

**APSAALOOKE (CROW) TRIBAL LEGISLATURE
APRIL, 2006, SESSION**

JOINT ACTION RESOLUTION NO. JAR 06-07

**INTRODUCED BY CARL E. VENNE, CHAIRMAN
APSAALOOKE (CROW) TRIBAL EXECUTIVE BRANCH**

**JOINT ACTION RESOLUTION OF THE APSAALOOKE (CROW) TRIBAL
LEGISLATURE AND THE APSAALOOKE (CROW) TRIBAL EXECUTIVE
BRANCH ENTITLED:**

**“SUBJECT TO FINAL APPROVAL BY THE CROW TRIBAL LEGISLATURE
OF ALL FINALIZED LOAN DOCUMENTS, A RESOLUTION TO AUTHORIZE
THE CHAIRMAN OF THE APSAALOOKE (CROW) TRIBE TO BORROW A
LOAN NOT TO EXCEED \$750,000.00 DOLLARS FROM THE UNITED STATES
DEPARTMENT OF AGRICULTURE (USDA) TO BE USED BY THE
APSAALOOKE (CROW) TRIBE TO HELP PAY FOR THE REPLACEMENT OF
THE WATER AND WASTE WATER SYSTEMS IN AND FOR THE
COMMUNITY OF CROW AGENCY, MONTANA, CROW INDIAN
RESERVATION AND TO COLLATERALIZE THIS LOAN WITH
UNENCUMBERED TRIBAL INCOME DERIVED FROM THE TRIBE’S SHARE
OF THE GASOLINE TAX REVENUES AND FOR OTHER PURPOSES.”**

WHEREAS, the infrastructure (the basic facilities, equipment and installations) comprising the water and waste water systems in and for the community of Crow Agency, Montana, Crow Indian Reservation is old, antiquated and greatly in need of renovation, replacement and repair;(See the preliminary engineering report prepared by the engineering firm of Kadrmas, Lee & Jackson);

WHEREAS, these systems have been described as a catastrophe waiting to happen and what could happen is that the drinking water could become contaminated by waste water (sewer) as the pipes and other infrastructure are susceptible to leaks, breaks and cracks; and the waste water (sewer) pipes are not only old but of different diameters and materials and are subject to clogging, plugging and the result is raw sewer backing up into peoples’ homes; and the walls or embankments of cells of the lagoon north of Crow Agency, Montana, are overgrown with weeds and other vegetation, and it is obvious that there is seepage from the cells of the lagoon and there is a good possibility that the walls or embankments are honeycombed and this weakens the wall or embankment;

WHEREAS, the Crow Indian Agency, Bureau of Indian Affairs, Department of the Interior, built this system in the early 1900's and as the town or community of Crow Agency grew, the capital or headquarters of the Apsaalooke (Crow) Tribe, the system was enlarged and extended to accommodate a growing population, and over the years these systems have been plagued with a multitude of problems and the repairs done to fix these problems were and are at best only temporary in nature and these systems have not been adequately maintained and perhaps cannot be maintained;

WHEREAS, sanitary system experts and lay people knowledgeable in this field agree that nothing less than a complete or major overhaul is needed to fix these systems;

WHEREAS, the engineering firm, Morrison and Maierle, Inc., of Billings, Montana, doing the engineering work on this project for the Apsaalooke (Crow) Tribe has estimated the cost of a complete or major overhaul of these systems to be approximately \$6.5 million dollars (See the attached exhibit marked as "A" setting forth a breakdown of the costs of the improvements);

WHEREAS, raising \$6.5 million dollars is problematic, and considerable time and effort has been devoted to raising the necessary funds for this project;

WHEREAS, attached exhibit "B" sets forth the funding source or program and of this \$6.5 million dollar project costs, \$5.8 million dollars is going to be funded by and through grants and approximately \$750,000.00 is the loan portion, or in other words 90% is grant funds and 10% is loan funds;

WHEREAS, the Apsaalooke (Crow) Tribe is reasonably confident that it will be able to obtain additional grant monies, and these additional grant monies will result in the Apsaalooke (Crow) Tribe not having to borrow more than \$750,000.00 loan dollars;

WHEREAS, the USDA being a conservative lender wants the Apsaalooke (Crow) Tribe to have sufficient funds to complete the project in the event the additional grants being applied for are not obtained, and USDA is taking a worst case scenario;

