

KEWEENAW BAY INDIAN COMMUNITY

**Keweenaw Bay Tribal Center
16429 Beartown Road
Baraga, Michigan 49908
Phone (906) 353-6623
Fax (906) 353-7540**

ROBERT "R.D." CURTIS, JR.
DALE F. GOODREAU
RANDALL R. HAATAJA
KIM KLOPSTEIN
MICHAEL F. LAFERNIER, SR.
RODNEY LOONSFOOT
ELIZABETH D. MAYO

2019 TRIBAL COUNCIL

WARREN C. SWARTZ, JR., President
GARY F. LOONSFOOT, JR., Vice President
SUSAN J. LAFERNIER, Secretary
TONI J. MINTON, Assistant Secretary
DOREEN G. BLAKER, Treasurer

**MINUTES
KEWEENAW BAY INDIAN COMMUNITY
SPECIAL COUNCIL MEETING
BIG BUCKS BINGO HALL
THURSDAY – FEBRUARY 14, 2019 – 9:00 A.M.**

APPROVED

MAR 14 2019

KBIC PRESIDENT'S OFFICE

SIGNATURE: pl

- A. Date: February 14, 2019
- B. Call to Order: President Swartz called the meeting to order at 9:16 a.m.
- C. Invocation: Lord's Prayer
- D. Roll Call: Present: Warren C. Swartz, Jr., President
Susan J. LaFernier, Secretary
Toni J. Minton, Assistant Secretary (arrived at 9:57 a.m.)
Dale F. Goodreau
Randall R. Haataja
Kim Klopstein
Michael F. LaFernier, Sr.
Rodney Loonsfoot (left at 9:55 a.m.)
Elizabeth D. Mayo
- Absent: Gary F. Loonsfoot, Jr., Vice President
Doreen G. Blaker, Treasurer
Robert R.D. Curtis, Jr.
- E. Declaration of Quorum: President Swartz declared a quorum present and proceeded with the order of business.
- F. Approval of Agenda: February 14, 2019
- Additions: Old Business- 1. Larry Denomie III, Ojibwa Casinos General Manager –
c) Chocolay Township payment for purchase of Waste
Water Capacity
- Closed Session- 3. Soumit Pendharkar, Health Administrator – Personnel
Issue

MOTION MADE BY KIM KLOPSTEIN TO APPROVE THE AGENDA WITH THE ADDITIONS. SUPPORTED BY MICHAEL F. LAFERNIER, SR. SEVEN IN FAVOR (Susan J. LaFernier, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Rodney Loonsfoot, Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Toni J. Minton, Doreen G. Blaker, Robert R.D. Curtis, Jr.), MOTION CARRIED.

G. Approval of Meeting Minutes:

1. November 15, 2018

MOTION MADE BY RANDALL R. HAATAJA TO APPROVE THE NOVEMBER 15, 2018 MEETING MINUTES. SUPPORTED BY RODNEY LOONSFOOT. SEVEN IN FAVOR (Susan J. LaFernier, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Rodney Loonsfoot, Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Toni J. Minton, Doreen G. Blaker, Robert R.D. Curtis, Jr.), MOTION CARRIED.

H. Old Business:

1. Larry Denomie III, Ojibwa Casinos General Manager
 - a) Francis J. LaPointe, Jr., CFO - Fifth Third Bank and Superior National Bank Financing of Casino Projects

Swap Agreement for Financing of Casino Projects

MOTION MADE BY RANDALL R. HAATAJA TO APPROVE THE SWAP AGREEMENT AT A FIXED RATE. SUPPORTED BY KIM KLOPSTEIN. FOUR IN FAVOR (Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr.), OPPOSED - 0, THREE ABSTAINING (Susan J. LaFernier, Rodney Loonsfoot, Elizabeth D. Mayo), FOUR ABSENT (Gary F. Loonsfoot, Jr., Toni J. Minton, Doreen G. Blaker, Robert R.D. Curtis, Jr.), MOTION CARRIED.

- b) Ojibwa Casinos Attendance Point System

MOTION MADE BY ELIZABETH D. MAYO TO REMOVE THE ATTENDANCE POINT SYSTEM FROM THE BARAGA AND MARQUETTE CASINOS. SUPPORTED BY DALE F. GOODREAU. SEVEN IN FAVOR (Susan J. LaFernier, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Rodney Loonsfoot, Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Toni J. Minton, Doreen G. Blaker, Robert R.D. Curtis, Jr.), MOTION CARRIED.

- c) Chocolay Township payment for purchase of Waste Water Capacity from Marquette Township and the City of Marquette 1% each Total: \$114,120.24

MOTION MADE BY RODNEY LOONSFOOT TO APPROVE THE WASTE WATER CAPACITY PURCHASE OF 1% FROM THE CITY OF MARQUETTE AND 1% FROM THE MARQUETTE TOWNSHIP. SUPPORTED BY MICHAEL F. LAFERNIER, SR. SEVEN IN FAVOR (Susan J. LaFernier, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Rodney Loonsfoot, Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Toni J. Minton, Doreen G. Blaker, Robert R.D. Curtis, Jr.), MOTION CARRIED.

