

**BOARD OF DIRECTORS REGULAR MEETING  
KEWADIN CASINO AND CONVENTION CENTER  
SAULT STE. MARIE, MICHIGAN  
MINUTES  
DECEMBER 7, 2010**

The meeting was opened at 6:09 p.m. by Chairman McCoy.

Present: Cathy Abramson, Joe Eitrem, Bernard Bouschor, DJ Malloy, Debra Pine, Catherine Hollowell, Lana Causley, Pat Rickley, Keith Massaway, Tom Miller, Joan Anderson, Joe McCoy.

Absent: Denise Chase-sick.

**Moved by Director Miller, supported by Director Anderson, to excuse Director Chase from the meeting.**

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Miller, supported by Director Massaway, to approve the agenda as written.**

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Miller, supported by Director Causley, to suspend the rules and add the Gill Net Study Resolution, Huntington Bank Resolution, 2011 Board Calendar, resolutions 2010-226 and 2010-249 to the agenda.**

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Eitrem, supported by Director Massaway, to suspend the rules and add the issue of Indian Energy to the agenda.**

**Roll Call Vote: Motion denied with Directors Rickley, Pine, Eitrem, Massaway, Causley approving, Directors Malloy, Abramson, Hollowell, Anderson, Miller, Bouschor opposing.**

**Moved by Director Malloy, supported by Director Miller, to approve Resolution 2010-270, Lease Cancellation to Edmond J. Fortin, BIA Lease No: DD-0069(05)**

RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorized its Tribal Chairman, and Treasurer, to execute this lease cancellation, and land being described as: Township of Kinross, County of Chippewa, State of Michigan, Lot(s) 517 and 518, Cedar Grove Estates III  
BE IT FURTHER RESOLVED, that the Tribal staff is directed to prepare the appropriate lease cancellation documents.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Causley, supported by Director Miller, to approve Resolution 2010-271, Trust Land Lease – Lot(s) 517, Fortin, Kinross, Michigan.**

RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorized its Tribal Chairman, and Treasurer, , to execute a lease to the land located at Kinross, Michigan to, Edmond J. Fortin, a married man, land being described as follows: Lot 517, Cedar Grove Estates III.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Abramson, supported by Director Massaway, to approve Resolution 2010-272, Trust Land Lease – Lot(s) 518, Cook, Kinross, Michigan.**

RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorized its Tribal Chairman, and Treasurer, , to execute a lease to the land located at Kinross, Michigan to, Rebecca L. Cook, a married woman, land being described as follows: Lot 518, Cedar Grove Estates III

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Malloy, supported by Director Abramson, to approve Resolution 2010-273, Authorization to Acquire Previously Convened/TUSC Properties at DeMawating Development.**

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors adopts the TUSC Property Reacquisition Policies and Procedures, as attached.

**Roll Call Vote: Motion carried with Directors Causley, Anderson, Pine, Massaway, Malloy, Miller, Hollowell approving, Directors Bouschor, Rickley, Abramson, Eitrem opposing.**

**Moved by Director Malloy, supported by Director Massaway, to approve Resolution 2010-274, Lease Cancellation to Wendy Hoffman, BIA Lease No: DD-0035(02).**

RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorized its Tribal Chairman and Treasurer, to execute this lease cancellation, and land being described as: Township of Kinross, County of Chippewa, State of Michigan Lots 612, Cedar Grove Estates III.

BE IT FURTHER RESOLVED, that the Tribal staff is directed to prepare the appropriate lease cancellation documents.

**Roll Call Vote: Motion carried with Directors Abramson, Miller, Pine, Rickley, Hollowell, Anderson, Causley, Massaway, Eitrem, Malloy approving, Director Bouschor abstaining.**

**Moved by Director Eitrem, supported by Director Rickley, to approve Resolution 2010-275, Amending Chapter 20: Modification to the Fee Structure for Commercial Fishing Licenses.**

BE IT RESOLVED, the Board of Directors amends Chapter 20: 102 (4) (b) and (d) "...fees for the issuance of tribal commercial fishing licenses" as follows: Captain "small boat" (25 feet or less) = \$50.00; Captain "large boat" (greater than 25 feet) = \$100.00. Section 102 (4) (c) "A fee of \$75.00 for a fisherman fishing with a boat twenty-five feet to forty feet in length" is hereby deleted.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Causley, supported by Director Bouschor, to approve Resolution 2010-276, Establishing a Great Lakes and Inland Conservation Committee.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby accomplishes the above as follows.

BE IT RESOLVED, that the existing Conservation Committee is hereby disbanded.

BE IT RESOLVED, that Tribal Code Chapter 22: Conservation Committee is hereby repealed in its entirety.



