

Pyramid Lake Paiute Tribal Council

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SPECIAL NUMU INC. OWNERS MEETING Tribal Chambers ~ Nixon, NV August 17, 2023

Members Present:

James Phoenix, Tribal Chairman
Harriet Brady, Councilmember
Edward Ely III, Councilmember
John Guerrero, Councilmember
Genevieve John, Councilmember

Steven Wadsworth, Vice Chairman
Judith Davis, Councilmember
Natalia Gonzales, Councilmember
Della John, Councilmember

Members Absent: Nathan Dunn, Councilmember

CALL TO ORDER

Chairman Phoenix called the August 17, 2023, Special NUMU Inc. Owner's meeting of the Pyramid Lake Paiute Tribal Council to order at 5:00 p.m.

ROLL CALL

Roll call was taken by Brenda A. Henry, Tribal Council Secretary. Councilmember Dunn was absent. All other Councilmembers were present at roll call and a quorum was established for this meeting.

APPROVAL OF AGENDA

Chairman Phoenix read the agenda.

Councilmember Davis motioned to *approve the agenda*. Councilmember Ely seconded the motion. Votes were eight (8) **for** and zero (0) **opposed** with zero (0) **abstentions**. **MOTION PASSED**

CONSENT AGENDA

Following items were on the consent agenda:

1. Approval of Minutes: July 31, 2023 Special Owner's Meeting
2. Approval of Minutes: August 9, 2023 Special Owner's Meeting
3. Approval Ratification of Poll Vote Amendment NUMU Inc. Charter Members Appointed Resolution.

Vice Chairman Wadsworth requested to pull #1 for discussion.

Councilmember Davis requested to pull #2 for discussion.

Councilmember Ely motioned to *approve #3. Ratification of Poll Vote Amendment NUMU Inc. Charter Members Appointed Resolution*. Councilmember Guerrero seconded the motion. Votes were eight (8) **for** and zero (0) **opposed** with zero (0) **abstentions**. **MOTION PASSED**

#1. Approval of Minutes: July 31, 2023, Special Owner's Meeting.

Vice Chairman Wadsworth said he was listed as being in attendance but was absent from this meeting.

Councilmember Davis thought it was Kip Ritchie that was in attendance via zoom instead of the CEO Scott Eldredge. It was confirmed to be CEO Scott Eldredge who was present via zoom.

Councilmember Genevieve John questioned why both her and Councilmember Dunn were listed as being late but only she was listed as being present in attendance at the top of the minutes. Tribal Secretary Henry will confirm and correct.

Councilmember Gonzales requested the changes on page 10, paragraph 7, where she was speaking. Changes as follows, "Councilmember Gonzales said when she got on in 2021, *Tribal Council* asked for more meetings, different CEO, different things, *and* different accountability. The *Tribal Council* had a lot of meetings on the PCC, and it is sad to see a lot of money *was spent* on lawyer fees for *this project to start, to start* small and have something economical for the people. *NUMU Inc.* was moving forward and when then the new Council came on, they did not hear anything, and blamed NUMU Inc. That was on the Tribe because at the time, the *Tribal Council*, and the last Chairwoman, said *Tribal Council* could not speak with NUMU Inc. *NUMU Inc.* was limited, they could not do much except report to Council. It is unfortunate because *the Tribal Council* put them down when *NUMU Inc.* was not even able to conduct business. It is sad *the Tribal Council* blames them economically, but they are also a part of it. "

Councilmember Davis motioned to *approve item #1. July 31, 2023, Special Owners Meeting Minutes as corrected*. Councilmember Guerrero seconded the motion. Votes were six (6) **for** and zero (0) **opposed** with two (2) **abstentions** (Ely, Wadsworth). **MOTION PASSED**

Item #2. Approval of Minutes: August 9, 2023, Special Owner's Meeting

Councilmember Davis said when they came out of Executive Session there was a motion that was left off regarding the motion to amend the NUMU Inc Charter Board of Director's from 7 to 5 which was made by Vice Chairman Wadsworth. In researching this request Tribal Secretary Henry found there was no motion made, there was a consensus that a motion was not needed and there would be a poll vote regarding the resolution stating the change from 7 Board members to 5 on the NUMU Inc. Board of Directors and it would then be ratified at the August 17th Special Owner's meeting.

Councilmember Ely motioned to *approve #2. July 9, 2023, Special Owner's Meeting Minutes*. Councilmember Davis seconded the motion. Votes were eight (8) **for** and zero (0) **opposed** with zero (0) **abstentions**. **MOTION PASSED**

Vice Chairman Wadsworth explained to the audience the resolution that was ratified in the consent agenda was to reduce the number of members on the NUMU Inc. Board from seven (7) to five (5).

Chairman Phoenix acknowledged the two (2) remaining Board members: Laticia Burke and Brandon Serawop.

NEW BUSINESS

1. Owner's Meeting NUMU Inc. Board of Directors.

Chairman Phoenix acknowledged he received two (2) resignation letters, from Debra Harry, NUMU Inc. Chairperson and Gary Shaw, NUMU Inc. Vice Chair.

