

DRAFT

**SQUAXIN ISLAND TRIBAL COUNCIL
ISLAND ENTERPRISES/LITTLE CREEK CASINO**
August 22, 2007

Attendance:

Tribal Council	Jim Peters Arnold Cooper Vince Henry, Sr. Russell Harper Will Penn Pete Kruger Charlene Krise Ray Peters Bryan Johnson	Chairman (<i>arrived at</i>) Vice Chairman Secretary Treasurer 1st Council Member (<i>arrived at 9:25</i>) 2nd Council Member (<i>absent</i>) 3rd Council Member (<i>left at noon</i>)
Executive Director Island Enterprises (9:00 - 11:00 a.m.)		
Little Creek Casino (11:00 – 1:00 p.m.)	Mark West Mark Chandler Toby Villines Melissa Puhn	David Black Desi Smith Terry Mehl
Recording Secretary		

Bob Whitener Jr. reported on the progress of the Petrosol Agreement.

Provided an update on the sunglass manufacturing; Lisa attended an 8A Conference which allows IEI to deal directly with the government. IEI will own 51% of the company, allowing for government contracts. Will present to the IEI Board at their next meeting and bring their recommendation to Council at the next meeting.

Reported on co-manufacturing; recently met with the chair of port gamble, chehalis and tobacco trade bureau. Discussed ways of co-manufacturing with other tribes. Both those tribes are ready to build a tobacco factory if SIT chooses not to co-manufacture with them. Bobby provided the outcome letter of this meeting. BW went over four possibilities; first is to come up with a way to manufacture on their property and move it back here. It would be clearly manufactured on their property by their employees, but it would cost more to manufacture that way. Second is to sign an agreement with the tribes stating that we will work together as a consortium. Or could build another factory across the street, and the other tribes could come lease portions of that factory and giving them jurisdiction of that piece of property. The preferred option is that we figure out a way to give tribes in the consortium a minority share of the company. Create a consortium consisting of tribes to do business with. That consortium owns a percentage (10%) of Skookum Creek, but with no profit and no loss. Silent partners. As a part owner as consortium gives them the ability to do safety inspections, etc. The benefit would be to have those tribes get customers and they wouldn't build their own factory. Bobby would like Council to do the negotiations with the Dept. of Revenue. BW and KL will do the prep work, but he feels the Dept of Revenue would like to hear from Council. BW stated that Council will need to assign somebody to follow this through and keep up on.

Kevin updated briefly on Franks Landing. BW updated on Franks Landing. SIT feels the school and store should both be protected and SIT would like to help. Bryan reported that FL is closed

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now, and the impact on us is that the Nisqually store sales have increased, as well as KTP. Bryan went over how he would manage and handle the store, essentially store number four.

Updated on GA Andron; updating licenses. Hired an executive assistant.

Council went in to executive session to discuss a business venture proposal.

IEI will provide financials at the next meeting.

Little Creek Casino Resort

Mark Chandler went over the financial; provided an overview of the total operation, net income by department- month to date for May, June and July.

Refund options of cancelled shows were discussed. David Black assured that the recent cancellations have been a string of bad luck. He has been contacted by performers wanting to play at the Casinos venue. Discussion of spreading out shows, rather than having them lumped together. Back to a quarterly large show- do reviews of the costs of bringing in a large entertainer versus a few smaller names.

Desi Smith reported on the internal audit and will be ready by December.

Terry Mehl reported that attendance to the property has increased up to 10K on weekends.

Mark West went over the operations; electronic games, table games, keno, poker, class II, bingo and pull tabs. He went over the win per units. Terry reported that the win per units on the new machines has driven patrons to the property. Will be receiving new machines by October. (see attached for operations report).

Ray inquired about the bingo room regarding MultiMedia funding the remodel to accommodate their machines. This will be discussed and decided at tomorrow's Council meeting. Mark will contact MultiMedia and Cameron. Construction will take about six weeks.

Jim inquired about the numbers presented by Angie Lopeman at the last meeting; Mark reviewed those financials versus the finance departments. He reported where the difference was found. Mark went over the bingo players average amount spent. The initial assessment provided to LCOB and Council reflects the bingo players play on the floor is minimal.

Jim asked Mark if he sat down with Angie or the management to discuss the differences in numbers; he has not had an opportunity to do so and asked Russell to join him with the meeting.

Terry reported for food and beverages. They have gone through some management changes. Terry handed out the revised organizational chart which reflects the changes made. The change adds no new positions, only a re-organization. Amanda Smith and Cameron have been working on training people to volunteer at the concession stands to raise money e.g. the elders and veterans.

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David Black went over the current promotions; Stellar Summer nights is going well and ahead of last quarters Hog Wild. About 19K signed up for the promotion. After Stellar Summer will be Passports to Paradise. The giveaway of the Saturn Sky will be televised in Starlight lounge and broadcasted on the Casino channel. Johnny Lang had to reschedule. Charlie Daniels sold about 1061 seats. Bill Cosby has sold 1100 tickets. Last year he sold out two shows. BB King has sold less than 1000 tickets. The cage fighting has sold just under 200 but is expected to sell more. Ron White has sold out. Carlos Mencia has sold about 1500. Doobie Brothers less than 500. Discussed if shows are booked too close together; discussed doing same acts every other year rather than back to back. David reported that the Casino TV channel is running advertising and events that is airing in the hotel. Ray made a suggestion to include advertising for the MLRC.

Toby updated on facilities, working on the soft count expansion. *See attached for a more detailed report. Discussed construction; Ray would like to be sure that all tribal construction companies are provided opportunities to submit bids and he also reminded of the Squaxin preference.

David provided the scheduling book for the conference space and briefly went over how moving bingo into that area would impact conferences.

Arnold inquired about the gas tax payments to KTP; that will be discussed at tomorrow's meeting.

Ray shared with Toby that there is a registry for tribal contractors; Toby can access the register when he needs a contractor.

*attachments can be found with the 8/22/07 minutes, filed in the LCOB Meeting binder.