

RESOLUTION OF THE PAPAGO COUNCIL

RES. NO. 10-75

WHEREAS, the Papago Council, by Resolution No. 8-70 passed on May 8, 1970, created the Papago Tribal Utility Authority, and adopted a Plan of Operation directing said Authority, inter alia: "To plan for, provide and furnish utility services to all areas of the Papago Reservation where such services are determined to be feasible and economic. . . [and] to acquire, operate, maintain, promote and expand existing utility systems furnishing electric. . . utility services on the Papago Reservation"; and

WHEREAS, pursuant to said direction and its Plan of Operation, the Papago Tribal Utility Authority on May 8, 1971, entered into a Wholesale Power Supply Agreement with Arizona Public Service Company to purchase a supply of electric power to service the Papago Reservation and certain mining companies, including the Hecla Mining Company, and on May 21, 1971, entered into an Agreement, (amended by Letter Agreement dated July 24, 1972,) with the Hecla Mining Company in which the Papago Tribal Utility Authority agreed to sell to the Hecla Mining Company, from the supply of power purchased from Arizona Public Service, a supply of power needed by the Hecla Mining Company to operate its mine, and to supply said power over a 230 k.v. transmission line from Arizona Public Service Company's point of delivery to the mining facilities; and

WHEREAS, at the time the Hecla Mining Company entered into the aforementioned Agreement, the Papago Tribal Utility Authority anticipated entering into a similar power supply sales agreement with the Vekol Copper Mining Company, under the terms of which agreement the Papago Tribal Utility Authority was to deliver power to the Vekol mine over the same 230 k.v. transmission line and to finance the construction, operation and maintenance of said transmission line from charges charged to both the Vekol Copper Mining Company and Hecla Mining Company; and

WHEREAS, the Vekol Copper Mining Company failed to develop the Vekol mine as originally anticipated and, as a result of such failure, the Papago Tribal Utility Authority was unable to finance the construction, operation and maintenance of the 230 k.v. transmission line in time to meet the Hecla Mining Company's power and energy requirements; and

WHEREAS, in order to protect its interests, the Hecla Mining Company did construct the 230 k.v. transmission line at a cost of \$368,490.00, and has operated and maintained said line for its own use and purposes and at its own cost; and

WHEREAS, the Papago Tribal Utility Authority is not presently in a position economically to assume the operation and maintenance of the 230 k.v. transmission line; and

WHEREAS, in order to establish their respective rights and claims to the 230 k.v. transmission line, and to determine their respective rights and obligations for the re-payment of construction costs, and for the operation and maintenance of the 230 k.v. transmission line, the Papago Tribal Utility Authority and Hecla Mining Company propose to enter into a Transmission Facilities Agreement; and

WHEREAS, Hecla Mining Company has constructed a 69 k.v. substation at the delivery end of the 230 k.v. transmission line with an anticipated excess capacity sufficient to furnish the Papago Tribal Utility Authority with power and energy for delivery and sale on the Papago Reservation, and the Hecla Mining Company is willing to deliver such energy and power through its 69 k.v. substation under the terms and conditions of a proposed Substation Facilities Agreement between it and the Papago Tribal Utility Authority; and

WHEREAS, both the Transmission Facilities Agreement and the Substation

Facilities Agreement require the consent and approval of the Papago Tribe acting through the Papago Council; and

WHEREAS, it is the recommendation of the Management Board of the Papago Tribal Utility Authority that the Papago Council approve the execution of said agreements.

NOW, THEREFORE, BE IT RESOLVED by the Papago Council as follows:

- 1) That the Transmission Facilities Agreement between the Hecla Mining Company and the Papago Tribal Utility Authority is hereby approved and that Jacob Escalante and Delma Garcia, the Chairman and Secretary, respectively, of the Papago Council are hereby authorized and directed to execute said Agreement for and on behalf of the Papago Tribe.
- 2) That the Substation Facilities Agreement between the Hecla Mining Company and the Papago Tribal Utility Authority is hereby approved and that Jacob Escalante and Delma Garcia, the Chairman and Secretary, respectively, of the Papago Council are hereby authorized and directed to execute said Agreement for and on behalf of the Papago Tribe.

The foregoing Resolution was duly enacted by the Papago Council on the 11th day of March, 1975, with a vote of 21 for, 0 against, 1 not voting, and 0 absent, at a meeting at which a quorum was present, pursuant to authority vested in the Papago Council by Sections 2 (e) and (h) and 3 (g) and (h) of Article V of the Constitution and By-laws of the Papago Tribe, ratified by the Tribe on December 12, 1936, and approved by the Secretary of the Interior on January 6, 1937, pursuant to Section 16 of the Act of June 18, 1934, (48 Stat. 984). Said Resolution is effective as of the date of its approval by the Superintendent, Papago Agency, and is subject to review by the Secretary of the Interior.

THE PAPAGO COUNCIL.

ATTEST:

Joseph Escalante
Chairman

Delma Garcia
Secretary

Joseph M. Lucero
Joseph M. Lucero, Superintendent,
Papago Agency

APPROVED: March 15, 1975

