



# MANDAN, HIDATSA, & ARIKARA NATION

Three Affiliated Tribes • Fort Berthold Indian Reservation

HC3 Box 2 • New Town, North Dakota 58763-9402

## SPECIAL COUNCIL MEETING MINUTES

MARCH 03, 1997

TRIBAL BUSINESS COUNCIL  
701-627-4781  
Fax 701-627-3805

1. **CALL TO ORDER AND OPENING PRAYER.** A Special Meeting of the Three Affiliated Tribes' Tribal Business Council was held on Monday, March 3, 1997, in the Tribal Council Chambers, for the purpose of addressing casino matters. The meeting was called to order by Chairman Russell D. Mason, Sr., at 1:37 p.m. A moment of silent prayer was held.
2. **ROLL CALL.** All members were present with the exception of Tex G. Hall, who entered the meeting at 1:40 p.m.
3. **ANNOUNCEMENTS.** (Note: There was no agenda, as the Recorder was not advised of any topics.) Mr. Mason said council would address the hiring of a comptroller for the casino and D & O coverage for the TAT Casino Board Members today. Mr. Mason said he and Paul Danks would be meeting in D. C. this week with Senators Conrad and Dorgan on the Four Bears Lagoon. On March 7, Senator Byron Dorgan will be meeting with delegates from all reservations in North Dakota to discuss the budget for FY98. On Saturday, the UTTC Board will meet in Bismarck (Messrs. Mason and Gillette are members of this board). Mr. Mason said Phyllis Howard attended the housing meeting in Denver, as his alternate; he said he is going to try to set up a special council meeting after the 13th of March on the new rules that are going to be under the housing bill. Phyllis Howard and Terry Red Fox will be invited to this meeting. Mark N. Fox said he would be going to Washington, D. C. for meetings on the detention facility this week, and will be in Minneapolis later this week for a gaming seminar, business meetings, and a meeting on the detention facility--on Saturday, the North Dakota Indian Gaming Association will be meeting. Mr. Mason, Mark Fox, and David Brendsel attended the trust meeting in Denver. Mr. Brendsel will be providing copies of this meeting for the council.

Mr. Fox said he had three items for the agenda: (1) proposed ND legislation that affects the gaming compact language; (2) possible amendments to the Class III licensing fee schedule; (3) request for additional sick leave and temporary hire authority for his office. He said he would also like to make a request for Kenny Stevenson to travel to a construction meeting on Friday. Mr. Mason said the travel is okay, and did not need to be addressed on the agenda.

#### 4. SPECIAL BUSINESS.

- a. **R#97-057-DSB. APPROVAL TO HIRE PHILLIP FRAZER AS CASINO COMPTROLLER.** Casino Manager Roy Galyean said he had looked at over 30 applicants and seriously considered as many as 16, which was narrowed

down to the top four. Two of the top four did not wish to relocate to this area. Phillip Frazer, one of the top four, visited this area on the 22nd of February and remains interested. Mr. Galyean distributed copies of Phillip Frazer's resume and qualifications to the council members, while Staff Attorney Thomas A. Disselhorst distributed copies of the resolution. David Brendsel, TAT Financial Advisor, said \$5000 moving costs would be provided to Mr. Frazer, from casino monies. A copy of this resolution, if approved, will be provided to the Executive Management Resources of Las Vegas, NV, as evidence of the total amount of remuneration to the candidate. A fee of \$15,000, mentioned in the resolution, will have to be paid by the Tribe to Executive Management Resources. Motion to approve was made by Austin Gillette and seconded by Edwin Hall. Discussion. Messrs. Thomas Bird Bear, Tex G. Hall, and Mark N. Fox disapproved of the fact that they were given the name of only one applicant to consider. Mr. Gillette stated that council had authorized Mr. Galyean, according to his agreement, to hire these people. The only reason he is coming to the council on this is because there is no Casino Board in place yet. Roy Galyean said Mr. Frazer would be under a 90-day probation period. After discussion, Mr. Mason called for the vote: 6 in favor, 1 opposed. Passed.

