



SQUAXIN ISLAND TRIBE

RESOLUTION NO. 02-96
of the
SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, the Tribe is a federally recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

WHEREAS, under to Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and with protecting an managing the lands and treaty resources and rights of the Tribe; and

WHEREAS, the Squaxin Island Tribal Council authorizes the approval of the Memorandum of Understanding with Mason County Fire District #4; and

WHEREAS, the Squaxin Island Tribe entered into a State-Tribal Gaming Compact providing for, among other matters that 2% of the Net Win from table games be reserved for mitigating adverse impacts of Class III gaming; and

WHEREAS, the Squaxin Island Tribe authorized to enter into inter-governmental agreements under state and tribal law and the Mason County fire District #4; and

WHEREAS, Mason County Fire District #4 has demonstrated to the satisfaction of the Squaxin Island Tribe the costs and benefits of emergency and fire services; and

WHEREAS, the Squaxin Island Tribe desires to enter into long term agreement providing for police and fire services and construction of a fire facility; and

NOW THEREFORE BE IT RESOLVED, that the Squaxin Island Tribal Council hereby approves the attached Memorandum of Understanding with Mason County Fire District #4; and

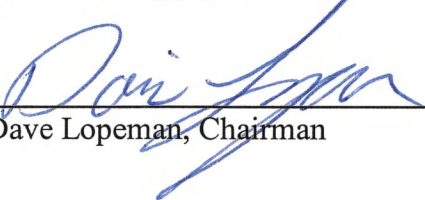
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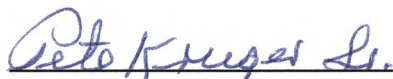
BE IT FINALLY RESOLVED, the Squaxin Island Tribe authorize Ray Peters to be the Tribe's signatory and representative in all future matters requiring Tribal authorization on this particular contract, and that these authorities shall be for the duration of this contract.

CERTIFICATION

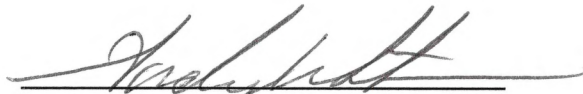
The Squaxin Island Tribal Council does hereby certify that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 26th day of September, 2002, at which time a quorum was present and was passed by a vote of 5 for and 0 against with 0 abstentions.



Dave Lopeman, Chairman

Attested by: 

Pete Kruger, Sr., Secretary



Andy Whitener, Vice Chairman

**MEMORANDUM OF UNDERSTANDING
BETWEEN
SQUAXIN ISLAND TRIBE AND MASON COUNTY FIRE DISTRICT #4**

This Memorandum of Understanding ("MOU") is entered into this 4th day of October 2002, by the Squaxin Island Tribe, a federally recognized Indian Tribe ("Tribe") and the Mason County Fire District #4 (the "Fire District") to meet the requirements of the Tribal State Compact and the prerequisites for grants under its Community Contribution provisions.

RECITALS

- A. The Tribe and the Fire District each desire to protect the lives and property of all people within their respective jurisdictions.
- B. The Tribe and the Fire District each have determined that a cooperative effort to provide emergency services is in the best interest of the taxpayers and residents of their respective jurisdictions, whether Indian or non-Indian, whether enrolled or not.
- C. The Tribe and the District each have determined that better and more efficient emergency services can be provided to all persons and taxpayers within their respective jurisdictions if emergency service personnel have the ability to provide cooperation and assistance, including reinforcement and immediate response assistance, to emergency service personnel in neighboring service jurisdictions, so that the nearest available person may respond as promptly as possible in situations where human life or property is endangered.
- D. This MOU is entered into for the purpose of establishing the relationship and responsibilities between the Squaxin Island Tribe and the Fire District.

1. Relationship

The Tribe and the Fire District each commit to provide effective and efficient emergency services to the Squaxin Island Tribe, including its Little Creek Casino and its patrons.

The Fire District and the Tribe shall each keep each other apprised of significant changes in their operational policies, guidelines, and changes in the law of their respective jurisdictions for the purpose of facilitating communication and ensuring the timely and efficient delivery of services.

