MEMORANDUM OF AGREEMENT Between THE SQUAXIN ISLAND TRIBE And

THE WASHINGTON STATE LIQUOR CONTROL BOARD CONCERNING AUTHORIZATION OF LIQUOR SALES

I. Parties

The Parties to this Memorandum of Agreement ("MOA") are the Squaxin Island Tribe (the "Tribe), and the Washington State Liquor Control Board (the "Board") (collectively "the Parties").

The Tribe is a federally recognized Indian tribe possessed of the full sovereign powers of a government. The Tribe and its wholly-owned enterprises operate on the Tribe's reservation and trust lands (hereafter 'Indian Country").

The Washington State Liquor Control Board is an executive department of Washington State government operating under the authority of the Governor, with statutory authority with respect to liquor licensure and operations under Title 66 RCW.

II. Purpose

The introduction, possession and sale of liquor on Indian Reservations have, since treaty time, been clearly recognized as matters of special concern to Indian tribes and to the United States federal government. Federal law currently prohibits the introduction of liquor into Indian Country, leaving tribes the decision regarding when and to what extent liquor transactions shall be permitted.

The Parties share a strong interest in ensuring that liquor sales in Indian Country are well-regulated to protect public safety and community interests. The Parties have entered into this MOA in order to strengthen their ability to meet these mutual interests.

The Parties acknowledge that pursuant to federal law, 18 U.S.C. § 1161, the federal prohibition on sale of liquor in Indian Country shall not apply to any act or transaction within any area of Indian Country provided such act or transaction is in conformity both with the laws of the State in which such act or transaction occurs and with an ordinance duly adopted by the tribe having jurisdiction over such area of Indian Country, certified by the Secretary of the Interior, and published in the Federal Register. The Tribe has adopted a

liquor ordinance which was certified by the Secretary of Interior and published in the Federal Register on April 10, 1981.

The Parties further acknowledge that within the framework of federal Indian law, tribal law and state law, there are uncertainties and unsettled issues regarding jurisdiction, licensing, enforcement and other matters essential to the proper regulation of liquor sales in Indian Country.

The Parties therefore agree that it is in the best interests of the Tribe and the Board, on behalf of the State of Washington, that they enter into an agreement to provide certainty and cooperation in this area of mutual concern.

This MOA is intended to provide a general framework for government-to-government cooperation and coordination regarding the sale of liquor by the Tribe and its wholly-owned enterprises in Indian Country.

III. Definitions

- A. Board means the Liquor Control Board and its staff.
- B. Indian Country means the lands of the Squaxin Island Tribe as defined by 18 U.S.C. § 1151, including the Squaxin Indian Reservation and all lands held in trust by the United States for the Tribe or its members.
- C. SITC means the Squaxin Island Tribal Code.
- D. MOA means this Memorandum of Agreement.
- E. Parties mean the Board and the Tribe.
- F. Tribal Enterprise means a wholly-owned business enterprise of the Tribe.
- G. Tribal Member means an enrolled member of the Squaxin Island Tribe.
- H. Tribally-Licensed Business means a business licensed, but not wholly-owned, by the Tribe pursuant to tribal law.
- I. Tribe means the Squaxin Island Tribe.
- J. Little Creek Casino Resort, Casino, or LCCR refer to the gambling, event center, hotel, and golf facilities operated under that name, including the Salish Cliffs Golf Club and Skookum Creek Event Center.
- K. Kamilche Trading Post, or KTP refers to the convenience store and gas station located at 61 W State Route 108, adjacent to the Little Creek Casino Resort. For purposes of

Exhibit B, Kamilche Trading Post or KTP also refer to Frank's Landing, a convenience store and tobacco shop located at 11107 Conine Avenue SE, Olympia and Steamboat Trading Post, a convenience store and gas station located at 6610 Sexton Rd NW, Olympia.

