

# Minutes

## Quapaw Nation Business Committee Meeting

Saturday, February 19, 2022

### Community Building

- I. The meeting was called to order at 9:09 AM.
- II. The Invocation was offered by Chairman Joseph T. Byrd in the O-Gah-Pah language.
- III. The Roll Call and Declaration of Quorum was conducted by Secretary-Treasurer Guy Barker.

Member Jeremy Olsen – present

Member Michelle Newton – present

Member Lloyd Buffalo – present

Member Zackary Turley – present

Secretary-Treasurer Guy Barker – present

Vice-Chair Callie Bowden – present via Zoom

Chair Joseph T. Byrd – present

A quorum was declared. Lloyd moved to amend this meeting's agenda to consider Resolution 021922-A. Guy seconded the motion and it was unanimously approved to include the resolution under new business.

- IV. Reading, Correction, and Approval of Minutes and Phone Polls: Guy moved to approve, and Zack offered a second. Under discussion, Lloyd noted the misspelling of "Petree" and zero votes in one phone poll. The motion was amended to approve the minutes and phone polls with corrections, carried unanimously.

Chair: We want to clarify what we are approving in the phone polls. There are times in emergencies when the BC needs to act, and there are times when it is a challenge to wait in between BC meetings when business matters come up and they need to be tended to. Phone polls for last month:

- Letter to treasury department – State of OK set a cap on ARPA premium pay, and we do not want to cap our employees' pay. This pay does not go to the Business Committee. Employees receive an attendance premium.
- Change in verbiage on HR 4715 – unanimous vote – will update further later in the meeting
- Appoint Charles Addington as Marshall.
- Alysa Petree – approving wage ranges for QNGA, counselor, and judge
- Casino cage signatories for 2022
- Trenton Stand – strategic purchase of Bob Garner property

- Zack Turley – home covid test kits for tribal members and employees
- V. Treasurer’s Report: Zack moved to approve, Michelle offered a second. There was no discussion, and the motion carried unanimously.
- VI. Directors’ and Subcommittees’ reports: Lloyd moved to approve, Guy offered a second. There was no discussion, and the motion carried unanimously.
- VII. Accounting report: Eric Bohn reported on February’s results.
- General fund revenue was \$1.8M for February \$6.5M year-to-date, while expenses were \$2.1M for February and \$7.5M year-to-date.
  - Health Benefits expenses were \$343k for February and \$1.3M year-to-date.
  - Social Services were \$263k for February and \$754k year-to-date.
  - Higher Education expenses were \$273k in February and \$355k year-to-date. There were no questions.
- VIII. New business:
- Ottawa County emergency 9-1-1 funding request

Zack Turley reported that the Quapaw Nation Emergency Services had applied for a grant for an Emergency Operations Center with a 911 dispatch center in a hardened area to include backup power and all redundancies. We have been working with Miami and Ottawa County to consolidate operations to one center with one dispatcher for the county. As part of this plan, we are purchasing our own radio system. We currently have to send radios to the State of OK in OKC, and the turnaround time is one full year. Ottawa County, the Wyandotte nation, and the Miami Nation are also contributing financially to this new EOC. We will then have ownership and control of our dispatch system.

Virginia Mouse: What will we do with those we already have?

Zack: We will keep those as backup because they will be compatible, but we can sell them. New radios for our current system sell for \$5k-7k. New radios for the new system will cost \$1k due to no state contract. The old radios are in high demand.

Virginia Mouse: Where will the funds go from selling the radios?

Zack: Money will go back to the general fund. ARPA funding is specifically able to be used for communication projects, but the revenue will be able to be used for anything.

Guy approved the funding request, and Lloyd offered a second. There was no discussion. Zack abstained from voting, and the other six votes approved the funding request.
  - Resolution 021922-A: Resolution for special domestic violence jurisdiction ensures the Quapaw Nation is compliant with statutes protecting the vulnerable. Lloyd moved to adopt. Michelle offered a second. Guy requested a correction to the short title, in which “violence” was misspelled. There was no further discussion, and the resolution was unanimously approved with corrections.

IX. Open forum:

Those who have walked on: Aaron Cousatte, Sue Valliere, and Midge Machupa.

Announcements: Bear Settlement update. HR 4715 was received by Congress. The process now starts over. The amendment removes "landowners" and solidifies the tax exemption. It will now be referred to the House Resource Committee. Guy and Joseph spoke with the committee via conference call to discuss natural resources and the environment, and calendared a date to discuss further with the committee chair.

Update on language program: Joseph met with the Osage Nation language department. They shared what has been successful for them. We are in the process of assessing needs. HR is creating job descriptions for instructors, and we are looking at technology. We want to offer an outreach package for all tribal members and packets for youth and their families. Language and culture kits will be paid for by ARPA funding for distance learning. We are also asking language speakers for assistance. We will offer an update monthly moving forward.

