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**THREE AFFILIATED TRIBES
TRIBAL BUSINESS COUNCIL
REGULAR MEETING 11-012-TGH
July 14, 2011, 10:00 A.M.**

CALL TO ORDER:

Chairman Tex G. Hall called the meeting to order at 11:53 A.M.

PRAYER:

A Moment of silence is taken.

ROLL CALL:

Present: Chairman Tex G. Hall, Councilman Frank Whitecalfe, Councilman Scott Eagle, Councilman Mervin Packineau, and Councilwoman V. Judy Brugh. A quorum is established. Absent: Councilman Barry Benson and Councilman Arnold Strahs. (Councilman Barry Benson arrived at the meeting at approximately 12:25 P.M. and Councilman Strahs is in the meeting at 12:34 P.M.) Chairman Tex G. Hall announces he will be leaving at 5:00 P.M.

01. APPROVAL OF AGENDA:

Add-ons:

Chairman Tex G. Hall:

6C. Environmental Code Intern Resolution

6D. Indian Energy Legislation Update

6E. Senator Tim Johnson Senate Bill 3648: Tribal Equity Resolution Commission Act

6F. Transportation Code Review: Wet/Dry Trailer

6G. Business Permit Code Policy: Roads

6H. Federal Indian Energy Resolution: Bonnie Red Fox, FPEO

Vice-Chairman Scott Eagle:

7G. Economic Update with Departments: Leslie Morsette

Treasurer Mervin Packineau:

7H. Financial Requests: Jeanette Coffey & Iva Gilles

Councilman Frank Whitecalfe:

7I. Financial AG Request: Northern Elite Showcase

Councilman Packineau moved to approve of the amended agenda. The motion is seconded by Councilman Whitecalfe.

VOTE: 7 Ayes Motion carried.

02. APPROVAL OF MINUTES:

Councilman Packineau moved to approve the May 17, 2011 Tribal Business Council minutes. The motion is seconded by Councilman Whitecalfe.

VOTE: 7 Ayes Motion carried.

Councilman Eagle moved to approve the June 10, 2011 Regular Tribal Business Council minutes, subject to corrections. The motion is seconded by Councilwoman Brugh.

Discussion: The add-on for the Refinery is changed to Building Construction Code Permits Policy for the CEO.

VOTE: 7 Ayes 0 Nays Motion carried.

Councilman Whitecalfe moved to approve of the June 15, 2011 minutes. The motion is seconded by Councilman Packineau.

VOTE: 7 Ayes Motion carried.

03. Environmental Code First Reading Draft: Dennis Fox, Programs Analyst

Councilman Packineau moved to approve of the first reading on the Draft Environmental code. The motion is seconded by Councilman Whitecalfe.

Discussion: Environmental program is waiting on legal to do the changing on the title. The changes are civil for non-members and criminal for Tribal members (Page 55, II.A). A meeting will be coordinated in the tribal chambers. How much more left to complete the whole code? Title page and numbering on the whole document. Twin Buttes elders ask for a copy when it is completed. There will be a 30-day comment period and it will be posted on the MHA Nation WEB site.

VOTE: 7 Ayes Motion carried.

04. Resolution 11-075-VJB to amend the Environmental Code

Councilman Eagle moved to approve of a resolution entitled, "Interim Regulation governing the disposal of Waste and other Hazardous Substances Associated with the Exploration of Production of Oil and Gas on the Fort Berthold Indian Reservation." The motion is seconded by Councilman Packineau.

Discussion: Homeland Security is to be included with the other departments in the code. The funds collected from fines and penalties will be put into a super fund account for clean-ups, the oil company will be held accountable. The TERO office will address the amount of the truck drivers insurance to cover spills. An amendment to the code would be: *a negligent violation will be at 50% of the willful.* A related item for comment is the reserved pits. Discussion is to go to a closed loop system versus a reserved pit. *Discharging* will be added to the resolution on the second to last **WHEREAS**.

NOTE: The companies do not have access to the Tribal Superfund account.

VOTE: 7 Ayes Motion carried.

05. CUMULUS Monitoring Trucking Traffic: Richard Shillander

Richard Shillander gave a proposal presentation. Richard Hall, TERO Deputy Director will get a final proposal and bring it back to the next Tribal Business Council meeting. This is a data based company for tracking oil and water by Intake sensors, trucking tickets, and strategically placed scales. The goal is to provide verifiable data through audits for recouping royalties and for taxes to repair the roads.

