

**BOARD OF DIRECTORS REGULAR MEETING  
KEWADIN CASINO AND CONVENTION CENTER  
SAULT STE. MARIE, MICHIGAN  
MINUTES  
February 7, 2017**

The meeting was opened at 6:07 p.m. by Chairperson Payment.

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

Absent: Michael McKerchie.

**Moved by Director Causley, supported by Director McLeod, to excuse Directors McKerchie, Hoffman from the meeting.**

**Motion carried unanimously. Note: Director Hoffman arrived 10 minutes later.**

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

**Motion carried unanimously.**

**Moved by Director Hollowell, supported by Director Gravelle, to suspend the rules and add the resolution regarding an appointment to the HUD Tribal Intergovernmental Advisory Committee.**

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

**Moved by Director Causley, supported by Director Massaway, to approve the Minutes of 1-3-2017 as written.**

**Motion carried unanimously.**

**Moved by Director Hollowell, supported by Director Chase, to approve Res. 2017-14, Partial Waiver of Convictions for Ms. Danielle McKechnie.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors, pursuant to Tribal Code Chapter 76 grants a partial waiver to Ms. Danielle McKechnie for the convictions of: Felony Controlled Substances - Possess (Cocaine, Heroin, or another Narcotic) Less than 25 Grams -2/20/2015; Misdemeanor Controlled Substance - Maintaining a Drug House-2/20/2015; Misdemeanor Possession of Narcotics - 8/6/2015.

**Motion carried with Director McLeod abstaining.**

**Moved by Director Causley, supported by Director Hollowell, to approve Res. 2017-15, FY 17 Coordinated Tribal Assistance Solicitation.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby authorizes application to the Coordinated Tribal Assistance Solicitation for FY 2017.

BE IT FURTHER RESOLVED, that Aaron Payment, Tribal Chairperson, or designee, is hereby authorized to submit said proposal to the Department of Justice, to negotiate, execute and amend any documents on the Tribe's behalf.

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

**Moved by Director Chase, supported by Director Hoffman, to approve Res. 2017-16, COLA Increase – Wage Grids Commencing 2017.**

NOW, THEREFORE, BE IT RESOLVED, beginning 2017, and for all prospective years thereafter, all wage grids will be adjusted in accordance with a Cost of Living Allowance (COLA) based upon the Consumer Price Index (CPI) (to be calculated pursuant to resolution 2016-280) and the adjustment will take place every January in accordance with Resolution 2016-280.

BE IT FURTHER RESOLVED, the Tribal Board understands that there are various wage grids for different employment positions within the Government, Kewadin Casinos Gaming Authority, and the Enterprises, all with their own criteria for applying COLA.

BE IT FURTHER RESOLVED, that as a general matter and example, if COLA is set at 1.4% for a given year, the grids for that year would be adjusted by 1.4% or in accordance with any specific COLA criteria relevant to a specific wage grid.

BE IT FURTHER RESOLVED, that when a wage grid adjustment is required due to a COLA, each different/separate grid is to be adjusted in accordance with the specific criteria for that respective grid, in the following manner:

any COLA adjustment to the wage grid for the Tribe's Health Program Compensation Plan (HORNE) shall be in accordance with Resolution 2016-280.

- any COLA adjustment to the wage grid for positions under the Prevailing Wage Ordinance shall be in accordance with Resolution 2002-130.
- any COLA adjustment to the wage grid for Tipped positions shall be in accordance with Gaming Authority Resolution 2016-05.
- any COLA adjustment to all wage grids other than those listed above shall be in accordance with applicable law, resolution, or grant.

BE IT FURTHER RESOLVED, that for each COLA adjustment to each grid, all three data points (the Min, Mid and Max) shall be adjusted accordingly.

BE IT FURTHER RESOLVED, for any year that COLA does not change or COLA becomes negative, then there will be no grid adjustment based on COLA.

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director Causley, to approve Res. 2017-17, Approval and Adoption of the Schedule of Prevailing Wages.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby adopts the updated Schedule of Prevailing Wages pursuant to Chapter 97, Section 97.105 (2) of the Prevailing Wage Ordinance, as attached.

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

**Moved by Directors Massaway, supported by Director Causley, to approve Res. 2017-18, Authorize Submission of Request for FY 2018 Litigation Support Funds.**

NOW, THEREFORE, BE IT RESOLVED, that the Sault Ste. Marie Tribe of Chippewa Indians through its Board of Directors, hereby approves and supports submission of the attached request for FY 2018 Litigation Support funds by the Chippewa Ottawa Resource Authority to the Bureau of Indian Affairs and said body is herein authorized to take and all action necessary to obtain approval of the forgoing.

**Motion carried unanimously.**

**Moved by Director Massaway, supported by Director Morrow, to approve Res. 2017-19, Authorization to Resolve Sault Tribe VS. Blue Cross Blue Shield Litigation.**

NOW THEREFORE BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves acceptance the negotiated terms to resolve this litigation fully and finally, and authorizes its attorneys to execute such documents as may be necessary to bring this lawsuit to a full and complete resolution.