(The purchase was approved prior, see 01/24/19 minutes)

- I. Larry Denomie III, Ojibwa Casinos General Manager/Weekly Update – available for your review

Rodney Loonsfoot left at 9:55 a.m.

Toni Minton arrived at 9:57 a.m.

- J. New Business:

- 1. Paul Mooney, Assistant Tribal Attorney –

- a) Larry Denomie III, Ojibwa Casinos General Manager – Gundlach Champion Waiver Request for Pollution Liability Insurance related to Hazardous Materials (Baraga and Marquette Casinos) for subcontractors as they are required to properly handle and dispose of any hazardous materials and there wasn't any work for removal or abatement of any existing hazardous materials in the scope of work

MOTION MADE BY SUSAN J. LAFERNIER TO APPROVE THE GUNDLACH CHAMPION WAIVER REQUEST FOR POLLUTION LIABILITY INSURANCE RELATED TO HAZARDOUS MATERIALS FOR BARAGA AND MARQUETTE CASINOS. CO-SUPPORTED BY TONI J. MINTON AND RANDALL R. HAATAJA. SEVEN IN FAVOR (Susan J. LaFernier, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

- b) Evelyn Ravindran, Natural Resources Director –

- i. Great Lakes Indian Fish and Wildlife Commission Subcontract for USGS Services regarding the Joint Funding Agreement for continued operation of Streamgaging Stations

October 1, 2018 – September 30, 2019 \$11,490.00

MOTION MADE BY DALE F. GOODREAU TO APPROVE THE GREAT LAKES INDIAN FISH AND WILDLIFE COMMISSION SUBCONTRACT FOR USGS SERVICES REGARDING THE JOINT FUNDING AGREEMENT FOR CONTINUED OPERATION OF STREAMGAGING STATIONS AT THE SALMON TROUT AND EAST BRANCH SALMON TROUT RIVERS AND THE MIDDLE BRANCH ESCANABA RIVER NEAR HUMBOLDT. SUPPORTED BY ELIZABETH D. MAYO. SEVEN IN FAVOR (Susan J. LaFernier, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

- ii. Kleiman Pump and Well Drilling, Inc. Tier II Services Agreement for Well Rehabilitation Services to the Fish Hatchery Well #3

Term ending date May 31, 2019 \$17,462.00

MOTION MADE BY SUSAN J. LAFERNIER TO APPROVE THE KLEIMAN PUMP AND WELL DRILLING, INC. TIER II SERVICES AGREEMENT FOR WELL REHABILITATION SERVICES TO THE FISH HATCHERY. SUPPORTED BY TONI J. MINTON. SEVEN IN FAVOR (Susan J. LaFernier, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

2. Jason Ayres, Real Estate Officer – Resolution KB-003-2019 cancels residential lease located at 16061 Mission Road, Baraga, Michigan No. K-1425-2005 between Gino Gemignani (Non-Indian) and Colette M. Gemignani and transfers to Frederick D. Shelifoe and Margaret J. Shelifoe husband and wife

MOTION MADE BY TONI J. MINTON TO APPROVE RESOLUTION KB-003-2019 GINO AND COLETTE M. GEMIGNANI RESIDENTIAL LEASE TRANSFER TO FREDERICK D. AND MARGARET J. SHELIFOE. CO-SUPPORTED BY SUSAN J. LAFERNIER AND KIM KLOPSTEIN. SEVEN IN FAVOR (Susan J. LaFernier, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFernier, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

Break: 10:29 - 10:38 a.m.

3. Sarah Smith, CEO/Weekly Update – available for your review

K. Closed Session:

1. Paul Mooney, Assistant Tribal Attorney/Sarah Smith, CEO/Soumit Pendharkar, Health Administrator/ Beth Fish, Personnel Director – Whitney Newsom, FNP-C Nurse Practitioner Employment Agreement Discussion
2. President Swartz – CEO Contract

3. Soumit Pendharkar, Health Administrator – Personnel Issue

MOTION MADE BY RANDALL R. HAATAJA TO GO INTO CLOSED SESSION AT 10:54 A.M. SUPPORTED BY MICHAEL F. LAFERNIER, SR. SEVEN IN FAVOR (Susan J. LaFerner, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFerner, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

Break: 11:15 - 11:22 a.m.