Comments: Licensing for Semis, goosenecks, wet/dry trailers etc.: The CEO, Programs Analyst, TERO Deputy, and Tribal Attorney are working on a Transportation Impact Fee Permit. The Cooperative Agreement between the Tribe and Oil Companies will be addressed on July 21, 2011 at the Task Force meeting for road repairs.

06. Twin Buttes Elders Healthcare Coverage Update: Dennis Huber & Diane Tomlin

Bids were taken from four companies. Three things are needed for a group plan. They will be gathered and delivered to Mr. Wise for Medical supplemental Insurance. This would cover elders no matter where they lived (off Res). Some elders have policies that they didn't want bothered. There are 574 elders that would be the 65 and older group that would be applicable. This would be for just those that would need the policy. The Twin Buttes Elders will be working with Dennis Fox and Tara Williams in the Programs Analyst office. The Security Life Company is located in Bismarck ND.

07. Indian Energy Legislation Update: Chairman Tex G. Hall

There is a legislation movement on the hill for an Indian Energy Legislation Bill. The Tax Revenue is critical. The tribe would have 100% authority to tax. All of the tribes are in agreements with that legislation. Increasing the number of years per lease was discussed (25 yrs. to 50 yrs.). This legislation is specific to the Navajos 99 year leasing. BLM will be required to consult with the allottees for spacing. This legislation requires them to consult on spacing before it is done. BLM will make sure that there is a Federal hearing process in place because the state has no jurisdiction over the tribe. Sometime soon the Indian Energy Legislation will be put forth by both committees in the house (U.S. Senate committee on Indian Affairs and the House Natural Resources Subcommittee).

08. Senator Johnson on Pick Sloan

Senator Johnson will introduce the Tribal Equitable Resolution Commission Act; which would create a commission to examine the damages by the Pick Sloan Program. Based on this study, the commission is charged with developing a proposal for final settlement. The bill is almost identical to the Pick Sloan Tribal Commission Act of 2010. The bill that passed the senate Indian Affairs but not the full senate, this bill would have a commission that would consist of seven members. One should have expertise in Indian Law, Operation of history of Federal water projects, Environmental Justice, Economist, and Cultural Preservation. They would have eighteen months to complete the work. Added to that bill would be a new bill by Senator Johnson

that would create an advisory board to the commission which asks for two representatives from each affected tribe. One to be an original land owner or heir, the other is to be appointed by tribal government. This board will make recommendations to the commission. Senator Johnson asks for tribal feedback on this by July 22, 2011. The Chief of Staff will follow up on posting this in public areas and the Tribal WEB site.

09. Satellite Office Lease Agreement: Richard Mayer, CEO

Councilman Whitecalfe moved to approve a three year lease agreement on the Bismarck Satellite office. The motion is seconded by Councilwoman Brugh.

Discussion: The new office building is located at 107 W. Main Avenue, Bismarck. It is bigger and cheaper, with parking space for employees and tribal members on the side of the building. It is also handicapped accessible, with cooking facilities, and a conference room. August 1st is the end of the old lease agreement on the other building.

VOTE: 7 Ayes Motion carried.

10. Resolution 11-076-VJB Tribal Transaction Code: Richard Mayer, CEO

Councilman Whitecalfe moved to approve of a resolution entitled, "Adoption of Tribal Credit Transaction Code." The motion is seconded by Councilman Packineau.

VOTE: 5 Ayes 0 Nays 1 Abstention Motion carried.

11. Resolution 11-077-VJB Tribal Transaction Code Amendment to Code

Councilman Packineau moved to approve of an amendment to a resolution entitled, "Amendment to Chapter 21, Section 7(e) – Usury of the Tribal Code of Laws." The motion is seconded by Councilman Whitecalfe.

VOTE: 5 Ayes 0 Nays 1 Abstention Motion carried.

12. Articles of Incorporation for Make Cents Inc.: Richard Mayer, CEO

Councilman Whitecalfe moved for approval of Articles of incorporation for Make Cents Inc. a subsidiary of MHA Systems. The motion is seconded by Councilman Strahs.

NOTE: Article VIII. Under Immunity – This Corporation is to give it sovereign immunity.

VOTE: 4 Ayes 0 Nays 1 Abstention Motion carried.

13. Employee Appreciation Budget Amendment: Richard Mayer, CEO

Councilman Whitecalfe moved for approval to increase the Employee Appreciation Budget in the amount of \$5,000.00. The motion is seconded by Councilman Strahs.

VOTE: 6 Ayes 0 Nays Motion carried.

14. Personnel Ratification on Drivers Pay Increase: Richard Mayer/Councilman Strahs

Councilman Strahs moved to approve of Personnel ratifications on six drivers wage increases. The motion is seconded by Councilwoman Brugh.

