon a determination of allowability by Moss Adams.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that the allocation amount is to include all costs for the purchase, removal, transport and installation of the equipment in the WMATCO mill, and further that allocated funds that are not used for these purposes will be retained by the Tribe for other allowable uses.

BE IT FURTHER RESOLVED by the Tribal Council of the White Mountain Apache Tribe that it hereby directs that in the event that this Resolution conflicts with a prior Resolution or Policy, this Resolution shall supersede and govern over the conflicting subject matter.

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

The foregoing resolution was on **JUNE 29, 2021** duly adopted by a vote of **TEN** for, **ZERO** against, and **ZERO** abstentions by the Tribal Council of the White Mountain Apache Tribe, pursuant to authority vested in it under the enumerated powers listed in Article IV, Section 1 of the WMAT Constitution, so ratified on September 30, 1993, and federally recognized pursuant to Section 16 of the Indian Reorganization Act of June 18, 1934 (48 Stat. 984).

 6/30/2021
Gwendena Lee-Gatewood, Chairwoman Date

 6/30/2021
Doreen T. Numkena, Tribal Secretary Date