IV. Terms of Agreement

A. Liquor Licensing.

- Tribe and Tribal Enterprises. The Parties agree that the State's licensing process does
 not sufficiently address unique jurisdictional and other matters that arise in Indian
 Country under federal and tribal law and that the Parties have a longstanding
 disagreement with respect to the application of state law to Tribal liquor sales.
 Therefore, the Parties agree that in lieu of maintaining and/or obtaining one or more
 state licenses for the sale of liquor in Indian Country, the Tribe and its Tribal
 Enterprises shall hereafter make liquor sales in Indian Country pursuant to the terms
 of this MOA.
- 2. Tribal Members and Tribally-Licensed Businesses. Tribal Members and Tribally-Licensed Businesses located in Indian Country will comply with all applicable State licensure requirements and State law, and prior to issuance of any State license, will obtain approval from the Tribe to sell liquor in Indian Country pursuant to tribal law. No enterprise owned and operated by a Tribal Member or Tribally-Licensed Business shall be considered a "location" for purposes of this MOA.

The Parties agree that should the Tribe wish to license an entity in Indian country that is owned jointly by the Tribe and others, the Parties will attempt in good faith to negotiate an amendment to this agreement to treat the entity as a location and a Tribal Enterprise.

In this situation, as part of the good faith effort, the Tribe will disclose their licensing requirements to the Board and if determined to be comparable to the Board's licensing requirements, the Board will not unreasonably withhold their agreement. The specific licensing issues of concern are as follows:

A criminal and administrative violation (liquor violations) history check on the entity principals to ensure that those that exercise control either directly or financially do not have a criminal or violation history that demonstrates a disregard for laws and regulations and thus is a threat to public safety.

An investigation into the financial background of any entity other than the Tribe sufficient to ensure that the finances are legally obtained. This investigation is intended to prevent criminal or any other element which is a threat to public safety to be in control of a liquor licensed location.

In no case will this type of jointly (non-tribal/tribal) owned business be allowed the sale of packaged spirits as part of the license, due to the agreement regarding the 17% license fee for a tribal entity in Subsection IV(C)(6) of this MOA.

B. Locations of Sales.

1. Current Locations. The Tribe and Tribal Enterprises currently make liquor sales in Indian Country at the following location(s) under the state license(s) specified below:

a. Tradename: Little Creek Casino Resort

License Number: 400381

License Type: Sports Entertainment Facility

Address: 91 W State Route 108, Shelton, WA 98584

b. Tradename: Kamilche Trading Post #1

License Number: 072069

License Type: Grocery Store/CLS Spirits Retailer/Wine Retailer Reseller

Address: 61 W State Route 108, Shelton, WA 98584

c. Tradename: Little Creek Casino

License Number: 079258 License Type: Hotel

Address: 91 W, State Route 108, Shelton, WA 98584

d. Tradename: Salish Cliffs Golf Club

License Number: 408003

License Type: Spirits/Beer/Wine Restaurant Lounge with plus 50% dining

Address: 91 W, State Route 108, Shelton, WA 98584

The Parties agree that liquor sales currently allowed pursuant to the licenses specified above, as well as additional liquor sales not currently authorized under such licenses that the Tribe and its Tribal Enterprises may wish to add or modify at these or other locations in the future, shall hereafter be governed by the terms of this MOA in lieu of otherwise applicable state law. The Parties further agree that when this MOA becomes effective that the "fee MOA" dated September 25, 2012 shall be superseded by this MOA and terminated.

2. New or Expansion of Current Locations. The Tribe and Tribal Enterprises may amend or expand the locations where liquor is sold and/or served as listed in subsection

(B)(1) in accordance with the terms set forth in this MOA. The Tribe and its Tribal Enterprises shall notify the Board in writing of the addition of a new location for sale or service of alcohol and/or the addition of new privileges at an existing location. For new locations within the footprint of an existing facility or for the addition of new privileges at an existing location, said notification shall be provided at least 30 days prior to the effective date of said change. For new locations outside the footprint of an existing facility, said notification shall be provided at least 60 days prior to the effective date of said change. The information to be provided will include:

- a. The identity of the entity which is operating the facility;
- b. Location of the premises;
- c. Certification that the premises is located in Indian Country;
- d. Certification to the Board by the Tribe that the Tribe has adequately addressed the issues necessary to prevent the misuse of alcohol and prevent minor access to alcohol at the locations pursuant to subsection (C)(2) and (3) below; and
- e. An update to the Tribe's Operating Plan referenced in subsection (C)(2) and (3) below.
- f. If the new location is outside the original footprint, provide policing details in Exhibit B, section (B)(3).
- g. If the new location has off-premises sales and there is a drive-through window, the Tribe will provide verification that no liquor sales will take place through the drive-through window in Exhibit B, section (B)(3) or indicate its intent to make such sales. If the Tribe's intent is to make such sales, the Tribe and the Board agree to enter into negotiations regarding drive-through window sales. If the Parties are unable to resolve the issue, either Party may invoke the dispute resolution provisions of Section IV(F) of the MOA. Because of the possible length of the dispute resolution process, the Board will continue to move forward with the approval process for the new service location and the Tribe acknowledges that no sales will take place through the drive-through window until there is resolution on the drive-through window issue and the resolution is in their favor.

The Board will do the following:

- a) Determine if the additional location necessitates fee re-negotiation.
- b) Notify the appropriate parties in Enforcement to determine impact.
 - 3. Without resolving jurisdictional questions that may arise, the Board and the Tribe agree that it is in the best interests of both Parties that notice be provided to

neighboring jurisdictions prior to the opening of a new location where liquor sales will be made.

- a. When the Tribe or its Tribal Enterprises proposes to open an additional location at a new and unique address in Indian Country, the Board will provide written notice to the city, or if outside city limits, the county in which the sales will occur. The Tribe agrees to make contact with the city or county about the new location and will notify the Board of said contact. The Board and the Tribe agree that the primary purpose of the contact/notice is to facilitate an exchange of information that may be helpful to all parties concerned in addressing unanticipated impacts with the understanding that such notice related to Indian Country is primarily a matter of intergovernmental courtesy.
- b. When any other business operating in Indian Country applies for a liquor license, the Board agrees that such license will not be granted without the business first obtaining express written consent of and licensure by the Tribe, as required by the SITC.

C. Tribal Authority and Jurisdiction

- 1. Conditions. Without determining the scope of the legal authority of either party to regulate the sale of liquor by the Tribe in Indian Country, the Parties agree that it is in the mutual interest of the Tribe and the Board that the Tribe and its Tribal Enterprises be authorized to sell liquor under the terms of this MOA. Therefore, when the following conditions are met, the Board agrees that for the purposes of Title 66 RCW, and related provisions of state law, the Tribe and its Tribal Enterprises will be treated as holding the necessary authority to make liquor sales. To the extent necessary, the Board agrees to work with the Tribe and with any third parties to assure such third parties that the Tribe is legally authorized to purchase and sell liquor pursuant to the terms of this MOA.
- 2. Liquor Sales Authority. The Board agrees the Tribe and its Tribal Enterprises are authorized to sell and/or serve liquor in Indian Country provided they have submitted an approved Operating Plan containing the following elements:
 - a. The location, nature, and times of liquor sales (see Exhibit A);
 - b. The training of staff involved in liquor sales. It is required that persons responsible for serving alcohol for on-premise consumption possess a Mandatory Alcohol Server Training (MAST) permit (see Exhibit B);
 - c. A regulatory enforcement and compliance plan (see Exhibit C);

