

**BOARD OF DIRECTORS REGULAR MEETING
HESSEL TRIBAL CENTER
HESSEL, MICHIGAN
MINUTES
November 22, 2016**

The meeting was opened at 6:15 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, Darcy Morrow, Anita Nelson, and Aaron Payment.

Absent:

Moved by Director McKelvie, supported by Director Massaway, to approve the agenda as read.

Motion carried unanimously.

Moved by Director McLeod, supported by Director Massaway, to approve the Minutes of 9-20-2016 as written.

Motion carried unanimously.

Moved by Director McLeod, supported by Director Massaway, to approve Res. 2016-266, Utility Authority – Odenaang Establishment of a FY 2016 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 2016 budget for Odenaang for \$3,487.82, with the funds coming from the programs Fund Balance. No effect on Tribal Support.

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

Moved by Director Sorenson, supported by Director McLeod, to approve Res. 2016-267, Sanitation – BE-13-J11, Establishment of a 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 Sanitation BE-13-J11 with IHS Revenue monies of \$4,918.05. These funds represent carry over. No effect on Tribal Support.

Roll Call Vote: Motion carried unanimously.

Moved by Director Massaway, supported by Director Gravelle, to approve Res. 2016-268, Sanitation – BE-15-J54, 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 Sanitation BE-15-J54 for an increase in Federal IHS monies of \$147,497.94. No effect on Tribal Support.

Roll Call Vote: Motion carried unanimously.

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Moved by Director McLeod, supported by Director Nelson, to approve Res. 2016-269, National Congress of American Indians (NCAI) 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 NCAI for an increase in Other Revenue monies of \$203.65. This budget modification reflects actual award amount and a reallocation of expenses. No effect on Tribal Support.

Motion carried unanimously.

Moved by Director McLeod, supported by Director Massaway, to approve Res. 2016-270, Elderly – Implementation of Mental Health and Aging Initiative Establishment of a 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 Implementation of Mental Health and Aging Initiative for \$1,800.00 with Other Revenue monies from ITC. No effect on Tribal Support.

Motion carried unanimously.

Moved by Director McLeod, supported by Director Nelson, to approve Res. 2016-271, ACFS – Child Care Development Funds FY 2017 Budget Modifications (CC#2805 & CC#2800) and Establishment of FY 2017 Budget (CC#2801).

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 Child Care Development Fund (CC#2805) for an increase in Federal Health and Human Service monies of \$52,896.44. No effect on Tribal Support.

BE IT FURTHER RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2017 budget modification to Child Care Development (CC#2800) for a decrease in Federal Health and Human Service monies of \$50,000.00. No effect on Tribal Support.

BE IT FINALLY RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians approves the establishment of a FY 2017 budget for Child Care Development Fund (CC#2801) with Federal Health and Human Service monies of \$81,620.17. No effect on Tribal Support.

Roll Call Vote: Motion carried unanimously.

Moved by Director Hoffman, supported by Director Morrow, to table the res. regarding Budget Doc 003.

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

Moved by Director Morrow, supported by Director Chase, to table the res. regarding Gov't Cap. Ex.

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

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Moved by Director Morrow, supported by Director Sorenson, to approve Res. 2016-272, To Adopt the FY 2017-2021 Sault Ste. Marie Tribe of Chippewa Indians Transportation Improvement Plan (TIP).

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors Sault Ste. Marie Tribe of Chippewa Indians supports and adopts the 2017-2021 Tribal Transportation Improvement Plan for the projects listed in the attached CSTIP forms that were developed between the Tribe and the BIA for Tribal Shares funding.

BE IT FURTHER RESOLVED, that the Chairperson or his designee, is authorized and directed to execute and deliver such agreements, documents, or instruments to the Bureau of Indian Affairs (BIA) as may be required or to take any and all such action which may be necessary to implement the forgoing and update the Tribal Long Range Transportation Plan approved by Resolution No: _____.

Roll Call Vote: Motion carried unanimously.

Moved by Director Sorenson, supported by Director Causley, to approve Res. 2016-273, Mackinac County Cooperative Agreement.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes the Cooperative Agreement between Mackinac County Road Commission, a duly organized County Government and the Sault Ste. Marie Tribe of Chippewa Indians, and authorizes expenditures up to \$40,000, from the Transportation Maintenance Fund, cost center 2931.

BE IT FURTHER RESOLVED, that the Chairperson or his designee, is authorized and directed on behalf of the Sault Ste. Marie Tribe of Chippewa Indians to sign the Cooperative Agreement.

Motion carried unanimously.

Moved by Director McKelvie, supported by Director Hoffman, to vote as one package the HR resolutions and number the resolutions sequentially.

Motion carried with Directors Chase, Sorenson, McLeod, Morrow, Causley opposing.

Moved by Director Hoffman, supported by Director Massaway, to approve Res. 2016-274, Amending Exempt/Non-Exempt Team Member Status Policies.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors enacts the revisions to the Governmental, Enterprise, and Casino Exempt/Non-Exempt Team Member Status Policies as attached on pages 1 through 3 beginning on November 22, 2016.

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

Moved by Director Hoffman, supported by Director Massaway, to approve Res. 2016-275, Amending Handbook Definitions.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors enacts the revisions to the Governmental, Enterprise and Casino Handbook Definitions as attached on pages 1 through 3 beginning on November 22, 2016.

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

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Moved by Director Hoffman, supported by Director Massaway, to approve Res. 2016-276, Amending Sick Leave Policies.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors enacts the revisions to the Governmental, Enterprise and Casino Sick Leave Policies as attached on page 1 beginning on November 22, 2016.

