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Volume #2: PYRAMID LAKE ECONOMIC DEVELOPMENT PLAN (as amended 2017)



Volume #2: INVESTMENT AND MANAGEMENT PLAN

An Investment and Management plan for the Pyramid Lake Paiute Economic Development Fund to Create Long Term Profit-Making Opportunities, to Create Optimum Employment Opportunities, and to Establish a High Quality Recreation area at Pyramid Lake for the Pyramid Lake Paiute Tribe and its Members

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The Pyramid. Photo Courtesy of Scott H. Carey

ACKNOWLEDGMENTS

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Special Thanks To

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Lone Tree Area at Dusk. Photo Courtesy of Scott H. Carey

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Purpose

This plan, as amended herein, is the second half of the Pyramid Lake Paiute Tribe's overall Economic Development Plan. Public Law 101-618, Section 208(a)(3) authorizes the appropriation of the Pyramid Lake Paiute Economic Development Fund in the amount of \$40,000,000 for Economic Development. The purpose of this Plan is to establish the policy matters for the use of both the principal and interest amounts of the Pyramid Lake Economic Development Fund. This plan is broken down into 3 key sections that are focused on using the fund to accomplish the goals of Volume 1 of the Pyramid Lake Economic Development Plan.

The Tribe believes that the most effective use of the Pyramid Lake Economic Development Fund and the greatest way to maximize job creation and revenue for the Tribe is to have the Federal Government continue to manage the fund and use a portion of the interest amount of the fund for Tribal governmental purposes, including grants or other avenues to put limited amounts in the hands of the Tribal Members. Due to unsettled legal and administrative disputes regarding the ability of the Tribe to provide an economic stimulus payment directly to its members, at the time this Economic Development Plan was approved by the Tribe in 2011, it was not clear if the Tribe would be able to manage the entire fund in the manner of its choosing. For this reason, the 2011 Economic Development Plan had four sections: Option A, Option B, Option C and the Investment Plan. In 2016, the Tribal Council chose to pursue Option B of the 2011 Economic Development Plan, and submitted a formal request to the Bureau of Indian Affairs to distribute 50% of the interest earned by the Pyramid Lake Economic Development Fund under Sec. 208(a)(3)(C) of Pub. Law 101-618, which request was denied by the Bureau of Indian Affairs. The Tribe thereafter filed an appeal of the denial of its request with the Interior Board of Indian Appeals (Docket No. IBIA 17-036). Early in the appeal process, the Tribe and the Bureau of Indian Affairs mediated their disputes, and the Tribe's legal challenge was resolved during mediation when the Tribe and the Bureau of Indian Affairs determined an acceptable pathway forward that will allow the Tribe to withdraw a portion of the interest pursuant to Sec. 208(a)(3)(B) of Pub. Law 101-618 for governmental purposes consistent with Sec. 208(a)(3)(A) of Pub. Law 101-618.

The purpose of this plan is to establish in writing the policy matters concerning the use of the Pyramid Lake Economic Development Fund in order to maximize job creation and revenue for the Tribe and its members. There are 3 sections to this amended plan: Option A, Option B and the Investment Plan. Each section of the plan establishes the policy matters by which the Tribe can use the Pyramid Lake Economic Development Fund to create jobs and growth on the reservation. Option A, as amended, is the Tribe's preferred plan and Option B, as amended, is the Tribe's alternative plan should the Tribe not be able to proceed under Option A.

Option A, as amended, of this Plan outlines the Tribe's option to withdraw 20% to 50% of the interest amount for Tribal governmental purposes as outlined below. Option B, as amended, of this Plan outlines the Tribe's option to use the Economic Development Fund in the event there is a final legal determination that the Tribe is not allowed to withdraw any of the interest amount pursuant to Option A. The Investment Policy section of this Plan outlines the guidelines and objectives for the Federal Government to follow while managing the Pyramid Lake Economic Development Fund.

Truckee River Disputes and Settlement Act Background

Over the last century the Tribe has engaged in on-going legal disputes over rights to Truckee River water. Beginning with the construction of Derby Dam in 1905, diversion of Truckee River water has caused major concern for the survival of Pyramid Lake. The lake level dropped eighty-seven feet from 1912 to 1967. Carrying its disputes to the federal courts, the Pyramid Lake Paiute Tribe negotiated a landmark decision in 1990 when the U.S. Congress passed the Truckee-Carson-Pyramid Lake Water Rights Settlement Act, Title II of Public Law 101-618.

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For the purposes of this volume of the Plan, the most important aspect of Public Law 101-618 is Section 208(a)(3) which authorizes the appropriation of the Pyramid Lake Paiute Economic Development Fund in the amount of \$40,000,000. The fund was appropriated in 5 equal installments in 1993, 1994, 1995, 1996, and 1997. Since its initial \$40,000,000 appropriation the fund has gained interest in a Federal Government account. As of these 2017 amendments to the plan, the interest amount is worth nearly double the principal amount. The purpose of both the principal and interest amounts of the fund is to develop long-term, profit making opportunities for the Pyramid Lake Tribe and its members, to create optimum employment opportunities for Tribal Members and to establish a high quality recreation area at Pyramid Lake using the unique natural and cultural resources of the Pyramid Lake Indian Reservation. There are three requirements in the law for the Tribe to follow to be able to access the settlement fund and two restrictions the Tribe must abide by in spending the Economic Development Fund.

