

**SQUAXIN ISLAND TRIBAL  
COUNCIL MEETING  
June 24, 2010**

**Attendance:**

**Tribal Council**

<b>Dave Lopeman</b>	<b>Chairman</b> ( <i>travel</i> )
<b>Arnold Cooper</b>	<b>Vice Chairman</b>
<b>Andy Whitener</b>	<b>Treasurer</b>
<b>Pete Kruger, Sr.</b>	<b>Secretary</b> ( <i>travel</i> )
<b>Misti Saenz-Garcia</b>	<b>1<sup>st</sup> Council Member</b> ( <i>arr. at 9:20</i> )
<b>Marcella Castro</b>	<b>2<sup>nd</sup> Council Member</b>
<b>Charlene Krise</b>	<b>3<sup>rd</sup> Council Member</b>

**Legal Counsel**  
**Executive Director**  
**Deputy Director**  
**Recording Secretary**

**Kevin Lyon**  
**Ray Peters** (*absent*)  
**Whitney Jones**  
**Melissa Puhn**

Arnold Cooper called the meeting to order at 9:09 a.m. Charlene Krise offered the opening prayer.

**APPROVAL OF AGENDA**

Kevin Lyon asked for some time to present five resolutions. Charlene would like to discuss the power outage and electricity boost damages and other matters. Arnold would like to discuss other matters as well. Andy Whitener moved to approve the June 24<sup>th</sup> Council agenda as amended. Charlene Krise seconded the motion. The motion carried four (4) in favor and zero (0) against.

**APPROVAL OF MINUTES**

The minutes will be reviewed at the end of the day.

**PUBLIC SAFETY**

Mike Evans provided an update on quads on the reservation. Mike has gathered information from other tribes and jurisdictions and has been working with the Housing Commission regarding an ordinance. His officers have not made any citations, but have had a fair amount of stops where the officer educates the rider on the current rules. Mike shared that his officers have been discussing the idea about an ORV club that would involve the officers. This club could build and maintain trails and hold organized rides that would emphasize on safety. He is looking into anti-drug grant money to help fund it. Arnold would like to contact Port Blakely about the neighboring property to see about building trails beyond the reservation.

Mike shared that he is starting a daily activity log for his officers. This will provide a snapshot of what they are doing. He will share this with Council on a regular basis.

Geoduck tests are going well. Law Enforcement has testing the last three weekends and have a test this Saturday. So far everyone has passed.

Misti arrived at 9:20 a.m.

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Mike shared that Casey Salisbury is running for re-election for Mason County Sherriff. Mike offered that his opponent is not known to the Tribe but that Sherriff Salisbury has been very good for the tribe. Casey is the most tribe friendly Sherriff in the state. Mike fully supports Casey. Arnold stated that Squaxin enforcement has a good relationship with the county officers, which is a new thing. Mike stated with the lack of manpower, they have had good cooperation with Mason and Thurston counties.

Mike updated on the recent break in. Charlene would like to see the information shared with her, she would like to see stronger security for tribal buildings. Mike stated that is already happening. They are looking at TLC security and panic alarms for various buildings. Arnold would like the maintenance buildings to also have alarms.

### MASON COUNTY SHERRIFF

Casey Salisbury invited Council to the Sheriffs' breakfast tomorrow at the Casino. He shared that three and a half years ago this breakfast meeting was started, includes all enforcement/fire agencies in the area and they meet once each month. They always have a guest speaker and tomorrow Governor Gregoire will be the speaker. He feels these meetings are important and it gets all the agencies together, working together. He would like to see some Council members there so they can see what a good job the casino does in hosting this event. Casey shared that the relationship between the county and tribal officers is very unique, and he would actually get chastised for working so closely and so well with the tribal enforcement. Now their relationship is a model for other agencies. Casey hopes to continue this working relationship with the Tribe as long as he is in office. One of his officers is running against him this year.

Casey and Mike discussed thoughts and shared goals between the agencies and the amount of cooperation, which does not happen elsewhere with other agencies.

Arnold comments on his appreciation for the relationship between agencies.

