

**MINUTES
KEWEENAW BAY INDIAN COMMUNITY
SPECIAL COUNCIL MEETING
TRIBAL CENTER CONFERENCE ROOM
MONDAY – JUNE 22, 2009 – 9:00 A.M.**

- A. Date: June 22, 2009
- B. Call to Order: President Swartz called the meeting to order at 9:06 a.m.
- C. Invocation: Lord’s Prayer
- D. Roll Call: Present: Warren C. Swartz, Jr., President
Susan J. LaFerner, Vice-President
Toni J. Minton, Secretary
William E. Emery, Assistant Secretary
Jennifer Misegan, Treasurer
Jerry Lee Curtis
Fred Dakota
Michael F. LaFerner, Sr. (arrived at 9:07 a.m.)
Gary F. Loonsfoot, Sr.
Elizabeth “Chiz” Matthews (arrived at 9:24 a.m.)
Elizabeth D. Mayo
Isabelle Helene Welsh
- E. Declaration of Quorum: President Swartz declared a quorum present and proceeded with the order of business.
- F. Approval of Agenda: June 22, 2009

Mike LaFerner, Sr. arrived at 9:07 a.m.

MOTION MADE BY WILLIAM E. EMERY TO APPROVE THE AGENDA. SUPPORTED BY JENNIFER MISEGAN. TEN IN FAVOR (Susan J. LaFerner, Toni J. Minton, William E. Emery, Jennifer Misegan, Jerry Lee Curtis, Fred Dakota, Michael F. LaFerner, Sr., Gary F. Loonsfoot, Sr., Elizabeth D. Mayo, Isabelle H. Welsh), OPPOSED - 0, ABSTAINING - 0, ONE ABSENT (Elizabeth “Chiz” Matthews), MOTION CARRIED.

G. Old Business:

1. Ojibwa Housing Authority Ordinance – Eddy Edwards, Director

Jennifer Misegan stated the meeting was called because Toni Minton, Isabelle Welsh and herself included were surprised to learn that the BP gas station was open last Friday. The Council was specifically told that it wasn't going to open until they had licenses issued and the ordinance amendment was approved to allow for the Housing Authority run a business.

Eddy Edwards stated that he did not remember ever promising not to open and wait until the ordinance was amended. He said the only purpose that John Baker had felt the ordinance needed to be amended was to protect their wholesalers and that they would have confidence that their contracts would be enforceable in court. Eddy felt that different Council members were holding up the process of the ordinance amendments.

Elizabeth Mayo stated she would like to hear directly from John Baker.

Jennifer Misegan said that at the time that the amendments were brought on Saturday, she asked if the Ojibwa Housing Authority was admitting that they didn't have the authority to operate a business and that Gary Loonsfoot, Sr. said they were not going to open until the amendments were approved and until they had licenses.

Gary Loonsfoot, Sr. stated they brought the amendment to Council and followed what the Council was asking for and they brought it before the attorney. He said it was ready to go, and when the next week came John Baker said he was not ready, that he had more research to do. Gary asked, "Who undermined that thing?"

Jennifer Misegan responded that there is a process to amending an ordinance. It has to come before the Council first.

Elizabeth Mayo responded that Vice President LaFernier pulled it off the agenda and there was a reason for it.

Susan LaFernier stated that if anyone had a chance to look at the amendment that came to the Council last week, it is a total re-writing of the ordinance. It changes the whole ordinance. In Susan's opinion, this should have another 1st Reading. There are many questions and many other things that need to be addressed.

Gary Loonsfoot, Sr. stated that everything is being addressed. He said that Mr. Baker said the Council would like to see the whole thing changed.

Fred Dakota stated that he asked for a written opinion from all the attorneys and a written opinion from HUD or their attorney and he has not seen anything. He asked if that is forthcoming. He is concerned that they are jeopardizing the entire Housing Program. He reminded Eddy that Housing is a body under the Council and that they have to inform the Council of what they are doing.

Elizabeth Matthews arrived at 9:24 a.m.