The three requirements written into PL 101-618 that must happen in order for the Tribe to access the Pyramid Lake Paiute Economic Development Fund are:

- The first requirement to access the fund is found in Section 208(a)(3)(A) of the law which states that: *“The principal and interest of the Pyramid Lake Paiute Economic Development Fund shall be available for economic development only in accordance with a plan developed in consultation with the Secretary and adopted by the Pyramid Lake Tribe.”* This means that the Tribe must consult with the Federal Government and adopt an Economic Development Plan before the Tribe will be able to access the Pyramid Lake Paiute Economic Development Fund.
- The second requirement to access the fund is also found in Section 208(a)(3)(A) of the law which states that: *“The plan shall be consistent with the fishery restoration goals of section 207 of this title. The plan may be revised and updated by the Pyramid Lake Tribe in consultation with the Secretary”.* This means that the Tribe’s Economic Development Plan cannot conflict with the Pyramid Lake Fisheries’ Cui-ui and Lohanton Cutthroat Trout recovery and enhancement programs.
- The third requirement to access the fund is found in Section 208(a)(3)(D) of the law which states that: *“The Secretary and the Secretary of the Treasury shall allocate and make available to the Pyramid Lake Tribe such moneys from the Pyramid Lake Economic Development Fund as are requested by the Pyramid Lake Tribe, except that no disbursements shall be made to the Pyramid Lake Tribe unless and until the Pyramid Lake Tribe adopts and submits to the Secretary the economic development plan described in subparagraph (A) of this paragraph, and section 204, the Preliminary Settlement Agreement as modified by the Ratification Agreement, and the Operating Agreement enter into effect in accordance with the terms of subsection 210(a) of this title.”* This means that the Tribe will not be able to access any portion of the Pyramid Lake Paiute Economic Development Fund until the Plan is adopted by the Tribe and submitted to the Federal Government and the Truckee River Operating Agreement (TROA) is in effect.

Once the Tribe is able to access the fund there are two restrictions written into PL 101-618 for use of the Pyramid Lake Paiute Economic Development Fund that the Tribe must follow:

- The first restriction for the Tribe to follow for use of the Pyramid Lake Paiute Economic Development Fund is Section 208(a)(3)(B) of the law which states that: *“The Pyramid Lake Tribe shall have complete discretion to invest and manage the Pyramid Lake Economic Development Fund except that no portion of the principal shall be used to develop, operate, or finance any form of gaming or gambling, except as may be provided by the*

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Indian Gaming Regulatory Act, PL 100-497.” This means that the Tribe cannot use any portion of the principal of the fund to develop, operate or finance any form of gaming or gambling, except as provided by the IGRA.

- The second restriction for the Tribe to follow for use of the Pyramid Lake Paiute Economic Development Fund is Section 208(a)(4) of the law which states that: *“Under no circumstances shall any part of the principal of the funds established under this section be distributed to members of the Pyramid Lake Tribe on a per capita basis.”* This means that no per capita payment can be made to Tribal Members out of the principal amount of the fund.

Planning Process

Since the enactment of PL 101-618, the Pyramid Lake Paiute Tribe has worked on an economic development plan which will best promote tribal prosperity. Over the years Tribal staff and consultants have undertaken business analyses, community surveys, and community meetings to assist in the development of this plan. In addition, the Tribal Members share a great interest in the plan, consequently their views have been incorporated as much as possible, including providing input prior to taking action. Section 208(a)(3)(A) of PL 101-618 requires that the Tribe adopt an Economic Development Plan that identifies and outlines long-term profit making opportunities for the Tribe and optimal employment opportunities for Tribal Members and establishes a high quality recreational area at Pyramid Lake. Volume 1 of this plan, the Strategic Economic Development Plan, accomplishes this requirement of the law and identifies ways to create jobs and growth on the reservation through the generalized goals, policies and action steps listed in the plan.

This plan has been created through an extensive planning process that started in June of 2009. The strategic plan was drafted in the months afterward using information gathered during the public outreach process in 2009, reviewing past Economic Development planning efforts, reviewing past Tribal Member surveys and comments, and other successful Tribal and non-Tribal Economic Development plans around the country. During the planning process, 4 public meetings, 2 Tribal Council Workshops, 6 Water Resources Committee Meetings, and four 30 day public postings were completed to seek input from Tribal Members on this plan. On July 2, 2010 the Pyramid Lake Paiute Tribal Council approved Volume #1 of the plan: the Strategic Economic Development Plan. In addition to satisfying the requirements of PL 101-618, this plan is designed to be the official policy document to guide economic growth and development for the Pyramid Lake Paiute Tribe and its members. This plan is intended to be used by Tribal Staff and the Tribal Council to guide the Tribe when making decisions and reviewing future economic development projects. Also this plan is intended to help guide the Tribal Council in making policy decisions concerning the uses of the Pyramid Lake Economic Development Fund from PL 101-618.