### TRAVEL REPORTS AND PLANS

**June 20-24:** NCAI, Rapid City SD. Pete, Dave are attending.

**June 23: Assisted Living Information Presentation,** Council Chambers 1-3pm. Whitney thanked those who were there; she found the presentation very informative. Whitney has extra handouts if anyone would like them.

**June 25: Community Health & Awareness Fair.** 10-3pm with a community health walk at 3:30 p.m. Lunch will be provided.

**June 29: Lunch with Mason County Commissioners,** Squaxin is hosting at the Casino.

**July 8-24: 2010 Canoe Journey.** Charlene stated that the Squaxin canoe will leave July 8<sup>th</sup> from Arcadia at 5:30 a.m. There will be a potluck will be at the gym the evening of the 7<sup>th</sup>. Ray is working with Sis on coordinating that event. Employees will be asked to park somewhere else that day in order to allow for more room. Guests from other tribes will camp in the ball field. Garbage cans and porta potties will be brought in. That day there will be a crew of people assembling sack

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lunches. Charlene encouraged Whitney to do some pulling; they need some strong pullers and would like to see Whitney out there, as well as Ray. Good experience to understand what is going on.

Tully Kruger will be providing a support boat. He has requested to collect work time, instead of being paid by the canoe family. Charlene stated that would ease the canoe family's budget. Andy reminded that as the policy states now, no employee can be paid work time for participating in the canoe journey. Arnold feels that if the canoe family has budgeted for paying for a support boat, it should come from their budget.

The next regular Council meeting is July 8<sup>th</sup>. Arnold would like all of Council to see the canoes off at Arcadia at 5:30 a.m. Council will then meet at 9am for their meeting.

### **July 12: Dinner with City of Olympia Commissioners**

**July 29: Public Budget Hearing**, 4:30 in chambers. Actual budgets will be presented.

**July 30: All Staff Meeting** Legal office lawn. Potluck.

Charlene provided a travel report from her recent trip to the Tribal Leaders Summit. Part of the summit was the importance of Council paying attention to the federal government deficit and how this will impact tribes. Charlene stated that there will be a 5% reduction of appropriation to tribal programs, including health and housing. Charlene would like to think about the distribution from the casino and how that can be increased to help offset the reduction.

Andy added that the WIGA Conference will be at the Casino during the week of July 11<sup>th</sup>. Charlene and Arnold will come back on the 12<sup>th</sup> to attend the conference.

### **VICE CHAIRMANS UPDATE**

**Dinner with City of Olympia:** July 12<sup>th</sup>. City of Olympia is hosting.

### **DEPUTY DIRECTOR UPDATE**

**Stepping Stone Program Inquiry:** Patti Puhn was present with her Stepping Stone mentors to answer questions regarding the program.

Arnold had a question about paying the youth with purchase orders instead of a check. Patti explained that there was a large lawsuit with another tribe with TANF funding. This program is funded by TANF. One of the outcomes of the lawsuit was changes in programs and how they can be funded. Due to the federal guideline changes, gift card and cash incentives are no longer allowable. With that change, the Stepping Stones program had to find a simple and creative way to "pay" the youth participants; with purchase orders.

The only other alternative is to find another funding source. This year they have 25 confirmed participants; looking at \$35-40,000 to pay them. Each youth will earn \$25 per session, and there are two sessions each day.

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Patti stated that last year they were able to do cash incentives, but the youth whose parents were on TANF actually had their amount deducted from their parents TANF income.

Misti asked if the Casino is doing well financially, could the total program amount be divided between them and enterprises. Council discussed this and decided that it would be too late since the youth start the first week of July.

Marcella asked about the TANF kids income affecting their parents funding. Patti stated that right now, the youth will receive purchase orders to a variety of stores and that will not affect their parents funding; where an actual check would affect it.

Patti handed out the PO Request form that each youth would receive. It includes the incentive amount earned, offers a choice to receive their incentive each week or to “save” their incentive until the end, and lists a choice of 10 stores where they can have purchase orders made out to. Misti and Marcella both had suggestions of other stores that might be of more interest than a few listed.