To facilitate communication the Fire District and the Tribe shall each appoint a contact person for immediate response. The Tribe appoints Ray Peters, Executive Director of the Squaxin Island Tribe 360-432-5301 (w); 360-789-6655 (c). The Fire District appoints Joel Menter, District Chief 360-426-7222 (w); 360-430-0035 (c).

The Fire District and the Tribe agree to use their best efforts to obtain a manned volunteer fire and or emergency services station on Reservation.

2. Services to be provided

The Tribe and the Fire District agree to design, develop, construct and maintain a fire station on tribally owned lands adequate for four bays, four residents and for Fire District administration personnel. The Tribe and the Fire District agree to allocate the capital and operating expenses for the Project between them with the Tribe acquiring the real property, the District providing design and construction services, the Tribe providing operating capital through a twenty-five year fixed fee service agreement for existing commercial and residential buildings, the Fire District providing initial construction capital of \$250,000, the Tribe providing additional construction capital of \$500,000, and the Fire District leasing the fire station for twenty-five years. The allocations are more fully set out below.

2.1 Existing Fire Station Facilities

The Fire District currently leases fire station facilities from the Tribe on property located on Highway 108 adjacent to the Little Creek Casino pursuant to a lease agreement. The lease term expires on or about December 31, 2006. The Tribe and the Fire District agree that the Fire District will continue to use and occupy the current facility until such time as the fire station to be constructed as contemplated by this MOA is available for occupancy. If, for any reason, the new facility is not available for occupancy prior to the expiration of the lease term, the lease shall be extended month to month until such time as the Fire District and the Tribe agree otherwise or the new facility is available for occupancy.

2.2 Fire Station Construction

The fire station will be located on real property within .5 miles of the Kamilche inter-change on Highway 101. Final size of the construction ready lot (including water supply and sewer connection) will be subject to the parcel configuration and final design of the facilities. The Tribe will acquire and make application to transfer the real property into trust in the name of the United States. The Fire District, at the request of the Tribe, will support the fee to trust transfer to the best of its ability. The Tribe will bear all the costs of acquisition, preparation and transfer from fee to trust, which cost will not be included toward the Tribe's portion of construction capital.

The fire station will be adequate for four vehicle bays (2,800 – 3,000 sq. ft.) including one bay sufficient for an extension ladder truck. The fire station will also be adequate for four residents (2,200 – 2,500 sq. ft.). The fire station will also be adequate for training classroom (with a 100 person capacity) and common areas (2,500 – 3,000 sq. ft.) as well as office space consisting of administrative offices for the Fire District (staff of no less than five, 1,000 to 2,000 sq. ft.). The Tribe and the Fire District envision a structure akin to the recently constructed Steamboat Island fire station.

The Fire District will provide design and architectural services and bear all the costs of the design and architectural services. The Tribe and the District will jointly agree on the design of the fire station.

The Fire District will provide initial construction capital including design and architectural capital of \$250,000.

The Tribe will act as the general contractor, without fee. The Tribe will provide construction capital of \$500,000. The Tribe's contribution shall be paid in two increments: the first, \$250,000 through the fixed fee for services within the District to existing tribal commercial and residential structures; the second, \$250,000, through direct funding through sources determined by the Tribe. The Tribe will, with the assistance of the Fire District, seek funding from a variety of sources, including conventional financing, loan guarantee programs, and grants.

The schedule for providing capital shall be as agreed between the Tribe and the Fire District but generally shall occur within and during the construction period. Timing for the distributions for initial construction will be determined as agreed, but in no event will more than 80% be distributed prior to occupancy.

The Fire Station contemplated by this MOU represents the minimum needs of the Fire District. If the Tribe and or the Fire District desire a different facility, for example, a facility that is larger or for different purposes, including tribal police or emergency services or dispatch, the Tribe and the Fire District will discuss the allocation of costs. The Tribe desires to design and build the facility adequate for emergency service dispatch and administration personnel.

The Tribe and the District anticipate beginning construction within two years from the date of execution of this agreement.

The Tribe and the District agree that neither can afford or risk cost overruns for the project and that it is imperative that the project remains within budget. The parties agree to allocate any cost overruns as they hereafter agree. The Fire District and the Tribe acknowledge that the other has no further financial obligation beyond that expressed herein or as may otherwise be agreed.