WHEREAS, the Apsaalooke (Crow) Tribe fully understands that borrowing money costs money in the form of interest, and it plans to borrow only the amount needed and no more, and while the Chairman will be authorized to borrow up to \$750,000.00 it may be necessary to not utilize his \$750,000.00 borrowing authority;

WHEREAS, the prospective lender, USDA, is insisting that it have reasonable assurance of repayment and is asking the Apsaalooke or Crow Tribe to collateralize its loan with unencumbered tribal income and this collateral will be called upon by the lender, USDA, only in the event the Apsaalooke (Crow) fails to make its monthly payments and the monthly payment will be determined by the amount of loan borrowed;

WHEREAS, the Apsaalooke (Crow) Tribe receives income from a variety of sources, and one of those sources is income from the gasoline tax agreement entered into with the State of Montana, and in the recent past this income has amount to

<u>Year</u>	<u>Amount</u>
2005	\$958,899.00
2004	\$958,899.00
2003	\$958,899.00
2002	<u>\$942,412.00</u>
Total	\$3,819,109.00

and this is unrestricted non trust income;

WHEREAS, USDA has notified the Apsaalooke (Crow) Tribe that the present interest rate of 4.25% will in all probability be lower this coming fiscal year which begins on October 1, 2006, and wants the Apsaalooke (Crow) Tribe to have the benefit of this lower interest rate (it is estimate[d] it will be around 3.0%) and [in the] interim if the funds borrowed have to be used between now and when the interest rate of USDA drops, the Apsaalooke (Crow) Tribe may have to make arrangements with and borrow from another financial institution such as a commercial bank (See exhibit marked "C") and,

WHEREAS, it is projected that the monthly loan payments (the exact monthly loan payment cannot be determined as the exact amount of the loan is yet to be determined) will be made from the fees generated from the users there are some fairly sizeable users such as the Bureau of Indian Affairs, Crow Indian Agency, Indian Health Service, the Apsaalooke (Crow) Tribe; however, it is planned that \$150,000.00 will be budgeted each year by the Executive Branch and these funds will be allocated to the Apsaalooke Water and Waste Water Authority, the separate entity, created by the Legislative Branch to operate this system and other systems in Pryor and Wyola Districts.

NOW THEREFORE, BE IT RESOLVED BY THE LEGISLATURE AND THE EXECUTIVE BRANCH OF THE CROW TRIBE:

As to the Crow Agency proposed Water/Sewer proposed improvement Project, the Executive Branch is hereby authorized to seek final approval of an interim loan up to \$750,000.00 from the USDA. When the final loan documents are completed, the Executive Branch shall contact the Speaker of the House who shall immediately call a special session and upon recommendation by the Infrastructure Subcommittee to review and approve the final negotiated loan documents by the full Legislature.

Subject to final approval by the Crow Tribal Legislature of all finalized loan documents, the Chairman is authorized in conjunction with these loans to work out all details of this loan, sign all loan documents and do whatever is necessary to finalize this loan. The Secretary of the House shall be kept fully informed of this loan transaction and it shall be their responsibility and duty to inform the Legislative Body.

Further, subject to final approval by the Crow Tribal Legislature of all finalized loan documents, the Apsaalooke (Crow) Tribal Chairman is given authority to work in the best interest of the Tribe with USDA and make whatever arrangements that are necessary to take advantage of the projected October 1, 2006, reduced interest rate and to borrow, if necessary, an interim loan from financial institution such as a commercial bank

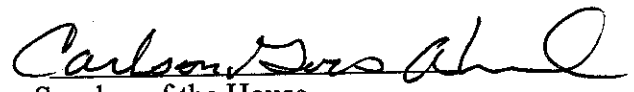
Further, subject to final approval by the Crow Tribal Legislature of all final loan documents and Crow Legislative FY budget approval, the Apsaalooke (Crow) Tribal Chairman is authorized to use a portion of the almost \$1.0 million dollar tribal income derived from the Tribe's share of the gasoline tax provided however that the exact amount is a direct function of the amount of the loan to be borrowed with that exact amount to be determined based upon the amount of funds provided however that the entire Legislative Branch or Body shall have and maintain its Constitutional duty and authority to review the budget submitted by the Apsaalooke (Crow) Tribal Chairman to insure that the \$150,000.00 is budgeted annually for repayment of the loan.

