

Tribal Council meeting
February 14, 2011
Delaware Community Center

Call to Order: **Chief Paula Pechonick at 6:15 pm**

Innovation: Chet Brooks

Roll call: Members present, Chief Pechonick, Chet Brooks, Wayne Stull, Jan Brown, Jenifer Pechonick, and Verna Crawford.

Members absent: Bill Hatch

Verna advises the Council that Bill Hatch is absent due to a recent fall on the ice, and is recovering from blood clots in his arm.

Guests: Ken Bellmard, Dick Lillard, Rich Lillard, Priscilla Mason, Don Mason, and Nate Young.

Others present: Tribal employees, Lacey Harris and Greg Brown, and Tribal attorney, Vicki Sousa.

Acceptance of Agenda: **Chief Pechonick calls to accept agenda, Wayne advises to suspend agenda for guest presentation.**

Chief Pechonick then welcomes guests.

- **Motion** by Verna to move new business above the approval of minutes, Jan Brown seconded. All in favor and passed.

New Business:

1. Internship Program at RSU: Don Mason mentions the internship program in the RSU building, 6th floor on Wednesday at 3:00pm. All council members invited to join.

2. Tribal Economic Development Bonds and Bond Projects: Wayne Stull addresses Chief Pechonick that at this time the Tribal Attorney should introduce the guests. Vicki J. Sousa introduced Dick Lillard, Rich Lillard, and Ken Bellmard.

Dick Lillard stands to speak and thanks the council, mentioning a previous conversation involving the 275 acres and the advantages the land could give us. He mentions he is the broker on the land, and introduces Ken Bellmard to speak on the private placement and bond issues for buying the land.

Ken Bellmard- introduces himself, and says that for 20 years they have been trying to get the IRS to authorize Tribes to use tax exempt bonds to finance projects. This is a bond, not a grant, so the money would have to be repaid. He called it a debt instrument. Ken remarked that a year and a half ago there was a window of opportunity, to make these applications for several tribes in Oklahoma including the Delaware Tribe. We applied for \$33 million, but \$22.5 million were allocated, and the IRS reduced every Tribe's amount. The bonds are made to finance anything except a Casino. It is for economic development only.

Verna Crawford- states the projects currently placed, are ones that were presented before and were trying to get funded. Ken replies, that it was a neat deal and they were going to be happy to do it, but at the same time the council did not move forward.

Jenifer Pechonick- asked if repayment would start immediately. Ken responded to Jenifer, it would depend on how you negotiate Until the actual money from the bonds come into the project, you would have to get another source that would do the bridge financing.

Verna Crawford- addresses Ken with some concerns about getting ratings, and the Tribe hurting financially if the project fails. Ken advises that the project will sell itself. The bank will determine if they think there is definable money that will come out of the project. With that, they will fund the project with a private placement.

Jack Tatum- asked if the project does not work, what happens if you cannot repay the bond, and can they go after the treasury. Ken- replies that if the bond goes into default, then we would owe the bond holders. He also says he would not suggest putting up the tribal treasury on a bond project. He states the bond holders will make a decision based on whether or not it makes sense and if it will for sure pay out.

Verna Crawford- said when they were looking at this before, one of the things to get the bridge money was to put up property, and when it got to the people they were upset. Ken says it would never go towards putting up property.

Dick- stands and says that the project is very unique and it makes sense. Wayne Stull continues to agree and said as a Tribe we need to move forward and do something. Don Mason asks Dick the name of his law firm and if he works for the bank. Dick answers no he does not work for a bank. Wayne advised that he has spoke with Dick previously and they do know details in everything they are doing.

Jack Tatum- asked if there is any hidden cost. Ken said once the project is started, any fees will be combined with the bond. Private placement will cut cost.

Jenifer- asked, if we go forward with the private placement and the bank gives us an interest rate that is double, can we say we are going to a different place. Ken replies that we are not locked into anything, and once it gets out, banks will be calling trying to offer us a lower rate, and we can negotiate from there. He said we are the negotiators. Dick and Ken ask for any further questions, then thanks the Council.