The location and design of the facility may implicate cultural resource and or cultural design concerns. The Tribe and the District agree to work cooperatively to address any such concerns.

The Tribe shall hold title to the real property in trust or in fee pending approval of a fee to trust transfer and shall hold title to the fire station and its fixtures. The Tribe will lease the fire station to the District for a nominal fee during the twenty-five plus years of this agreement.

2.3 Fire Station Operations and Maintenance

The Fire District will pay all routine maintenance for the facility. The Tribe and the Fire District propose a low maintenance exterior (metal roof, low maintenance landscaping, painted surfaces); if, however, the Tribe elects to build a high maintenance facility (stained wood exterior for example) the Tribe will pay the maintenance costs that exceed routine maintenance costs for a low maintenance facility.

The Fire District will pay the operating costs for the fire station. The Tribe is not required to participate in paying for operating costs except as may be agreed between the Tribe and the District.

Operating expenses are properly included however in determining the basis for cost reimbursement in paragraph 4.

2.4 Fire Station Lease

The Fire District will lease the facility from the Tribe.

The Fire District will lease the facility for 25 years with its rate being deemed the equivalent of its initial capital contribution \$250,000. The capital contribution is in lieu of rent for the initial term. The rent for the initial term of the lease will be fully satisfied by payment of the initial capital contribution.

The lease will include five 5-year extensions to be exercised at the option of the Fire District. The Fire District will make lease payments of \$10,000 per year during any extension beyond the initial term.

The rent during any extension will be adjusted annually based on the CPI-U Seattle Tacoma based on the preceding year's annual average seasonally adjusted. The maximum increase in any one-year shall be 4.0%. The base payment will change by the percent change in the level of the CPI between the reference period and a subsequent time period. The adjustment will be calculated by determining the index percent change between the two periods and then the percent change. The reference period shall be the last year of the 25-year lease.

3. Fire Protection Services

3.1 Fire Protection Services Agreement

The Tribe and the District agree to enter into a Fire Protection Agreement regarding existing residential and commercial buildings, new residential and commercial buildings, and the Little

Creek Casino with a term ending with the expiration of the Fire Station Lease and all extensions. The fees listed in the Agreement will not apply to any co-generation plant and or any hazardous industrial construction. The Fire District and the Tribe will separately negotiate fire protection services for a co-generation plant and or any hazardous industrial construction, if any.

3.2 Existing Residential and Commercial Buildings

The Tribe will pay a fixed fee of \$250,000 for emergency services on and off reservation within the District to tribal commercial (including KTP and tobacco manufacturing facility but excluding the Little Creek Casino) and residential buildings now in existence, including the residential community of the Squaxin Island Tribe for 25 years. The Tribe's capital contribution of \$250,000 is in lieu of the fixed fee for the initial term. The Tribe shall pay the \$250,000 directly for goods and services for construction. Payment of the initial capital contribution of \$250,000 will fully satisfy the fixed fee for 25 years.

The costs for fire and emergency services to tribal commercial (including KTP and tobacco manufacturing facility but excluding the Little Creek Casino) and residential buildings now in existence, including the residential community of the Squaxin Island Tribe are waived during the initial term and any extension of the Fire Protection Agreement.

3.3 New Residential and Commercial Buildings

The Tribe will pay the Fire District a fee for emergency services on and off reservation within the District to new commercial and residential buildings in amounts to be agreed but generally stated as the residential or non-residential rates.

3.4 Little Creek Casino

The Tribe and the Fire District agree to contract for emergency services for the Little Creek Casino generally stated as the cost to the District that represents the District's per call average costs times the percentage of calls to the Little Creek Casino to the total number of calls within the District.

3.5 Hotel or Recreational Vehicle Park

If the Tribe determines to build a hotel over two stories, the Tribe in its sole discretion will seek financing and or grants necessary to obtain fire fighting equipment for access to and protection of the roof and top floors of the building. The title for any such equipment will remain with the Tribe. The equipment will be made available to the Fire District.

If the Tribe determines to build a recreational vehicle park, the park will be assessed annually at a rate of 25% of the current rate charged per bedroom per recreational vehicle space developed in addition to non-residential rate for any buildings constructed.

No billing will be made for land value.