Marcella shared that she would rather see them get a paycheck. Patti reminded that by law, 13 year old youth cannot receive a paycheck and 14 year old youth are allowed only limited hours. Cannot technically employ 13-14 year olds.

Andy feels that this system is a good alternative. Arnold and Charlene agree. Arnold would like to further look in to other options for next year.

The purchase orders are called an “incentive for participation” and not a paycheck.

Misti would like to Patti to look in to placing 15 year olds in the summer youth employment program. Patti shared that currently the program accepts 16-18 year olds, and they had so many Squaxin applicants that they had to find more jobs in order to place everyone.

No changes will be made to the program. Misti would like the youth to have a choice of more than 10 stores to choose from. Patti will look in to other stores that were also suggested.

**Political donation request:** Council decided to donate \$500 if Ray would like to attend.

### TRIBAL GAMING AGENCY

Desi Smith came to Council with a hiring request. Mitch Corbine has asked Desi to have surveillance review the Food & Beverage Department practices. The request is a result of the high cost of goods in the department, such a level that it brought up a concern. Desi would like permission to hire a specific individual who has worked for that department and has a lot of knowledge of the system and process. Currently TGA does not have staff with that knowledge.

Desi is making the request because it would require hiring an employee out of the ordinary course of hiring. Kevin suggested Desi hire someone on contract that is project specific and can be terminated at any time. All agreed with the suggestion.

Kevin shared that if it comes to a point where costs of goods sold cannot be explained, it will be questioned by the auditors. Desi shared that the costs of goods sold seem high, and Mitch was

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concerned about it. Desi stated that this person will proceed, reviewing each venue and will take some time.

Charlene asked about surveillance cameras at the back entrance. Desi stated those are in place and employees bags are checked upon entering and leaving. Employees have stopped bringing bags to work since they have lockers.

Desi updated on the external audit bid. He will send it to Legal next week for review.

Desi stated he will be out of the office quite a bit on a family matter. Misti asked that he please convey to Carrie that the Council appreciate receiving her letter and wish the very best for her.

Desi would like to find out what is going in with the food and beverage costs and will make sure there are policy procedures in place.

Arnold asked about the letter sent to the Casino regarding the audit findings and if Desi and Mitch are working together fixing the findings. Desi shared that there currently is not much progress at all and he is trying to connect with Mitch.

Kevin reminded that a schedule of discipline actions and compliance was put together. LCCR asked for an opportunity to review and respond. Council directed Desi to make sure the Casino is in compliance. Discussion ensued as how best to advance the compliance sanctions.

Kevin suggested that Desi propose a sanction schedule that will become effective on a date certain, and in the meantime LCCR can respond and react. If there is no response or reaction, the sanction schedule would become effective. Doing so would create a deadline and incentive. Desi will implement that suggestion..

Desi shared that they have a number of internal audits going on. Council reminded that audit findings are not tolerated.

Kevin inquires of Desi whether, as internal audits are being conducted, if he can report on whether the corrective actions have been taken. Desi relates that corrective actions have been taken and progress is being made.

Andy asked about the new Controller. Desi has worked with this person in the past. He comments that her past history provides some insight. He is hopeful that she has grown in her capacity and relations.

### LEGAL

Kevin presented five resolutions for the Council to consider.

First, Kevin presented **Resolution #10-64** for signature. The action was approved at the special meeting on June 18<sup>th</sup> as reported to him. He was directed to prepare a resolution. The resolution authorizes an increase in net gaming revenues to be distributed by the Little Creek Casino from \$500,000 to \$700,000 per month, beginning June 1, 2010, distribution pending further direction,

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consistent with existing allocation formula annually (up to one million, fifty percent per capita and excess fifteen percent per capita).

A discussion followed about the effect such a distribution would have on per capita distributions.

Marcella thought that this would increase per capita payments by the amount of the increased distribution. Kevin shared that if the goal is to increase per capita payments over the current formula, then both the budget ordinance and the revenue allocation plan will need to be revised. The best estimate for that is several months, particularly as to the time for federal approval of the revenue allocation plan amendments.

He stated that with the current formula this chance will increase per capita payments, as a percentage of that amount in excess of \$1 million but not as 100% of the additional distribution.