STEAM Fair: We began offering this event last year. It was virtual, so it was challenging for students to produce their experiments, but it was a great way to get youth involved. This year's fair will take place on April 18<sup>th</sup>, NEO campus. It is a great way for youth to get involved in science and mathematics.

Open to floor:

Brenda Murray requested reports on casinos.

Guy: We recapitalized both properties and closed in December. In the past month, we have taken a hedge protection on loans anticipating interest rate increases due to Fed Chair announcements. Some decrease in headcount, especially in Arkansas, but headcounts are back up. No major disruptions in operations. Staff has done an unbelievable job when these variants have popped up to contact trace and keep employees safe - nothing short of astonishing. In the AR market, as of Thursday morning, state voted to approve rulemaking for statewide sports betting. This will begin before March Madness, and we have one of three licenses in AR. We will be the first to market to allow statewide mobile sports betting. It will be geofenced to the entire state of AR, so they do not have to be in Pine Bluff. This has been quite a fight in the past couple of months, and any time a new state or jurisdiction ventures into sports betting, there is a lot of pressure from outside to get into that market. We were approached by Caesars, FanDuel, and DraftKings, who all wanted to get into the jurisdiction, where they take 95% of revenue. We included rulemaking that limited revenue share agreements to keep revenue in-state and operated by those licensees who got the bill passed. Carlton Saffa, of the Saracen Casino, did an unbelievable job with this. These publicly traded giants spent millions lobbying against our efforts. Carlton ate them up. This is an extraordinary victory for that enterprise. We will be able to see an unbelievable revenue uptick.

Brenda: What about Downstream?

Guy: It is much more stable. Sports betting is a hot-button issue in OK. The proposed bill is not practical for tribal betting. We are working with OIGA to make recommended changes to make

this viable within the state of OK. Downstream saw some impact to headcount/staff but powered through the snowstorm and COVID. Performance has been promising and outperformed 2020 and 2021 in December and January. There is steady growth at the property.

Brenda: I was there Saturday and I've never seen it so crowded. A lot of out-of-state cars. Thank you.

Chair: Thank you for your question.

Michelle: We attend a directors' meeting every week at Downstream. They come together weekly and work together well as a team. It is very educational.

Callie: Earlier this week, we were speaking with Family Services, and I want to put a plug out that we need more foster homes.

Wena Supernaw: Glad to be here. Saracen and Downstream: refinancing deals – what was the collateral and what crossover exists pertaining to collateral?

Guy: There is no crossover. They are standalone credit facilities. Downstream is a trust asset. We have an unsecured note like any other tribal gaming entity. With that comes different debt or restrictive covenants as well. It was the best capital pricing of any deal in the past three years for any tribal trust gaming facility. There was a default on the Foxwoods property 15 years ago in Connecticut where tribal distributions created default, foreclosures, and refinancing. Distribution limitations are in place now to prevent that happening again. Pricing index causes interest rates to step down. After two turns, the limitations will lift. We will make a \$30M payment and will have paid down \$52M since Dec. 11. We will maintain an amount on hand to ensure we can make interest payments. We assume interest hikes in the coming year. We modeled a plan to de-lever and decrease interest rate and recoup by outrunning interest increases to come. The Saracen facility is different. It is in AR, and as a fully commercial property, receives much more leniency in corporate debt covenants. It does not have the same safety mechanisms as tribal trust agreements. Its collateral is the license, property, and games. There is no additional need for a pledge from the tribe or Downstream to secure that facility. As of right now, we have a positive equity position in that property purely from its valuation. We believe that will continue to be the case and we are excited about that change.

Wena: thank you for the clarifications. I saw a document on Wells Fargo and couldn't tell whether there was a guarantee from Downstream for Saracen.

Guy: Wells Fargo is a major lender to both facilities. There is no guarantee from Downstream to Saracen – anything related to Downstream is just for Downstream.

Wena: In January, an article said we were going to break ground on hotel and convention center in July. Are we obligated?

Guy: No.

Wena: So that's just something we want to do?

Guy: Our market expectation is an additional 20-23% lift in operational profit, with ROI of 5-6 years, which is a decent recapture period. The remaining amount is a priority revolver, so we do not have to use everything we set aside.

Wena: The stated goal was to pay off Saracen by 2028. Will incremental enhancements be paid off by 2028?

Guy: Yes. By putting that deal together and reducing the interest rates, we will be able to cash flow the entire expansion.

Wena: That's very positive to hear. Going to HR 4715 language changes, it was approved through phone poll January 12<sup>th</sup>. The resolution was in progress on Jan 15<sup>th</sup>?

Guy: The resolution had not yet been signed.

