Quil Ceda Village

Regular Council Meeting
October 18, 2005
Minutes

9:10 AM: Village Council Meeting: Roll Call

Council Members Present:
President Herman Williams, Jr.
Council Member Les Parks
Council Member Glen Gobin
Quorum Present

Ex-Officio Members Present:
Stan Jones, Sr.
Chuck James, Treasurer
Mel Sheldon, Jr.

Staff & Visitors Present:

John McCoy, Village GM
Steve Gobin, ED H&HS, GA
Nina Reece, Village Clerk
Debbie Posey, Central Plaza Manager
Mytyl Hernandez, Marketing Specialist
Patti Gobin, Leasing Specialist
Cal Taylor, Liquor Store Manager
Peter Mills, ED Manager
Leo Joinette, EFO
Juanita Diaz, Recording Secretary
Greg Keith, TDS Manager
Tom Gobin, Utilities Manager
Lukas Reyes, Utilities Operator

1) Approval of agenda for regular Village Council Meeting of October 18, 2005.
Motion made by Les Parks to approve the regular Village Council meeting agenda for October 18, 2005 as presented with the following additional items:

a. Broadcasting of QCV Council Meetings over the Tribal network.
b. Gas Station Business Plan
c. MBR Plant Air Products Contract
d. MBR Sludge Dryer

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Seconded
Questions: When do the minutes come? Yesterday. Council would like them delivered earlier so they can be read before the meeting.
3 For 0 Against
Motion carried

2) Approval of minutes for regular Village Council Meeting of September 21, 2005.
Motion made by Les Parks to approve the regular Village Council meeting minutes as presented with amendments.
Seconded
Questions: When did the minutes come out? Yesterday. Council requests minutes earlier for their review prior to the Council meeting.
3 For 0 Against
Motion carried

Tulalip Data Services Department

3) Request for Out of State Travel for Greg Keith
Discussion: John McCoy, Herman Williams, Jr.; Greg Keith; Glen Gobin

Staff would like to attend training on the InterAct Systems in Lithonia, GA. Is QCV's budget going to pay for this? No, TDS's budget will. This training is to support the tribal police administrative computer system, server and overall connection for 911. Tribal police are sending one of their dispatchers. TDS will send a tribal member at a later date. The current system has been in place for several months and the technical support from the manufacturer will end soon. TDS will be taking over those responsibilities.

Motion made by Les Parks to approve the out of state training request for Greg Keith to attend the InterAct System/Tulalip Computer-Aided Dispatch training in Lithonia, GA from November 7-11, 2005 at a cost of $1,959.62 to come from the TDS training budget.
Seconded
Questions:
3 For 0 Against
Motion carried

Quil Ceda Village

4) Out of State Travel Request for John McCoy
Discussion: John McCoy; Glen Gobin

Motion made by Glen Gobin to approve the out of state travel request for John McCoy to attend the Panel on Mental Health Adolescents in Los Angeles, CA, November 5- 7, 2005, sponsored by the Dellums Commision, and then on to Washington, DC, November 7-10, 2005 for the NCSL Nuclear Waste Disposal Conference at a cost of $2,175.46 to come from the Governmental Affairs budget to be reimbursement from the Dellums Commission and National Congress of State Legislators.

Official

Seconded
Questions: Is this a conflict to support travel for a staff member who is also a state representative. How is the Village reimbursed and who tracks it to make sure? The State EthicsBoard has been consulted and it is not a conflict of interest. All expense will be reimbursed by the Dellums Commission and NCSL. Staff will prepare a report for the Council to show that this money has been refunded and placed back into the travel budget.
3 For 0 Against
Motion carried

5) Out of State Travel Request for John McCoy
Motion made by Glen Gobin to approve the out of state travel request for John McCoy to attend the NCSL Tribal State Relations in San Francisco, CA, November 17-19, 2005, at an estimated cost of $920.36, to come from the Governmental Affairs budget and to be reimbursed by NCSL.
Seconded
Questions:
3 For 0 Against
Motion carried

6) Web cast of Quil Ceda Village Council Meeting
A. Utilities Services Agreement
Discussion: John McCoy

Staff is asking that the Council consider broadcasting the Village Council meetings on the Tribal Cable Channel. This issue was brought up at a general council meeting and has not been implemented. This could also be on the governmental website. Council is not in favor of doing this at this time.

