

**State-Tribal Economic Development Commission Meeting
February 20, 2008
9am to 3pm
Native American Room**

Present: Dr. Russell Boham, Little Shell rep.
Jennifer Perez Cole, Office of Indian Affairs rep.
Jerry Lamb, Governor's Office of Economic Opportunity rep.
Rodney Miller, Fort Peck rep.
Andy Poole, Dept. of Commerce rep.
Richard Sangrey, Rocky Boy Chippewa Cree rep.

Staff: Heather Sobrepena-George

Absent: Shawn Real Bird, Chairman, Crow (Apsaalooke) rep.
Joe Durglo, Confederated Salish & Kootenai rep.
Caroline Brown, Ft. Belknap rep.
L. Jace Killsback, Northern Cheyenne rep.

Public: Philip Belangie, Dept. of Commerce
Kelly Casillas, Dept. of Commerce
Sheila Cozzie, Dept. of Transportation
Lesa Evers, Dept. of Commerce,
Adam Gill, Rural Dynamics, Inc.
Rep. Deb Kottel, Rural Dynamic, Inc.
Deb LaFontaine, Turner and Associates consultant
Josh Turner, Turner and Associates
Anna Whiting-Sorrell, Governor's Office
Wendy White Eagle, Four Circle Development Fund
Leslie Wootun-Hartung, Dept. of Commerce

OPENING (10:15AM): DR. RUSSELL BOHAM

Shawn Real Bird joined the meeting via telephone at 10:15 AM

PUBLIC COMMENT: NONE

APPROVAL OF MINUTES

Consideration of amendments for previous motions:

1. **The Montana Tribal Tourism Alliance- any action regarding amending a motion was tabled.**
2. The motion made by Richard Sangrey on 11/06/07 to reserve \$2,200 for future potential printings of the Reservation Economic Demographic Flyers (seconded by Russell Boham) was AMENDED to state:

Jerry Lamb made the motion to recommend to the Department of Commerce to reserve \$2,200 for future potential printings of the Reservation Economic Demographic Flyers. Seconded by Rodney Miller. Vote Order: Unanimous

3. The 11/06/07 motion regarding the Census and Economic Information Center and US Census Bureau was amended:

BY STRIKING OUT

“The motion was made to support the Census and Economic Information Center and the US Census Bureau and work towards creating a Census Dept. on each reservation with development of a Tribal Liaison position.”

AND SUBSTITUTING:

The motion was made to support the Census and Economic Information Center and the US Census Bureau in its efforts to increase tribal participation in the US Census Bureau programs for an accurate count in the 2010 Census. Motion to amend was made by Jennifer Perez Cole. Seconded by Jerry Lamb. Vote Order: Unanimous

REPORTS

FISCAL REPORT- the remaining FY 08 Project Budget is \$42,000

	Budget	Expenditures	Remaining Budget
515008 Tribal Econ Dev Commission			
61100 Salaries	27,500.00	12,149.02	15,350.98
61400 Employee Benefits	10,500.00	4,932.59	5,567.41
62100 Other Services	22,657.00	3.19	22,653.81
62200 Supplies & Materials	1,000.00	909.22	90.78
62300 Communications	1,500.00	316.35	1,183.65
62400 Travel	11,000.00	3,412.95	7,587.05
62500 Rent	5,000.00	0.00	5,000.00
62800 Other Expenses	6,000.00	2,461.53	3,538.47
Grand Total	85,157.00	24,184.85	60,972.15
515005 ICED			
66000 Grants	560,000.00	8,829.00	551,171.00

*Budget as of 01/11/08

HB 2 / FY 08 BUDGET (\$800,000)	EXPENDITURES	BALANCE
Admin	\$80,000	\$720,000
FY08 ICED Funds (515005)	\$560,000	\$160,000
IE Fund	\$70,000	\$90,000
Indianpreneurship	\$24,000	\$66,000
MIBA	\$6,000	\$60,000
MTTA	\$16,000	\$44,000
Eco Demo Flyers	\$2,000	\$42,000
TOTAL	\$758,000	\$42,000

Jennifer Perez Cole made a motion to recommend to the Department of Commerce to send two commission members, Jerry Lamb and Russell Boham and staff, Heather Sobrepena-George to the RES2008 Reservation Economic Summit and American Indian Business Trade Fair in Las Vegas March 3-6, 2008. Seconded by Rodney Miller. Vote Order: Unanimous

PROPOSAL CRITERIA COMMITTEE REPORT- Jennifer Perez Cole, Andy Poole, Jerry Lamb, Shawn Real Bird, Russell Boham and Heather Sobrepena-George participated in a conference call on 01/09/08 to discuss prioritizing projects that come before the commission by a set standard of criteria by which all requests for funding are reviewed. The ad-hoc committee agreed on the following priorities:

1. Evaluate/Review STED Commission duties and statutory responsibilities and concentrate efforts on these requirements
 - Document what the STEDC is doing/has done per statute
2. Discuss priorities for the remainder of this year's STEDC FY08 funds and next year's FY09 funds for tribal projects (ICED) and statewide activities.
3. Apportion the remainder of this year's (FY08) funds and next year's (FY09) funds for tribal projects (ICED) and prioritized statewide activities.
4. Determine if funded projects will be performed by the STED Commission or through RFP process or contract.
 - Determine the RFP process
5. Leftover STEDC funds (after priority objectives are funded), made available based on pre-determined criteria/process and application
 - Develop application criteria and process