Approval of Minutes: January 24, 2011

- 7:23 pm **Motion** by Wayne Stull to accept the minutes with corrections. Jan Brown seconded. All in favor and passed.

Treasurers Report: **Chief calls for the Treasurers report from Jan Brown**

1. New audit is not reflected in the finances.

- Chief Pechonick entertains a **Motion** to accept the Treasurers report pending audit, Verna makes the **Motion** and Wayne Stull seconds. All in favor and passed.

Old Business:

Chief Pechonick addressed Tribal attorney Vicki Sousa on the Dorsey and Whitney bill, Vicki said she called their office and talked to someone in billing, she was informed that Eric Eberhart the attorney that did our work, is retired now. She called the main office in Minnesota and left message with the accounting department to please contact her back about the outstanding balance. Chief advised we have been sending them \$500.00 a month.

Office Report: Chief Pechonick calls for the office report from Lacey Harris

1. Lacey reports that Greg Brown is working on the new Delaware Tribal website, and the goal is to have it done by Friday the 24th. Greg advised maybe he can work on it all day the following day and have it done by the end of the week.
2. Wayne asked Lacey if there were any new tribal enrollments, she states that yes there had been two more received since the last meeting. Did not know the names of the enrollees and advised Wayne would have those at the next meeting.
3. Due to the snow storm there was damage to the Headquarters. Two estimates were taken by both Farris heat and air, and Ernest Heat and Air. Earnest was the lowest quote, so the Tribal Staff voted to have Ernest fix the damage the same day. Farris charged \$75.00 for a service call for the estimate.
4. Office needs council's approval for Assistant Shirley Moore to attend the Enrollment conference in Las Vegas, Nevada, May 3rd- 5th. Wayne Stull makes a **Motion** to send Shirley to the 3 day school, Jan Brown seconded. All in favor, and passed.
5. Office needs council's approval for CFO Trona Walls to attend indirect cost training in Phoenix, Arizona March 30th – 31st. Jenifer Pechonick makes a **Motion** to send Trona to the 2 day school, Wayne Stull seconded. All in favor, and passed.

Verna requested to have copies of the office report at the next meeting. Also Verna asked Greg if it would be difficult to place the Council meetings on the website for others to view. Greg said that would not be a problem, but should probably test it first. Jan mentioned Lacey Harris would also be helping Greg with the website.

New Business:

Delaware Housing Authority

A discussion was started, but it was tabled due to the Housing Authority canceling their report till next month.

Resolutions: Chief Pechonick calls for Resolutions

Resolution 2011-2 EPA poll vote

Outdoor classroom on Delaware Tribal land

Taken February 8th-11th ALL 7 members voted yes, poll taken by Shirley Moore

- Verna **moved** to accept the poll vote; Wayne seconded. All in favor, and passed.

Resolution 2011-3; Authorizing the extension of time to issue tribal economic development bonds and to retain attorneys Ken Bellmard and Vicki J. Sousa for said extension and issuance of the bond allocation.

- Jenifer **moved** to accept resolution 2011-3; Jan Brown seconded. All in favor, and passed.

Resolution 2011-4; Reauthorizing DEA to move forward with business development plans and projects for the purpose of issuing the tribal economic development bonds.

- Jenifer **moved** to accept resolution 2011-4; Wayne Stull seconded. All in favor, and passed.

Resolution 2011-5; Historical Preservation Fund Grant

- Wayne **moved** to approve resolution; Jenifer seconded. All in favor, and passed. Verna Crawford adds the Mid-Year conference is June 13th – 16th in Wisconsin. Host hotel will be the Regency. Verna advises she checked the NCAI website and the locations not yet posted, and cannot register at this time.

Chief calls for any other questions for the council.

Jack Tatum questions the financial statements, in reference to the parenthesis around the numbers. Wayne advises Jack, that the numbers in parenthesis are positive amounts.. Jenifer advises Jack to take his financial packet into the CFO Trona Walls, and have her go over it with him.

9:00 Jenifer calls to adjourn, and go into a personnel meeting.