7) Gas Station Business Plan
Discussion: Peter Mills; Glen Gobin; Les Parks; Debbie Posey; Chuck James; Patti Gobin

In August the BOD and Business Committee discussed a gas station for the reservation. In the September BOD meeting they discussed and passed a business plan for a gas station. Council would like to seek guidance for the project. How much will this project make? Staff will need to provide Council with an overall evaluation of what a convenience store with a fueling station would cost to build, maintain and what the potential income would be. Will the tribe be able to work within its existing State compact regarding motor fuels? An evaluation of competition for the local area needs to be done, also. Technology exists that allow tribal members to swipe their enrollment cards at the pump. Is the tribe going to look into this? What part of the tax can the Village hold? That varies. If it is purchased within the state, the tax falls on the distributor and is collected before it gets to the reservation. The state tax is currently 31 cents a gallon and the Federal tax is 18 cents a gallon. If the gas is purchased out of the state, only the Federal tax would apply but shipping costs increase. Several additional studies needed such as looking at the current compact the tribe has with the state and what affect this could have on the local environment. Council would like to have our attorney provide the Village with legal advice on this area before the business plan proceeds too far.

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Quil Ceda Village Finance Department

8) Checking Account for Governmental Affairs & Special Projects via Resolution #2005-020.
Discussion: John McCoy; Les Parks; Steve Gobin

Special Projects and Governmental Affairs have been transferred under the management of QCV. Has the Tribal Treasurer been involved in the discussion. Yes, in the tribal Board of Directors meeting this was discussed and the Treasurer was in agreement. The funding is just being transferred from TTT to QCV for consistency in departmental management.

Motion made by Les to approve Resolution No. 2005-020 which establishes a checking account within Quil Ceda Village for operational budget of Government Affairs and Special Projects.
Seconded
Questions
3 For 0 Against
Motion carried

Quil Ceda Village Utilities Department

9) Out of State Travel Request for Tom Gobin
Discussion: Tom Gobin

Staff is going back to retest for his Group four and learn more about compliance issues with EPA. The Village separated its utilities operations from the Tulalip Tribes Utilities. It is responsible for monitoring its own water quality and preparing reports to EPA.

Motion made by Les Parks to approve the out of state travel request for Tom Gobin to attend the Tribal Utilities Safe Drinking Water Act Compliance Issues Course held in Las Vegas, NV, from November 1-4,2005 at a cost of $1,350.20 to come from the QCV Utilities training budget.
Seconded
Questions
2 For 0 Against 1 Abstain (Glen Gobin, brother)
Motion carried

10) Air Products Contract
Discussion: Tom Gobin, Glen Gobin, Steve Gobin; Les Parks; Herman Williams, Jr.; Lukas Reyes; John McCoy; Stan Jones, Sr.; Peter Mills

Staff is looking at different ways to upgrade and utilize the MBR basins and reduce costs associated with wasting the sludge. I have prepared a handout from Air Products. They would like to install this product for a trial period. If it helps provide more oxygen and decreases the overall solids, it could provide a potential savings of $1.2 million by eliminating the need to bring on the third membrane. The cost over 3 months is estimated at $30,000. Staff thinks they can reduce or even eliminate this cost. This MBR plant has been showcased by the designers and builders. Staff has provided many tours to their potential

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customers. This plant is the first of its size in the entire nation. Staff is asking for the total price for three months. It can potentially increase the capacity of the plant. The contract talks about risk. What is the potential risk to the Village if it uses this product. If we don't use the product the oxygen levels will stay low and will continue to incur high costs to haul the sludge. The utility is walking a fine line with the current air level. This product would help to keep the air level out of the neg. The $30,000 would be used toward the overall purchase price of $121,000. Define the $1,500 per day on-site cost they are adding to a product that only cost $150 a day to use. Staff will negotiate this with the company. This company is originally from England and now they have an office in the United States. Staff is asking for monies from the tax account to be set aside to pay for this. Are there any potential issues with the head space? What about the spark arresters? Are they already installed? Everything is on an electrical system. Staff doesn't see any risk factors in this area. A Snohomish County Council member recently pointed to the success of this plant at Tulalip. The Village and Tulalip should be proud of this plant. The State of Washington is looking at plants like this to help reduce nitrates in the Hood Canal. This is exciting, we could show the entire Nation there is a better way to clean the air. Staff is to go back to the company and re-negotiate the trial period and costs associated with this product and bring it back to the next Village Council meeting.

11) Sludge Dryer
Discussion: Tom Gobin; Herman Williams, Jr.; Glen Gobin; John McCoy; Lukas Reyes; Les Parks

Staff has looked into prices and cost. The cost is down by ten percent to $900,000 or $1.2 million for installation. Staff is concerned if they don't lock in the cost it will begin going up and when they are really in need of the dryer it could be $1.5 or $1.6 million. This product could work with the top soil production. The amount currently being paid to haul the sludge off will make the payments. The product will produce revenue, also. This could be positive. Council would like a business plan put together and brought back. It should include: the price, installation, staffing needs, location, solids produced, will there be an odor, costs to maintain it and who might buy the product, what is the potential revenue, are there other options.