He cautioned that the other limiter on the distributions is meeting the covenants in the bank financing documents. Those covenants require the Tribe to maintain a Fixed Charge Coverage Ratio. If the distributions are too great, they may not be possible, if doing so would violate the Ratio.

Andy reminds that the 2005 resolution provided for 50% to per capita and the other 50% as directed by Tribal Council, but in that year to health related needs. The decision regarding those priorities remains with the Council. Currently 20% to HHS and 30% to tribal programs and projects.

Also discussed that the 2005 program was a one year commitment that has been rolled over each year.

Marcella noted that only purpose was to increase per capita payments. Others noted other purposes.

Arnold would like to see how this increase will help other programs. Andy is concerned about the 5% reduction from the government.

Resolution approves the additional distribution under current allocation formula. Any change in the formula requires an additional direction by Council, including change, depending on the direction, in the budget ordinance and revenue allocation plan

Second, Kevin reported on an appeal in Mason County where Crab Fresh bought property on Totten Inlet and is proposing a crab processing facility. Natural Resources is concerned that Mason County based its decision to issue a commercial building permit for Crab Fresh upon inadequate information. Therefore, issuing a permit that could impact coho runs. An appeal to Mason County is requested and requires fees in the Tribe's defense. **Resolution #10-65** authorizes Legal to advance the appeal and to seek reimbursement for fees reasonably related to the appeal.

Third, Kevin presented **Resolution #10-66** which pertains to the Workers Compensation Plan and technical corrections that are necessary. This resolution amends the Plan, as adopted by Resolution 10-51 previously presented by Mark Allen. No questions regarding the technical corrections.

Fourth, Kevin presented **Resolution #10-67** which authorizes the contract with De Lage Landen Financial Services to provide equipment services and specifically limits its waiver of sovereign immunity for the purpose of the contract. De Lage Landen is seeking a specific sovereign immunity waiver.

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Fifth, Kevin presented **Resolution #10-68** which amends the Kanji & Katzen contract as adopted by Resolution 05-53. Kanji & Katzen will represent the Tribe in the case of *Automotive United Trades Organization (AUTO) vs. State of Washington*. Kanji & Katzen is uniquely qualified to assist the Tribe in defense of its motor vehicle fuel compact, presently being challenged by AUTO. Legal will seek cost sharing with other tribes, several who already expressed commitment.

Misti Saenz-Garcia moved to approve Resolutions #10-64, 10-65, 10-66, 10-67 and 10-68. Charlene Krise seconded the motion. The motion carried four (4) in favor and zero (0) against (*Andy was out of the room*).

### ENROLLMENT

Tammy Ford provided enrollment resolutions that were discussed at the last meeting. She would like to be sure that the six enrollments that were previously discussed do not miss the June 30<sup>th</sup> deadline due to a delay with LabCorp. She has three of the six results in. The enrollments are approved pending the DNA tests. Council stated that all six were approved at the last meeting, pending the test results, as long as the results are okay then all enrollments are within the deadline.

Discussion followed. Agreed that the enrollments would meet the June 30 deadline whether the LabCorp information was received by June 30 or after June 30. Tammy is directed to do all that she can to obtain a timely response from LabCorp.

**Resolution #10-69** enrolls Tyler Morlock

**Resolution #10-70** enrolls Anthony Forcier Jr.

**Resolution #10-71** enrolls Jazmin James

**Resolution #10-72** enrolls Jennine Tamm, Joelene Tamm and John Snyder

### INFORMATION SERVICES

Mitzie Whitener wanted to discuss Councils technology needs. She shared different needs and ideas for computers and getting the most use out of their equipment.

Council briefly discussed a policy for buying computer equipment for Council.

Marcella would like a new laptop. Charlene and Arnold both agree.

Charlene likes the idea of having brief 15 minute training during each Council meeting to go over phone and computer uses.

Mitzie asked for a list of what Council would like.

Mitzie shared that she has been asked to set up recording in Council Chambers. She would like to change the desk setup and hardwire mics in to the table. She would like to create a plan and bring it back to Council for consideration, possibly doing something different than the current setup.