Overall the objectives of the Pyramid Lake Economic Development Plan are to develop long-term profit-making opportunities, create employment opportunities for the membership and establish high-quality recreation at Pyramid Lake consistent with fishery restoration goals. Once adopted by the Tribal Council, this plan may be revised and updated by the Tribe in consultation with the Secretary.

Tribal Setting

The Pyramid Lake Paiute Tribe (Tribe) is a federally recognized Native American Tribe as organized under Section 16 of the Indian Reorganization Act. Operating under a constitution based government the governing body of the Tribe is the elected Pyramid Lake Paiute Tribal Council consisting of a Chairman, Vice-Chairman, and eight (8) Council members. The Constitution and Bylaws of the Tribe were adopted on December 14, 1935 and approved by the U. S. Department of Interior, Office of Indian Affairs, on January 15, 1936. The founding document has thus far been amended eight times to better reflect the ideologies and needs of the members with the last amendment approved in 1976. The Tribe has a long

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history of administering and operating various social and economic programs for the community with funds received from federal, state, and tribal resources. Similar to most tribes in the United States, the Tribal government operates programs for the public safety and welfare of its members and other residents.

The Pyramid Lake Paiute Reservation is located in Northwestern Nevada, 35 miles northeast of Reno. The reservation lies predominantly within Washoe County, but a small portion of it lies within Lyon and Storey Counties. It is the largest Native American reservation in the state, both in size (475,000 acres) and Tribal population (1,388) according to the 2000 US Census. Pyramid Lake is a large terminal lake whose waters originate at Lake Tahoe and flow northeastern as the Truckee River for 105 miles to its terminus at Pyramid Lake. The lake covers 112,000 acres, approximately 175 square miles, and is 26 miles long and 11 miles wide. It is a remnant of the ancient Lake Lahontan, which existed 9,000 to 40,000 years ago. The modern lake has a maximum depth of 350 feet and a volume of nearly 22 million acre feet. It is one of the most valuable historic, cultural and economic assets of the Tribe. The Pyramid Lake area has a semi-arid climate, with an annual precipitation range of less than 7 inches in the basins to 18 inches in the high mountains. The amount of precipitation is directly related to elevation. Most precipitation falls as snow in the high elevations, providing stream runoff and peak flow during early spring. Summers are typically dry, with very little rainfall between July and August.

Pyramid Lake and its abundant fish supply have been important resources for human inhabitants for over 4,000 years. The Pyramid Lake Paiute culture (Kooyoee Ticutta or Cui-ui Eaters) have lived successfully in this area for over 600 years, utilizing the abundant fish as their primary food supply and an economic resource. During the spawning run, other Paiute bands would join the Kooyoee Ticutta in net fishing at the river delta and participating in the accompanying annual Tribal celebrations. Cui-ui were gathered by the thousands each year and dried up for future use. The Lake, the cui-ui, and the people are the three central components that define the identity of the Pyramid Lake Paiute Tribe.

The economy today is still centered on Pyramid Lake with fishing, boating, camping and other year round recreational activities making up the bulk of the economy. Pyramid Lake is widely acclaimed as North America's most beautiful desert lake. Its rugged beauty and undeveloped open space appeals to both Tribal members and visitors from around the world. The Lake is a destination for sports fisherman because of its fame as a world class trout fishery and tourist destination. Use of the lake by non-tribal members requires a permit and adherence to Tribal regulations. Fishing season for trout runs from October 1st to June 30th each year. The lake is home to 5 species of fish; the Lahontan Cutthroat Trout; the Lahontan Tui chub; the Cui-ui; the Tahoe Sucker and the Sacramento Perch.

Sutcliffe is the only Tribal community located adjacent to Pyramid Lake and is the common gateway for visitors driving in from the Reno/Sparks area. This community includes a marina, store, visitor's center, gas station, small community center, RV park, ranger station and fishery facilities. Non-tribal operations (located on fee land) include a mobile home park, RV park, and a store with general merchandise, fishing equipment, slot machines, food and a bar.

Wadsworth, located at the southernmost portion of the reservation, derives revenue from a smoke shop/convenience store/gas station and RV park situated near an exit to Interstate 80. Due to its proximity to exits #43 and #46 off Interstate 80 the community serves as a southern gateway into the reservation. The community also includes a youth treatment center, an Elementary school, post office, community center, churches, and a day care facility. In addition, the Tribe receives revenue from a gravel pit operation and the Big Bend RV Park. Other revenue is based on taxes from businesses located on non-tribal lands within the reservation.

Nixon, the base of Tribal Government, is located near the south end of Pyramid Lake and is equidistant from the other reservation communities. Available services are Tribal administration, medical clinic, elder services, police department, judicial services, volunteer fire department, Post Office, museum/visitor's center, Pyramid Lake High School, the Nixon

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Store, Head Start and day care facility. The Tribe has an established tax department to administer and collect taxes on the Reservation. The modest income from tax revenue serves as the primary resource for tribal administration and community development needs as well as supplementing other vital programs in order to operate at minimal levels.

