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**THREE AFFILIATED TRIBES  
TRIBAL BUSINESS COUNCIL  
REGULAR MEETING 11-020-TGH  
DECEMBER 14, 2011, 10:00 A.M.**

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**CALL TO ORDER:**

Chairman Tex G. Hall called the meeting to order at 1:35 P.M.

**PRAYER:**

Arnold Strahs gave the invocation.

**ROLL CALL:**

Present: Chairman Tex G. Hall, Councilman Arnold Strahs, Councilman Mervin Packineau, Councilman Scott Eagle, and Councilwoman V. Judy Brugh. A quorum is established. Absent: Councilman Frank White Calfe has an appointment in Minnesota. Councilman Barry Benson is not present.

**01. ADJOURNMENT:**

Councilwoman Brugh moved to adjourn the November 28, 2011 Regular Tribal Business Council meeting. The motion is seconded by Councilman Packineau.

VOTE: 5 Ayes. Motion carried.

**02. APPROVAL OF AGENDA:**

Add-on:

Councilman Packineau: Marvin Danks-Disposal Pit-Unfinished Business

Councilwoman Brugh: Thunder Butte Development-New Business

Chairman Hall: Neva Meyers-Housing Mortgage Request-New Business

Councilman Eagle: Marietta Jake-Furnace Request- New Business

Councilwoman Brugh moved to approve of the amended agenda, seconded by Councilman Eagle.

NOTE: It should be Williams Oil Company and Not Williams County. 2012 Budget Approval is to be put under the CFO Report.

VOTE: 5 Ayes. Motion carried.

**03. APPROVAL OF MINUTES:**

Councilman Packineau moved to approve of the November 28, 2011 minutes subject to corrections. The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes. Motion carried.

**04. CHAIRMAN'S REPORT: Tex G. Hall: Saddle Butte Non-Disclosure: J.C. Rabbithead**

This will be discussed later in the meeting.

**05. CHAIRMANS REPORT: Tribal Interior Budget Council Update-TIBC**

Note: The LIHEAP will be cut by 50%. Karen Sitting Crow or Dennis Fox is to follow up with Norma Staples. Other possible cuts are JOM (Johnson O'Malley), and the BIA Guaranteed Loan Program. The CR (Continuing Resolution) deadline is tomorrow. The One-Stop-Shop and the staffing for the Healthcare clinic are some of the items in the budget that need to get passed. The appropriation will need to get passed on Friday, December 16<sup>th</sup> or the clinic staffing will get prorated based on the CR and if the CR continues, the Tribe will never get its funding. EPA-In the House of Representative's side, they did not want to fund EPA if they continued to require new regulations on quality monitoring. Transportation-Funding for large land based tribes are getting short funded due to the introduction of MAP 21. MAP 21 is a 40/40/20 formula. This is what is happening in Washington, DC for cuts.

**06. CHAIRMANS REPORT: Resolution: Grazing permits: Tex Hall**

Councilman Packineau moved to approve of a resolution entitled, "Reauthorizing and Extending Regulations Governing the Issuance and Allocation of Range Units for the Grazing of Livestock on the Fort Berthold Reservation." Motion dies due to a lack of a second.

NOTE: Bidding against Tribal members is discussed. A concerned rancher questions the timeliness of looking over the resolution because of the time constraints for a putting in a complete bid. A Natural Resource meeting is to address this issue because there is a deadline of 60 days and to bring it back to the Tribal Business Council. Lack of committee meeting is discussed. A consideration is to add other committee members. Wilbur Wilkinson adds that it was the superintendants responsibility to present to the council. A report to the TBC should have been done before the letter was written, so amendments could have been made. There has to be some clarity. It is a trust responsibility that this should have been addressed six months ago. Ranchers are concerned. There will have to be a special meeting called for allocations. The resolution is brought forward for a revote.

**07. CHAIRMANS REPORT: Resolution 11-129-VJB: Grazing Permits: Tex Hall**

Councilwoman Brugh moved for approval of a resolution entitled, "Reauthorizing and Extending Regulations Governing the Issuance and Allocation of Range Units for the Grazing of Livestock on the Fort Berthold Reservation." The motion is seconded by Councilman Packineau.