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

Moved by Director Hoffman, supported by Director Massaway, to approve Res. 2016-277, Amending Vacation Policies.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors enacts the revisions to the Governmental, Enterprise and Casino Vacation Policies as attached on pages 1 and 2 beginning on November 22, 2016.

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

Moved by Director Hoffman, supported by Director Massaway, to approve Res. 2016-278, Amending Policy Benefits/Eligibility Sheets.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors adds the Policy Benefits/Eligibility Sheets to the Governmental, Enterprise and Casino Team Member Manuals, as attached on pages 1 through 7 beginning on November 22, 2016.

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

Moved by Director McKelvie, supported by Director Massaway, to table the res. regarding Outside Counsel for the Treaty Rights Attorney.

Roll Call Vote: Motion carried with Hoffman, McLeod, McKelvie, Gravelle, Massaway, McKerchie approving; Directors Chase, Sorenson, Causley, Nelson, Hollowell, Morrow opposing; Chairperson Payment approving, breaking a tie vote.

Moved by Director Hoffman, supported by Director Massaway, to approve Res. 2016-279, Amending Tribal Board Travel Policy.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby rescinds Resolution 2012-216.

BE IT FINALLY RESOLVED, that all future Board Member travel information shall continue to be made available to the membership upon request.

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

Moved by Director Sorenson, supported by Director McLeod, to approve Res. 2016-280, Implementation of Annual COLA for Team Members.

NOW, THEREFORE, BE IT RESOLVED, that in calculating and implementing the annual COLA increases for all employees under Resolution 2015-264, the following criteria shall be applied:

- 1) Any annual COLA shall take effect for the pay period that includes January 1 of each calendar year;
- 2) The amount of the COLA to take effect each January shall be based upon the annual CPI-U (Consumer Price Index for all Urban Consumers) published by the United States Bureau of Labor Statistics for the month of January of the prior calendar year and shall be calculated by determining the percentage of increase in the CPI-U for the 12 month period preceding that prior January;
- 3) The amount of the COLA shall not exceed 3% in any one fiscal year;
- 4) In the event that the COLA calculation results in a negative number, the COLA for the subsequent year shall be deemed to be zero so as to avoid any adverse impact on employee salaries and wages.

BE IT FINALLY RESOLVED, the foregoing criteria shall also apply to the calculation and implementation of COLA increases for employees who comprise the HORNE group effective with the COLA increases scheduled to take effect on January 1, 2017.

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

Moved by Director McKelvie, supported by Director Massaway, to approve Res. 2016-281, Implementation of Fair Labor Standards Act Minimum Wage and Overtime Pay Protections.

NOW, THEREFORE, BE IT RESOLVED, that the Board hereby directs that compliance with the new FLSA Final Rule shall be implemented in the following manner:

1. All team members holding positions currently designated as "exempt" shall continue to be designated as "exempt" so long as the team member's salary remains at or above the minimum threshold established by the FLSA Final Rule and so long as the duties of the position otherwise continue to meet the requirements of the FLSA.
2. All team members holding positions currently designated as "exempt" whose salary is less than the minimum threshold established by the FLSA Final Rule shall be designated as "salaried non-exempt". Team members designated as "salaried non-exempt" shall continue to be treated as salaried employees with respect to their basic 40 hour work week but shall be entitled to receive overtime pay (or, in the case of governmental team members, compensatory time in lieu of overtime) for any hours worked in excess of 40 hours per week.
3. Any team member designated as "salaried non-exempt" as a result of this process shall immediately be returned to "exempt" status if and when that team member's salary again exceeds the minimum threshold level specified under the FLSA from time to time provided that the duties of the team member's position continue to meet the other requirements for "exempt" status under the FLSA.
4. Managers of "salaried non-exempt" team members are expected to manage the work schedules of their team members so as to assure compliance both with the constraints of their respective budgets and with FLSA's requirements regarding payment of overtime and/or compensatory time (where available) for hours worked in excess of 40 hours per week. In the event that the designation of a particular position as "salaried non-exempt" creates significant budgetary or management issues, it is the responsibility of that manager to bring an appropriate budget modification or other proposed solution to the Board of Directors for its consideration.
5. Notwithstanding the preceding paragraph, the Board recognizes that compliance with the new FLSA standards taking effect on December 1 may pose a unique challenge for a few managers in certain areas who may have no realistic alternative to authorizing at least limited overtime to certain "salaried non-exempt" team members whose services are vital to the delivery of critical tribal services. The Board further recognizes that

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there may be no realistic way for such managers to bring these issues before the Board prior to January of 2017. In such circumstances, those managers are expected to comply with the FLSA requirements but shall consult with and take direction from the Tribal Chairperson or, in the case of casino managers, from the Casino CEO, and shall bring an appropriate budget modification or other proposed solution to the Board of Directors as soon as is reasonably possible after the problem has been identified.

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

Moved by Director Hollowell, supported by Director Causley, to appoint Leonora Kerridge, as alternate, to the Naubinway, Unit Two Elders Subcommittee, for a four year appointment, expiring November 2020.

Motion carried unanimously.

Note: the other appointments will have to be checked to see if they were advertised for 60 days prior to coming to the Board for approvals.

Moved by Director Sorenson, supported by Director Hoffman, to clarify that all Board Members are entitled to access all tribal information equally unless otherwise prohibited by law.

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

Meeting adjourned: 7:53 p.m.

Date: 1-3-17

Secretary: Dudgett Sorenson

Others present: John Wernet, Christine McPherson, Bill Connolly, Jessica Dumback, Sheila Berger, Brenda Johnson, Nick VanAlstine, Steve Forrest, Russ McKerchie, Joanne Carr.