Councilmember Brady wanted to make clear, because of the timing of the Chairman's letters to the Board members who were removed and the receipt of the Board Chairperson and Vice Chair's resignations, the public needs to know the timeline.

Councilmember Ely agreed, it is an important technical point of when they received the letter via email and when they submitted their resignations.

Councilmember Gonzales said once they received the letter to inform them of why they were removed they were allowed due process.

Councilmember Guerrero stated per the charter there is no due process.

Chairman Phoenix explained per the charter it says owners may remove any one or more without cause.

Councilmember Gonzales asked since they are replacing positions anyways, why did they not just accept the resignations.

Councilmember Guerrero said they cannot accept it because the Owners already removed them with the letter.

Chairman Phoenix announced NUMU Inc. Board of Director members who were removed from the Board were: Debra Harry, Chairperson, Gary Shaw, Vice Chair, and Kip Ritchie Board member.

Councilmember Gonzales asked if the Chairman could state why they were removed because she did not agree with the decision.

Chairman Phoenix read an excerpt from the letter to the removed Board members, "given that NUMU Inc Board has failed to comply with its business manager's responsibilities, meeting responsibilities, reporting responsibilities and has failed to convey the Pyramid Lodge property, Tribal Council has determined their removal is within its power and it's the best course of action."

Councilmember Davis nominated Steven Wadsworth, Edward Ely III, and Della John to fill the vacant three positions on the NUMU Inc. Board of Directors.

Genevieve John seconded the nomination.

Vice Chairman Wadsworth stated he volunteered, and he did not want to be on the Board, but this is a special circumstance because of the lack of action and getting the land conveyed over to the Tribe where it rightfully belongs. The Council and the public were tired of the Board not taking action and the Tribal Council was

frustrated which led to this drastic cause of them removing members to get the property conveyed to the Tribe.

Councilmember Ely agreed with the statement by Steven Wadsworth.

Votes were five (5) for, zero (0) opposed with three (3) abstentions (Ely, Wadsworth, Della John). **MOTION PASSED.**

Rutilio Lara, in the audience commended Tribal Council for acting and stepping up to make sure the Board was held accountable.

Councilmember Guerrero asked when will they put out vacancies for new Board members?

Vice Chairman Wadsworth said it would be up to the Board, they will have to figure out staggering the members again.

Councilmember Gonzales said she would like to see the positions opened for those positions that nobody wants to fill, the treasurer and secretary so nobody gets blamed for the minutes not being done and hopes there will be economic development moving forward.

Vice Chairman Wadsworth said Councilmember Harriet Brady is still the Ex-Officio on the Board.

Councilmember Brady said to rephrase Councilmember Gonzales' statement, once chosen for the Board, they elect from within for the treasurer and secretary, they do not post for a specific position. There were contracts in place with an agreement that when there was not a secretary in place, that contractor would do the minutes. Noted there are no details in the minutes showing Tribal Council Ex-Officio input, there was hardly any reflection in the minutes on how decisions were made, and being the Ex-officio, it gives the appearance of silence is condoning. It was difficult sitting in the meetings when the Board does not want information released.

Councilmember Ely stated that now that he was appointed to the Board, one of his first thoughts is to find out how much funds there are, where is the Tribe's investments and what are the costs. How are they going to sustain or if they are going to sustain business and he will divert back to the open meetings. There were comments in the audience at the time when NUMU Inc. did not seem to know how much funds they had and did not know their finances, did not know what direction they were going and there were a lot of questions, he felt they could not answer. They need to get those answers before they pursue another business avenue. He was a strong proponent of some of those questions on accountability and that is the reason he accepted the position to be on the Board. He will do his best to be transparent and if the previous NUMU Inc. Board took over a mess, they should have stood up and said from this day forward they will try to fix it but now the Tribe has a mess, and they will try to fix it.

Councilmember Guerrero said priority number one for the new Board members is only to get the conveyance done, then once they open the Board up, they can run the business and get other members on the Board.

Ms. Burke and Mr. Serawop had already tentatively scheduled a meeting for the following Thursday, August 24th. Ms. Burke said she has already requested finances and contracts to ensure everybody is on the same

page, so they know what and why things are being paid. The meeting was originally scheduled for that day, August 17th but Mr. Eldredge cancelled.

Councilmember Brady said Mr. Eldredge asked Mr. Reybear if the meeting could go forward because there was a concern of trying to approve some of the minutes with both Ms. Burke and Mr. Serawop just coming on the committee. Mr. Reybear said they would have a quorum with their remaining members because of the circumstances. She tried asking Mr. Eldredge to keep the meeting in place so they could move things forward but then there were emails going back and forth and not everyone was in the loop and so she forwarded the emails to Ms. Burke and Mr. Serawop. Back in June she did ask for the documents they were waiting for, the contracts, the invoices, the meeting minutes, and a list of what was completed. As for the minutes, they were waiting to be approved. She did ask for copies of the completed revised minutes but those kept getting pushed to the next meeting. She recommends they have a forensic audit.