According to the 2000 Census, 1,388 Tribal Members lived on the Pyramid Lake Indian Reservation. 65.7% of Tribal Members were employed either on or off the reservation while 34.3% of Tribal Members were unemployed. Common employment occupations were; service, management, professional, sales and office, farming, fishing, forestry, construction, maintenance, transportation, agriculture, government and ranching. 5.3% of Tribal Members worked at home and only 3.6% were self employed or owned their own business. The average commute time to work for Tribal Members was 25.5 minutes. The average per-capita income for each Tribal Member is \$11,837.

Amendments to the Plan

The Pyramid Lake Economic Development Plan is intended to be a useable document that can be changed in order to adapt to regional economic conditions, financial market trends and new Tribal priorities. Amendments to the plan can be submitted at anytime and the plan can be changed as long as it does not conflict with PL 101-618 and is done in consultation with the Federal Government. Amendments to the plan shall follow the steps:

Step #1: Amendment submitted to the Tribe.

Step #2: Proposed amendment reviewed by Tribal Staff and Federal Government.

Step #3: Proposed amendment reviewed by Economic Development Committee.

Step #4: Economic Development Committee makes a recommendation on the amendment to the Tribal Council.

Step #5: Tribal Council posts the proposed amendment for 30 days for public comment.

Step #6: Tribal Council reviews and votes on proposed amendment.

Step #7: If approved by Tribal Council proposed amendment submitted to the Federal Government.



Fishing at Pyramid Lake. Photo Courtesy of the Reno-Sparks Visitors and Convention Authority

STRATEGIC ECONOMIC DEVELOPMENT PLAN GOAL LIST

RECREATION AND FISHING ELEMENT

- GOAL 1.1: Establish a High Quality Recreation Area at Pyramid Lake.
- GOAL 1.2: Ensure the Safety of Visitors at Pyramid Lake.
- GOAL 1.3: Protect the Unique and Natural Ecosystem of Pyramid Lake and its Fisheries.
- GOAL 1.4: Enhance the Awareness and Maintain a Positive Image of Pyramid Lake
- GOAL 1.5: Showcase and Enhance Awareness of the Natural and Cultural Resources of Pyramid Lake.

TRIBAL ENTERPRISES ELEMENT

- GOAL 2.1: Create a Separate Tribal Business Corporation.
- GOAL 2.2: Create New Tribal Enterprise Opportunities Both On and Off the Reservation.
- GOAL 2.3: Develop Partnerships with Other Native Tribes.
- GOAL 2.4: Improve the Existing Tribal Enterprises.
- GOAL 2.5: Develop Partnerships with Successful Private Industries.

ENERGY ELEMENT

- GOAL 3.1: Develop Energy Projects that Will Create Revenue and Lower Utility Costs for Tribal Members.
- GOAL 3.2: Encourage the Development of Geothermal Energy Projects.
- GOAL 3.3: Encourage the Development of Wind Energy Projects.
- GOAL 3.4: Encourage the Development of Solar Energy Projects.
- GOAL 3.5: Encourage the Development of Other Energy Projects.

GOOD GOVERNANCE AND EDUCATION ELEMENT

- GOAL 4.1: Create a Business Friendly Tribal Government.
- GOAL 4.2: Provide Quality Health Care Services on the Reservation.
- GOAL 4.3: Increase Tribal Member Access to High Quality Education and Job Skills Training.
- GOAL 4.4: Create and Maintain a Business Regulatory Structure
- GOAL 4.5: Continue Economic Development and Land Use Planning Efforts.



Pelicans & the Pyramid. Picture courtesy of Scott H. Carey.

STRATEGIC ECONOMIC DEVELOPMENT PLAN GOAL LIST (cont.)

INDUSTRIAL AND COMMERCIAL DEVELOPMENT ELEMENT

GOAL 5.1: Create Development Standards to Encourage and Regulate High Quality Development.

GOAL 5.2: Provide Opportunities for Appropriate Commercial Development.

GOAL 5.3: Provide Opportunities for Appropriate Industrial Development.

GOAL 5.4: Encourage Tourism Oriented Development in Appropriate Areas.

GOAL 5.5: Develop New and Improve Existing Infrastructure.

AGRICULTURE AND RANCHING ELEMENT

GOAL 6.1: Provide Adequate Land and Water Resources.

GOAL 6.2: Produce New and More Profitable Agricultural Products.

GOAL 6.3: Improve the Existing Agricultural Infrastructure.

GOAL 6.4: Provide Enhanced Range Management and Conservation.

GOAL 6.5: Improve the Existing Range Infrastructure.

TRIBAL ENTREPRENEURSHIP ELEMENT

GOAL 7.1: Create Optimum Employment Opportunities for Tribal Members.

GOAL 7.2: Encourage Entrepreneurship and the Development of Tribal Member Owned Businesses.

GOAL 7.3: Promote Tribal Member Owned Businesses.

GOAL 7.4: Become Certified Under the 8A Business Development Program.

