

RESOLUTION NO. 135-09

COUNCIL OF THE CHEROKEE NATION

**A RESOLUTION AUTHORIZING THE EXECUTION OF MANAGEMENT
AGREEMENT FOR ARKANSAS RIVERBED CORRIDOR**

WHEREAS, the Cherokee Nation since time immemorial has exercised the sovereign rights of self-government in behalf of the Cherokee people;

WHEREAS, the Cherokee Nation is a federally recognized Indian Nation with a historic and continual government to government relationship with the United States of America;

WHEREAS, Arkansas Riverbed Authority (ARA) is an entity created by the Chickasaw Nation, Choctaw Nation and Cherokee Nation (Three Tribes) as a vehicle for pursuing the administration and development of the Arkansas River. Pursuant to Arkansas Riverbed Authority Bylaws, Article four (4), Section 1, Appointment, the ARA may appoint agents as deem desirable to perform certain duties prescribed;

WHEREAS, ARA wishes to enter into a Management Agreement (MA) with Cherokee Nation Business (CNB), a wholly owned Cherokee Nation entity staffed with professionals with expertise in analysis of business opportunities and exploration of opportunities for economic development;

WHEREAS, ARA wishes to enter into an MA with CNB authorizing CNB to utilize ARA data and information for purposes of studying and pursuing business opportunities in connection with Tribal ownership of the Arkansas River for an Arkansas River Power Transmission Corridor (ARPTC);

WHEREAS, ARA and CNB mutually promise to the other, agree and understand that the term of this MA shall be two years from date of the last signature. During this time, CNB will be responsible for developing a contract with a transmission company to build a transmission line along the Arkansas River primarily on the property owned by the three Tribes. If a contract is signed between CNB and a transmission company during the primary two (2) year term, then this MA between CNB and the Three Tribes shall continue in existence for a primary term of twenty-five 25 years with an option for an additional term of twenty-five 25 years. If no agreement is reached within the primary (2) two-year term, this MA may be extended only by agreement of the parties;

WHEREAS, ARA in consideration of a cash payment from the transmission company based on an appraisal approved by the Office of Special Trustee for the land value of the right-of-way or easement. Plus an annual rental to be negotiated by CNB that will begin with the first receipt of revenue by CNB from the transmission company. It is agreed this annual rental shall be adjusted at the end of the first ten years (10) of the right-of-way or easement based on the Consumer Price Index (CPI) and then each ten years (10) thereafter and as long thereafter as said ARPTC shall be used for a electric transmission system;

WHEREAS, ARA hereby agrees to allow CNB the exclusive right to enter into an agreement with a lessee, transmission company, for the term recited above. ARA agrees that it will sign an agreement (right-of-way or easement) allowing the exclusive rights and privileges for construction, maintenance and operation of an electrical transmission system upon Tribal Trust Lands situated within the Arkansas Riverbed Corridor more particularly described as a 96 mile water way between the Garrison Avenue Bridge on Highway 64 leading into Ft. Smith, Arkansas from Moffet Oklahoma (Section 27-T11N-R27E) thence upstream 96 miles to the Three Forks junction North of Muskogee, Oklahoma (Section 9 -T15N-R19E);

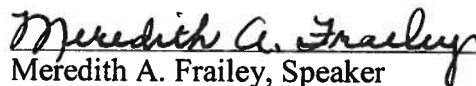
WHEREAS, CNB agrees to pursue a comprehensive study and analysis of the Arkansas Riverbed Corridor for an electric transmission system, consistent with the goals of the member Tribes for furthering the betterment of Tribal Citizens. This includes negotiating agreements with prospective developers and transmission companies, preparing preliminary engineering studies, right-of-way projections, cost and income analysis, general feasibility studies, meetings with appropriate federal officials including Department of the Interior, Corps of Engineers, Federal Energy Regulatory Commission and others as necessary to begin the approval process. All costs of reaching an agreement with a transmission company shall be the obligation of CNB, its assigns and associates, and will become part of the total development cost of the project for which CNB shall be reimbursed from the sale of the right-of-way prior to distribution of the proceeds to the Tribes. CNB hereby holds ARA harmless from any of these costs if the project ultimately is not developed;

WHEREAS, it is desirable that this agreement process be expedited in order to make the subject lands more desirable for development by CNB for the ARPTC, without the necessity of having each individual easement or right of way approved by the Three Tribes, Tribal Councils.


BE IT RESOLVED BY THE CHEROKEE NATION, that the Principal Chief of the Cherokee Nation or his designee is hereby authorized to sign any other necessary documents required for the ARPTC in accordance with Bureau of Indian Affairs policy and procedure for the leasing of land owned by United States of America in Trust for Cherokee Nation, provided however that the term of said agreement shall require compensation at or above the appraised value.

CERTIFICATION

The foregoing resolution was adopted by the Council of the Cherokee Nation at a duly called meeting on the 14th day of December 2009, having 15 members present, constituting a quorum, by the vote of 15 yea(s); 0 nay(s); 0 abstaining.


Meredith A. Frailey, Speaker
Council of the Cherokee Nation

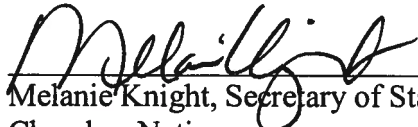
ATTEST:


Don Garvin, Secretary
Council of the Cherokee Nation

Approved and signed by the Principal Chief this 21st day of December 2009.


Chadwick Smith, Principal Chief
Cherokee Nation

ATTEST:


Melanie Knight, Secretary of State
Cherokee Nation

**Cherokee Nation
Act/Resolution Proposal Form**

Act

Resolution

ADMINISTRATIVE CLEARANCE:

Program/Project Manager:

Signature _____ Date _____

Department Director:

Signature _____ Date _____

Group Leader:

Signature _____ Date _____

Finance Approval (if needed):

Signature _____ Date _____

Government Resources Group:

Yita May 11/3/09
Signature _____ Date _____

Administration Approval:

M. Lilly 11/3/09
Signature _____ Date _____

TITLE: A RESOLUTION AUTHORIZING THE EXECUTION OF MANAGEMENT AGREEMENT FOR ARKANSAS RIVERBED CORRIDOR

Department Contact: Linda Donelson

Resolution Presenter: Linda Donelson

Council Sponsor: Don Garvin

NARRATIVE:

(See Attached Outline for Information Needed)

The purpose of this resolution is to authorize a Management Agreement between Arkansas Riverbed Authority and Cherokee Nation Business, and to allow a study, analysis and construction of a transmission line along the Arkansas Riverbed from the Oklahoma state line at Ft. Smith, Arkansas, to Three Rivers junction in Muskogee, Oklahoma. Cherokee Nation Business is to contract with a transmission company to build a transmission line and require compensation at or above the appraised value.

LEGISLATIVE CLEARANCE

Legislative Aide:

Jill Brittan 11/3/09
Signature/Initial _____ Date _____

Standing Committee:

Resource

11-16-09

Next Meeting Date

Chairperson:

Shel

Signature/Initial _____ Date _____

Returned to Presenter: _____
Date

11-03-09P05:10 RCVD