BE IT FURTHER RESOLVED, that Tribal Code Chapter 22: Great Lakes Conservation Committee is hereby re-promulgated as attached and the resulting new committee shall be vested in said Chapter with regulatory oversight of issues arising under the 2000 Consent Decree, or its predecessor document and litigation and all those issues which may from time to time arise that may impact the Tribe's natural resources upon the 1836 ceded Great Lakes waters.

BE IT FURTHER RESOLVED, that Tribal Code Chapter 24: Inland Conservation Committee is hereby promulgated as attached and the new resulting committee shall be vested in said Chapter with regulatory oversight of issues arising under the 2007 Inland Consent Decree, or its predecessor documents and litigation, the Memorandum of Understanding with the United States Department of Agriculture, or its predecessor documents, and all those issues which may from time to time arise that may impact the Tribe's natural resources upon the 1836 ceded lands and inland waters.

BE IT RESOLVED, that the Board of Directors shall fulfill the duties of the Conservation Committee until such time as the newly established Great Lakes Conservation Committee and Inland Conservation Committee can be sat.

BE IT FINALLY RESOLVED, that the Board of Directors directs Tribal Administration to use its best efforts to facilitate the sitting of the newly established Great Lakes Conservation Committee and Inland Conservation Committee, with appointments of committee members, no later than 60 days.

**Roll Call Vote: Motion carried with Directors Rickley, Abramson, Pine, Massaway, Causley, Miller, Bouschor approving, Directors Malloy, Hollowell, Eitrem, Anderson opposing.**

**Moved by Director Rickley, supported by Director Hollowell, to approve Resolution 2010-277, Request to Expend Additional Funds from the "Fishery Trust" for the Modified ("Legged") Gill Net Study in Lake Huron.**

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors authorizes an additional \$10,000 from the "Fishery Trust", cost center 4101, to be applied to the modified gill net study.

BE IT FURTHER RESOLVED, that by this Resolution, the motion of May 1, 2006, which restricted expenditures from cost center 4101 to the Fish Marketing project, is hereby superseded for the stated purpose herein.

FINALLY, BE IT FURTHER RESOLVED, the remaining funds in the Fishery Trust will remain restricted as motioned in May 1, 2006.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Rickley, supported by Director Massaway, to approve Resolution 2010-278, Approving the Long-Range Tribal Transportation Plan.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes Darwin "Joe" McCoy to coordinate the activities of the Transportation Committee, implementing, reviewing, and revising the transportation plan as necessary.

**Roll Call Vote: Motion carried unanimously.**



**Moved by Director Rickley, supported by Director Malloy, to approve Resolution 2010-279, Amending and Restating Health Plan Publication of Plan Documents and Summary Plan Description.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians does hereby amend the Plan Document/Summary Plan Description of the Sault Ste. Marie Tribe of Chippewa Indians Health Benefit Plan for Tribal Employees ("Health Benefit Plan") to reflect the changes outlined in the attached Benefits-at-a-Glance and those changes mandated by PPACA.

BE IT FURTHER RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians does hereby amend the Sault Ste. Marie Tribe of Chippewa Indians Flexible Benefits Plan for Tribal Employees ("Flexible Benefits Plan") to reflect any applicable changes outlined in the attached Benefits-at-a-Glance and any applicable changes mandated by PPACA.

BE IT FURTHER RESOLVED, that the Health Benefit Plan and the Flexible Benefits Plan are to be operated in compliance with PPACA, and notwithstanding any other provisions in the Health Benefit Plan or the Flexible Benefit Plan, shall be interpreted so as to be in compliance with PPACA.

BE IT FURTHER RESOLVED, that the Director of the Insurance Department and Tribal Counsel are hereby directed to incorporate such changes in the Plan Document/Summary Plan Description for the Health Benefit Plan and the Plan Document for the Flexible Benefits Plan, and to have these amended and restated documents effective January 1, 2011.

**Roll Call Vote: Motion carried with Directors Rickley, Malloy, Abramson, Pine, Eitrem, Massaway, Causley, Anderson, Miller, Bouschor approving, Director Hollowell abstaining.**

**Moved by Director Massaway, supported by Director Abramson, to approve Resolution 2010-280, Grant Application Approval 2011 Health, Active Native Communities Mini Grant.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes Darwin "Joe" McCoy, Tribal Chairman, to sign, negotiate, amend, and execute any agreements thereof for the 2011 Healthy, Active Communities funding, administered by the Association of American Indian Physicians'.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Miller, supported by Director Massaway, to approve Resolution 2010-281, Approval and Authorization of Amendment to PNC Bank Financing Changing of Covenants.**

BE IT RESOLVED that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians, as follows:  
Section 1 Findings

1.1 The Sault Ste. Marie Tribe of Chippewa Indians (the "Tribe") is a federally recognized Indian Tribal Government organized under the provisions of the Indian Reorganization Act of 1934

1.2 Kewadin Casinos Gaming Authority (the "Authority") is an autonomous instrumentality of the Tribe

1.3 The Authority is the borrower under a Loan Agreement ("Loan Agreement") among the Authority, the Tribe, PNC Bank, as Administrative Agent, and the Lenders party from time to time thereto (the "Lenders"), as amended (the "Financing").