VOTE: 4 Ayes 1 Nays. Motion carried.

**08. CHAIRMANS REPORT: Saddle Butte Pipeline Non-Disclosure Confidentiality Agreement: J.C. Rabbithead**

Councilman Eagle moved for approval of the Saddle Butte Pipeline Non-disclosure Confidentiality Agreement. The motion is seconded by Councilman Packineau.

Discussion: This is the beginning step in the process. The next step will be the proposal. Saddle Butte Pipeline will work with Fred Fox in the Energy Department and the management team. The resolution will need to be written to include the regulation of tax on the pipelines. Other subjects to be included in the planning session are possible routes of the pipeline, which authority will be handling this, corridors, and a date in January is to be set.

VOTE: 5 Ayes. Motion carried.

**09. CHAIRMANS REPORT: Water Sales Memorandum of Agreement Between Fort Berthold Rural Water and Dakota 3: Tex G. Hall**

Councilman Eagle moved for approval of a Memorandum Of Agreement between Dakota 3, a subsidiary of Williams Oil Company and the Three Affiliated Tribes. The motion is seconded by Councilman Strahs.

Discussion: A provision is to be added to periodically review price, so that it may be reviewed annually where we remain at or above the market.

VOTE: 5 Ayes. Motion carried.

NOTE: John Fredericks will do the legal review and make the changes in the wording of the Memorandum of Agreement. Whitney Bell, CFO will get with Annette Young Bird, Natural Resource Director to designate someone in Fort Berthold Rural Water to do the distribution and receipting on revenue. It is to be made clear when payment on the Invoice is due and when the Tribe can draw on it. Taxes will also need to be made clear. Water to the Refinery will be part of the planning session discussion.

**10. UNFINISHED BUSINESS: Proposal for Assessment of Hazards & Safety Systems Relating to the Bakken Resource Drive: Kurt Fleck**

This is deferred for the second time.

**11. NEW BUSINESS: Awatii Wellness Center Project Update: Christine Borden-King-Jones**

Support is given by the Tribal Business Council to Christine with her efforts on the Awatii Wellness Center Project.

**12. UNFINISHED BUSINESS: Housing Request: Doreen Yellow Bird**

This is deferred.

**13. NEW BUSINESS: Proposal for Council Portrait Drawings: Hank Richardson**

Councilman Eagle moved to approve of a proposal for Hank Richardson to do the Tribal Business Council portrait drawings for the Tribal Building wall of council representatives. This is not to exceed \$7,200. The motion is seconded by Councilwoman Brugh.

Discussion: It takes approximately 15 hours to do one portrait.

VOTE: 5 Ayes. Motion carried.

**14. NEW BUSINESS: Contract with Hank Richardson for MIS work in the Executive Secretary Office: Councilwoman V. Judy Brugh**

A three month contract with Hank Richardson for WEB, I.T., Marques, and youth work/speech for the Four Bears and Executive Secretary office will be worked out.

- 15. NEW BUSINESS: FEMA Trailers & Equipment: Francine White**  
Councilwoman Brugh moved for approval to authorize Francine White to screen FEMA trailers and other equipment for the Three Affiliated Tribes. The motion is seconded by Councilman Strahs.

Discussion: Councilman Eagle asks if a time line can be given as to when they will be put in use. Francine replies she is only a screener and is not in charge of setting them up. There are twenty trailers that can be tagged. Marvin Danks: Ponderosa Moving Company was the cheapest bidder and was insured. There is paper work and a time line to get the trailers off the property. Ponderosa moving company has a holding area in South Dakota that the trailers can be stored.

VOTE: 5 Ayes. Motion carried.

- 16. NEW BUSINESS: Employee Christmas Parties: Arnold Strahs**  
Councilman Strahs moved to approve of the budget for the TAT Employee Christmas Party in the amount of \$22,010.00. The motion is seconded by Councilwoman Brugh.

VOTE: 5 Ayes. Motion carried.

