

**BOARD OF DIRECTORS REGULAR MEETING  
RAMADA INN  
MARQUETTE, MICHIGAN  
MINUTES  
August 15, 2017**

The meeting was opened at 6:03 p.m. by Chairperson Payment.

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

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

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

**Moved by Director McLeod, supported by Director Massaway, to approve Minutes of 8-1-2017, with corrections.**

**Motion carried with Director Causley abstaining.**

**Moved by Director Causley, supported by Director Hollowell, to approve Res. 2017-155, Integrating Traditional Knowledge, Community Input, and Climate Change Adaptation in Stand-Level Forest Planning.**

THEREFORE, BE IT RESOLVED, that the Chairperson of the Tribe, or their designee, is authorized to execute and / or amend all documents relating to the formal creation of such partnerships regarding the Forest Planning with the Inter-Tribal Council of Michigan.

BE IT FURTHER RESOLVED, that Aaron A. Payment, Tribal Chairperson, or his duly authorized designees, are authorized to sign, negotiate, amend, or rescind any agreement thereto.

**Motion carried unanimously.**

**Moved by Director Causley, supported by Director Hollowell, to approve Res. 2017-156, Gathering Cedar on a Changing Landscape: Partnership with Michigan Technological University.**

THEREFORE, BE IT RESOLVED, that the Chairperson of the Tribe, or their designee, is authorized to execute and/or amend all documents relating to the formal creation of such partnerships regarding the Gathering Cedar with Michigan Technological University.

BE IT FURTHER RESOLVED, that Aaron A. Payment, Tribal Chairperson, or his duly authorized designees, are authorized to sign, negotiate, amend, or rescind any agreement thereto.

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director Morrow, to approve Res. 2017-157, Hartford Life Insurance Company Life and Disability Benefits.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes renewal of the life and disability benefits through Hartford Life Insurance Company for a three year period and authorizes the Chairperson or his designee to execute such documents as may be necessary to effectuate this renewal.

BE IT FURTHER RESOLVED, the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby resolves to renew the benefits at the rates indicated in the attached document.

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director Massaway, to approve Res. 2017-158, Waiver of Sovereign Immunity and Consent to Waiver of Tribal Court Jurisdiction Finance Agreement with Lake Forest Bank & Trust First Insurance Funding Corp.**

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, 2017, and the ten payments each to be in the amount of \$46,311.32; 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.

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

**Moved by Director Sorenson, supported by Director Massaway, to approve Res. 2017-159, Waiver of Sovereign Immunity and Consent to Waiver of Tribal Court Jurisdiction Loan Agreement with Huntington Bank.**

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 wishes to enter into a Loan Agreement, Term Note, and associated other agreements documents (together the "Loan Agreement") pursuant to which the Tribe will obtain \$3,000,000.00 in new financing from Huntington National Bank, a national banking association ("the Bank"); and

1.3 The Bank wishes to extend this credit to the Tribe on favorable terms; and

1.4 The Bank has refused to consent to such amendment without a waiver of sovereign immunity or Tribal Court jurisdiction.

1.5 In order to induce the Bank to enter into the Loan 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 Bank that might arise from, or relate to, in any respect, the Loan Agreement. All of the foregoing are referred to herein as the "Waiver and Consent Obligations."

1.6 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 the Bank only should an action be commenced under the Loan Agreement referenced above.

This waiver:

i) shall terminate upon performance by the Tribe of all of its obligations under the Loan Agreement or any subsequent extensions of the Loan Agreement

ii) is granted solely to Bank;

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 the Bank 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 Loan 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 Loan Agreement, note and other finance documents, including but not limited to any Tribal property or assets pledged under those finance documents; and

vi) the Loan 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 line of credit.

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 Loan Agreement.

Section 4 AUTHORIZATION

4.1 The Board of Directors of the Tribe hereby authorizes the Chairperson, the Vice Chairperson, the Treasurer, the Secretary, or the Chief Financial Officer of the Tribe, and each of their designees, to each act to execute the necessary documents to effectuate this transaction as needed, including, but not limited to the term loan.