Jennifer Misegan said that it isn't true that the Council was trying to undermine anything. It is the opposite. She believes the Housing Authority is trying to undermine what the Council is doing, because the Council is the authority on the reservation, not the Housing Authority. She believes they have gone over and above the Council and opened businesses when they had specifically told the Council that they were not going to do that until the amendment was approved. And that is not what happened.

Eddy Edwards responded by asking if the Council was going to penalize them.

Jennifer Misegan stated to Eddy that there are other issues. She said, "You are the Housing Authority. That is what you need to be focusing on. When all of your housing issues are taken care of and maintenance is top notch and everybody's houses are fixed and perfect, and then you can concentrate on running businesses."

Eddy Edwards said that they have created businesses and the Council authorized them three years ago to go into business by letting them approach the IRS and get a separate tax ID number to create a separate entity to run businesses.

Fred Dakota said that was not what the intentions of that were.

Eddy said jobs are needed and programs to serve this community. Their jobs need to be protected, not undermined.

Jennifer said the Council has been working on these issues and that when Gary told her the Council takes too long, she feels that while Gary is sitting at the Council table, he needs to bring these concerns forward.

Gary Loonsfoot, Sr. said the Tribe got the same information Housing did. He said, "At no time did your people move forward and make an effort to even put a bid in, for two straight weeks."

Jennifer Misegan stated that first it must have gone to the Economic Developer because the same day that he brought the idea of purchasing the BP to the Council, Housing had already looked at it. She doesn't believe that anybody at the Council table knew about the purchase. The Tribe decided on that day to move forward with including the purchase of the BP in the feasibility study and two days later is when OHA moved forward to purchase it. Gary voted for that in the Council's feasibility study.

Gary Loonsfoot, Sr. responded, "Well then maybe you better get with your people then."

Jennifer Misegan said, "These are your people too."

Susan LaFernier stated, "We all know that Housing has more accessibility to funds right now than we ever will. There's no doubt about that. We should be working together."

Isabelle Welsh said, "I think if we were working together, we would know more of what was going on."

Fred Dakota said, "You are in direct competition with us. You do not have a business, you are running on grants."

Gary Loonsfoot, Sr. responded, "We have two businesses that are running successfully and we can prove it."

Elizabeth Mayo asked that they show the Council their documentation of where they are getting the money to buy the gas station.

Gary Loonsfoot, Sr. said the OHA is trying to create more jobs and the Council is undermining everything that is going on.

Isabelle Welsh said, "We are not undermining and we commend you, Ojibwa Housing, for doing this. I think it's great. However, the issue is, you have the Council which is in charge of Housing, is it not?"

Gary Loonsfoot, Sr. said, "Yes."

Isabelle Welsh continued, "Okay, so we're supposed to be working together here. There's a process that needs to be followed. We're not saying that we don't want jobs for people. We do. That's why we are all here. Every one of us is here because we care about the people that we serve. Why else would we do it? The issue is, there is a process that needs to be followed. We here feel, and I don't know if it's a majority, but it has not been followed. Do we want to close it? Maybe some of us do right now. Maybe some of us don't. But there's a process that needs to be followed. That's the issue."

Susan LaFernier stated that the ordinance process has not been followed.

Jennifer Misegan added they still do not have the authority to run a business from the ordinance. It is coming on Thursday. They only have the authority to run housing related businesses.

Eddy Edwards said that it is just the opinion of one attorney, John Baker.

Jennifer Misegan said that when Eddy left the day they met with the Board, he was going to contact OHA's attorneys and get another opinion and asked if he did that.

Eddy Edwards responded that he never said he would do that.

Jennifer Misegan said in the ordinance it says OHA does not have the authority to have businesses or to operate product for a profit.

Eddy Edwards asked what the definition of a profit would be. He said that what they do is pay revenues for Housing programs, for savings for people to repair their homes and fix their credit and their cars so they can go to work.