Discussion: See Personnel Action forms in the Human Resource Department for the names of the individuals. This is retroactive from May 5, 2011. There are more personnel actions to be taken care of but these wage increases were prioritized because the Natural Resource committee did not want to lose the Solid Waste/Environmental drivers to the oil field. The Natural Resource Committee Chairman asks that these get passed at this time, but agrees anything after this will go through Human Resources policies and procedures for standardized scales.

VOTE: 5 Ayes 1 Nays Motion carried.

15. New Town Elder Organization: Ramona Two Shields

The request is for a cease and desists on the response to the Transition team report. In a couple of weeks by consensus, the Tribal Business Council will set a date to hear the Transition team report and then the response to it.

(A Tribal member in the audience expressed their thought regarding the current subject and they would like to move forward so their agenda item could be heard)

16. Protecting Mother Earth Gathering: Kandi Mossett

Councilman Packineau moved to approve of one Bison for the 16th Protecting Mother Earth Gathering to be held on July 28-31, 2011. This will include the processing by a meat company. The motion is seconded by Councilman Eagle.

Discussion: Councilman Eagle will assist with organization of the meat.

VOTE: 6 Ayes Motion carried.

17. Arrow Pipeline, LLC Project Update: Eddie Guiser

Arrow Pipeline proposes an amendment to the current contract so payment will be deferred or let it stay the same with a payment due within a few months. Arrow Pipeline will work with Attorneys Damon Williams and John Fredericks on the language and resolution. Arrow Pipeline will return to the next full Tribal Business Council meeting with all documentation for the Tribal Business Council to look over and make a decision.

(Councilman Arnold Strahs left the meeting at 4:02 P.M.)

18. Surveillance System: Richard Mayer, CEO/Dennis Fox, Programs Analyst

This will be put on hold until the Task Force meets on it.

(Councilman Barry Benson stepped out of the meeting at 4:37 P.M.)

19. Tall Salt Royalty Analysis Presentation: Fred Fox/Steve Gunderson

Tall Salt will get a memo or letter to the Three Affiliated Tribes regarding a deficiency. Tall Salt will come back to full TBC at a later date with a proposal that will include allottees.

20. BIA Status Report: Fred Fox, Energy Dept. Director

The Energy Department Director handed out a Status Report to the TBC. The second page will be put on power point on the next full Tribal Business Council meeting.

21. Water Intake Letter to Army Corp of Engineers

Chairman Hall informs the Tribal Business Council about a letter from Mark Fox to the Army Corp. of Engineers on Water Intake. The letter discusses a Water Intake Depot with Card Control in each community. The idea is for each segment to split proceeds from water sales with their community boards.

22. Personal Matter: Jolene Grady

Jolene's request is for \$7,200.00 for repairs to her FEMA trailer home. An Inspector will be sent out to do an estimate on the trailer. Dennis Fox, Programs analyst will work with Jolene. Jolene will also be put on the Judicial Committee agenda for custody issues.

23. Housing: Virgil & Judith Wilkinson

The request is for a new home. They would like to know where they stand with housing because they were granted a home with the 210 Home Initiatives Project. Repairs to the existing home are needed. A contractor will be sent to do an estimate. A FEMA Trailer is suggested as a quick fix because they have sewer and water hook-ups. An inspector will inspect the home to make sure the home is not repairable then a FEMA trailer will be issued.

24. Dialysis Unit Allocated FEMA Trailers: Barb Pegg, FBHA Director/Lawrence Baker, HIP Director

The Health committee minutes will be looked at for the Dialysis Unit to receive two FEMA trailers with the Dialysis Budget to pay for the setup/hookup.

25. FBHA Contract/Bonding: Clement Packineau/Barb Pegg, FBHA Director

Councilman Packineau moves to approve of a letter of credit for an Independent contract for Clement Packineau in the amount of \$32,877.19 both

contracts for white shield and Parshall. The motion is seconded by Councilman Whitecalfe.

NOTE: This is for a 10% surety on two contracts for the White Shield and Parshall basements for Clement Packineau. The contracts are with FBHA in the amounts of \$19,014.54 and \$13,862.65 listed as FY 11 047 and FY 11 052.

VOTE: 5 Ayes Motion carried.

(Councilman Barry Benson came back into the meeting at 6:10 P.M.)

26. Resolution 11-078-VJB Road Safety Audit: Verlee Whitecalfe Saylor

Councilman Packineau moved to approve of a resolution entitled, "Fort Berthold Road Safety Audit." The motion is seconded by Councilman Whitecalfe.

VOTE: 6 Ayes Motion carried.