- 17. NEW BUSINESS: Elder Christmas Party: Karen Rabbithead**  
Councilwoman Brugh moved to approve of the Elder Christmas Party budget at \$14,309.75. The motion is seconded by Councilman Strahs.

Discussion: The Tribal Business Council comments that the building looks good decorated for Christmas.

VOTE: 5 Ayes. Motion carried.

- 18. NEW BUSINESS: TAT 2012 Budget: Whitney Bell, CFO (Closed Session)**  
This will be brought back in January 2012.

- 19. NEW BUSINESS: Four Bears \$3 Million Allocation in Budget per Year for 210 Home Initiative (Closed Session)**

This was addressed under the TAT Budget and will be discussed further in another meeting.

- 20. NEW BUSINESS: Dynamic Homes: (Closed Session)**

This was addressed under the TAT Budget. There were three requests for this home. An application process will be opened up.

21. **RESOLUTION: FY 2012 Budget (Closed Session)**

22. **RESOLUTION: 11-130-VJB: FY 2012 Tribal Operating Budget and Special Project Budget: Whitney Bell, CFO (Closed Session)**

23. **NEW BUSINESS: Work Chart/Organizational Chart: Dennis Fox, CEO (Closed Session)**

24. **NEW BUSINESS: CEO to Negotiate Ambulance/Fire Management/Fee to Trust Land Application Contracts (Closed Session)**

25. **NEW BUSINESS: Salary Increases/Raises (Closed Session)**

for Tribal Employees Christmas Bonuses is set. The amendment to the cell phone policy will be implemented for the Tribal Business Council and the CEO to receive free cell phone service.

**26. NEW BUSINESS: Small Loans: Whitney Bell, CFO**

Councilman Packineau moved to approve of the amended Small Loans list with a grand total of \$59,901.00. The motion is seconded by Councilman Eagle.

Discussion: 1. Kaycee Packineau-Approved for \$2,500.00. 2. Clement B. Wells-Approved for \$1,500.00 but will payback as a second loan payment in the amount of \$75.00. He will now have two payments to make. 3. Verdell Smith-Approved for \$2,000.00. 4. Jerome D. Smith-Approved for 2,500.00. 5. Karen Rabbithead-Approved for \$8,334.00. 6. Sidrick Baker-Approved for \$13,542.00. 7. Newlyn Little Swallow-Approved for \$9,294.00. 8. Dorothy Packineau-Approved for \$11,687.00 9. Jonathon Berryhill-Approved for \$2,700.00 subject to Collateral. 10. Carol Chapin-Approved for \$2,500.00. 11. Kathy Real Bird-Approved for \$3,344.00.

VOTE: 5 Ayes. Motion carried.

**27. UNFINISHED BUSINESS: Dr. Biron Baker Loan Proposal**

No action is taken. Dr. Biron Baker will bring this back to the Tribal Business Council.

**28. NEW BUSINESS: Angela Wilson/Ryan Driver Loan (Closed Session)**

**29. NEW BUSINESS: Standard Tribal Vehicle Gas Policy: Mark Fox (Closed Session)**

**30. NEW BUSINESS: Management Team 5% Salary Replacement: Mark Fox (Closed Session)**

- 31. NEW BUSINESS: Vehicle Trade-In for the Tax Department: Mark Fox**  
Councilman Packineau moved to approve of the Tax Department trading in their 2010 Mercury Mountaineer. The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes Motion carried.

- 32. NEW BUSINESS: Leslie Morsette Consultant Contract for Services with Tax Department: Mark Fox**  
Councilman Eagle moved to approve of a consultant contract with Leslie Morsette and the Three Affiliated Tribes Tax Department. The contract is for \$5,000.00 per month for 5 months for a total of \$25,000.00. This is based on three conditions being met. The contract will need to be on the Legal Departments format, the May 31, 2012 typo needs to be changed, and more clarification on the scope of duties. The motion is seconded by Councilman Strahs.

Discussion: The ball park figure on water tax is somewhere between \$300 and \$600 Thousand. Taxable areas are lake water, and water being sold on fee surface. Any contracts with water will need to have language that is Tax agreeable. An Environmental specialist will be hired later to assist with the water code.