Wena: Among the recommended changes was to update claimants as enrolled Quapaws as of Sept 2019. Why was that not included?

Chair: Those definitions were already defined and clarified in referral to Congress.

Wena: The video during your consultation with the House Natural Resources Committee includes the landowner language. Is that due to the bill not yet being adopted by the Committee?

Chair: Yes. The original short title included "landowner." When I spoke on that this week, it had not yet been changed on their end. I had to present the title as they had it in front of them.

Wena: Has it been turned over to Representative Mullin's office?

Chair: Yes.

Wena: Back in 2007, when the original Downstream debt was taken on, there were resolutions. Where are the resolutions for the refinance?

Guy: They exist and should be on website.

Wena: Maybe I've missed something.

Guy: They should be in December.

Wena: Is the golf course paid off?

Guy: Yes.

Wena: Beyond Downstream and Saracen and our trucks, does the Tribe have any other material debt?

Guy: No.

Wena: Thank you.

Roman Kihega, via Zoom: I wanted to clarify that I sent some information to the Business Committee on the Constitution Committee's progress. It includes a

draft proposal and document of what some proposed changes would look like in the Governing Resolution. I want to clarify that it is not ready for action – we are just delivering what we have. We want to seek legal opinions and are open to recommendations from the Business Committee for reviewers. A few months back, I sent email to the BC requesting thoughts on Superintendent Lofton on direction for Constitution Committee to create a Constitution after correcting authorities. I would like to meet with you on that to see where that process is legally. I am open to questions. The goal is to have a special General Council to address and vote on these changes to the Governing Resolution.

Chair: Thank you for tuning in and reporting in this forum. We received your draft documents. It would be fair to allow the BC at least a week to review and to send to legal counsel. In the meantime, we will reach out to you and to the Constitution Committee to set up a time for that conversation.

Barbara Kaiser-Collier: I am asking about the new status of the reservation. Does the reservation status include states other than OK, and what can we do about it if it does not?

Chair: You are asking about the 1835 treaty that included KS and was clarified in the 1867 treaty. There are treaty rights embedded in those, and I am analyzing those rights, such as game, fish, hunting, collection of herbs/medicines, and environmental protections. Expect some sweeping legislation to come.

Guy: Lawhorn came from OK Court of Criminal Appeals, so jurisdiction ends at the border. Our stance will always be that our rights extend into KS. We will have to file an amicus opinion. We are always vigilant for an opportunity to arise so we can become active in the KS Supreme Court to reaffirm that boundary.

Barbara: That's the main reason I ask – property rights. Thank you.

Chair: Kanike.

Linda Davis: I want to add comments about language: Billie Burtrum has SAMSA funding that could correlate with and enhance language programs for youth/families to connect to peers, mentors, and culture.

Chair: I will be reaching out to the Directors Tuesday morning. And congratulations in your recognition and achievement. You continue to combat issues plaguing our people, and I appreciate your work.

Barbara Kaiser-Collier: What is the status of the lawsuits pending with past BC members?

Guy: The progress at this point is procedural and dockets are available through our court system. They are still in preliminary investigation and discovery. Criminal trial should be in 6-8 weeks. There is no date set for civil cases yet.

Chair: Other questions comments? If not, the Closed Session will convene.

X. The Closed Session convened at 10:07 AM and ended at 11:06 AM.

Guy: The BC met in closed session in regards to a tribal housing matter appeal.

Chair: There was a housing issue in Elder housing. After thought and deliberation, we chose to uphold the laws and policies of Elder Housing. I did not become Chair to kick people out of elder housing. We make hard decisions every day. I will stand by the decision. This is the Quapaw Nation. Let us act like it. Be good and talk good to one another.

I want to leave you with this. The year was 1867. The Federal coffers were depleted. In order to refill the coffers, they went after the land occupied by Native peoples. In this treaty, we ceded portions of our reservation to accommodate Native peoples coming out of Kansas. The Government was to pay us per acre, and when the treaty was ratified, we were to be paid an additional \$5k. There was also supposed to be a report showing the damage caused by the Civil War. We were never compensated for that damage. The \$5k was never invested for the Quapaw people. It wasn't distributed for five years, in 1872. Our people starved and were destitute. When the annuity finally came, our people were able to feed themselves again, and that was the origin of the Quapaw powwow. We did not celebrate dancing and singing – we celebrated not starving. This is why we hold food in high regard. I was taught that feeding someone is the greatest act of kindness I could do for another person. Those are my thoughts as we plan and prepare for the 150<sup>th</sup> Quapaw Powwow.

XI. Benediction: offered by Jeremy Olsen.

XII. Adjournment: Guy moved to adjourn. Lloyd offered a second. The meeting was adjourned at 11:14 am.