- d. Consideration of proximity of alcohol sales to a school, church, or non-tribal public institution;
- e. Confirmation that the land on which alcohol sales are to occur is Indian Country (see Exhibit D);
- f. Any lease, purchase, partnership or franchise agreement with a non-tribal entity which directly relates to the location where alcohol is sold or served;
- g. A copy of the Tribe's ordinance permitting the sale of liquor in Indian Country (see Exhibit E); and
- h. Other information as deemed necessary by agreement between the Board and the Tribe.
- 3. On-Premise Consumption. In addition, for locations providing liquor service by the drink for on-premises consumption, the Tribe shall include in its Operating Plan the following factors, as applicable to each particular location:
 - a. The location, nature, and times of alcohol and food service (see Exhibit A);
 - b. A description of how the Tribe will prevent the sale of alcohol to persons under 21 years of age and those who appear to be intoxicated (see Exhibit B);
 - A security plan. Those serving alcohol must at minimum possess a valid Mandatory Alcohol Server Training permit (see Exhibit B);
 - d. The nature of any special events or entertainment events hosted on the premises including security and alcohol service plans for these events (see Exhibit B); and
 - e. Any other special conditions considered necessary to protect public safety based on the type of events to be held at Tribal facilities.
- 4. Consultation and Agreement on the Operating Plan. In consultation with the Tribe, the Board will then determine if the Tribe has met the public safety requirements consistent with Title 66, RCW and Title 314 WAC together with the provisions of this MOA. The Board acknowledges that no one license type under Title 66 RCW is applicable to the Tribe's operations and that one purpose of this MOA is to allow flexibility with respect to Tribal operations. The Tribe and the Board agree that consultation with respect to the Operating Plan will occur in good faith and the Board's approval will not be unreasonably withheld. The Board will make every effort to accommodate Tribal interests as reflected in the Tribe's proposed Operating Plan

and any disapproval will include a clear explanation of the decision, its necessity in order to prevent misuse of alcohol and sale or service to minors, and proposed alternatives. If the Tribe objects to the disapproval or to approval of any conditions imposed by the Board, it may invoke the dispute resolution provisions of subsection (F). The Board hereby approves the initial Operating Plan as attached as Exhibit A and the Safety and Training Provisions as attached as Exhibit B.

- 5. Annual Payment to the Board. The Tribe agrees to pay the Board \$6,576 annually in lieu of any license fees. This annual fee shall be due July 1 of each year this MOA is in effect. For the payment due July 1, 2013, the Board shall credit the Tribe, on a pro rata basis, all payments already made for its existing licenses that cover any period on or after July 1, 2013. Either party may invoke a renegotiation of this fee based on substantial changes to the Operating Plan (Exhibit A) or the Enforcement/Compliance Plan (Exhibit C) where said changes substantially modify the regulatory effort required by the Board. Notice by the party requesting renegotiation of this annual fee will include a written reason for the request.
- 6. Spirits Retailer Fees. The Board agrees that in lieu of the spirits retailer license fees imposed by RCW 66.24.630, the Board will accept payment as under subsection IV(C)(5) of the MOA and will not impose nor pursue collection of such licensing fees/taxes on sales by the Tribe and the Tribal Enterprises. In the event that new licensing fees or taxes on Spirits Retailers are added, or the existing licensing fees/taxes are modified, repealed, or replaced, as the result of legislation, initiative, referendum, court decision or otherwise, the Parties agree that the fee for services as outlined herein and in the MOA shall remain in effect pending agreement of the Parties to a revised fee for regulatory services as the Parties agree is appropriate under the circumstances and that the Board shall not impose nor pursue collection of the new fees and taxes on sales by the Tribe and the Tribal Enterprises. The Parties agree to meet and pursue discussions of the applicability of any new fees or taxes on an expedited basis.
- 7. DOR Suspension Requests. The Parties acknowledge that Chapter 39 of the 2012 Washington Session Laws (HB 2758) provides that the Department of Revenue ("Department") may request that the Board suspend a taxpayer's spirits license if the Department determines that a taxpayer is more than thirty days delinquent in reporting or remitting spirits taxes. The Board asserts that a failure by the Tribe to pay a spirits tax alleged to be due and owing by the Department would constitute a breach of this MOA. However, the Tribe disagrees that such a result would necessarily ensue and preserves its right to dispute any tax assessment by the