VOTE: 5 Ayes. Motion carried.

- 33. NEW BUSINESS: MIS/E-mail Issue: Mark Fox**  
Note: The importance of the e-mail system running efficiently is impressed upon the council.

- 34. NEW BUSINESS: Three Bids for Vehicle Purchases is Required**  
NOTE: Three bids will be submitted with vehicle requests. This is a requirement that will be followed.

- 35. NEW BUSINESS: Ft. Belknap Traffic Invitation to Ft. Berthold: Mark Fox**  
An update is given. Mark Fox and Scott Davis were invited to Ft. Belknap to speak on the Impact of Oil and Gas.

- 36. RESOLUTION: Spotted Tail & Associates: Wilbur Wilkinson/Steve Gunderson/Dominick Silletti**  
NOTE: Dominick Silletti and Steve Gunderson/Tall Salt are present with Wilbur Wilkinson. A presentation is given on a resolution for a Debt Payment Plan and a People's Fund. No action is taken at this time but they are to work with John Fredericks, Attorney. This will be scheduled for the January Regular TBC.

- 37. UNFINISHED BUSINESS: Disposal Pit: Marvin Danks**  
NOTE: EPA was to come up with a code for them to provide a permit. They don't have the codes to issue a permit. EPA said on specs: Liners are discussed. Marvin would like to eliminate the seam by going with two 30's instead of a 60 mill liner. The problem with the state system is the



liability issue. A resolution will need to be drafted. The code will be worked on. This will be drafted with CEO, John Fredericks, and Joe Gillies. This will be on Monday's agenda with a resolution. December 19, 2011.

- 38. RESOLUTION: 11-131-VJB: Makes Cents Inc.: Richard Mayer**  
Councilman Packineau moved to approve of a resolution entitled, "Organization and Formation of Makes Cents Inc." The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes Motion carried.

- 39. RESOLUTION: 11-132-VJB: First Cents Inc.: Richard Mayer**  
Councilman Packineau moved to approve of a resolution entitled, "Organization and Formation of First Cents Inc." The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes. Motion carried.

- 40. NEW BUSINESS: Cain Bay/Makes Cents-NDA: Richard Mayer**  
NOTE: This needs to be changed to the tribe or deleted. They want it in there. Since there is no waiver there is nothing binding. John Fredericks: This means that the Tribal Court would have to apply the Virgin Islands Laws. This will be skipped, the Chairman doesn't agree with this.

- 41. RESOLUTION: 11-133-VJB: GECC/Makes Cents and NDA: Richard Mayer**  
Councilman Packineau moved to approve of a resolution entitled, "GECC Non-Disclosure Agreement." The motion is seconded by Councilman Strahs.

VOTE: 5 Ayes. Motion carried.

- 42. RESOLUTION: 11-134-VJB: Heart River/MHA Systems and Advisor Agreement: Richard Mayer**  
NOTE: There is a limited waiver on page 5. The governing law is Colorado only if there is no tribal law or Federal Law.

Councilman Packineau moved to approve of a resolution entitled, "Heart River Trading Company LLC Business Advisor Agreement." The motion is seconded by Councilman Strahs.

VOTE: 5 Ayes. Motion carried.

- 43. RESOLUTION: 11-135-VJB: TranDotCom/Makes Cents and Referral Agreement: Richard Mayer**  
Councilman Packineau moved to approve of a resolution entitled, "TranDotCom Referral Agreement." The motion is seconded by Councilman Strahs.

VOTE: 5 Ayes. Motion carried.

- 44. RESOLUTION: 11-136-VJB: No NonCents/First Cents and Servicing Agreement: Richard Mayer**  
NOTE: Delete: 8.5 on page 17.

Councilman Eagle moved to approve of a resolution entitled, “No NonCents LLC Servicing Agreement.” The motion is seconded by Councilman Strahs.

VOTE: 5 Ayes. Motion carried.