GOAL 7.5: Create a Tribal Member Owned Business Stakeholders Group.



Fourth of July Weekend 2009 at Pyramid Lake. Picture courtesy of Pyramid Lake Rangers Department

OPTION A (as amended 2017)

Purpose

Option A, as amended, outlines the Tribe's option to use the Pyramid Lake Paiute Economic Development Fund to withdraw 20% to 50% of the interest amount of the fund pursuant to Sec. 208(a)(3)(B) of Public Law 101-618 for tribal governmental purposes consistent with Sec. 208(a)(3)(A) in amounts and when deemed necessary. Under Option A, as amended, upon approval of the amended plan by the Tribe and the ability for the Tribe to access portions of the interest from the fund, the entire principle would continue to be managed by the Federal Government and the chosen percentage of the interest amount would be withdrawn for governmental purposes consistent with Sec. 208(a)(3)(A). The principal and remaining interest of the fund would continue to be managed by the Federal Government and would thereafter be withdrawn by the Tribe as and when deemed necessary to complete the goals, policies and action steps of Volume #1 of the Strategic Economic Development Plan.

Economic Development Committee

In order to ensure accountability, financial stability and provide a transparent public process for the management of the Pyramid Lake Economic Development Plan and the Pyramid Lake Paiute Economic Development Fund, the Tribe shall create an Economic Development Committee. The Economic Development Committee shall consist of 5 members who shall be appointed by the Tribal Council. The Committee shall meet quarterly or as needed and all meetings of the committee shall be open to the public. Committee members shall serve 4 year terms and will serve at the pleasure of the Tribal Council. The roles of the committee shall be the following:

- 1) Review applications for proposed projects and make recommendations to the Tribal Council on how the project meets the goals, policies and action steps the Pyramid Lake Economic Development Plan.
- 2) Develop an investment plan for the Pyramid Lake Paiute Economic Development Fund.
- 3) Work with consultants and the Federal Government to manage and make changes to the investment plan for the Pyramid Lake Paiute Economic Development Fund.
- 4) Develop and submit an annual report the Tribal Council of status of the Pyramid Lake Paiute Economic Development Fund.
- 5) Review and make recommendations to the Tribal Council on amendments to the Pyramid Lake Economic Development Plan.
- 6) Other duties as established by the Tribal Council.

Distribution of the Pyramid Lake Paiute Economic Development Fund

The main goal of the Pyramid Lake Economic Development Plan is to create long term profit making opportunities, to create optimum employment opportunities and to establish a high quality recreation area at Pyramid Lake for the Tribe and its members. The uses of the Pyramid Lake Economic Development Fund for Economic Development projects on the reservation are intended to be seed money to develop the long term growth and stability for the Tribe. The Tribe believes that the best way to achieve this goal and achieve self-sufficiency for the Tribe is a combination of investment towards the goals, objectives and action steps identified in Volume #1 of this plan and withdrawal of a portion of the interest earned by the fund to be used for tribal governmental purposes, including but not limited to grants or other avenues of distributing funds to each Tribal Member. Pub. Law 101-618, Sec. 208(a)(4) clearly states that no portion of the principal amount of the Pyramid Lake Paiute Economic Development Fund can be distributed to the members of the Tribe. However, the Tribe maintains that the interest can be withdrawn from the fund pursuant to Sec. 208(a)(3)(B) for Tribal governmental purposes, including but not limited to grants or other avenues of distributing funds to each Tribal Member for purposes consistent with Sec. 208(a)(3)(A) in order to best create long term growth revenue and employment opportunities for the Tribe and its members.

The Tribe proposes to set aside specific percentages of the Principal Amount of the Pyramid Lake Paiute Economic Development Fund towards the goals, policies and action steps of the 7 elements included in Volume #1 of this plan. These elements are Recreation and Fishing, Good Governance and Education, Tribal Enterprises, Industrial and Commercial Development, Tribal Entrepreneurship, Agriculture and Ranching and Energy. The Principal Amount would be set aside into a percentage for each element and would be available for the Tribe to withdraw to complete economic development goals of Volume #1 on an individual basis. All interest earned off the Principal Amount would carry over into the fund and become available to be used for additional Economic Development projects in the future. The entire Principal Amount would be managed by the Federal Government in an account and withdrawn by the Tribe on an individual basis.

To ensure long term economic development for the Tribe and its members and the financial stability for the Pyramid Lake Paiute Economic Development Fund, a 10% annual spending cap shall be instituted. In one calendar year the Tribe cannot spend more than 10% of each element listed in the Pyramid Lake Paiute Economic Development Fund Formula.

