



c/o Manistee County Controller/Administrator's Office
415 Third Street • Manistee, MI 49660
Telephone: (231) 398-3500 • Fax: (231) 723-1795

MEMBERS:
Dennis Bjorkquist, Chairperson
B. Allan O'Shea, Vice-Chairperson
Colleen Kenny, Secretary

SPECIAL MEETING MINUTES

Monday, August 10, 2009
3:00 P.M.

Manistee County Courthouse
415 Third Street, Manistee, Michigan

Members Present: Dennis Bjorkquist, Chairperson; B. Allan O'Shea, Vice-Chairperson and Colleen Kenny, Secretary

Others Present: R. Lance Boldrey and Shaun M. Johnson of Dykema Gossett, PLLC, Legal Counsel; Thomas Kaminski, Administrative Support; Jeri Lyn Prielipp, Recording Secretary; and audience members representing the public and the media

The Chairman called the meeting to order at 3:00 P.M.. The Pledge of Allegiance was recited and roll call was taken and all members reported present.

The Chairman requested approval of the meeting Agenda.

There was a motion by Mr. O'Shea, supported by Ms. Kenny to approve the Monday, August 10, 2009 Meeting Agenda, as presented. Motion carried.

The Chairman requested approval of the minutes from the Special Meeting of the Local Revenue Sharing Board held on Tuesday, July 7, 2009.

There was a motion by Ms. Kenny, supported by Mr. O'Shea to approve the Tuesday, July 7, 2009 special meeting minutes, as presented. Motion carried.

Under public comment, Kevin Hughes, Superintendent for Onekama Consolidated Schools read correspondence dated August 10, 2009 (APPENDIX A) into the record and commented that the valuation he spoke of lists the items that he feels should be included as a part of the non contiguous adjacent parcel and included in the P.I.L.T. district.

Dave Meister, Onekama Township Supervisor, posed the same questions that he had asked the Board at the July 7, 2009 meeting and requested that he receive a written response from the Board. Mr. Meister wants to know why the casino hasn't been depreciated; why all the items on the property are included in the appraisal; why the Revenue Sharing Board hasn't asked Manistee County for some of the administrative fee money back that was paid for an appraisal that Manistee County has not been able to perform because they have been denied access, etc.?

The Board proceeded to consider an invoice from Dykema Gossett PLLC for legal services provided in June 2009 in the amount of \$12,443.33.

There was a motion by Ms. Kenny, supported by Mr. O'Shea to authorize the payment of invoice #1286199, dated June 20, 2009, from Dykema Gossett, PLLC for legal expenses in the amount of \$12,443.33.

A roll call vote was taken:

Yeas: 3 (Bjorkquist, O'Shea and Kenny)

Nays: 0

Motion carried.

The Chairman recognized R. Lance Boldrey and Shawn Johnson of Dykema Gossett, PLLC, and suggested the Board move to go into closed session to continue to discuss with Mr. Boldrey and Mr. Johnson a privileged and confidential attorney/client written communication.

There was a motion by Mr. O'Shea, supported by Ms. Kenny that the Local Revenue Sharing Board go into closed session, pursuant to Section 8(h) of the Open Meetings Act, to consider a written Attorney/Client privileged legal opinion from Legal Counsel. Thomas Kaminski and Jeri Lyn Prielipp, who are staff to the Local Revenue Sharing Board, shall remain in the room during the closed session.

A roll call vote was taken:

Yeas: 3 (Bjorkquist; O'Shea; Kenny)

Nays: 0

Absent: 0

Motion carried.

The Board reconvened in open session.

Mr. Boldrey suggested that both the Township and the County submit a copy of a proposed Interlocal Agreement to their respective Attorneys for review and recommendation. Assuming that their respective Attorneys approve the Interlocal Agreement, the Township and the County will then need to present the Agreement to their respective Boards for approval and thereafter, the Local Revenue Sharing Board will hold a special meeting. The purpose of the special meeting will be to publically address the various issues that have been raised to the Board. The Board scheduled a special meeting for 5:00 p.m. on Monday, September 28, 2009, at the Manistee County Road Commission.

Chairman Bjorkquist indicated that he would like to provide Mr. Meister with a response to his various questions and concerns and sought direction from Shawn Johnson and/or Thomas Kaminski in that regard. Mr. Johnson indicated that he can provide answers to Mr. Meister's tax and depreciation questions, but he is unable to respond to the question as to why the Revenue Sharing Board has not asked for a refund of some of the Administrative fees paid to the County. Ms. Kenny indicated that the Revenue Sharing Board entered into a contract with Manistee County for administrative services, which included an assessment of the gaming facility, which the Board has received and regardless of how the annual fee is broken down, Ms. Kenny feels that all the work performed by the County has been well worth it and she doesn't feel any reimbursement to the Board is warranted. The Board authorized the Chairman to respond to Mr. Meister's questions with the assistance of Legal Counsel and Administrative Support staff.

There being no further business to come before the Revenue Sharing Board and with no other concerns from Board members, the meeting was adjourned at 5:10 P.M.

Respectfully submitted,

Colleen Kenny, Secretary

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(Appendix A)
Onekama Consolidated Schools

5016 Main Street • Onekama, Michigan 49675
(231) 889-4251 • Fax (231) 889-3720

REC'D 8-14-9

August 10, 2009

Dennis Bjorkquist, Chairman
Revenue Sharing Board
51 West Kott Road
Manistee, MI 49660

Chairman Bjorkquist:

I would like to thank you and the board for hiring legal counsel to review your decisions that were made for the past several years.

The Onekama Consolidated Schools would like to know why the 22 acres where the water tower and tribal law enforcement building are located are not part of the PILT district.

Article IX. 9.5 B. - Compact Revenues states:

Payments in Lieu of Taxes or PILT. “Out of the aggregate payments to local units of government, each local unit of government shall receive no less than an amount equivalent to its ad valorem property taxes that would otherwise be attributed to the (Band’s) Class III gaming facility if that site were subject to such taxation. Compact, § 18 (A) (4). *For purposes of this section, the term “Class III gaming facility” shall include: the building(s) which house the Band’s gaming operations; any appurtenances; and any contiguous or non-contiguous parcel(s), whether owned by the Band or held in trust for the Band by the federal government, which can reasonably be considered a part of or amenity to the Band’s casino operations.* The Board shall consult with the appropriate assessing agencies and/or reputable valuation experts in determining the estimated taxable value of the Band’s Class III gaming facilities under this section.”

These 22 acres qualify as this non-contiguous parcel and is an integral part of the casino operations as the volume of water needed to properly operate and fire suppress the casino complex. Also, when a dispute or problem arises at the casino complex, the tribal law enforcement is called to the site.

(App. A - 2)

Revenue Sharing Board
August 10, 2009
Page 2

Again, when reviewing the 62 items listed on the December 31, 2006 appraisal, one cannot help but notice that the original well and underground storage tank are on the evaluation, water systems, water softeners' are part of the appraisal. These are on the original parcel and following the same logic as the non-contiguous parcel that houses the water tower, pumps, well, tank, etc. should be included in the PILT district.

Finally, we feel that security, law enforcement, law enforcement vehicle warehousing, and the water tower used for fire suppression, drinking water, and bathrooms at the casino complex can ***"reasonably be considered a part of or amenity to the Band's casino operation."***

Regardless of future valuation interpretations made by the board, we need to be in the PILT district and made whole from the time the property entered tribal trust.

Sincerely,



Kevin P. Hughes
Superintendent