**45. RESOLUTION: 11-137-VJB: No NonCents/First Cents and Loan Documents: Richard Mayer**

NOTE: Item E. it should be 9% and not 28%. First Cents is the borrower and No NonCents is the lender and it is for \$5 million. This will be a revolving line of credit. The Tribe could lend too. The revenue of the business is the collateral. Jurisdiction is Tribal Court. The promissory note says to pay the interest every month. The deposit control agreement is fine.

Councilman Packineau moved to approve of a resolution entitled, “No NonCents LLC Loan Transaction Documents.” The motion is seconded by Councilman Strahs.

VOTE: 5 Ayes Motion carried.

**46. UNFINISHED BUSINESS: Makes Cents Inc Board Member Approval: Richard Mayer**

Councilwoman Brugh moved for approval for Scott Wilson to be a member on the Makes Cents board. Councilman Eagle seconded the motion.

VOTE: 5 Ayes Motion carried.

**47. RESOLUTION: 11-138-VJB: First Cents and Consumer Loan Documents**

Councilman Eagle moved for approval of a resolution entitled, “First Cents Inc. Consumer Loan Agreements.” The motion is seconded by Councilman Packineau.

VOTE: 5 Ayes Motion carried.

**48. UNFINISHED BUSINESS: Oil Refinery Agreement with Enbridge: Richard Mayer**

NOTE: Tribal Chairman Hall will negotiate the terms with Enbridge (Kelly Wilkins).

**49. RESOLUTION: 11-140-VJB: Pilot Traffic Safety Management Program: Verlee White Calfe-Saylor**

Councilwoman Brugh moved to approve a resolution entitled, “Pilot Tribal Traffic Safety Management Program Application.” The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes Motion carried.

**50. RESOLUTION: 11-141-VJB: Safe Routes to School Program: Verlee White Calfe-Saylor**

Councilman Strahs moved to approve of a resolution entitled, "Safe Routes to School Program Applications." The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes. Motion carried.

**51. RESOLUTION: Term Sheet with Arrowhead Lonestar Energy Services: Marcus Levings**

This will be brought back on Monday, December 19, 2011 at 3:00 P.M.

**52. UNFINISHED BUSINESS: Kim Red Fox Severance: Marcus Levings**

Councilman Packineau moved for approval of a severance for Kim Red Fox for \$625.00 a year for four years to equal \$2,500.00. This is for the Levings administration ending in 2010. The motion is seconded by Councilman Eagle.

VOTE: 5 Ayes Motion carried.

**53. NEW BUSINESS: Neva Meyers Loan:**

Councilman Eagle moved to approve of a loan in the amount of \$10,806.00 subject to collateral and requirements of the Small Loans Department. The motion is seconded by Councilwoman Brugh.

VOTE: 5 Ayes Motion carried.

**54. RESOLUTION: 11-142-VJB: Twin Buttes Disposal Well: Jerry Meyers, Kodiak**

NOTE: Jerry Meyers, District Manager of Kodiak Oil & Gas Corporation based out of Dickenson, presented to the Tribal Business Council. Amendments to the resolution: 1. Kodiak is to construct and maintain the Tall Bear Well road/access road, 2. Kodiak is to get approval by the EPA, and 3. to contribute financially to the Twin Buttes Community. John Fredericks, TAT Attorney will assist with the amendments to the resolution.

Councilman Eagle moved to approve of a resolution entitled, "Twin Buttes Community residents approve and support the proposed Kodiak Oil & Gas Corporation Salt Water Disposal Well." The motion is seconded by Councilman Strahs.

Discussion: This may be approved by one person's community board signature but maybe there are other community members with concerns. Councilman Strahs wishes he could confer with Councilman Benson on this.

VOTE: 5 Ayes Motion carried.

**55. RECESSED:**

The meeting recessed at 10:35 P.M.

**56. Dr. Biron Baker Loan Proposal:**

NOTE: Dr. Biron Baker makes a loan proposal to the remaining tribal council members. The loan would be for 5 years with a repayment of \$10,000 a month. The loan request is for \$600,000. The CFO is to look into an offset and to bring back on Monday, December 19, 2011.

### 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.

ATTEST:

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

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