CERTIFICATION

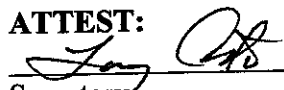
I hereby certify that this Joint Action Resolution entitled:

“SUBJECT TO FINAL APPROVAL BY THE CROW TRIBAL LEGISLATURE OF ALL FINALIZED LOAN DOCUMENTS, A RESOLUTION TO AUTHORIZE THE CHAIRMAN OF THE APSAALOOKE (CROW) TRIBE TO BORROW A LOAN NOT TO EXCEED \$750,000.00 DOLLARS FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) TO BE USED BY THE APSAALOOKE (CROW) TRIBE TO HELP PAY FOR THE REPLACEMENT OF THE WATER AND WASTE WATER SYSTEMS IN AND FOR THE COMMUNITY OF CROW AGENCY, MONTANA, CROW INDIAN RESERVATION AND TO COLLATERALIZE THIS LOAN WITH UNENCUMBERED TRIBAL INCOME DERIVED FROM THE TRIBE'S SHARE OF THE GASOLINE TAX REVENUES AND FOR OTHER PURPOSES.”

was duly enacted by the Crow Tribal Legislature with a vote of 16 in favor and 0 opposed, and 0 abstaining and that a quorum was present on this 21st day of April, 2006.


Speaker of the House
Crow Tribal Legislature

ATTEST:


Secretary
Crow Tribal Legislature



EXECUTIVE ACTION

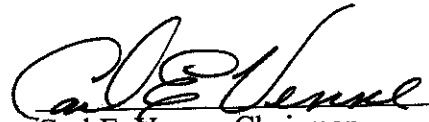
I hereby

approve or
 veto.

This Joint Action Resolution entitled a

“A RESOLUTION TO AUTHORIZE THE CHAIRMAN OF THE APSAALOOKE (CROW) TRIBE TO BORROW A LOAN NOT TO EXCEED \$750,000.00 DOLLARS FROM THE UNITED STATES DEPARTMENT OF AGRICULTURE (USDA) TO BE USED BY THE APSAALOOKE (CROW) TRIBE TO HELP PAY FOR THE REPLACEMENT OF THE WATER AND WASTE WATER SYSTEMS IN AND FOR THE COMMUNITY OF CROW AGENCY, MONTANA, CROW INDIAN RESERVATION AND TO COLLATERALIZE THIS LOAN WITH UNENCUMBERED TRIBAL INCOME DERIVED FROM THE TRIBE’S SHARE OF THE GASOLINE TAX REVENUES AND FOR OTHER PURPOSES.”

pursuant to the authority vested in the Chairman of the Crow Tribe by Article V, Section 8 of the Constitution and Bylaws of the Crow Tribe or Indians, on this 17 day of May, 2006.


Carl E. Venne, Chairman
Crow Tribal Executive Branch

Bill or Resolution Number JARV-07 Introduced by: Executive Branch Date of Vote: April 21, 2006

<u>Representative:</u>	Yes	No	Abstain
L. Plain Bull	<input checked="" type="checkbox"/>		
O. Costa	<input checked="" type="checkbox"/>		
V. Crooked Arm	<input checked="" type="checkbox"/>		
M. Not Afraid	<input checked="" type="checkbox"/>		
R. Iron	<input checked="" type="checkbox"/>		
B. House	<input checked="" type="checkbox"/>		
E. Fighter	<input checked="" type="checkbox"/>		
L. Hogan	<input checked="" type="checkbox"/>		
S. Fitzpatrick	<input checked="" type="checkbox"/>		
K. Real Bird	<input checked="" type="checkbox"/>		
M. Covers Up	<input checked="" type="checkbox"/>		
R. Old Crow			
L. Not Afraid	<input checked="" type="checkbox"/>		
B. Shane	<input checked="" type="checkbox"/>		
J. Stone	<input checked="" type="checkbox"/>		
D. Wilson			
L. Costa <i>Secretary of the House</i>	<input checked="" type="checkbox"/>		
D. Goes Ahead <i>Speaker of the House</i>	<input checked="" type="checkbox"/>		
Totals:	<u>16</u>	<u>0</u>	<u>0</u>

Result of Vote:

Passed Not Passed Tabled Veto Override

Signature Officer: Carlson Goes Ahead Date: 4-21-2006