MOTION MADE BY ELIZABETH D. MAYO TO GO INTO OPEN SESSION AT 12:23 P.M. SUPPORTED BY MICHAEL F. LAFERNIER, SR. SEVEN IN FAVOR (Susan J. LaFerner, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFerner, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

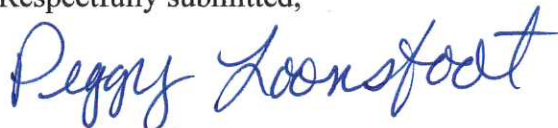
Whitney Newsom, FNP-C Nurse Practitioner Employment Agreement Termination

MOTION MADE BY ELIZABETH D. MAYO TO ACCEPT THE RESIGNATION FROM WHITNEY NEWSOM, FNP-C EFFECTIVE AFTER FEBRUARY 28, 2019. SUPPORTED BY DALE F. GOODREAU. SEVEN IN FAVOR (Susan J. LaFerner, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFerner, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

L. Adjournment:

MOTION MADE BY MICHAEL F. LAFERNIER, SR. TO ADJOURN AT 12:25 P.M. SUPPORTED BY KIM KLOPSTEIN. SEVEN IN FAVOR (Susan J. LaFerner, Toni J. Minton, Dale F. Goodreau, Randall R. Haataja, Kim Klopstein, Michael F. LaFerner, Sr., Elizabeth D. Mayo), OPPOSED - 0, ABSTAINING - 0, FOUR ABSENT (Gary F. Loonsfoot, Jr., Doreen G. Blaker, Robert R.D. Curtis, Jr., Rodney Loonsfoot), MOTION CARRIED.

Respectfully submitted,



Peggy Loonsfoot
Administrative Specialist

AGENDA
KEWEENAW BAY INDIAN COMMUNITY
SPECIAL COUNCIL MEETING
BIG BUCKS BINGO HALL
THURSDAY – FEBRUARY 14, 2019 – 9:00 A.M.

A. Date: February 14, 2019

B. Call to Order:

C. Invocation: Lord's Prayer

D. Roll Call:

- ___ Warren C. Swartz, Jr., President
- ___ Gary F. Loonsfoot, Jr., Vice President
- ___ Susan J. LaFerner, Secretary
- ___ Toni J. Minton, Assistant Secretary
- ___ Doreen G. Blaker, Treasurer
- ___ Robert R.D. Curtis, Jr.
- ___ Dale F. Goodreau
- ___ Randall R. Haataja
- ___ Kim Klopstein
- ___ Michael F. LaFerner, Sr.
- ___ Rodney Loonsfoot
- ___ Elizabeth D. Mayo

E. Declaration of Quorum:

F. Approval of Agenda: February 14, 2019

G. Approval of Meeting Minutes:

1. November 15, 2018

H. Old Business:

1. Larry Denomie III, Ojibwa Casinos General Manager
 - a) Francis J. LaPointe, Jr., CFO - Fifth Third Bank and Superior National Bank Financing of Casino Projects
 - b) Ojibwa Casinos Attendance Point System

I. Larry Denomie III, Ojibwa Casinos General Manager - Weekly Update

J. New Business:

1. Paul Mooney, Assistant Tribal Attorney –

- a) Larry Denomie III, Ojibwa Casinos General Manager – Gundlach Champion Waiver Request for Pollution Liability Insurance related to Hazardous Materials (Marquette Casino Project)
- b) Evelyn Ravindran, Natural Resources Director –
 - i. Great Lakes Indian Fish and Wildlife Commission Subcontract for USGS Services regarding the Joint Funding Agreement for continued operation of Streamgaging Stations
 - ii. Kleiman Pump and Well Drilling, Inc. Tier II Services Agreement for Well Rehabilitation Services to the Fish Hatchery Well #3
2. Jason Ayres, Real Estate Officer – Resolution KB-003-2019 Gino and Colette M. Gemignani Residential Lease Transfer to Frederick D. and Margaret J. Shelifoe
3. Sarah Smith, CEO – Weekly Update

K. Closed Session:

1. Paul Mooney, Assistant Tribal Attorney/Sarah Smith, CEO/Soumit Pendharkar, Health Administrator/ Beth Fish, Personnel Director – Whitney Newsom, FNP-C Nurse Practitioner Employment Agreement Discussion
2. President Swartz – CEO Contract

L. Adjournment:

Tribal Council Updates:

February 7 - 13, 2019

- I received pay request #25 from Gundlach Champion for the casino projects this week. As of this payment, KBIC will have paid just under \$21.5 million of the total \$40 million. I have received Change Order #2 for the Baraga project and after its approval, the total contingency of \$79,932 will have a balance of approximately \$9,000. We are near the end of the Baraga project and within a couple of weeks, we'll have numbers regarding the outstanding items I provided an update on last week. With the early completion of the project, those savings will work toward balancing things out. Through Change Order #5 for Marquette, the total contingency of \$700,000 has a balance of just over \$642,000. There were items discussed at last week's construction meeting that could total around \$80-100,000. The largest portion of the costs relate to the approved lighting contractor going out of business. The estimate now being used is based on the second highest bid but Gundlach is working on getting costs lowered. I will provide additional updates as the issue is addressed.
- The Baraga project remains on schedule to be completed at the end of the month. An issue did arise this week related to roof leaks in area 30. The issue is caused by ice damming up on the east eave and water runoff creeping back up the roof into cracks and crevices in the metal roofing. There was some damage to the new ceiling tiles and paint on the east wall inside. The maintenance crew has removed the ice and the runoff isn't backing up, but the insulation below the metal roofing is soaked and will take some time to dry out. Maintenance staff will regularly monitor the ice issue through the winter season and remove as soon as build up occurs. The new roof over area 30 was taken out of the project due to budget issues, but a plan was in place to address the issue in the spring after the HVAC rooftop unit was removed. Gundlach wouldn't have been able to do the new roof this fall because of the rooftop unit being needed. We have Gundlach reviewing options to see if there's something that can be done this winter along with related costs. Thankfully, this issue occurred during the renovations and not after it was open for business. I will continue to update you on solutions to this problem.
- We were able to address a number of other issues that I have provided you in prior updates. The new HVAC system has been calibrated by the engineers to deal with the overheating and smoke build up that was occurring at times in area 20. Handrails have been installed on the stairway and ramp between area 10 and 20 to better assist customers. A new set of stairs will be built and installed that remove the inconsistent rise and depth that existed with the old steps. A solid color carpet will also be installed to differentiate them from the floor. The electrical contractor is also looking at a solution to better light the steps from overhead making them more visible.
- We have had discussions this week with Fifth Third Bank regarding their Cash Processing System which could benefit the Marquette Casino's needs regarding distribution of floor banks, cashier's banks and daily depositing of funds. The system would require us to install their terminal which would be a virtual teller for employees to get their floor banks as well as turning them in. The system is also capable of taking daily deposits for the complex which is currently being transported twice per week by our Tribal Police. The funds would be deposited daily into an account set up with Fifth Third Bank and would be available for use daily. Before a decision is made on whether this is a good option for us, we will be providing them with data to perform an

analysis to ensure our needs would be met as well as a cost proposal for the equipment. We will discuss this further as we get more information.

- We were provided initial numbers for the buildout of the new restaurant for Marquette. The design was worked on with Dave Anderson and Cunningham with input from us. The allowance that exists within the GMP is \$800,000 and the initial costs obtained by Gundlach are nearly double. Dave Anderson is rethinking the menu and conceptual design to come in line with the allowance. I spoke to Dave after the group meeting and he assured me that although some of the cool features, like the wood fired pizza oven and smoker, would have to go, we'd still have a fantastic lineup of food choices to market. I will provide updates as we move through the restaurant design and budgeting process.
- I am working with our marketing team to plan a small celebration for the completion of the Baraga renovations. We are currently looking at April to ensure we have the punch list items complete and the weather shouldn't be an issue.
- After reviewing options for beverage services for the casinos, we have decided that Coke would better serve our needs. There have been equipment and service issues with Pepsi and we have to deal with two area offices instead of one for the casinos. Baraga was being served by an independent operator out of Houghton and Marquette by another. Coke has one rep servicing both Baraga and Marquette Counties and has service reps that can respond to our needs timelier. I will explain the other benefits in more detail when the contract is brought for your review and consideration next week.
- The Ojibwa BP has an issue with its equipment that monitors the tanks. Michael is working with Bay Electric to obtain cost estimates to fix the problem which likely going to be quite expensive. The Pines also has an issue with its diesel pumps. While plowing recently, one of the hoses was caught and tore off which also caused an issue with a valve. The pumps were closed temporarily while the issue was being looked at. There's a costly valve that needs to be replaced of which Michael is getting an estimate.
- I'm waiting to meet with John Gervais on his plans for oversight and management of the restaurant. He wasn't able to come earlier this week due to being sick but I was told he is on his way and should be here this week if he's not here today. We are continuing with our plan to close the restaurant beginning February 17 to complete the renovations.
- I received a document from Toni Minton that shows how the State of MI handles closures. Essentially, they provide employees with paid time off, hour for hour, the number of hours the closure occurs. I thought this may be an option you might want to consider for the Enterprise employees who work during weather related closures. If it is, I can work on a policy for your review.
- An issue with free play offers occurred recently. We were providing offers to racers and their pit crew at registration that occurred at the bingo hall. Our staff wasn't able to be at the registration and provided very clear instructions to the event hosts as to who was to receive the offers. The host didn't follow the instructions and handed out more offers than they were supposed to. Those receiving them were handing them out on the casino floor that evening. When I became aware I contacted Jim Orr of which he immediately contacted the host. Going forward, offers will only be handled and handed out by employees of the department or Enterprise if marketing is shorthanded.
- I held a joint manager's meeting this week. I've attached the topics covered for your review.

