

**BOARD OF DIRECTORS REGULAR MEETING
KINROSS RECREATION CENTER
KINROSS, MICHIGAN
MINUTES
AUGUST 2, 2016**

The meeting was opened at 6:00 p.m. by Chairperson Payment.

Present: Dennis McKelvie, Kim Gravelle, DJ Hoffman, Jennifer McLeod, Michael McKerchie, Lana Causley, Catherine Hollowell, Bridgett Sorenson, Keith Massaway, Denise Chase, Anita Nelson, and Aaron Payment.

Absent: Darcy Morrow – CDC Meeting.

Moved by Director Gravelle, supported by Director Chase, to excuse Director Morrow from the meeting.

Motion carried unanimously.

Moved by Director Sorenson, supported by Director McLeod, to approve the agenda as read.

Motion carried unanimously.

Without Objection, will add Rescinding Res. 2016-172 and the resolution regarding a waiver for a finance agreement with Lake Forest Bank & Trust to the agenda. No objections.

Moved by Director McKelvie, supported by Director McLeod, to suspend the rules and add to the agenda the appointment of Director McKerchie to the Audit/Tax Committee.

Roll Call Vote: Motion carried with Directors Hoffman, Chase, McLeod, McKelvie, Causley, Gravelle, Massaway, Nelson, McKerchie approving; Directors Sorenson, Hollowell opposing.

Moved by Director Sorenson, supported by Director McLeod, to approve Res. 2016-187, Big Bear Administration, Events, and Building Operations FY 2016 Budget Modifications.

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2016 budget modifications to Big Bear Administration, Events, and Building Operations for a decrease in Other Revenue of \$12,784.53.

Motion carried unanimously.

Moved by Director Hoffman, supported by Director Gravelle, to table the resolution regarding Clean Diesel Grant until the next meeting.

Roll Call Vote: Motion carried with Directors Gravelle, McKerchie, Hoffman, McKelvie, Nelson, Chase approving; Directors McLeod, Sorenson, Hollowell, Causley, Massaway opposing.

Moved by Director Sorenson, supported by Director McLeod, to approve Res. 2016-188, Establishing Negotiation Committee Sault Tribe V. Blue Cross Blue Shield.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians does hereby create and empower a settlement and mediation committee of the following named persons: DJ Hoffman, Dennis McKelvie, Jennifer McLeod, and Catherine Hollowell.

BE IT FURTHER RESOLVED, that the Board of Directors of the Tribe does hereby empower this committee to act with the full authority of the Tribe, at its discretion, and without further review, to settle, mediate, compromise or otherwise dispose of the above mentioned litigation.

BE IT FURTHER RESOLVED, that this committee shall act through a majority of its members, and shall be empowered from the date of this Resolution up to and including December 1, 2016, and no longer.

BE IT FINALLY RESOLVED, all previous Resolutions of this Board contradicting or otherwise inconsistent with this Resolution are hereby amended to as to allow for the creation of this committee.

Motion carried unanimously.

Moved by Director Hoffman, supported by Director McKelvie, to approve Res. 2016-189, Amending Tribal Code Chapter 14: Rules of Parliamentary Procedure Ordinance.

NOW, THEREFORE, BE IT RESOLVED, that Tribal Code Chapter 14: Rules of Parliamentary Procedure Ordinance is here by amended by adding a new 14.106(7) which shall read:

"Cancellations and Rescheduling. The Board of Directors by taking consent by positive majority vote of the Directors, may cancel a meeting or workshop or may reschedule it to a later date and time. If a meeting is rescheduled to another date it shall be deemed called as a special meeting and shall comply with Section 2 of the Bylaws of the Constitution of the Sault Tribe of Chippewa Indians.

Motion carried with Directors Sorenson, Causley opposing.

Moved by Director Causley, supported by Director Hoffman, to approve Res. 2016-190, Waiver of Sovereign Immunity and Consent to Waiver of Tribal Court Jurisdiction Finance Agreement with Lake Forest Bank & Trust.

BE IT RESOLVED, by the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians, as follows:

Section 1 FINDINGS AND DETERMINATIONS: The Board of Directors finds and determines that:

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

1.2 The Tribe would like to enter into a Commercial Premium Finance Agreement with Lake Forest Bank & Trust Company ("Lender"), with said financing agreement to be serviced by First Insurance Funding Corp. ("Servicing Company") with the first installment due on August 1, 2016, and the ten payments each to be in the amount of \$46,330.91; and

1.3 Lender has refused to consent to such Financing Agreement without a waiver of sovereign immunity or Tribal Court jurisdiction.

