

RESOLUTION OF THE PAPAGO COUNCIL

RES. NO. 11-75

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 entered into an Agreement dated September 28, 1972, (and extended and amended on March 27, 1975) with Trico Electric Cooperative, Inc., owner of certain electrical facilities (hereinafter referred to as the "Trico Facilities") on the Papago Reservation serving electric power to persons on the Reservation, under the terms of which Agreement the Papago Tribal Utility Authority agreed to purchase the Trico Facilities by assuming and agreeing to pay an indebtedness of Trico Electric Cooperative, Inc., in the approximate sum of \$1,150,000.00 for such facilities to the Rural Electric Administration of the U. S. Department of Agriculture; and

WHEREAS, in order to facilitate the plan of the Papago Tribal Utility Authority to acquire the Trico Facilities from Trico Electric Cooperative, Inc., and to finance the further construction, expansion and operation of said facilities, the Papago Council did, on June 23, 1973, by Resolution No. 34-73, authorized the Papago Tribal Utility Authority to borrow funds from, or to assume the indebtedness of third parties to, the U. S. Government pursuant to the Rural Electrification Act of 1936, in an amount not to exceed Six Million Dollars; and

WHEREAS, in order to finance the acquisition of the Trico Facilities and to finance the further construction and operation of the Trico Facilities pursuant to the Rural Electrification Act of 1936, the Papago Tribal Utility Authority proposes to enter into a Loan Contract (REA Project Designation ARIZONA 30-A4 PAPAGO) dated March 7, 1974, with the Rural Electrification Administration, and to adopt a Resolution (the terms of which Loan Contract and Resolution will be substantially in the form annexed as Exhibits B and C to the Lease between the Papago Tribe and the Papago Tribal Utility Authority dated March 27, 1975), which Loan Contract and Resolution provide for a loan to the Papago Tribal Utility Authority in an amount not in excess (1) of \$1,150,000.00, by assumption of a loan indebtedness in such amount from Trico Electric Cooperative, Inc., to the Government to finance the acquisition of the Trico Facilities, and (2) \$1,320,000.00 to finance the further construction, expansion and operation of the Trico Facilities into an electric system covering the entire Papago Reservation, and which Loan Contract and Resolution, as they may be from time to time amended or supplemented by the Papago Tribal Utility Authority, provide that the debt created by such original loan, or by any additional loan or loans which the Papago Tribal Utility Authority may obtain from time to time under the provisions of the Rural Electrification Act as from time to time amended, for purposes permitted or required by the Act, be evidenced by notes and secured by an encumbrance to the Government of the leasehold interest of the Papago Tribal Utility Authority in the Trico Facilities and in any other electric facilities acquired under or pursuant to the Rural Electrification Act; and

WHEREAS, it is in the best interest of the Papago Tribe, the Papago

Tribal Utility Authority and of the people residing on the Papago Reservation that the Papago Tribal Utility Authority be granted a lease for a term of 25 years, renewable at lessee's option for an additional term of 25 years, to the Trico Facilities and to any additional or other electric lines and facilities which may be constructed or acquired by the Papago Tribal Utility Authority pursuant to the Rural Electrification Act of 1936, as from time to time amended.

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

1) That the Papago Council does hereby approve the lease of transmission facilities servicing the Papago Reservation to the Papago Tribal Utility Authority and that Jacob Escalante and Delma Garcia, the Chairman and Secretary, respectively, of the Papago Council are hereby authorized and directed to executed said Lease for and on behalf of the Papago Tribe.

The foregoing Resolution was duly enacted by the Papago Council on the 14 day of March, 1975, with a vote of 19 for, 0 against, 3 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:

Delma Garcia
Secretary

Jacob Escalante
Chairman

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

APPROVED: March 15, 1975