Department without penalty under this Agreement and to prove in dispute resolution proceedings under this Agreement that the Board's licensing authority under 18 U.S.C. s. 1161 does not allow the Board to prohibit Tribal liquor sales or purchases by reason of asserted state tax noncompliance. In the event that the Board believes that the Tribe has failed to remit a spirits tax that the Department asserts to be validly and legally due and owing, the Board will notify the Tribe in accordance with Part V of the MOA. Within 90 days of the date of the notice, the Parties agree to meet and confer in an effort to resolve the issue consistent with any related settlement between the Tribe and Department or determination by a court of competent jurisdiction regarding the underlying tax assessment. If the Parties are unable to resolve the issue within six months of the date of the notice, either Party may invoke the dispute resolution provisions of Section IV(F) of the MOA.

- 8. Reporting Requirements. In the event an LCB audit of a distributor or other supplier to the Tribe reveals a discrepancy that can best be reconciled through comparison to the Tribe's sales records, the Tribe agrees, on LCB's reasonable request, to provide a detailed summary of its purchases from that supplier for the relevant time period, including date, amount, brand, and price. Such summary shall serve in lieu of submission of any mandatory reporting form(s) required of other spirit retail license holders.
- 9. Sponsorships/Advertising. The Board acknowledges and agrees that in lieu of holding any specific licenses under state law, the Tribe will be subject to the terms of this MOA. However, should the Tribe wish to enter into arrangements with a manufacturer, importer, or distributor for brand advertising and/or promotion of events at the Tribe's events center that, absent this MOA, would typically be regulated as part of a specific license, the Tribe will be allowed to enter into such arrangements upon the prior approval of the Board. This MOA grants the Tribe privileges afforded Sports Entertainment venues of 5,000 seats or more under RCW 66.24.570(6).
- D. Enforcement. The Parties shall handle enforcement issues in accordance with Exhibit C.
- E. Conditions and Limitations. The Board and the Tribe agree to the following conditions and limitations:

The Tribe agrees sales of liquor by the Tribe and its wholly-owned enterprises will conform to Title 66 RCW to the extent required by 18 U.S.C. §1161. The Tribe will comply with RCW 66 and WAC 314 except as stated herein. To the extent any terms in this MOA conflict with RCW 66 or WAC 314, the terms of this MOA shall control. The

Parties agree that RCW 66.24.010(2) which provides for criminal background checks of applicants is inapplicable to the Tribe and its Tribal Enterprises. Any other exemptions from statute must be negotiated individually between the Tribe and the Board.

F. Dispute Resolution.

- 1. Neither the Tribe, nor the Board, nor officers acting on either government's behalf, may petition any court to enforce this MOA unless (a) the dispute resolution process described in subsections (a) through (d) below has been followed in good faith to completion without successful resolution or (b) the other party fails to enter into the dispute resolution process. Should a dispute arise between the Tribe and the Board upon an issue of compliance with the MOA by either government, or by their officers, employees or agents, the Tribe and Board shall attempt to resolve the dispute through the following dispute resolution process:
 - a. <u>Notice</u>. Either party may invoke the dispute resolution process by notifying the other, in writing, of its intent to do so. The notice shall set out the issues in dispute and the notifying party's position on each issue.
 - b. Meet and Confer. The first stage of the process shall include a face-to-face meeting between representatives of the two governments to attempt to resolve the dispute by negotiation. The meeting shall be convened within 30 days of the date of the written notice described in subsection (a). The representatives of each government shall come to the meeting with the authority to settle the dispute. If the dispute is resolved, the resolution shall be memorialized in a writing signed by the parties.
 - c. Mediation. If the parties are unable to resolve the dispute within sixty (60) days of the notice sent under subsection (a) above, the parties shall engage the services of a mutually agreed upon qualified mediator to assist them in attempting to negotiate the dispute. Costs for the mediator shall be borne equally by the parties. The parties shall pursue the mediation process in good faith until the dispute is resolved or until the mediator determines that the parties are not able to resolve the dispute. If the parties cannot agree on a format for the mediation process, the format shall be that directed by the mediator. If the dispute is resolved, the resolution shall be memorialized by the mediator and shall bind the parties.