27. Resolution 11-079-VJB: Maternal Child Health Grant: Verlee Whitecalfe Saylor

Councilman Packineau moved to approve of a resolution entitled, "Maternal Child Health Grant." The motion is seconded by Councilman Eagle.

VOTE: 6 Ayes Motion carried.

28. Casino Expansion Dark Horse Prime contractor/Gunderson Subcontractor: Charles Vigen/MJ Gunderson

It is suggested that Charles Vigen step down from the Advisory Board while the Casino Expansion is going on because he is the Dark Horse Company for the seven months to get the project done. Liquidated damages are incorporated into the contract. The Four Bears Casino will handle the contract and work with the Three Affiliated Tribes legal attorney Damon Williams.

The contract needs to be signed with numbers and timelines in place. This will be brought back to the Tuesday July 19th continuation meeting.

29. Home Flooded: Evelyn Klimpel

She will return on Tuesday to the continuation of the Regular Tribal Business Council meeting after the flood waters recedes to find out the value of her home and how much of a loan she will need.

30. Small Loans Department: Whitney Bell, CFO

Councilman Packineau moved to approve of Small Loans Department list 1-17. This is subject to the loans policy and procedures. The motion is seconded by Councilman Eagle.

Discussion: Arthur C. Smith-\$1,500.00, Jeanette Coffee-\$1,500.00, Stefanie B. Hall-\$2,000.00, Lane Vocu-\$2,250.00 Education, Terry Mongram-Beston-\$2,500.00, Bessie Wells-\$3,000.00, Martin Fox-\$3,000.00 Education, Kelly quick Bear-\$4,500.00, Tara Williams DeVries-\$6,000.00, Janis Smith-\$7,000.00, Pat Bearstail Sr.-\$7,000.00, Stefanie L. Hall-\$7,500.00, Doyle Bell-\$15,000.00, Titus D. Hall-\$10,000.00, Jacy Rabbithead-\$15,000.00, Millard Hale-\$15,000.00, Diane Hale-\$15,000.00.

VOTE: 6 Ayes Motion carried.

31. Loan Request: Iva Gillis

Councilman Packineau moved to approve of a \$10,000.00 Loan for Iva Gillis with IIM as collateral. The motion is seconded by Councilman Eagle.

VOTE: 6 Ayes 0 Nays Motion carried.

32. Medical Loan: Karen Smith

This will be brought back to the continuation meeting on July 19th.

33. Northern Elite Showcase

Councilman Eagle moved to approve of \$10,000 for the Northern Elite Showcase AG Livestock show for the children at the Four Bears Casino Event Center on July 20-21, 2011. This will be split between the Tribe (0380 Account) and the Four Bears Casino. The motion is seconded by Councilman Whitecalfe.

VOTE: 6 Ayes Motion carried.

34. Certificate of Authority on Corp Documents

Councilman Whitecalfe moved to approve of a certificate of Signature Authority for Chairman Tex G. Hall and the Executive Secretary, V. Judy Brugh on Army Corp of Engineer Documents. The motion is seconded by Councilman Scott Eagle.

VOTE: 6 Ayes Motion carried.

35. Hidatsa Flats Road Lease for TAT and Army Corp.

Councilman Whitecalfe moved to approve of a Hidatsa Flats Road lease from the Three Affiliated Tribes for the Army Corp of Engineers. The motion is seconded by Councilman Eagle.

VOTE: 6 Ayes Motion carried.

36. Tax Commission Department: Mark Fox

Councilman Eagle moved for approval on a FY' 11 budget revision/Increase for the Three Affiliated Tribes Tax Commission Department in the amount of \$80,000.00 with the authority to hire under a contract, a CPA consultant

(temporary 30-day appointment). The contract is subject to review by the Tribal Business Council. The final amended budget amount will be increased to \$280,000.00. The motion is seconded by Councilman Benson.

Discussion: The increase will enable the Tax Department to better monitor and regulate existing tax activity (exceeding \$30 Million this calendar year), and to plan and develop new areas of taxation. The Tax Departments goal is to 1). Setup a more comprehensive compliance system to track and ensure verification of required payments, 2). Develop codes, regulatory structure, and possible agreements in the areas of Alcohol and Water taxation and regulatory fees. They estimate that this would increase annual revenue to the tribal government by as much as five million dollars. *NOTE: In prior discussion, Chairman Hall presented to the Tribal Business Council and they were in consensus of the proposal for each community to sell water through a Card Control Water Depot in each segment. The water sales would be divided 50/50 between the Community Boards and Tribal Government. This is a priority for the Three Affiliated Tribes to sell to the water companies to help our communities and pay for tribal water projects.*

VOTE: 6 Ayes Motion carried.