Joint Manager's Meeting

February 12, 2019

1. 2019 Priorities

- Complete Baraga & Marquette Casino Projects
- Complete Lucky 7's Restaurant Renovations
- Begin Hotel Renovations
- Finalize Organizational Structure
- Update & Distribute Employee Manual (Enterprise)
- Update WICS (SICS)
- Enhance Employee Communication & Relations
- Build Customer Loyalty
- Evaluate Marketing Efforts
- Evaluate and Develop Enterprise Wage System

2. Construction Updates

- Baraga
 - Area 30 is scheduled to be completed by the end of February with move-in and setup taking place March 1-8 with public opening the afternoon/evening of the 8th.
 - The heat issue in area 20 is being addressed and should be resolved soon (Mike N. additional information).
 - Handrails will be installed on the stairway and ramp between area 10 & 20 (Mike N. update schedule).
- Marquette
 - This past Wednesday marked the installation of the final steel beam and a small ceremony aka "Topping Out" was held.
 - The scheduled completion for the project is still slated for the end of November to early December dependent of the weather and when spring arrives.

3. Lucky 7's Renovations

- The planned closure is set for the end of their business day February 16 and the contractor has been provided up to 2 weeks to complete the work. The current plan would have the restaurant back up running for dinner service on March 1.
- During the closure, I was guaranteed that they would provide a breakfast buffet in the Pressbox each morning from 7-11. They will also continue to prepare the Senior Day meal.
- Doug no longer works for Lucky 7's. I was told by Doug that Michelle will be handling the front of the house operations and Richard the back of the house. I am hoping that John Gervais will be on-site today so we can discuss his plans moving forward to ensure the breakfast and senior meal is going to take place. If not, we will have to develop a plan B this week. It will likely be a continental breakfast setup in the lobby for hotel guests and

the Pressbox will have to prepare the senior meal.

4. Hotel Renovations

- With Mike on board, he will be assisting us in developing costs to complete room renovations. We will revisit the design that was being worked on once the restaurant renovation is complete. We will have a better sense of the number of rooms we can complete once we have the cost of doing one room.

5. Organizational Structure

- I have reviewed the current organizational structure. I have developed changes to the structure and have met with Tribal Council on two occasions to review and provide reasons for the changes I'd like to make. Once I have met with each manager to share my thoughts on the proposed changes, I will be going back to Council with the information and looking for direction.

6. Employee Manual

- Tribal Council has held two work sessions over the past month to address the high level organizational changes they approved and amended employee manuals to reflect those changes. Prior to approving changes, three manuals existed; Personnel Policy (government), Ojibwa Casinos (casinos) and Enterprises (businesses of KBIC). The Ojibwa Casinos and Enterprises manual has been combined into one manual which is now known as the Enterprise Manual.
- Generally, the changes during the work sessions include; a) employees who have worked for the casinos/enterprises can now add all of their years of service within those entities together, regardless of whether there was a break or not, to reach their total years of service, b) employees who move from the government to the Enterprise without a break in service can combine their years for their total years of service, c) the Drug Free Workplace policy no longer has a provision for Random Testing and marijuana won't be considered for a positive test across all types of testing, however, anyone who uses during work time will suffer consequences as outlined in the policy (Positive tests for THC (aka: Marijuana/Cannabis) will be considered with a combination of facts and circumstances surrounding the event. Intoxication behavior will constitute a violation of this policy.)
- HR will be completing the changes to the manual and ensuring every employee receives the updates.

7. WICS

- A committee has been formed to work on updating the WICS. After meeting with Hosh and Lynn it was determined that this would be the best method to move forward and both have committed to weekly meetings. The committee consists of us three, David Haataja and Missy Daniels – all of which have extensive experience with the original development of the document. We will also have the newly created SICS and incorporate those where applicable. Our first meeting is later this afternoon.

8. Enhanced Employee Communication and Relations

- As I'm spending time on the floor, I'm getting a sense that we can all do a better job communicating with our employees. To ensure there's ongoing dialogue with your staff, I'm requiring that you begin scheduling, at minimum, bi-monthly department meetings. I would prefer that they be monthly, but I'll wait to see how the bi-monthly meetings go. You will need to provide your meeting dates/times to Barb so we can get them on our shared schedule and it is my intention to attend them all if possible. I don't want to delay your meetings by working around my schedule though. Please begin scheduling your meetings this month.
- Tribal Council is continuing their work on implementing a program where an employee steward will be put in place at each property. The concept provides a venue for employees to take concerns they have; especially those employees who have a difficult time communicating them with their manager or they have communicated them and don't feel they were heard. We all need to have open doors and open lines of communication to ensure our employees issues are being addressed as quickly and efficiently as possible. When you have a concern, an idea, etc. brought to you, take the time to look into it and most importantly, get back to the employee to communicate the results.
- I still intend on implementing an employee newsletter. It is going to take a little time to develop the format but once it is in place, I'd like to move the updating of it from department to department (conceptually). Each department would be providing a short update on their department's activities both pre and post.