1.4 The Tribe is a party to the Loan Agreement with respect to certain representations, warranties and covenants. The Tribe has entered into certain other documents in respect of the Financing (the Loan Agreement and other documents are the "Tribe Loan Documents") evidencing its obligations ("Tribe Obligations").

1.5 The Authority wishes to have the minimum tangible net worth covenant reduced from \$79 million to \$57.5 million, effective 12/31/10.



1.6 The Authority wishes to amend to allow for new casino expansion if necessary.

1.7 It is a condition to the Financing and the Amendment that the Tribe waive the jurisdiction of the Tribal Court in connection with the Financing, except to the extent that the Tribe Loan Documents or the Authority Loan Documents, as amended by the Amendment, may provide for limited jurisdiction for enforcement of an arbitration award under Chapter 95 of the Tribal Code, and the Board of Directors has determined that it is in the best interests of the Tribe that the Financing be amended on substantially the terms set forth in the engagement letter, dated October 29, 2010 and the Tribe waive the jurisdiction of the Tribal Court in connection therewith.

#### Section 2 Approvals and Authorization

2.1 The Board of Directors authorizes and directs the Tribe, through its Chairman, on such conditions and terms as he deems fit, to enter into Amendment on such terms as he may agree upon, which approval will be conclusively presumed by execution and delivery of the Amendment by the Chairman, and to perform its obligations thereunder.

2.2 The Chairman is authorized and directed to execute and deliver such other certificates, documents, or instruments, as may be required or to take any and all such action which may be necessary or convenient to effectuate the Amendment.

#### Section 3 Waiver of Sovereign Immunity and Consent to Jurisdiction

3.1 The Tribe hereby expressly confirms its waiver under the Tribe Loan Documents and waives its sovereign immunity from suit should an action be commenced on the Tribe Obligations, as amended by the Amendment.

This waiver:

- i) shall terminate upon performance by the Tribe of all of its obligations under the Tribe Loan Documents, as amended by the Amendment;
- ii) is granted solely to the Administrative Agent and the Lenders;
- iii) shall extend to, inter alia, any judicial or non-judicial proceeding or action, including, but not limited to, any lawsuit, arbitration, judicial or non-judicial foreclosure proceeding, any judicial or non-judicial action to enforce the rights of the Administrative Agent as a secured creditor, and the assertion of any claim in a court of competent jurisdiction or with any arbitrator or arbitration panel to enforce the obligations of the Tribe under the Tribe Loan Documents, as amended by the Amendment;
- iv) shall be enforceable against all assets and property of the Tribe, to the extent sufficient to satisfy the Tribe's obligations under the Tribe Loan Documents, as amended by the Amendment;
- v) shall be enforceable only in a court of competent jurisdiction, including courts of the State of Michigan, the Sault Ste. Marie Tribal Court, and the federal courts in Michigan (including the United States Bankruptcy Court), or any arbitrator or arbitration panel;
- vi) the governing law shall be as set forth in Section 3.2.

3.2 The Tribe Loan Documents, as amended by the Amendment, shall be construed in accordance with and governed by the internal law of the State of Michigan; except that matters concerning the validity and perfection of a security interest shall be governed by the conflict of law rules set forth in Michigan Uniform Commercial Code. The Tribe expressly submits to and consents to the jurisdiction of the courts of the State of Michigan and the federal courts of Michigan, including any courts to which decisions may be appealed, with respect to any dispute or controversy arising out of the Tribe Loan Documents and the Amendment, or to any transactions in connection therewith.

#### Section 4 Waiver of Tribal Court Jurisdiction

The Board of Directors expressly confirms its waiver under the Tribe Loan Documents and waives jurisdiction of the Tribal Court over any action arising under the Tribe Loan Documents and the Authority Loan Documents identified in Authority Resolution 2007-05, as amended by the Amendment, pursuant to the provision of Chapter 44.108, except to the extent that the Tribe Loan Documents or the Authority Loan Documents,



as amended by the Amendment, may provide for limited jurisdiction for enforcement of an arbitration award under Chapter 95 of the Tribal Code.