37. Indian Hills 25 Year lease with Army Corp of Engineers

Councilman Eagle moved to approve of a lease agreement between the Army Corp of Engineers and the Tribe for a 25 year lease on Indian Hills. The motion is seconded by Councilman Whitecalfe.

Discussion: Signage for the certificate is approved for the Chairman and the Executive Secretary on the lease.

VOTE: 6 Ayes Motion carried.

38. RECESS:

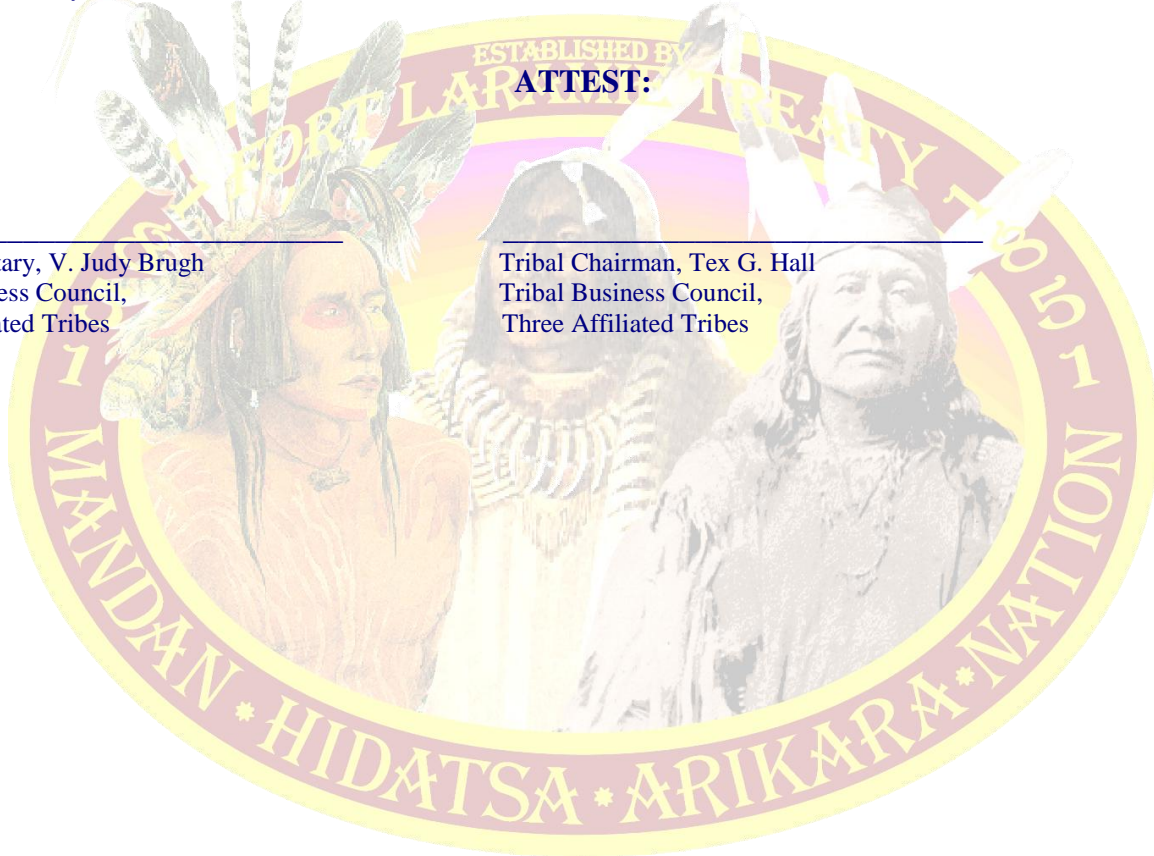
Chairman Hall recessed the meeting at 7:30 P.M.

CERTIFICATION

I, the undersigned, as Secretary of the Tribal Business Council of the Three Affiliated Tribes of the Fort Berthold Indian Reservation, hereby certify that the Tribal Business Council is composed of seven (7) members of whom (5) constitute a quorum ____ were present at the Meeting thereof duly called, notice, convened and held on the ____ day of _____, 2011; that the foregoing Minutes were amended and duly adopted at such meeting by the affirmative vote of ____ members; ____ members opposed; ____ members abstained; ____ Members not voting.

Chairman () Voting () Not Voting

Dated this ____ day of _____, 2011.



Tribal Secretary, V. Judy Brugh
Tribal Business Council,
Three Affiliated Tribes

Tribal Chairman, Tex G. Hall
Tribal Business Council,
Three Affiliated Tribes