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

**Moved by Director Sorenson, supported by Director McLeod, to approve Res. 2017-160, Forestry Funds Establishment of FY 2017 Budget.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the establishment of a FY 2017 budget for Forestry Funds with BIA Revenue monies of \$16,041.40. No effect on Tribal Support.

**Motion carried unanimously.**

**Moved by Director Hollowell, supported by Director McLeod, to approve Res. 2017-161, MEDC Grand Marais 2018 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2018 budget modification to MEDC Grand Marais for an increase in State of Michigan monies of \$23,913.14. No effect on Tribal Support.

**Motion carried unanimously.**

**Moved by Director McLeod, supported by Director Hollowell, to approve Res. 2017-162, ACFS-USDA FY 2017 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2017 budget modification to USDA for an increase in Federal USDA Revenue monies of \$61,250.00 and for a decrease in Tribal Support of \$11,350.00.

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

**Moved by Director Sorenson, supported by Director Massaway, to approve Res. 2017-163, Health Center IHS After Care 2017 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2017 budget modification to Health Center IHS After Care to change the personnel sheet and reallocate expenses. No effect on Tribal Support.

**Motion carried unanimously.**

**Moved by Director Chase, supported by Director Sorenson, to approve Res. 2017-164, Health Center Maintenance/Improvements/Capital Outlays 2017 Budget Modification.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2017 budget modification to Health Center Maintenance/Improvements/Capital Outlays to reallocate expenses and reduce Federal IHS monies \$819.70. No effect on Tribal Support.

**Motion carried with Directors Morrow, Hoffman opposing.**

**Moved by Director Hoffman, supported by Director Hollowell, to approve Res. 2017-165, Continuing Funding Authority for Fiscal Year 2018 September to August.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors approves continuing funding for the following cost centers for fiscal year 2018, at their 2017 spending levels, for a period not to exceed 45 days:

CC#2230 – Early Head Start	CC#2233 – Early Head Start BIA
CC#3071 – Head Start BIA	CC#2255 – COPS TRGP 2014
CC#2256 – COPS TRGP 2015	

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

**Moved by Director Sorenson, supported by Director Hollowell, to approve Res. 2017-166, Head Start Establishment of FY 2018 Budget.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the establishment of a FY 2018 budget for Head Start with HHS Revenue monies of \$851,605.06, State monies of \$33,250.00 and Tribal Support \$123,980.00 for a total budget of \$1,008,835.06. By approving this budget by the fiscal year start date of September, we will be able to move forward with hiring of the new staff that was approved in the grant.

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

**Moved by Director Hoffman, supported by Director Causley, to go into Closed Session.**

**Motion carried unanimously.**

**Without Objections, moved back into Open Session, no objections.**

**Moved by Director Hoffman, supported by Director McKelvie, to approve Res. 2017-167, Amending Audit Committee Bylaws Section 5.1: Membership.**

NOW, THEREFORE, BE IT RESOLVED, that Section 5.1 of the Bylaws of the Audit Committee is hereby amended to read as follows:

Section 5.1: Membership.

The Committee shall consist of the Treasurer of the Board of Directors and six (6) additional persons appointed by the Board of Directors as follows:

- a.) Three additional sitting members of the Board of Directors, each of whom shall serve a term that shall automatically expire upon termination of the member's Board of Director's term.
- b.) Three individuals who are not employed by the Tribe and who are employed by, or have any financial interest in, or are not related within the third degree to an individual who has a financial interest in, any entity that provides contracted services or goods to the Tribe. At least one of these individuals must have legal, banking, budgeting, or educational experience. The Board of Directors shall decide whether an individual seeking appointment to the Committee is prohibited from appointment under this section. If the Committee, or a member, has knowledge of any information that would lead the Board of Directors to believe that an individual seeking appointment to the Committee should be disqualified under this section, the Committee, or a member, shall notify the Board of Directors of that information. In establishing the Committee, the Board may stagger the terms of the members under this section.