3.6 Fire District Billing

The Fire District will bill for its services provided under Sections 3.3 (annual), 3.4 (quarterly) and 3.5 (as agreed) as provided therein.

Fire protection fees not covered in the fixed fees (i.e., new residential and commercial construction and excluding the Casino and any additions) described herein shall be billed quarterly to the Tribe with September 30 as the end of fiscal year. Residential billing rates are \$75. per bedroom (based on average of \$188.00 revenue per home with an average of 2 ½

bedrooms per home); the non-residential rates are 12.5 cents per square foot (based on current tax rate of \$1.25 per \$1,000 value).

The residential billing rates will be adjusted annually based on the CPI-U Seattle Tacoma based on the preceding year's annual average seasonally adjusted. The maximum increase in any one-year shall be 4.0%. The base payment will change by the percent change in the level of the CPI between the reference period and a subsequent time period. The adjustment will be calculated by determining the index percent change between the two periods and then the percent change. The reference period shall be the first year that the first new residence is occupied.

Non-residential rates will be adjusted annually by dividing the then current fire tax rate per \$1,000 assessed value by 10.

Residential and non-residential adjustments will be automatic and take place on October 1 of each year.

4. Requests for Funding.

The Tribe and the Fire District acknowledge that it is not possible to identify or distinguish the adverse impacts or increased costs on the Fire District caused by the Class III operation from the general operations of the gaming facility.

They have agreed, as an alternative, to the following measure:

A quarterly request for funding shall include the following information: (a) the actual expense incurred by the Fire District relative to the District's Operation for the quarter and (b) the call percentage (the percentage of responses to the Casino as a percentage of the total number of Fire District calls for the quarter).

The actual expense under (a) shall be the actual funds expended by the District in a calendar quarter.

During the continued operation of the gaming facility and as long as the lease is in effect no request for funding will be denied, subject to the maximum of \$10,000 per quarter or \$40,000 per calendar year, whichever is greater. The Fire District may make a request to raise the maximum should the Tribe increase the size of its Facility by ten percent or more of its square footage. Such requests may follow two years following such an increase. The Tribe and the Fire District will evaluate call volume and increased costs related to such an increase.

5. Periodic Reports

The Fire District shall also submit a quarterly report to the Community Contribution Committee confirming that the monies distributed from either fund in the community contribution pool was in fact used to reimburse the Fire District for its expenses related to services provided to the Tribe.

The Fire District shall maintain accurate records of the use of all grant funds and shall make such records available to Community Contribution Committee upon request. Further the Fire District records shall be subject to independent review by the Committee or its contractor.

6. No Waiver.

By executing this Agreement, no signatory hereto waives any immunity or sovereign immunity which it has and neither a grantee nor any other individual or entity is or shall be deemed a third party beneficiary of this agreement.

This agreement will be in effect for a period of two years from the date of its execution.

7. Confidential Information.

The Fire District agrees that any information it obtains regarding the total amount of the Casino's net win, the amount the Fire District is awarded, or any other information which would tend to reveal the operating results of the Tribe's Casino are proprietary to the Tribe and shall remain confidential and not be disseminated or published without the Tribe's prior written consent, subject to the State Public Disclosure Act.

8. Acceptance of Terms.

Their respective representatives agree to the above terms and conditions for the parties to this agreement.

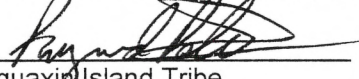
9. Public Relations.

The Fire District and Tribe agree to joint public relations and press releases regarding this memorandum of agreement.

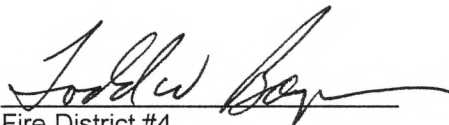
10. Amendment.

This MOA may be amended by agreement of the Fire District and the Tribe. The Fire District and the Tribe invite consideration of an amendment if the conditions or circumstances important to the other change.

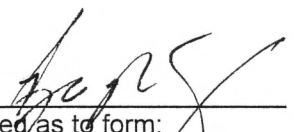
Dated this 4th day of October 2002.



Squaxin Island Tribe
By: Raymond Peters
Its: Executive Director



Fire District #4
By: Todd Boysen
Its: Chairperson



Approved as to form:
Squaxin Island Legal Department

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