d. Arbitration

- i. If a party terminates the process before completion, or if the mediator determines that the dispute cannot be resolved in the mediation process, or if the dispute is not resolved within one hundred and twenty (120) days of the date the mediator is selected, either party may initiate binding arbitration proceedings under the rules of the American Arbitration Association ("AAA"), but AAA need not administer the arbitration. If the arbitrator determines that a party is in substantial violation of a material provision of this MOA, and such violation is not or cannot be cured within thirty (30) days of the arbitrator's decision, then the other party may terminate this MOA with sixty (60) days written notice.
- ii. In the event that the Tribe disagrees with any final order of the Board pursuant to Exhibit C, Section B (3)(a)(iii)(b) the Tribe may, within thirty (30) days of the Board's decision, initiate binding arbitration proceedings under the rules of the American Arbitration Association ("AAA"), but AAA need not administer the arbitration. Initiation of binding arbitration must be based on a final order issued by the Board and said arbitration is intended to substitute for judicial review of Board actions provided for in RCW 34.05, Part V of the Administrative Procedures Act. Initiating such arbitration will stay the Board's action at issue in the arbitration. The Tribe may present to the arbitrator that the Board's decision was inappropriate in light of mitigating circumstances or otherwise, and the Board may present extenuating circumstances or otherwise defend its decision. The arbitrator's decision to uphold, reject, or amend the Board's decision shall be final and binding on the parties.
- iii. Each party shall bear its own legal costs incurred under either subsections (c) or (d), and all costs of the arbitrator shall be shared equally. The arbitrator's authority under this MOA extends solely to disputes arising under this MOA. The arbitrator shall confine her inquiry to whether a breach of this MOA has occurred, and whether the breach is a substantial violation of a material provision. The arbitrator shall have no authority to award monetary damages. If, at any time after the effective date of this MOA, the Board enters into an agreement, compact, consent decree, or other arrangement with any other federally recognized Indian tribe, of or relating to the regulation of liquor in Indian country which includes a "most favored nation" provision, then, upon the Tribe's written request, this MOA shall be

amended to include such provision. A "most favored nation" provision is defined as language by which the Board agrees to accord the tribe the same favorable terms that are offered in later agreements with any other tribe. This shall not be construed to require that the Board offer the tribe the option to receive the same terms offered to every tribe, in the absence of a most favored nation provision in the MOA.

- 2. In any action filed by a third party challenging either the Tribe's or the State's authority to enter into or enforce this MOA, the Tribe and the State each agree to support the MOA and defend each of their authority to enter into and implement this MOA; provided, that this provision shall not be construed as a waiver of the sovereign immunity of the Tribe or its Tribal Enterprises.
- G. Sovereign Immunity. The Board agrees that the signing of this MOA by the Tribe does not imply a waiver of sovereign immunity by the Tribe or its Tribal Enterprises and is not intended by the Tribe as a waiver of sovereign immunity and that any action by the Board in regard to liquor sales by the Tribe shall be in accord with this MOA.
- H. No Limitation. The Parties agree that the signing of this MOA and the resultant benefits and obligations shall not be construed as limiting any otherwise lawful activity of the Tribe or its Tribal Enterprises nor subject the Tribe or its Tribal Enterprises to any state jurisdiction not agreed to in this MOA.
- I. Updated Information. The Tribe and its Tribal Enterprises will review all Operating Plans on an annual basis and notify the Board of any substantial changes in the plan or procedures. This review is in addition to the notification of changes in the service of alcohol reference in subsection (B)(2).