The current problem with the plant is that it is organically overloaded. If Utilities gets the sludge dryer, then it won't have to depend on anyone else. This will help staff control its levels. Council recommends further discussion.

12) Storage Facility
Discussion: Tom Gobin; John McCoy; Glen Gobin; Herman Williams, Jr.; Steve Gobin; Stan Jones; Les Parks; Peter Mills; Greg Keith

Report on the pole building. Staff researched on the internet. There are companies that are out there with designs that will work at cost of 150,000.00. The building should be placed out of the way. We need a place for storage. Staff is requested to looking into a mini storage. Other departments are also in need of storage such as TDS, maintenance and the Central Plaza. What is the hold up? There have been four meetings for this. We need a long term plan for staff and storage. There is a need for the whole tribe. Staff will bring back a plan to Council. What is available to fix the situation? We need to have the decision made for a permanent site for cable heads. Once we establish where TDS will go this can not change. The issue was to get staff adequate space and storage area. What fits in the five year plan? The pole building could adequately house some people. A pole building is a temporary solution. A pole building is not a smart

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move. We need something permanent. Council would like to see the plan done. The bunkers are not easily accessible. There has been nothing that the Staff or the BOD has done to hold this process up. Within two weeks staff can come up with a plan next to the MBR plant.

Quil Ceda Village Administration

13) Convenience Store Taxation
Carried forward to the November Council meeting.

14) Restaurant Privilege Tax - No Exemption for Tribal Members
Discussion: John McCoy; Glen Gobin; Les Parks; Nina Reece; Steve Gobin; Chuck James

The Council needs to make a motion clarifying their desire to tax tribal members. The previous discussions held a the public meeting states that tribal members would be exempt from this tax. The Board of Directors stated in their regular board meeting that tribal members were not exempt. The amendment to the tax code adopted at the July 17, 2005, meeting does not provide for an exemption to tribal members just the minutes reflect the desire to exempt tribal members.

Motion made by Glen Gobin that there is not exemption for Tribal Members on the Restaurant Privilege Tax to be implemented beginning November 1, 2005. It is to be applied to all customers at Tribal and Tribal Member owned businesses within Quil Ceda Village.
Seconded
Questions: When the tribe places a tax then it is imposed on all. The restaurants could give a discount. All tribal members benefit from the exemption that we have. We need to stick to taxing everyone. The convenience store tax has some items that could be taxed. This discussion is a good one since we are a government then we should be able to impose taxes. The tax is to place monies for the QCV maintenance and on- going operations of the municipality. Other governments and tribes impose these taxes. The discussion on the need to tax is important. The tribal liquor store collects a tax on non-tribal customers which is currently going to the State of Washington. The tribe is going to stop collecting a State imposed tax. Tribal businesses are not under the jurisdiction of the state. The restaurant tax is set to begin.
The membership will question why they taxed in one area and not another. A discussion is needed for consistency. The Village Council and the tribal Board of Directors need to have this discussion. The tribal members should be informed and educated. It is important that we bring this to their attention.

Motion made by Les Parks to have staff work with the legal department to stop this Tribe from collecting taxes on behalf of the State of Washington. The legal department is to review the current Compact and made sure that the Tribe has not entered into this type of an agreement.
Seconded
Questions: Council agrees on the concept. The language on the motion is clear for all boundaries. We may be bound by the compact.
3 For 0 Against
Motion carried

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Quil Ceda Village Economic Development Department

15) 88th Street Overpass Plans
Discussion: Peter Mills, Les Parks, Glen Gobin, Chuck James, Mel Sheldon

An executive summary has been provided. The tribe's traffic consultant shows that a systematic expansion is needed for 88th. The tribes will work with Marysville, Snohomish County and the Department of Transportation. The summary shows three phases. The first phase is to put in two lanes to move traffic coming north into Quil Ceda Village. Staff is requesting the use of the $675,000 that was set aside for engineering and design. The staff went out to eight area firms. Three of which the tribe has worked with on previous projects. Staff is would like to know if the Council Members would volunteer to help with ranking these firms. Treasurer verifies the funding has been set aside. Is a motion needed? Yes, a 2 part motion is needed. The figures are estimated. At the administration meeting, a consultant (Debritt) showed a presentation on traffic study. We need a presentation to show the traffic. How can we streamline traffic? Is the letter acceptable for the consultants? Three phases are too be put out. The projects can be done in phases. Council would like to know why design and engineer future phases. The needs of the area could change before we ever get to phase two. Why spend more money?