1.4 In order to induce Lender to enter into the Financing Agreement, the Tribe is required to confirm that the Tribe and all other entities claiming by, through or under the Tribe will not claim tribal immunity or exclusive Tribal Court jurisdiction with respect to any disputes or causes of action between the Tribe and Lender or Servicing Company that might arise from, or relate to, in any respect, the Premium Financing Agreement. All of the foregoing are referred to herein as the "Waiver and Consent Obligations."

1.5 It is in the Tribe's interest to resolve as stated herein.

Section 2 WAIVER OF SOVEREIGN IMMUNITY; CONSENT TO JURISDICTION; GOVERNING LAW

2.1 The Tribe hereby waives its sovereign immunity from suit in favor of Lender only should an action be commenced under the Premium Financing Agreement referenced above.

This waiver:

- i) shall terminate upon performance by the Tribe of all of its obligations under the Premium Finance Agreement or any subsequent extensions of the Premium Finance Agreement
- ii) is granted solely to Lender or Servicing Company;
- iii) shall extend to inter alia, any judicial or non judicial action, including, but not limited to, any lawsuit, arbitration, and judicial or non judicial action to resolve disputes between the Tribe and Lender or Servicing Company and the assertion of any claim in a court of competent jurisdiction or with any arbitrator or arbitration panel to enforce the obligations under the Premium Finance Agreement.

iv) shall be enforceable only in a court of competent jurisdiction, including courts of the State of Michigan the Tribal Court and federal courts in Michigan (including the United States Bankruptcy Court) or any arbitrator or arbitration panel; and

v) shall be enforceable against the assets of the Tribe to the extent necessary to satisfy the Tribe's obligation under the Premium Finance Agreement,; and

vi) the Premium Finance Agreement, and other associated finance documents shall be construed in accordance with and governed by the internal laws of the State of Michigan, as set forth in such documents. The Board authorizes the Tribe to consent to the jurisdiction of the courts of the State of Michigan and the federal courts in Michigan, including any courts to which decisions may be appealed, with respect to any controversies arising from this resolution or any of the finance documents, note or Premium Finance Agreement.

Section 3 WAIVER OF TRIBAL COURT JURISDICTION

3.1 The Board of Directors waives the exclusive jurisdiction of the Tribal Court over any action arising under the Premium Finance Agreement.

Motion carried unanimously.

Moved by Director Hoffman, supported by Director Sorenson, to approve Res. 2016-191, Rescinding Resolution 2016-172, Cultural – Ojibwe Language FY 2016 Budget Modification and Library Services FY 2017 Budget Modification.

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby rescinds Resolution 2016-172, Cultural – Ojibwe Language FY 2016 Budget Modification and Library Services FY 2017 Budget Modification, in its entirety. The grant did not change to a different fiscal date pattern, therefore no budget modification was needed.

Motion carried unanimously.

Without Objection, will refer the General Welfare Exclusion Act of 2014 to the Audit Committee. No objections.

Moved by Director McKelvie, supported by Director Massaway, to approve Res. 2016-192, Appointing Audit Committee Members.

NOW, THEREFORE, BE IT RESOLVED, it is the recommendation of the Board of Directors to appoint Director Michael McKerchie to fill that vacancy; until the end of his current term, which will be July 2020.

BE IT FURTHER RESOLVED, that the Audit Committee recommends reappointing Dr. Madan Saluja for a four year term, expiring August 2020.

Roll Call Vote: Motion carried unanimously.

Moved by Director McKelvie, supported by Director Massaway, to change the September 27, 2016 meeting to September 20, 2016, with the meeting still being located in Munising, Michigan.

Motion carried with Directors Sorenson, McLeod opposing,

Moved by Director Hoffman, supported by Director McLeod, to adjourn the meeting.

Motion carried unanimously.

Meeting adjourned: 6:33 p.m.

Date: 9-6-16

Secretary: Bridgett Sorenson

Others present: Christine McPherson, Bill Connolly, Jessica Dumback, Courtney Kachur, Russ McKerchie, Joanne Carr.