b. MOTION. GRANT 30 DAYS SICK LEAVE TO CINDY PACKINEAU, AND AUTHORITY TO HIRE TEMPORARY/FULL-TIME ASSISTANT. Mark N. Fox stated his Administrative Assistant has been having serious medical problems, had major surgery on Friday, and is going to be unable to return to work for at least 4-6 weeks. He made a motion for the Tribe to grant Cindy Packineau 30 days sick leave and asked for authority to appoint a temporary in her place, at the same rate of pay, until she is able to come back to work. Mr. Edwin Hall seconded the motion. Discussion held on either advancing leave or asking other employees to donate sick leave. After discussion, motion and second were amended to grant Cindy Packineau 30 days sick leave--if more leave is necessary, Mark Fox will get donated leave for her under whatever procedures that are identified--and to approve Mr. Fox to hire a temporary/full-time assistant for his office at the same rate of pay. Vote on amended motion: 7 in favor. Passed.

c. MOTION. APPROVAL OF PAYMENT OF FEE FOR CASINO INSURANCE COVERAGE. Rollin C. Mehlhoff, Vaaler Insurance, Bismarck, was present to answer questions on the coverage. Vaaler Insurance has insured the casino for the past three years. They have been, and presently are, the insurance carrier for the Tribes. After a 2-hour discussion, Austin Gillette made a motion to approve the payment of the insurance fee of \$27,300 for the D&O insurance and company reimbursement policy. Motion was seconded by Mr. Daylon Spotted Bear. Discussion that this insurance coverage had been fully reviewed by David Brendsel, Thomas Disselhorst, and Roy Galyean. Vote: 6 in favor, 1 abstained. Passed.

NOTE: Discussion at this time that R#97-051-DSB replaces R#97-016-EH and R#96-213-DSB. Mr. Mason excused himself from the meeting at 3:05 to travel to Minot to catch a plane to Washington, D.C. Vice Chairman Gillette presiding. Break taken at 3:30 p.m. Reconvened at 3:58 p.m.

d. R#97-051-DSB. TAT CASINO ENTERPRISE BOARD/D&O COVERAGE.

R#97-051-DSB, which was approved, with amendments, at the February 13 meeting, was re-submitted by Staff Attorney Disselhorst. The resolution had been amended according to council's request at February 13 meeting; however, additional language on indemnification had been inserted, along with a rules attachment. Mr. Bird Bear recommended changes in the rules attachment. Other changes were requested in the resolution. After a lengthy, pre-motion discussion, Tex G. Hall moved to accept the new amendments and changes made to R#97-051-DSB, with a limitation of 1 million dollars. Motion seconded by Edwin Hall. Discussion that the motion made appears to indicate the Tribe would pay a million dollars over and above the insurance coverage. Tex Hall said the intent of his motion was to not include anything above and beyond what the insurance company provides, and that his intention is to limit injury indemnification to 1 million dollars. Mr. Mehlhoff prepared to leave, but before leaving, his recommendation to council was not to tie indemnification up with the insurance policy, and to have the indemnification separate from any wording on the insurance-- not to tie it to a maximum limit of 1 million dollars. Edwin Hall then withdrew his second on the basis of Mr. Mehlhoff's recommendation and the agreement of Tribal Attorney Kip Quale. No second to motion. Denied.

After additional discussion, Supervising Attorney Quale recommended to council that this resolution be passed as is, along with the rules attachment, paying heed to Item 5 in the attachment, which authorizes the TBC to revisit this issue anytime in the future that it deems desirable, and that the Tribal Business Council has the specific authority to establish a monetary limit as to the general indemnification.

Mr. Gillette requested a motion to approve this resolution, with the changes and amendments made so far, with the understanding the TBC can revisit Item 5 on page 3 of 4 in the attachment. Mr. Edwin Hall moved for approval of the resolution, as amended and as discussed, with the understanding that the TBC can revisit section 5, based on the recommendation of the TAT attorneys, Messrs. Quale and Disselhorst. Motion seconded by Daylon Spotted Bear. Discussion was to have a special meeting on this, and that the motion includes the revised pages 1-6-2. Vote: 3 in favor, 3 opposed. Tied vote.

NOTE: Break taken at 5:10 p.m. Reconvened at 5:30 p.m.

Continued discussion: Mark N. Fox asked for some language changes on liability exclusions. (End of Tape 1.) Mr. Fox also wished to add

language to include no expense to the Tribe over and above the 1 million coverage. Council agreed they didn't want to go beyond the 1 million coverage; alternatively, the Tribal Business Council agreed that it would compensate any individual covered by the policy for any and all reasonable out-of-pocket legal costs, including attorney fees, if a lawsuit is initiated by a third party, and if the individual is deemed to be acting in good faith. Discussion was held on setting limits on damages sued for or amounts received. We are a sovereign government and we can do that.