Under this Option A, as amended, the Tribe proposes to withdraw 20% to 50% of the Interest Amount of the Pyramid Lake Paiute Economic Development Fund for governmental purposes pursuant to Sec. 208(a)(3)(B) of Pub. Law 101-618, including but not limited to providing grants or other avenues of distributing funds to each Tribal Member for purposes consistent with Sec. 208(a)(3)(A). Upon determination by the Tribe of a specific percentage of the Interest Amount that will be withdrawn, the Tribe will request to withdraw that amount from the fund pursuant to Sec. 208(a)(3)(B) of Pub. Law 101-618 for Tribal governmental purposes consistent with Sec. 208(a)(3)(A). The remaining percentage of the interest that was not withdrawn pursuant to this Option A under Sec. 208(a)(3)(B) would continue to be managed by the Federal Government along with the Principal amount. The grants or other avenue(s) of distributing funds to the eligible Tribal Members would be exempt from Federal Income Tax requirements. Any funds distributed to eligible Tribal Members who are under the age of 18 and other needed supervised accounts would be managed by the Tribe to be provided to those eligible Tribal Members when they reach the age of 18. The interest earned off each eligible Tribal Member minor's or other needed supervised accounts would be the property of the eligible Tribal Member for future distribution. The grant or other disbursement to each Tribal Member is intended to be used to create economic growth and job creation on the reservation.

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Upon the approval of the plan and the Tribe's ability to access the Pyramid Lake Paiute Economic Development Fund, the Tribe would direct the Federal Government to divide the fund into percentages of 7 categories according to the formula below.

Option A: Pyramid Lake Paiute Economic Development Fund Formula

Principal Amount

Recreation and Fishing Element	25% of Principal Amount
Good Governance and Education Element	20% of Principal Amount
Tribal Enterprises Element	15% of Principal Amount
Industrial and Commercial Development Element	15% of Principal Amount
Tribal Entrepreneurship Element	15% of Principal Amount
Agriculture and Ranching Element	5% of Principal Amount
Energy Element	5% of Principal Amount

Interest Amount

Withdrawn for Tribal Governmental Purposes	20-50% of Interest Amount
Remaining Amount	80-50% of Interest Amount

Fund Withdrawal Process for the Principal Amount

Upon approval of the plan by the Tribe and the ability of the Tribe to access the Principal Amount, the percentages set aside would be available for the Tribe to withdraw on an individual basis as and when deemed necessary to meet the goals, policies and actions of Volume #1 of this plan. To accomplish all of the goals, policies, and actions steps in Volume #1 of this plan would require more money than is available in the entire Pyramid Lake Paiute Economic Development Fund. The fund is to be used as seed money on an individual project basis to establish long term profit making and employment opportunities for the Tribe and its members and to establish a recreation area at Pyramid Lake. It will be important for the Tribe to maintain fiscal responsibility, sound project management, public transparency and strict adherence to Tribal and Federal financial regulations and policies. To withdraw any portion of the Principal Amount the Tribe will need to follow the below process.

Step #1: Application to withdraw a portion of the fund by the Tribe is submitted to the Tribal Planner with details on the proposed project.

Step #2: Application is reviewed by the Tribal Planner and if complete, forwards application to the Economic Development Committee.

Step #3: The Economic Development Committee reviews the application on how the proposed project meets the goals, policies and action steps of Volume #1 the Strategic Economic Development Plan and makes a recommendation to the Tribal Council.

Step #4: The Tribal Council at the next regularly scheduled meeting makes a decision on the proposed application.

Step #5: If approved by the Tribal Council, the Tribe submits a 1034 Form with supporting Tribal Resolution to the Federal Government.

Step #6: The Tribe withdraws the money from the appropriate category of the fund and completes the project.

Fund Withdrawal Process for the Interest Amount

Upon approval of the plan by the Tribe, the chosen portion of the Interest Amount of the Pyramid Lake Paiute Economic Development Fund would be withdrawn from the Fund pursuant to Sec. 208(a)(3)(B) of Pub. Law 101-618 for Tribal government purposes as set forth above, and then used for such purposes as set forth in a separate formal resolution duly approved by the Tribal Council. It will be important for the Tribe to maintain fiscal responsibility, sound project management, public transparency and strict adherence to Tribal and Federal financial regulations and policies. To withdraw any portion of the Interest Amount, the Tribe will need to follow the below process.

Step #1: Tribal Council passes formal resolution setting forth intent to withdraw funds pursuant to Sec. 208(a)(3)(B).

Step #2: Tribe notifies the Federal Government of its intent to withdraw the chosen interest portion of the Economic Development Fund pursuant to Sec. 208(a)(3)(B).

Step #3: Tribal Council submits a 1034 Form and supporting Tribal Resolution to the Federal Government to withdraw the money pursuant to Sec. 208(a)(3)(B).

Step #4: The Federal Government approves the 1034 Form and causes the funds to be deposited into to the specified Tribal account(s).

Step #5: Tribal Council provides grants or employs other avenues to distribute the withdrawn funds to individual Tribal Members consistent with the purposes outlined in Sec. 208(a)(3)(A).

Tribal Member Eligibility Requirements to Receive Funds

Eligible members of the Pyramid Lake Paiute Tribe will be entitled to receive a grant or other disbursement from the Tribe's chose portion of the interest withdrawn from the Fund. The grant or other disbursement will be in the form of a lump sum payment check and would be exempt from Federal Income Tax requirements. In order to receive a grant or other distribution from the Tribe, a member of the Tribe must meet the following requirements:

- 1) Be a living enrolled member of the Pyramid Lake Paiute Tribe in accordance with Tribal Enrollment Law.
- 2) Be of an age of 18 years or older.
- 3) Have an active Social Security Number from the Federal Government.
- 3) Be included on the list of eligible members that is approved by the Tribal Council.