### PLANING & COMMUNITY DEVELOPMENT

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Brian Thompson introduced Kathy Block, the new Planning/DCD Director. She started last Wednesday. She briefed on her background. Worked for 36 years with the government, primarily HIS, contracts and grants. Portland area division of acquisition, engineering services in Seattle, HIS headquarters – working for all nations, but never Squaxin. Happy to be home.

Brian presented three resolutions.

Brian presented **Resolution #10-73** which supports a grant proposal for the operation and enhancement of the existing transit services.

Brian presented **Resolution #10-74** which authorizes DCD to submit with the Washington State Department of Commerce a Weatherization Project contract for up to \$125,000 for one year, and the tribe commits to \$40,000 for the indirect shortfall. Charlene asked if this weatherization contract would help pay for air condition units for the elders. Brian stated that generally it would not qualify. She then asked about lowering the tribes' indirect rate. Brian said that all tribal programs charge the full indirect rate and it is not the best interest to cut those rates or utilize SPIPA and their low rate.

Brian presented **Resolution #10-76** which authorizes the submission of a grant application to the US Department of Justice COPS Meth grant program to establish a comprehensive meth reduction effort.

Misti Saenz-Garcia moved to approve Resolution #10-73, #10-74 and #10-76. Charlene Krise seconded the motion. The motion carried unanimously.

Brian relates, regarding Indian Shaker Church, we are at a “dead stand still” without direction from ISC. Andy related that Council met with ISC last week, positive outcome. Mark Allen will be negotiating the Steven's acquisition.

Discussed the break in at SBR.

Brian handed out the Indian Housing Plan which was recently approved by the Housing Commission. **Resolution #10-75** authorizes the submission of the Indian Housing Plan for the fiscal year 2010 to the Department of Housing and Urban Development.

Charlene asked about rent collected. Brian stated that rent collected is put back in to the housing program. Historically there has been no tribal funds in Housing, with the exception of the multi family housing.

Misti Saenz-Garcia moved to approve Resolution #10-75. Charlene Krise seconded the motion. The motion carried unanimously.

Brian provided an update on the Shaker Church and how he is waiting for their response. Arnold shared that Council met with the church elders and Kevin is negotiating on the land. Mark Allen is moving forward.

Brian updated on the recent break in.

The multi family housing project is already ahead of schedule. The walls are being put up and roofing will arrive Monday.

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Charlene brought up the recent power outage. There is a casino employee who works nights and he lost his power so he did not get to work on time. He was suspended. Charlene felt this is excessive.

Charlene also asked if there is a way that tribal elders can get air conditioning for their houses. Whitney will look in to portable units through GSA.

Charlene asked if Council can discuss the indirect rate at the next meeting. She would like to see a breakdown of how it is spent and the policy. She would like to know how the rate works.

Misti would like to know when Council will finish the Financial Literacy Training that was set up with Heidi Buss.

Charlene asked about the security for all tribal buildings and enterprises. She has concerns about more theft. She would like to see everything safeguarded. As tribal government, all economic areas need to be secure with procedures and security systems and policies. Andy stated that John Taylor is responsible for safety, along with emergency response.

Council would like John to present; however, criticisms that he gives the same spiel every time. He has in his mind the speech that he has to give. Council needs to control the conversation and needs him to be less defensive.

Charlene stated that she was at the casino during the Steve Martin show. She noticed the changes on the floor and didn't hear any music playing. She felt that the casino floor seemed oddly quiet and there were not many patrons there. She would like to see the sound system fixed.

She also brought up that across the skybridge in to the parking lot there is another stairway that goes up to the next parking level. At the top of those stairs the floor is slippery and she fears of an elders slipping. She would like to see a non-slick surface put down.

Misti asked about an instance where an elder tripped on the side walk. The parking lot was recently striped. She would like to see the sidewalk striped as well. Misti asked about Paula's letter regarding stripping the side walk.

Arnold brought up the random UA tests. He would like to see them put on hold until a better system is in place. He keeps hearing that there are problems with how the tests are done. Arnold supports the drug free workplace, but does not feel that the testing is done right.