INTERNAL MANAGEMENT PROCEDURES

Kelly Casillas, legal counsel for the Department of Commerce drafted up boilerplate Internal Management Procedures for STEDC (attached as meeting materials). The following recommendations were added as suggestions for the IM procedures:

1. **Section D** Election of Officers
 - Clarify election of officers logistics (how, when, term lengths)
 - Add a secretary/treasurer with job descriptions
 - Clarify how meetings are conducted in the absence of officers (e.g. appoint acting chair within present commission)
2. **Section H** Order of Business
 - Opening Prayer should be removed from the agenda
3. **Section N** Conflict of Interest
 - All public attendees are requested to leave when a vote regarding funding is voted on and discussed.
4. **Add Section O** Statute vs. By-laws/ Internal Management Procedures
 - Where there is a conflict between statute and by-laws, the statute pre-empts.

NATIVE CAPITAL INVESTMENT

Wendy White Eagle (Wisconsin Ho-Chunk) gave a presentation of Native Capital Investment, a firm that does investment banking in Indian country focused on two consumer types: 1) individual Native entrepreneurs and 2) tribal organizations/enterprise development companies. Two projects NCI has been working on are a \$1.6 million individual entrepreneur commercial business project with five projected tenants and a \$26 million multiyear merger/acquisition aquaculture project with a potential of 150 mid-level professional jobs. NCI can take up to a 10-30% ownership in projects it helps to fund. NCI prefers to package projects in a 65/35% split of financing/equity contribution.

REVIEW OF STEDC STATUTORY REQUIREMENTS

A draft of STEDC activities and statutory requirements were developed and discussed by the commission. The commission meets most all of the requirements. However, under 90-1-132, sections 2A, 2B, 2C, 2D, and 2G have not been addressed. Information is passed onto the tribes through *The Beat*, a co-sponsored e-publication that is sent out weekly to tribal chairs, administration, STEDC members, state department directors and interested parties. The commission would like to see something like a *Catalog of State/Local Domestic Assistance* organized into a 3-ring binder in sections (e.g. economic development, housing, community infrastructure, workforce development, successfully funded applications). This publication would be a dynamic document, updated periodically. Heather will develop a one page format for agencies to fill out and send out to the commission for input. Once approved the form would then be sent to all agencies with a directive from the Governor's Office to be filled out with each agencies different funding programs and successful tribal applications. This format would work also for private resources. This information would be available on the tribal.mt.gov website.

In order for STEDC to not compete with tribes in grant applications, it was suggested that the commission sketch out a process by which a tribal government could get a Letter of Support for a tribally approved grant application. Once the commission approves a letter of support process it will distribute the information to the tribes.

Once these documents are produced, then the STEDC could sponsor a State-Tribal Economic Summit and ceremony to unveil the documents.

RESERVATION ECONOMIC DEMOGRAPHIC FLYERS- UPDATE

A prototype of each reservation's flyers were sent by email to each STEDC member for approval. All flyers have been approved except Northern Cheyenne's as they are in the middle of a special election.

FY 07 STEDC \$4,900 PROJECT REPORTS/CLOSEOUT

Heather will check with Commerce accounting to find out the process to close out the FY 07 STEDC grants and report to the members.

FY 08 ICED APPLICATIONS

Lesa Evers introduced herself as the new Program Manager for the Indian Country Economic Development Program. Lesa started in her new position at the beginning of February 2008. She discussed the impending March 31, 2008 deadline for the \$70,000 FY 08 ICED funds.

RURAL DYNAMICS YOUTH CAMP PROPOSAL

Rep. Deb Kottel gave a presentation for a First People Entrepreneurship Camp developed in partnership between Montana Indian Business Alliance and Rural Dynamics Incorporated. The residential camp will be June 16-21, 2008. The camp will target Indian middle school students to help them develop the core traits of entrepreneurship, creativity, hard work and self efficacy while providing them with the business training necessary to

ensure the success of their future ventures. The cost of the project is \$22,543.90. Commission members would like to the criteria for the student selection process and how the information will be disseminated. Deb Kottel and Adam Gill will present a more fully developed proposal at the next STEDC meeting.

BRESNAN UPDATE- CANCELED

MONTANA DEPT. OF TRANSPORTATION ECONOMIC DEVELOPMENT REPORT

Josh Turner, a consultant with Turner and Associates performed an independent assessment of the Montana Department of Transportation's Native American participation in the highway construction industry. Two prime contractors, 22 agency representatives and 28 Native American owned businesses (construction firms or professional services) were interviewed and the barriers ranged from bonding to computer literacy. Some external barriers related to the Montana Department of Transportation were contracting, project location and turnover. Barriers related to the tribes were that there was no Indian preference, tribal politics and lack of expert continuity in tribes. Some of the solution strategies were to research the possibility of creating a bonding pool, create a library of bid and project examples, and take steps toward implementing a contract and proposal review and feedback process. Josh and her associate Deb LaFontaine think this is an important assessment and that it needs to be presented to the tribes because the information is viable and the solutions are feasible.

DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

Leslie Wootan-Hartung DBE Program Manager and Sheila Cozzie, MDT Bureau Chief presented information on the Disadvantaged Business Enterprise Program. Shannon Hahn, DBE Supportive Services Coordinator has tribal workshops and training planned to inform tribes about the DBE Program. Information attached.