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

**Moved by Director Hoffman, supported by Director Gravelle, to approve Res. 2017-20, Amending Tribal Tax Code Section 43.504: Distribution of Tax Proceeds.**

BE IT RESOLVED, that the Tribal Tax Code, Section 43.805, Distribution of Tax Proceeds, is hereby amended to read as follows:

43.805 Distribution of Hotel Use Tax Proceeds.

The Tax Commission shall remit to the Tribe all hotel use tax proceeds from Hotels owned by the Tribe which are located within a one-quarter mile radius of a Licensed Gaming Establishment located on Tribal and Trust Lands, and the Tribe shall transfer such tax proceeds into the general fund. The Tax Commission shall remit to the Tribe all hotel use tax proceeds from Hotels which are not owned by the Tribe or are not located within a one quarter mile radius of a Licensed Gaming Establishment located on Tribal and Trust Lands, and the Tribe shall consolidate such proceeds quarterly, and the percentage of the proceeds retained by the Tribe under the Tax Agreement shall be transferred into the general fund. Of the total tax proceeds transferred to the general fund under this section, five cents out of every 12 cents (5/12) shall be earmarked to enhance educational and cultural purposes, to be dispersed evenly among the Five Units.

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

**Moved by Director Causley, supported by Director Sorenson, to approve Res. 2017-21, ACFS –Sexual Assault Services FY 2017 Budget Modifications.**

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 Sexual Assault Services for an increase in Federal DOJ monies of \$4,448.85. No effect on Tribal Support.

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director Massaway, to approve Res. 2017-22, Education – Head Start 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 Head Start an increase in Federal HHS monies of \$49,577.00. No effect on Tribal Support.

**Motion carried unanimously.**

**Moved by Director Sorenson, supported by Director Gravelle, to approve Res. 2017-23, Education – Early Head Start and Head Start BIA FY 2017 Budget Modifications.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2017 budget modifications to Early Head Start BIA and Head Start BIA for an increase in Federal BIA monies of \$32,673.00. This reflects the actual award amount. No effect on Tribal Support.

**Motion carried unanimously.**

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**Moved by Director Causley, supported by Director Sorenson, to approve Res. 2017-24, Family Spirit Program Grant 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 Family Spirit Program Grant with Other Revenue – InterTribal Council monies of \$71,000.00. No effect on Tribal Support

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

**Moved by Director Causley, supported by Director McLeod, to approve Res. 2017-25, CDC Breast Health Grant 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 CDC Breast Health Grant with Other Revenue – InterTribal Council monies of \$20,000.00. No effect on Tribal Support.

**Motion carried unanimously.**

**Moved by Director Massaway, supported by Director McLeod, to approve Res. 2017-26, FY 2017 Budget Document 003.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the FY 2017 Budget Document 003 totaling \$56,674,615 of which \$16,976,329 comes from Tribal Support.

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

**Moved by Director Massaway, supported by Director Hollowell, to approve Res. 2017-27, FY 2017 Governmental Capital Purchases Budget.**

BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby appropriates a total of \$1,332,020 for the FY 2017 Governmental Capital Purchases Budget, of which \$724,020 will come from Other Revenue/Fund Balance and \$608,000 from Tribal Support.

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

**Moved by Director Chase, supported by Director Hollowell, to approve Res. 2017-28, Fiscal Year 2017 Budget Document 004 Enterprises.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves the Fiscal Year 2017 Budget Document 004 Enterprises for revenue of \$9,664,585 and expenses of \$9,560,428.

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

**Moved by Director Chase, supported by Director Sorenson, to approve Res. 2017-29, Fiscal Year 2017 Enterprises Capital Purchases Budget.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby approves a total of \$807,666 as the Enterprises Fiscal Year 2017 Capital Purchases Budget.

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

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**Moved by Director Hollowell, supported by Director Morrow, to table the resolution titled Authority of the Chairperson to two meeting from now – (March 7, 2017).**

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

**Moved by Director Gravelle, supported by Director McKelvie, to re-appoint Todd Preseau to the Great Lakes Conservation Committee, for a four year term, expiring February 2021.**

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

**Chairperson Payment left the meeting; Vice-Chair Hoffman took over as Chair.**

**Moved by Director Massaway, supported by Director Gravelle, to approve Res. 2017-30, Nomination of Chairperson Payment to the HUD Tribal Intergovernmental Advisory Committee.**

NOW, THEREFORE, BE IT RESOLVED, that the Board of Directors of the Sault Ste. Marie Tribe of Chippewa Indians hereby nominates its Chairperson, Aaron A. Payment to serve a three year term representing the Sault Tribe Housing Authority on the Tribal Intergovernmental Advisory Committee established by HUD.

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

**Moved by Director McKelvie, supported by Director Hollowell, to send out the referendum to the membership.**

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

**Vice-Chair Hoffman stated without objection, that the Legal Opinion regarding the referendum, dated 2-7-2017, will be made public. No objections.**

Meeting adjourned: 8:30 p.m.

Date: 2-21-17

Secretary: Bridgett Breunser

Others present: John Wernet, Christine McPherson, Bill Connolly, Jessica Dumback, Sheila Berger, Bob Marchand, Jami Moran, Linda Grossett, Aaron Schlehuber, Joel Schultz, Alan TenEyck, Joel Lumsden, Anne Suggitt, Veronica Beaumont, Russ McKerchie, Joanne Carr.