Eligible Tribal Members who are under the age of 18 at the time of distribution of funds by the Tribe will be entitled to an equal share of the fund. However, the share of the fund will be placed in a minor's account to be managed by the Tribe until the eligible Tribal Member reaches an age of 18 years old. Future withdrawals of an individual minor's account would be exempt from Federal Income Tax requirements. Any interest earned in the account will be the property of the eligible Tribal Member. At age 18, the eligible Tribal Member would submit a request to the Tribe to receive his/her grant or other disbursement. If the minor does not claim his/her grant or other disbursement within six years of his/her 18th birthday, or if the minor cannot be located after a diligent search within six years of his/her 18th birthday, then the Tribe shall deposit the unclaimed funds back into the Economic Development Fund.

Eligible Tribal Members who are deemed not able to receive their own economic stimulus payment or are prohibited from doing so by a court order or other applicable prohibition at the time of distribution will be entitled to an equal share of the fund. However, the share of the fund will be placed into a supervised account to be managed by the Tribe until the eligible Tribal Member is able to receive his/her payment. Future withdrawals of an individual supervised account would be exempt from Federal Income Tax requirements. Any interest earned in the account will be the property of the eligible

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Tribal Member. When able to receive his/her grant or other disbursement, the Tribal Member would submit a request to the Tribe for his/her grant or other disbursement. Any unclaimed grants or other disbursements, or returned checks, shall be placed in a separate account held by the Tribe. If, after six years and a diligent search for the individual recipient, the funds remain in the Tribe's separate account, then the Tribe shall deposit such funds back into the Economic Development Fund.



Dago Bay at Dusk. Photo Courtesy of Scott H. Carey

OPTION B (as amended)

Purpose

Option B, as amended, outlines the Tribe's option to use the Pyramid Lake Paiute Economic Development Fund in the event the Tribe does not withdraw any of the interest amount of the fund for governmental purposes under Option A, as amended. Under Option B, as amended, the entire fund would continue to be managed by the Federal Government. Under this plan, both the Principal and Interest Amounts of the Pyramid Lake Paiute Economic Development Fund would continue to be managed by the Federal Government. The entire amount of the fund would be withdrawn by the Tribe on an individual basis in amounts and when deemed necessary to complete goals, policies and action steps of Volume #1 the Strategic Economic Development Plan.

Economic Development Committee

In order to ensure accountability, financial stability and provide a transparent public process for the management Pyramid Lake Economic Development Plan and the Pyramid Lake Paiute Economic Development Fund, the Tribe shall create an Economic Development Committee. The Economic Development Committee shall consist of 5 members who shall be appointed by the Tribal Council. The Committee shall meet quarterly or as needed and all meetings of the committee shall be open to the public. Committee members shall serve 4 year terms and will serve at the pleasure of the Tribal Council. The roles of the committee shall be the following:

- 1) Review applications for proposed projects and make recommendations to the Tribal Council on how the project meets the goals, polices and action steps the Pyramid Lake Economic Development Plan.
- 2) Develop an investment plan for the Pyramid Lake Paiute Economic Development Fund.
- 3) Work with consultants and the Federal Government to manage and make changes to the investment plan for the Pyramid Lake Paiute Economic Development Fund.
- 4) Develop and submit an annual report the Tribal Council of status of the Pyramid Lake Paiute Economic Development Fund.
- 5) Review and make recommendations to the Tribal Council on amendments to the Pyramid Lake Economic Development Plan.
- 6) Other duties as established by the Tribal Council.

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Distribution of the Pyramid Lake Paiute Economic Development Fund

The main goal of the Pyramid Lake Economic Development Plan is to create long term profit making opportunities, to create optimum employment opportunities and to establish a high quality recreation area at Pyramid Lake for the Tribe and its members. The uses of the Pyramid Lake Economic Development Fund for Economic Development projects on the reservation are intended to be seed money to develop the long term growth and stability for the Tribe. The Tribe believes that the best way to achieve this goal and achieve self-sufficiency for the Tribe is investment towards the goals, objectives and action steps identified in Volume #1 of this plan.

The Tribe proposes to set aside specific percentages of the entire Pyramid Lake Paiute Economic Development Fund towards the goals, policies and action steps of the 7 elements included Volume #1 of this plan. These elements are Recreation and Fishing, Good Governance and Education, Tribal Enterprises, Industrial and Commercial Development, Tribal Entrepreneurship, Agriculture and Ranching, and Energy. The entire amount of the Fund would set aside into a percentage for each element and would be available for the Tribe to withdraw to complete the economic development goals, policies and actions steps of Volume #1 of this plan. All interest earned off the fund would remain in the fund and become available to be used for additional Economic Development projects in the future. The entire fund would be managed by the Federal Government in an account and withdrawn by the Tribe on an individual project basis.