Councilmember Brady made a motion *as owners to request a forensic audit*. Councilmember Ely seconded the motion. Votes were six (6) for, one (1) opposed (Gonzales) and one (1) abstention (Guerrero). **MOTION PASSED.**

Councilmember Guerrero asked regarding the forensic audit, is there someone specific, or do they have to put out an RFP? What are they looking for or is this an audit of all the books?

Councilmember Gonzales said the money is a concern, how are they going to pay for it.

Councilmember Davis said the members that were on the Board haven't always been on the NUMU Inc. Board, there have been other people who have been on the board from 1 to 4 years, so there needs to be accountability across the board.

Councilmember Guerrero stated he thinks they only need to audit certain items and not the whole financial books.

Councilmember Ely said he is stepping into a new position, a fiduciary responsibility position, and he would like to know where the Board is financially. As he previously said three months ago when they had an open Council meeting with them, he does not believe the NUMU Inc. Board knew where they were financially or what was owed to them. Justin Greenberg owes them a certain amount of money and they could not tell them to the penny what was owed, and an audit would clarify it. There are those graduated rent payments that would have increased when he made a certain threshold of income of \$300-500,000.

Councilmember Gonzales asked are they going to have an audit for every time a new person comes on because the Tribal Council or administration has not had one done either.

Councilmember Ely said his understanding is when a new financial person comes on and the hands off is clean and the Board is fine with it, there is no reason for one. If there are questions, they can call for a forensic audit and it should be granted if they can afford it and if not, there should be reasons why they do not want a forensic audit. He is not comfortable with that and would like to be on record that from this day forward whatever occurred before he got on the Board he is not responsible for it. Is it fair?

Councilmember Gonzales said just like Council, they do not have control of the deal that was done or how it was done.

Councilmember Ely said they have the responsibility to the membership to figure out and to try and fix the issues. For two and a half years they have been asking questions and have not had much success, they asked for the title of the lodge and have not had success in getting that either and that is the main reason they are here now.

Vice Chairman Wadsworth said that is correct, they did this action to clean up the mess and with the three new members they are committed to fixing it and then removing themselves because at their level they need to remove themselves from the business dealings. No good business has happened, so they need to step in to clean it up.

Councilmember Guerrero asked if the Board could make the recommendation for the audit instead of Council.

Chairman Phoenix said the owners can recommend but it will be up to the Board to initiate it. He agrees with Councilmember Ely about having a clean slate before taking over when it comes to not knowing what occurred before.

Vice Chairman Wadsworth agreed this is different, but he understands what Councilmember Gonzales is saying. It is different in this case because they do not have a good record of what has happened for anything, the land transaction, or the minutes so they could go back to review.

Councilmember Guerrero added it was mentioned by Ms. Thomas, their attorney, that resolutions do not mean anything to an attorney, it is not an agreement. It is up to the Board to now follow-up.

Councilmember Davis added they do need to vote on the forensic audit because Council did talk about it last year and at the beginning of the year when Brian Wadsworth was still the NUMU Inc. Treasurer, when he came before Council and said they were working on their audit. Both NUMU Inc. and Justin Greenberg were using the same auditor. The Tribal Council talked about it, but they did not follow through. If Council is still talking about this forensic audit, they need to do it and if the new Board says they need to go back to day one then they go back to day one.

Councilmember Brady said it is not up to the Board, this is their responsibility as owners.

Vice Chairman Wadsworth said from what the Ex-officio has reported and from what they have heard from the Board, NUMU Inc and the Council has asked for the forensic audit, and nothing has been done. Now all five members are on the same page as the Council to get it done, so maybe it needs to stay with the Board.

Councilmember Gonzales said that is the reason for the boards, they are there for a reason and the Tribe needs to keep the separation and not micromanage.

Councilmember Brady responded it's not micromanaging; they have a fiduciary responsibility to their citizens.

Ms. Burke said they all need to know, including the new Board members because she has been stuck on trying to deal with the things that happened in the past when she came on and kept thinking it needs to get done but was getting push back or was told it's not a big deal that it would be dealt with later the whole time she has been on the Board and it was frustrating.

Councilmember Gonzales said she opposed it, because it should be a Board decision on requesting a forensic audit.

Reiterating the vote for the forensic audit. Votes were six (6) for, one opposed (Gonzales) with one (1) abstention (Guerrero).

ADJOURNMENT

With no further business before the owners, Councilmember Genevieve John made a motion to adjourn the meeting. The motion was seconded by Councilmember Gonzales. Votes taken were all in favor, **motion carried.**


The meeting adjourned at 5:47 p.m.

Submitted by,


Brenda A. Henry
Tribal Council Secretary

CERTIFICATION

The foregoing minutes were adopted by the Pyramid Lake Tribal Council, governing body of the Pyramid Lake Paiute Tribe, at a meeting duly held on the **15th** day of **September 2023**, having **ten (10)** members present, constituting a quorum, by the vote of **nine (9)** FOR and **zero (0)** OPPOSED, with **zero (0)** ABSTENTIONS.

Minutes attested and concurred by: 
James J. Phoenix, Tribal Chairman
Pyramid Lake Paiute Tribal Council

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