**Motion carried with Directors Chase, Causley, Morrow opposing.**

**Moved by Director Sorenson, supported by Director Hollowell, to approve Res. 2017-168, Appointment to Tribal Audit Committee.**

NOW, THEREFORE, BE IT RESOLVED, the Board of Directors hereby appoints Bill Connolly to serve as a member of the Audit Committee for a four year term, expiring July 31, 2021.

**Motion carried with Directors Chase, Morrow opposing; Director Causley abstaining.**

**Moved by Director Hoffman, supported by Director McKelvie, to suspend the rules and add the resolution titled Budget Modification Accounting.**

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

**Moved by Director McLeod, supported by Director Massaway, to approve Res. 2017-169, Budget Modification Accounting.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby modifies the FY 2017 budget for Accounting, cost center 8510, by authorizing a temporary increase of up to 5% in the compensation for the position of senior accountant, in the discretion of the Executive Director, based on the temporary assignment of additional responsibilities for a maximum of six months, or until a new Chief Financial Officer is hired and commences employment, whichever comes first.

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

**Moved by Director McLeod, supported by Director Gravelle, to appoint DJ Hoffman to the Housing Commission, for a four year term, expiring August 2021.**

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director McKelvie, to appoint Diane Compo to the Health Board, for a four year term, expiring August 2021.**

**Motion carried unanimously.**

**Moved by Director Chase, supported by Director Morrow, to table the Conservation Committee appointments.**

**Motion carried with Directors McKelvie, McLeod, Gravelle opposing.**

**Moved by Director Causley, supported by Director Hoffman, to appoint Lou Anne Bush to the Unit One Elders Subcommittee, for a four year term, expiring August 2021, as an alternate.**

**Motion carried unanimously.**

**Moved by Director Hoffman, supported by Director Nelson to table the recommendation of the Newberry Elders and remove Gail Matson from the Unit Two Newberry Elders Subcommittee.**

**Motion carried with Directors Causley, Hollowell opposing.**

**Moved by Director Causley, supported by Director Hollowell, to appoint Robert Derusha, as a regular member to the Unit 2 Newberry Subcommittee, for a four year term, expiring August 2021.**

**Motion carried unanimously.**

**Moved by Director Chase, supported by Director Morrow, to appoint Carol Strauser, to the Unit 4 Manistique Subcommittee, for a four year term, expiring August 2021.**

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director McKelvie, to adjourn the meeting.**

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

Minutes  
8-15-2017

**Board Concerns:**

**Director Nelson: MIEA – Raised \$3,600 for scholarships.**  
**Director Morrow: Safety Reports; March 26 – 2 complaint.**  
**Director Gravelle: Substance Abuse Center Plan? .**  
**Director Hoffman: HR Audit; 3 Res. on next agenda.**  
**Director Morrow: Christmas Casino staff – Northern Rewards; Hessel and Manistique too.**  
**Director Hoffman: Cage staff; Housing – historical numbers; Deficiency Report – send to Ron Olson.**  
**Director Causley: Prosecutor's Letter.**

**Moved by Director Causley, supported by Director Gravelle, to suspend the rules and add the issue of publishing the Prosecutor's Letter to the agenda.**

**Roll Call Vote: Motion denied with Directors Chase, McLeod, Sorenson, Causley, Gravelle, Massaway, Hollowell, Morrow approving; Directors McKelvie, McKerchie opposing. Note: Director Nelson and Chairperson Payment had left the meeting, Director Hoffman was chairing the meeting. The vote needed a vote of nine to be added to the agenda per Chapter 14.**

Meeting adjourned: 8:05 p.m.

Date: 10-3-17 Secretary: Bridgett Sorenson

Others present: John Wernet, Christine McPherson, Jessica Dumback, Joel Schultz, Rick Smith, Russ McKerchie, Joanne Carr.