To ensure long term economic development for the Tribe and its members and the financial stability for the Pyramid Lake Paiute Economic Development Fund a 10% annual spending cap shall instituted. In one calendar year the Tribe cannot spend more than 10% of each element listed in the Pyramid Lake Paiute Economic Development Fund Formula.

Upon the approval of the plan and the Tribe's ability to access the Pyramid Lake Paiute Economic Development Fund, the Tribe would direct the Federal Government to divide the fund into percentages of 7 categories according to the formula below.

Option B: Pyramid Lake Paiute Economic Development Fund Formula

Entire Amount

Recreation and Fishing Element	25% of Principal Amount
Good Governance and Education Element	20% of Principal Amount
Tribal Enterprises Element	15% of Principal Amount
Industrial and Commercial Development Element	15% of Principal Amount
Tribal Entrepreneurship Element	15% of Principal Amount
Agriculture and Ranching Element	5% of Principal Amount
Energy Element	5% of Principal Amount

Fund Withdrawal Process

Upon approval of the plan by the Tribe and the ability of the Tribe to access the Pyramid Lake Paiute Economic Development Fund, the percentages would be available for the Tribe to withdraw on an individual basis to meet the goals, policies and actions of Volume #1 of this plan. To accomplish all of the goals, polices, and actions steps in Volume #1 of this plan would require more money than is available in the entire Pyramid Lake Paiute Economic Development Fund. The fund is to be used as seed money on an individual project basis to establish long term profit making and employment opportunities for the Tribe and its members and to establish a recreation area at Pyramid Lake. It will be important for the Tribe to maintain fiscal responsibility, sound project management, public transparency and

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strict adherence to Tribal and Federal financial regulations and policies. To withdraw any portion of the fund the Tribe will need to follow the below process.

Step #1: Application to withdraw a portion of the fund by the Tribe is submitted to the Tribal Planner with details on the proposed project.

Step #2: Application is reviewed by the Tribal Planner and if complete, forwards application to the Economic Development Committee.

Step #3: The Economic Development Committee reviews the application on how the proposed project meets the goals, policies and action steps of Volume #1 the Strategic Economic Development Plan and makes a recommendation to the Tribal Council.

Step #4: The Tribal Council at the next regularly scheduled meeting and makes a decision on the proposed application.

Step #5: If approved by the Tribal Council, the Tribe submits a 1034 Form and supporting Tribal Resolution to the Federal Government.

Step #6: The Tribe withdraws the money from the appropriate category of the fund and completes the project.



Fox Canyon in Fall. Photo Courtesy of Scott H. Carey

INVESTMENT PLAN

One of the primary objectives of the Tribe is to maximize the use of limited Tribal resources dedicated for the Pyramid Lake Paiute Economic Development Fund. In doing so, the Tribe proposes the following Investment Plan that will govern the Pyramid Lake Paiute Economic Development Fund. The Tribe will seek the help of professional financial consultants to develop a more specific plan to invest the fund in consultation with the Federal Government. Once the plan is reviewed by the Economic Development Committee and approved by the Tribal Council, the Tribe will regularly monitor the investment plan and make changes to the plan as needed in order to adapt to financial market trends. Changes to the investment guidelines can be approved by approval of a resolution of the Tribal Council.

SCOPE OF THE INVESTMENT POLICY

The statement of investment policy reflects the investment policy, objectives, and constraints of the entire Tribal Economic Development Fund.

PURPOSE OF THE INVESTMENT POLICY STATEMENT

1. Define and assign the responsibilities of all involved parties.
2. Establish a clear understanding for all involved parties of the investment goals and objectives of Fund assets.
3. Offer guidance and limitations to all Investment Managers regarding the investment of Fund assets.
4. Establish a basis for evaluating investment results.
5. Manage Fund assets according to prudent standards as established in common trust law.
6. Establish the relevant investment horizon for which the Fund assets will be managed.

In general, the purpose of this statement is to outline a philosophy and attitude which will guide the investment management of the assets toward the desired results. It is intended to be sufficiently specific to be meaningful, yet flexible enough to be practical.

INVESTMENT OBJECTIVE OF PRINCIPAL AMOUNT

In order to meet its needs, the investment strategy is to emphasize total return; that is, the aggregate return from capital appreciation and dividend and interest income. Specifically, the primary objective in the investment management for Investment Account assets shall be:

Income and Growth - To achieve a balanced return of current income and modest growth of principal.

The secondary objective in the investment management of Investment Account assets shall be:

Preservation of Purchasing Power After Spending - To achieve returns in excess of the rate of inflation plus spending over the investment horizon in order to preserve purchasing power of Investment Account assets. Risk control is an important element in the investment of Investment Account assets.



The Stone Mother at Dusk. Photo Courtesy of the Pyramid Lake Paiute Tribe.

“Wesana Nasumuna Kobenetame Meano”

Looking Back.....Coming Together.....Going Forward

Paiute Translation Courtesy of the Sacred Visions Pow-Wow Committee with help from Ralph Burns