Motion made by Les Parks to allow Staff to proceed with the 88th Street Overpass design and engineering plans and to move this forward for approval and funding by the Tulalip Tribes Board of Directors.
Seconded
Questions: north off ramp w/ extra lane and lighting. Does this also authorize the side walk expansion? This is to get ready to bring in all the other agencies. The tribe needs to access state and federal funds. Based on the environmental studies, staff recommends the revisions. The sidewalks will need to be rotated out for growth. If this is phased out, the proposal for the cost/ capacity will increase. Staff is requesting the Council obtain a motion to proceed with the design for the projects.
3 For 0 Against.
Motion carried

16) 116th Street Overpass
Discussion: Peter Mills, Leo Joinette, Peter Mills; Les Parks; Mel Sheldon; Cal Taylor; John McCoy; Chuck James; Glen Gobin

Staff is working on the 116th project. A federal document is going out. Staff is working on obtaining federal funding. The Tribal 2004-05 allocation plans included funding for several projects. There is 250K that could be reallocated to the 116th project. $167,488 from your strategic plan can be reallocated and taken out of the plan for South Power Center.

Motion made by Les Parks to move previously allocated funds from the 04-05 strategic plans to fund the 116th street project.
Seconded
Questions: Do all the funds come to the Village? Is this still a Tribal Council Issue? The Tribal Council spoke on these matters. It needs to be decided if this needs to go back to the Tribal Council. The Treasurer needs some involvement with this. The money needs to be available for the Village to do the projects that

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have been previously approved by the Tribal Council. EFO believes the money needs to be kept in one central location. It simplifies the distribution process. When funds are spent for authorized line items, a resolution is done to move the money to the appropriate checking account to pay the expense. Council may need to reconsider the previous resolution which established a checking account for government affairs and special projects. The Village uses the same accounting software as the tribal government. Access to a review of the Village accounts is available to those who have the need to review them. If these projects have been approved, then send the money but if the Council is redefining the scope of the original allocation plan then the Tribal Council needs to be involved. This needs to be remanded back to the tribes.

Motion made by Glen Gobin to approve this at the Village level and send it up to the Tulalip Tribes for final approval.
Seconded
Questions: A process needs to be put into place to be consistent within all the tribe. Every time things are sent back to the tribe it erodes the political structure of the Village.
3 For 0 Against
Motion carried

17) Proposal from Larry Magnan for Hotel Professional Services
Discussion: Peter Mills; Glen Gobin, Les Parks

The Hotel Project team asked Larry Magnan for his level expertise in hotel design along with gaming. A team was put together which included Mr. Magnum. Mr. Magnum is willing to offer his services for three months with a compensation package included in your packet. The Tribal Council will need final approval on this contract. Is it possible for the five Tribal Council members that are here to approve this at the Village level and ratify at the tribal level?

Motion made by Glen Gobin to move this contract forward for final approval to the Tulalip Board of Directors.
Seconded
Questions: The two TTT Board Members who are not here will be informed of this discussion.
3 For 0 Against
Motion carried

18) Approved Contract with William Callin for the Hotel
Discussion: Peter Mills; Glen Gobin; Chuck James; Les Parks; Patti Gobin, Debbie Posey, Mel Sheldon, Steve Gobin

Staff would like Council to move forward with building this team and bringing this individual on board. The team is still being built but it is moving forward. Three members should be available. Calendar of dates will be brought to Council. A marketing plan is being put together. Does the Council want to stay with internal marketing or should an external marketing company. The internal marketing staff are giving due diligence to this. They have not been given specific marching orders but they could be given to the internal staff to find some local expertise and experience. Be careful to separate this as a Tulalip hotel project not just a casino project. The tribe has a good idea who their customer is. Keep moving forward.

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Many decisions have not been made yet but they can continue to happen while we are still developing this project. The current staff is very capable of handling this and are capable of taking us to the next level. What information will be provided to council? It needs to define the scope and taken to the next level. When the observation was done the weekdays would occupy business, and the weekends would be locals. Consultants can be added on at later dates. We have made the commitment to move forward to build this hotel. The consultants need to be involved as soon as possible.

19) Voyage Construction
Discussion: Peter Mills, Patti Gobin, Glen Gobin

Work was suspended last week. Is there enough soil? In May a survey was done. There was a question on the yards going out and being received. How does this correlate with the payments received? Contractor has made three payments in the last three weeks, before that they were regular. Contractor is to work with the Economic Development Manager on the concerns that have been presented.

20) FYI- Amendment to Tulalip Retirement Vesting Schedule
Discussion: Peter Mills, Glen Gobin, Herman Williams, Sr.

This is a proposal to the vesting schedule for tribal retirement accounts. This is separate from the 401k plan. The industry has change since. The trustee group voted on shortening the plan from seven to six years. This is revenue neutral for employees to allow access. This has no affect on the business. The trustees are looking at the retirement portion and possible change the loan portion.

The regular Village Council meeting of October 18, 2005 was adjourned at 12:46p.m.

The regular Village Council minutes for October 18, 2005 were approved by the Village Council on November 22, 2005.

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Recording Secretary Date

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