Eddy Edwards said that the Council does not appropriate any money for the housing of this community. They do it through grants and through any actions that they can to meet the needs of this community. He said they need the Council's help in doing that. And they don't need the Council to undermine them

and get in the way. He added that the Council needs to look at the eleven businesses the Tribe operates and hopefully get the eight of them that are losing money on the positive side and spend their efforts there.

Susan LaFernier said, "Please stop saying that. It is not our intention, and you know that. It goes both ways here. You had no consideration for us either."

Eddy Edwards responded that OHA has two Council members that are on the Housing Board that interact with him.

Susan LaFernier replied, "Right. And you sat here last Thursday and we did not hear a word that you were going to open the next day."

Jennifer Misegan said that the Council had not even said whether or not they were going to buy it, they wanted people from the outside to take a look at it to decide if it was going to be good for the Tribe to have. Two days later, Housing was buying it, with total disregard for what had been decided that day. The Council had met with Housing and at that time they were going to talk to an attorney about the ordinance and the problems and have questions answered.

Eddy Edwards said that John Baker told them not to get an outside opinion and if they were to talk with another attorney about the issue he would cut them off right then and there.

Elizabeth Mayo asked if he said that.

Eddy Edwards responded that he did, but not in those exact words.

Isabelle Welsh asked, "So you've been utilizing John to get his opinion?"

Gary Loonsfoot, Sr. responded that they were following what the Council wanted them to do. They were utilizing an in-house attorney.

Fred Dakota questioned whether Housing is using grant money to purchase the businesses and would like to call for an investigation.

President Swartz interjected that the allegations have to stop.

Susan LaFernier asked, "So what do we do to alleviate these questions?"

Gary Loonsfoot, Sr. responded that the Council can give a list of questions and they will answer them next Thursday. He then asked, "Do we have to lay all our people off? We haven't sold a cigarette and we haven't sold a beer."

Susan LaFernier asked, "Is it your intention to do that?"

Gary Loonsfoot, Sr. said they have a lot of perishable stuff and that they have waited on the attorney for the last week.

Isabelle Welsh stated, “Had we known that, we could have talked about it.”

Jennifer Misegan said, “We could have met last week. We talked about the feasibility study, the gas stations, we talked for hours on this, and you didn’t say anything about any of this.”

MOTION MADE BY WILLIAM E. EMERY TO STILL HAVE THE 3RD READING ON THURSDAY AT 6:00 P.M. AND TO KEEP THE GAS STATION OPEN AS IS UNTIL THE ORDINANCE IS APPROVED. SUPPORTED BY MICHAEL F. LAFERNIER, SR.

ELIZABETH D. MAYO REQUESTED A ROLL CALL VOTE:

**Susan LaFerner – yes
William E. emery – yes
Isabelle H. Welsh – no
Jerry Lee Curtis – yes
Elizabeth D. Mayo – no
Mike LaFerner, Sr. – yes**

**Fred Dakota – no
Gary Loonsfoot, Sr. – yes
Elizabeth “Chiz” Matthews – yes
Jennifer Misegan – no
Toni J. Minton – no**

SIX IN FAVOR, FIVE OPPOSED, ABSTAINING – 0, MOTION CARRIED.

Jennifer reviewed a list for Eddy to bring to Thursday’s meeting:

Business Plan
Projected Financials
Programs – where profits go
Where the money is coming from to purchase
Balance sheet showing program money and non-program money.

H. Adjournment:

MOTION MADE BY FRED DAKOTA TO ADJOURN AT 10:03 A.M. SUPPORTED BY WILLIAM E. EMERY. ALL IN FAVOR (Susan J. LaFerner, Toni J. Minton, William E. Emery, Jennifer Misegan, Jerry Lee Curtis, Fred Dakota, Michael F. LaFerner, Sr., Gary F. Loonsfoot, Sr., Elizabeth “Chiz” Matthews, Elizabeth D. Mayo, Isabelle H. Welsh), OPPOSED - 0, ABSTAINING - 0, ABSENT - 0, MOTION CARRIED.

Respectfully submitted,

Peggy Minton
Administrative Specialist