9. Built Customer Loyalty

- This is a very broad priority and encompasses every single employee of the Enterprise. Every decision we make or don't make and every action we take or don't take impacts our customers decisions about whether or not they will return to our business. We need to give every reason for a customer to think about coming to our business and to come back to our business.
- We are going to have failures in service along the way; some unintentional, some not within the employees control and some intentional. It's how we rebound and address the failure that is critical to retaining the customer. Teaching your staff how to respond to situations that are in their control are critical. Teaching your staff how to respond to situations that aren't in their control are just as critical.
- I have experienced, in my short time here, great examples of how employees are stepping up to help each other out as well as not so great examples. We are struggling to get employees to work for us to ensure we are staffed appropriately to serve our customers. When there's a failure and inability to provide the service customers expect, we all need to step in and step up to help out. The bottom line is about the customer and the business; it's not about how fun it is to watch another department flounder or fail. When one of us fail, we all fail and ultimately the customer is negatively affected by us and their decision about where they want to spend their money may be a little easier next time.

10. Evaluate Marketing Efforts

- The Marketing Department has a huge responsibility to the business. They have to “market” what we have and entice customers to choose us over our competitors. They have to not only attract new customers with the work they do, but also retain them. There’s a balance between how much they spend for those activities and the resulting bottom line. We are undergoing a review of that balancing act and looking at the timing of our projects, the resources/talent available to the department and looking closely at what the competition is doing.
- Part of the equation includes every one of us doing our part; as I described in the customer loyalty section. Marketing can spend enormous amounts of money attracting customers to our businesses but if we are failing the customers once they are here, it is like throwing money out the window.

11. Employee Wages

- I have mentioned on several occasions the fact that work is being done to evaluate the wages being paid to employees in comparison to the markets we are in. Tribal Council has done some work to ensure the minimum wage for every employee is at \$10/hour.
- Part of the review has to include a determination by Tribal Council whether they want our businesses to be the “premier employer” in the market we are in. That sets the tone and direction needed to work on getting to that point or maybe it’s that we are “competitive” in the market.
- I have attached a copy of an eye opening report that I thought was very interesting in what employees are looking for. Please read it, consider the work you do and how you can take some things from this to make your employees feel better about working for us.
- Please let your employees know that wages are being looked into and it is my hope to have this completed within 90 days. In Marquette, we are going to need to hire a lot of new employees to accommodate the expansion of venues and it’s critical we have this issue resolved at least 120 days before we have to begin hiring.

12. Other Updates

- The purchase of used shuttle buses for Marquette fell through. The work needed to get them up to a standard we’d want for our customers would’ve been too costly. We will continue to explore transportation options to accommodate immediate and future needs.
- The drink special will continue through the month in Baraga and construction phase in Marquette. Depending on the analysis of the special, we may extend it in Baraga. I’m reminding everyone to use their TAMS training to ensure our customers aren’t over consuming. I have seen a number of reports coming from the Pressbox where customers are sleeping at the bar – this has to be addressed and corrected.
- The POS systems that are no longer supported are being looked at for replacement. We need to follow up with Hosh to find out how to get appropriate terminals ordered ASAP.
- We have encountered a number of slip and fall incidents between both casinos. We need to be mitigating the causes to limit the Tribe’s liability.

- I will be providing a financial update to Council later this month. I am developing a template that will be used to present the information. Each department will be provided the template and required to fill in the information. I'm currently considering putting together a Power Point for the presentation and having each of you present your slide(s) for your department. I think it's important the Tribal Council has the opportunity to speak with you to share their thoughts, concerns and ideas. I will need to see if that's something they would like and will let you know later this week.

In closing, I seen this written somewhere on Facebook and thought I would share it with you because we should all be practicing this personally and professionally.

"Be somebody, who makes everybody, feel like somebody"



RESEARCH & IDEAS

Forget Cash. Here Are Better Ways to Motivate Employees

28 JAN 2019 | by Dina Gerdeman

In today's tight job market, employers must focus on how to attract and keep top talent. Giving away stacks of money may not always be the best incentive, warns **Ashley Whillans**.

With unemployment at near historic lows in the United States, employers report that their single greatest challenge is recruiting and retaining talent. The answer for many companies is to throw money at the problem: Bonuses, incentive pay, and out-of-cycle salary increases are often seen as motivators that will entice greater effort and loyalty out of workers.

Turns out, using cash as a carrot isn't always the best answer, according to new research by Harvard Business School Assistant Professor Ashley V. Whillans. More than 80 percent of American employees say they do not feel recognized or rewarded, despite the fact that US companies are spending more than a fifth of their budgets on wages.

What employees crave even more is to feel that their managers appreciate them and aren't afraid to show it, not only in paycheck terms, but in other ways such as flexible work-at-home schedules, gift cards for pulling off impressive projects, or even just by saying "thank you" for a job well done.

"Cash matters in people's lives, but it's not all that matters," says Whillans, who researches what makes people happy. "What really matters in the workplace is helping employees feel appreciated."

Whillans co-wrote a recent article in *Compensation & Benefits Review*, "Winning the War for Talent: Modern Motivational Methods for Attracting and Retaining Employees," with Anais Thibault-Landry of the Université du Québec à Montréal and Allan Schwyer of the Incentive Research Foundation.