Mark N. Fox moved for approval of the resolution as amended and as discussed for inclusion of the maximum 1 million dollars and the commitment for reasonable legal costs that may be incurred on behalf of Mr. Galyean or the board until such time as this is reviewed. Motion was seconded by Edwin Hall. Discussion between Mr. Bird Bear and Mr. Fox that this includes the 1 million insurance monies, no tribal funds, limit of 1 million includes only this, which is 1 million. Motion and second amended, as such. Mr. Disselhorst asked what the scope of the review is. Mr. Fox said he would like to see options or alternatives to this general rule, and address the language which would reflect some of the concerns expressed today. Suggestions on how to limit, if possible, give some proposals or ideas on how, through our tribal court system, we can limit the liabilities or damages that can occur as a result of a suit brought against anybody on this reservation, as soon as possible. April 14 appeared to be the earliest date that all council members and Mr. Disselhorst can meet on this. Vote: 5 in favor, 1 opposed, 1 not present. Passed.

e. R#97-058-DSB. APPROVAL OF D&O COVERAGE FOR CASINO GENERAL MANAGER. Motion to approve, with the same amendments that were made in D&O coverage for board members, was made by Edwin Hall, and seconded by Mark N. Fox. Discussion that there is no difference between "D&O" coverage and "errors and omissions" coverage. Vote: 4 in favor, 2 opposed, 1 not present. Passed.

f. R#97-059-DSB. SUPPORTS PASSAGE OF 55th LEGISLATIVE ASSEMBLY OF ND PROPOSED BILL ON TRIBAL/STATE GAMING COMPACTS, ONLY IN ORIGINAL FORM. The Tribal Business Council went on record to not oppose the presentation or passage of the above bill (as long as passage does not surrender or affect the existing TAT/State Gaming Compact); and to support the bill only in its original form. Motion to approve the resolution was made by Mark N. Fox, and seconded by Edwin Hall. Vote on motion: 6 in favor, 1 not present. Passed.

g. MOTION. APPROVES ADJUSTED AMOUNTS TO TAT GAMING APPLICATION FEE SCHEDULE TO BE PAID BY CASINO EMPLOYEES. Resolution presented by Gaming Committee Chairman, Mark N. Fox. The amendments to the fee schedule are inclusive of background investigation fees, and are being lowered. Motion to approve by Tex G. Hall. Second, Mark N. Fox. Discussion: Income derived will be utilized by the Tribe to offset

the Gaming Commission Budget. Renewal amounts will be based on the casino fiscal year beginning October 1997. Fees already collected and to be collected between now and October, will be addressed further by the Gaming Committee, Financial Advisor, and Casino Manager.  
Vote: 4 in favor, 2 opposed, 1 not present. Passed.

h. CURRENT CASINO POLICIES & PROCEDURES. Question was raised by Tex G. Hall as to whether or not the BHL&C policies are still in place at the casino. Mr. Galyean said he has organized a committee to address this and as soon as they come up with revised policy and procedures, they will be submitted to the TAT Casino Enterprise Board, which, at present, has not begun to function.

05. NEXT MEETING. Special Meeting, Wednesday, March 12, 1997.

06. ADJOURN. Motion to adjourn, Edwin Hall. Second, Daylon Spotted Bear.  
Vote: 5 in favor. Meeting adjourned at 6:50 p.m.

**CERTIFICATION OF MINUTES**


As Executive Secretary of the Tribal Business Council of the Mandan Hidatsa Arikara Nation, Three Affiliated Tribes of Fort Berthold Reservation, I hereby certify that the Tribal Business Council is composed of seven members, of whom five members constitute a quorum. 7 members were present at a Regular Meeting thereof duly called, noticed, convened, and held on the 13th day of March 1997, whereupon the Special Council Meeting Minutes of March 03, 1997, were presented for approval by the Three Affiliated Tribes' Recorder.

Said minutes were duly approved by the affirmative vote of 7 members, 0 members opposed, 0 members abstained, 0 members absent.

**I HEREBY CERTIFY THESE MINUTES AS APPROVED AND ACCEPTED.**

*for* Marian Spotted Bear, Recorder  
Daylon Spotted Bear, Executive Secretary  
Three Affiliated Tribes' Tribal Council

**ATTEST:**

  
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Russell D. Mason, Sr., Chairman  
Tribal Business Council