Misti comments on financial issues that result.

Arnold would like to have it "tabled and go back to the way that we once did it". He relates that there is too much chaos, too much uncertainty, then revisit.

Arnold supports a drug free workplace, but this is not the way to do it. Proposes that it be "tabled" for the full Council to talk about it.

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Discussion followed as to what Arnold meant by “tabled” and “going back to the way it was” and “putting on hold”. He explained that he meant to no longer do random UAs while the Tribe evaluates its programs and comes back with changes to it and continue to do the other testing.

Brief discussion about the need for managers to use probable cause screens and not to rely on random UAs.

Arnold asked for the motion to be made.

Charlene Krise moved to suspend random UA’s but to continue for cause, pre-employment, and post accident screen, and then revisit random UAs with the next full Tribal Council. Misti Saenz-Garcia seconded the motion. The resolution is to be effective immediately. Charlene related that she would like to revisit the random tests when a full Council is present.

Misti would like to have Whitney, Ray and Mitch to tell their directors to really watch for signs that would trigger a “for cause” test.

Council discussed whether to use the term “suspend” or another word. Charlene moved to amend the motion to state: amend the prior resolution (Resolution #09-77) to omit random UAs but continue for cause, pre-employment, and post accident screen, and then revisit random UAs with the next full Tribal Council. Misti seconded the amendment. The motion to amend was adopted by consensus. Arnold called for a vote. The motion carried four (4) in favor and zero (0) against.

Andy would like to have Ray or Whitney return with other options of this program. Arnold would like to see the program run better and have departments more financially prepared for the costs. He feels that if department directors do their job of watching employee’s behaviors, random testing would not be necessary. He would like to see the department director or manager more accountable.

Kevin directed to assist Ray and Whitney with options of a revised program. Whitney directed to inform contract provider and directors.

Arnold relates that we did this today because we will get this resolved. It will never pass otherwise. Arnold wants to see it done better. Departments are not able to bear the cost. Need to do a better job. Arnold, we want to be in a position where we do not have to go to this extreme. Do not have to question whether the UA is good or not. Do not have to worry about whether it is applied correctly.

Kevin asked to resend the UA memo report he previously prepared

Charlene, in the past always knew that one of us would be chosen. Probably only 2 have not been tested this year.

Arnold willing to hear from Chairman any objection. Arnold will share with the development with the Chairman. It was noted that Council originally enacted the resolution with just a few Council members in the room.

Arnold directs Whitney to let the tester know.

Council will meet at their regular time July 8<sup>th</sup>, after the canoe send off at Arcadia Point.

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### **CANOE FAMILY**

Jeremiah George and Terry Capoeman were present to discuss this year canoe journey. Misti asked if the cooks have been hired, they have. Council received draft budgets for this year's journey. They will be selling t-shirts and sweatshirts as a fundraiser. Jeremiah explained that he is hoping to have departmental help for the dinner the canoe family is hosting on July 7<sup>th</sup>. Council suggested hosting the dinner at the events center. Jeremiah prefers to have it here in the gym since it is within the community. Arnold would like to see lighting on the baseball field since there will be camping. Council discussed hosting the dinner on the ball field if it's nice. They would like to borrow the large tent the casino has.

Jeremiah shared that he hopes the summer youth employment program will eventually have all of the youth workers involved the canoe journey, and then can be better prepared in 2012. In talking with past host tribes, a lot of their volunteers were tribal youth. Other tribes rely on their youth to go along on the journey to assist, and a lot of Squaxin youth are not able to attend.

Terry had a concern about the Stepping Stones program and how they are going to get paid. Misti shared that Patti reported on that this morning. All participants will receive a purchase order of their choice to up to 10 vendors. All participants will receive purchase orders. Arnold said that the program needs to stay as is and hopefully next year they can do something different.

### **APPROVAL OF MINUTES**

Misti Saenz-Garcia moved to approve the April 8<sup>th</sup> and June 10<sup>th</sup> Council minutes as amended. Marcella Castro seconded the motion. The motion carried unanimously.

There being no further business, the meeting adjourned at 1:50 p.m.