"WHAT REALLY MATTERS IN THE WORKPLACE IS HELPING EMPLOYEES FEEL APPRECIATED."

Rewards that signal to employees that they did a good job and that their manager cares about them will encourage employees to want to work even harder, the research shows. "In a lot of organizations, there are no recognition programs for employees whatsoever, so employers need to catch up," Whillans says.

Companies with strong recognition programs enjoy increased productivity, lower job turnover, and greater returns on investment than other companies in the same industries.

Whillans provides nine tips for business leaders on how best to reward their workers in ways that will bring them greater job satisfaction and motivate them to work harder.

1. When recruiting, emphasize benefits

Talking up a job's perks, such as flexible work schedules and skill training, can give companies a recruiting edge. A 2018 study that Whillans and her team conducted of more than 92,000 job ads found that the more benefits an employer described, the higher the application rates. Plus, when employers described benefits in detail, such as generous family leave policies, they pulled in more applications than firms that paid significantly more.

Candidates said the "softer" rewards described in the job ads gave them the impression the company cared about its employees and was more considerate with helping workers find a healthy work-life balance—and that mattered more to them than the extra money.

2. Cash can motivate workers—in some types of work

Cash rewards are best suited as a motivator for work that is measured quantitatively, Whillans says. Many studies of the service and sales industries show that cash rewards lead to increased sales and improved customer service. In the manufacturing sector, cash awards increase daily productivity levels.

But money is less meaningful as a motivator in the complex creative jobs that make up most work in our modern knowledge-based society. "With most of today's employees, you're trying to help instill intrinsic motivation, so they feel motivated to put in more effort out of enjoyment for what they do and appreciation for their jobs, rather than feeling extrinsically motivated by cash alone."

3. If you give cash, include a meaningful note

For many employees, particularly younger generations, a job is not just a paycheck; people seek meaning in their work. Giving cash alone can feel like an empty gesture or a mere financial transaction and may not act as a strong motivator to work hard, Whillans says. It's best to avoid merely adding a cash bonus to a worker's paycheck; a separate bonus check stands out more as a recognition of their work. And managers should also include a sincere handwritten note explaining why the employee deserved the bonus.

"If you can find a way to imbue meaning beyond the zeros in the cash reward," says Whillans, "that same reward will go further."

4. Reconsider performance incentives

Many companies attempt to motivate employees with money and prizes as incentives for future work. Decades of research does confirm that financial incentives can boost effort and performance. But there's a downside; when an employee's pay is contingent on performance, they can become obsessed with money—specifically, with earning more of it.

What often works better as an incentive is to turn around the timing of the

reward, handing it out immediately after an employee excels at a particular task, rather than dangling it beforehand.

"In this way, you can use timing to your advantage," Whillans says. "And be very clear about what the worker did and why they're receiving the reward to reinforce good behavior—because you're hoping the worker will repeat that behavior."

5. Consider thoughtful gifts instead of cash

Sometimes cash isn't king. A 2017 study of 600 salespeople found that when a mixed cash and prize reward program was replaced with an equivalent value all-cash package, employee effort dropped dramatically, leading to a 4.36 percent decrease in sales that cost the company millions in lost revenue, Whillans's article says. The firm may have inadvertently demotivated salespeople who preferred prizes or discouraged workers who liked having a choice.

"IN A LOT OF ORGANIZATIONS, THERE ARE NO RECOGNITION PROGRAMS FOR EMPLOYEES WHATSOEVER, SO EMPLOYERS NEED TO CATCH UP."

People may prefer non-cash gifts because they often spend cash bonuses on basic necessities like paying rent or buying groceries, which are less memorable and enjoyable transactions than luxurious prizes like electronics or trips. It's even better if a gift feels personalized. A manager could give an employee who enjoys fitness activities a gift card to a store that sells workout clothes, while giving another worker who is a big Red Sox fan tickets to an upcoming game.

Another side benefit to prizes: workplace buzz. "People feel awkward talking about money, so they won't talk about the \$2,000 bonus they received. But if you reward someone with a nice dinner or trip, they will talk about it with their co-workers, and that can motivate everyone," Whillans says. "Plus, that trip or dinner is more memorable and emotionally satisfying to them than just receiving cash, so it can act as a stronger motivator."

6. Give the gift of time—and other intangible perks

A Glassdoor survey Whillans and her team conducted with 115,000 employees found that providing intangible non-cash benefits, like flexible work options or the ability to choose assignments, led to much stronger job satisfaction than straightforward cash rewards.

"If you allow an employee to work at home, you help employees feel like you trust them to get their work done where they want to get it done," Whillans says. "That is enormously satisfying to them—and it motivates them to work even harder."

Also, research shows that employees who take time off are less stressed and more engaged, more creative, and more productive. Give the gift of time, not just through generous vacation policies, but in other ways. For example, figure out flexible work schedules so employees spend less time jammed in traffic. Allow work-travelers to book direct flights—even if they cost a little more than indirect trips.