**Roll Call Vote: Motion carried with Directors Eitrem, Rickley, Malloy, Abramson, Anderson, Bouschor, Causley, Massaway, Miller, Pine approving, Director Hollowell opposing.**

**Moved by Director Rickley, supported by Director Miller, to approve Resolution 2010-282, Law Enforcement – 2009COPS TRGP FY 2011 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modification to 2009 COPS TRGP for an increase in Department of Justice monies of \$90,000.00. This budget modification represents the carryover from FY 2010. These funds will be used to purchase equipment. No effect on Tribal Support.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Rickley, supported by Director Causley, to approve Resolution 2010-283, ACFS – Men's Educational Group FY 2011 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modification to establish a budget for the Men's Educational Group with Other Revenue of \$6,665.00. There is no effect on Tribal Support.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Rickley, supported by Director Abramson, to approve Resolution 2010-284, ACFS Community Service Block Grant Programs FY 2011 Budget Modifications.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modifications to Community Service Block Grant (2010 award) and Community Service Block Grant (2011 grant award) for a decrease in Health and Human Service monies of \$5,332.80. These budget modifications represent establishing a new budget and the grant carryover amount. No effect on Tribal Support.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Malloy, supported by Director Rickley, to approve Resolution 2010-285, ACFS – USDA FY 2011 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modification to establish a budget for USDA with Federal Department of Agriculture monies of \$59,568.62 and Tribal Support monies of \$17,172.09. These funds represent obligated carry over from FY 2010.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Rickley, supported by Director Malloy, to approve Resolution 2010-286, Smoke Free Housing, FY 2011 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modification to establish a budget for Smoke Free Housing with State of Michigan monies \$35,000.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Rickley, supported by Director Bouschor, to approve Resolution 2010-287, Health Education – Community Health FY 2011 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modification to Health Education – Community Health to increase IHS \$16,625 and decrease Other Revenue \$5,748.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Rickley, supported by Director Bouschor, to approve Resolution 2010-288, Health Center FY 2011 Budget Modifications.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modification to establish a budget for Healthy Heart Cooperative Agreement with Federal IHS monies \$337,646.44.

FUTHER, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2011 budget modifications to Nutrition Services, IHS Special Diabetes Grant, Community Health Nurse, Health Center Medical Nursing, and Health Center Pharmacy to change the personnel sheets and add the additional staff position of Wellness Coach for a total increase in Federal IHS monies of \$401,021.44 and a decrease in Tribal Support of \$151,077.60.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Causley, supported by Director Rickley, to approve Resolution 2010-289, Governmental Capital Expenditures Sault Tribe Construction FY 2010 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2010 budget modification to the Governmental Capital Expenditures for an additional \$62,685 being requested by Sault Tribe Construction.

**Roll Call Vote: Motion carried unanimously.**



**Moved by Director Miller, supported by Director Massaway, to approve Resolution 2010-290, Special Events FY 2010 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians here by approves the FY 2010 budget modification to establish a budget for Special Events with Tribal Support monies of \$12,000.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Miller, supported by Director Malloy, to approve Resolution 2010-291, Authorization to Open Trust Account with Huntington Bank for BIE EDC Jobs ARRA Funds.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors hereby authorizes the CFO or his designee to open a checking account with Huntington Bank for the receipt and maintenance of the BIE Edu Jobs ARRA funds. Signatures of the following are required to transact any activity on said checking Account:

Darwin Joe McCoy, Chairman	Lana Causley, Vice Chairwoman
Cathy Abramson, Secretary	Keith Massaway, Treasurer
Victor Matson, Jr. CFO	William P. Connolly, Comptroller

Said accounts will require the signatures of two of the above signatories.

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Miller, supported by Director Causley, to approve the 2011 Board Calendar, with meetings being held on the 2<sup>nd</sup> and 4<sup>th</sup> Tuesdays of the month.**

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Causley, supported by Director Miller, to accept the findings of the Executive Office/Legal of the referendums for resolutions 2010-226 and 2010-249, and send the referendums out to the membership.**

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Causley, supported by Director Miller, to accept the recommendations of the Special Needs/Enrollment Committee and relinquish Tamara Lee Benoit and Jacalyn Marie Mills-VanNorden from the Tribe.**

**Roll Call Vote: Motion carried unanimously.**

**Moved by Director Causley, supported by Director Miller, to adjourn the meeting.**

**Motion carried.**

Meeting adjourned: 7:40 p.m.

Date: 1-25-11

Secretary: Cathy Abramson

Others present: Vic Matson, Aaron Schlehuber, Bill Connolly, Tara Benoit, Tony Goetz, Bonnie Culfa, Richard Rand, Juanita Bye, Ken Ermatinger, Michael McKerchie, Betty Smith, Lisa Bumstead, Brenda Jeffreys, Joanne Carr.