7. Encourage employees to reward one another

Companies can build recognition into their business practices by creating peer-to-peer recognition programs in which employees are provided monthly reward points that they can give away to colleagues for work-related wins. Employees who earn a certain number of points can redeem them for various perks, such as a restaurant gift card or an extra personal

day.

This is not expensive for a company to do and makes the act of appreciation in the workplace habitual and easy, Whillans says. "It also builds social connections in a workplace, which helps people feel more fulfilled at work."

8. Make the recognition public

If employees are receiving a \$500 bonus, hold a workplace event to hand out checks, and invite the employees' peers. Perhaps add a certificate of appreciation along with the check.

"People are more likely to contribute posts on Wikipedia when they receive a public certificate of recognition," Whillans says. "If you can create a social experience around the reward, it becomes more eventful and something an employee will remember."

9. Sometimes a simple thank you is enough

Among the happiest employees, 95 percent say that their managers are good at providing positive feedback, Whillans says. In fact, a simple, heartfelt "thank you" from a manager is often enough for employees to feel like their contributions are valued and will motivate them to try harder. To be most effective, the praise should be specific, highlighting the worker's unique contributions. It's a tactic that's wildly effective, yet significantly underused in the workplace.

"You don't have to express gratitude only for things that help the company turn a profit. It could be as simple as saying 'thank you' for an email that allowed a project to go more smoothly," she says.

"IF YOU CAN CREATE A SOCIAL EXPERIENCE AROUND THE REWARD, IT BECOMES MORE EVENTFUL..."

Why rewarding employees works

Whillans says these types of rewards work because they tap into three strong psychological needs: Employees long for *autonomy*, with the freedom to choose how to do their work; they want to appear *competent*, armed with the skills needed to perform; and they want to feel a sense of *belonging* by socially connecting with colleagues in a meaningful way.

When these needs are satisfied, employees feel more motivated, engaged, and committed to their workplace—and they report fewer intentions of leaving their jobs, Whillans says.

Companies shouldn't read the research results to mean that money is meaningless to employees. The team's findings are contingent on the understanding that employees are paid competitive, fair salaries. Because, let's be honest: If an employee has worked overtime for weeks on an important project, a mere "thank you" may feel hollow. Managers should try a variety of rewards and measure which ones appeal to employees and motivate them the most.

Praising employees can be a stumbling block for leaders who mistakenly believe being harsh produces stronger results or who worry they will appear soft and won't be taken seriously. So managers should be trained in how to regularly show appreciation, Whillans says.

"Many managers feel awkward showing gratitude and shy away from it," she says. "That's why organizations need to make a push to help managers with this. It can make all the difference in whether a talented worker stays or goes."



**KEWEENAW BAY INDIAN COMMUNITY
CEO'S OFFICE**

16429 Beartown Road, Baraga, MI 49908
Phone (906) 353-4104 Email: sarah@kbic-nsn.gov

TO: Tribal Council
FROM: Sarah L. Smith, CEO
RE: Monthly Report
DATE: February 14, 2019

- MISSION STATEMENT :** To provide exceptional services for our membership; a safe, positive work environment for employees and sustained economic prosperity, while protecting our sovereignty and preserving our culture and natural resources for future generations.
VISION STATEMENT : A Tribe that preserves the Anishinaabe culture, advances economic diversity, provides opportunities to enhance independence, and promotes the health and well-being of our Community.
- Updates:** Minor changes were noted in the Personnel Policy. I consulted with the Tribal President and those were adjusted and the policy manual was sent out again. A list needs to be generated for the essential employee list. This request has been sent to Department heads for their recommendation. Beginning the process of soliciting quotes for cell phones.
- Meetings/Conferences:** I attended the Committee for Alternative & Renewable Energy (CARE) meeting where we discussed strategic planning, Energy Initiative meeting in Marquette, along with potential funding sources and current activities. I also attended a progress meeting on the Halfway House. The building has the whole shell built, windows are installed, and HVAC is installed. The electrical was expected to be started this week, with an inspection, and insulation and dry walling after the inspection. Interior finishes are expected to be presented at the next progress meeting.
- Employee Changes:** There are no direct reporting changes. The government currently has 298 employees, with 219 Native American. This includes one promotion and one separation.
- Statistical Data/Case Load Information:** I met with several departments during this past week. Employee issues were mainly discussed. This included review of position descriptions, promotion request, and grievances filed. One application for funding was submitted, along with a pending proposal that will be reviewed today.
- Financial Update:** We received contract modifications for Law Enforcement Services, Consolidated Tribal Government, Forestry, Road Maintenance, and a second payment from Indian Health Service under the Self Governance Compact. Total amount from BIA and I.H.S. are listed below.

Funding S	Amount
BIA Roads	\$3,723
BIA CTGP	\$451,530
BIA Forest	\$161,840
BIA LES	\$217,824
I.H.S.	\$1,848,097
Total	\$2,683,014

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VISION

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