V. Communication and Notice.

A. Designated Contacts. The Parties agree to maintain regular and open communication regarding the administration and implementation of this MOA. The Parties agree that the following individuals will be designated primary contacts regarding administration of this MOA:

For the Liquor Control Board:

Rick Garza

Deputy Administrator Liquor Control Board 3000 Pacific Avenue SE Olympia, WA 98504-3080

rjg@liq.wa.gov 360-664-1650 Lisa Reinke
LCB Enforcement Captain
Roberson Building, Ste 208
6240 Tacoma Mall Blvd
Tacoma, WA
98409-6819
lar@liq.wa.gov
253-471-4582

For the Tribe:

Michael Starr, CEO Little Creek Casino Resort 91 W State Route 108 Shelton, WA 98584

Kelly Croman, CEO Island Enterprises Inc. 3591 SE Old Olympic Hwy Shelton, WA 98584

The Parties agree that if either party believes that the goals and objectives of this MOA are not being met, that they will meet promptly to discuss any issues and concerns.

B. Notice. Any notice that may be or is required to be sent under this MOA shall be sent as follows:

If to the Liquor Control Board:

Deputy Administrator Liquor Control Board 3000 Pacific Avenue SE Olympia, WA 98504-3080 With a copy to:

LCB Enforcement

Captain Lisa Reinke

Roberson Building, Ste 208 6240 Tacoma Mall Blvd.

Tacoma, WA 98409-6819

If to the Tribe:

Chairman David Lopeman

Squaxin Island Tribe 10 SE Squaxin Lane Shelton, WA 98584

With a copy to:

Squaxin Island Legal Department

3711 SE Old Olympic Hwy

Shelton, WA 98584

Island Enterprises Inc. 3591 SE Old Olympic Hwy

Shelton, WA 98584

VI. Effect, Duration, and Amendment

- A. While the Parties intend to reach a perpetual agreement related to licensing of tribal liquor sales, this MOA shall remain in effect for an initial term of five (5) years unless the Parties mutually agree in writing that the MOA should be vacated or terminated and superseded by a new MOA between the Parties within that time frame. Should the Parties fail to negotiate a perpetual agreement during initial term of this MOA, the MOA shall automatically renew for additional one-year periods unless either party provides written notice to the other, no later than 120 days before the expiration of the then current one-year period, that they wish to modify the terms of the MOA.
- B. Amendment. No amendment or alteration of this MOA shall arise by implication or course of conduct. This MOA may be altered only by a subsequent written document, approved by the Parties, expressly stating the Parties' intention to amend this MOA.

This MOA is hereby made this 8 day of	May , 2013
Sharon Hoster	Dani Som
Sharon Foster, Board Chair Washington State Liquor Control Board Purman Kurre	David Lopeman, Chairman Squaxin Island Tribe
Ruthann Kurose, Board Member Washington State Liquor Control Board	
Chris Marr, Board Member Washington State Liquor Control Board Let Kohlu	
Pat Kohler, Agency Administrative Director	

Washington State Liquor Control Board

Amendment to Memorandum of Agreement with The Squaxin Island Tribe to add a service location at:

Franks Landing 11107 Conine Ave SE Olympia WA 98513

The Tribe has met the Terms of Agreement to add a new alcohol service location per Section IV, B, 2.

Licensing recommends approval of this request, please indicate your agreement by signing below.

This MOA Amendment is hereby made this 1977 day of 1974, 2014.

Sharon Foster, Board Chair

Washington State Liquor Control Board

Ruthann Kurose, Board Member

Washington State Liquor Control Board

Chris Marr, Board Member

Washington State Liquor Control Board

Rick Garza, Agency Director

Washington State Liquor Control Board

This page to be inserted into the MOA Agreement between the WSLCB and the Squarin Island tribe dated may 8, 2013.

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Second Amendment to Memorandum of Agreement with The Squaxin Island Tribe to add a service location at:

Steamboat Trading Post 6610 Sexton Rd NW Olympia WA 98502

The Tribe has met the Terms of Agreement to add a new alcohol service location per Section IV, B, 2.

Licensing recommends approval of this request; please indicate your agreement by signing below.

This MOA Amendment is hereby made this 677+ day of August, 2014.

Sharon Foster, Board Chair

Washington State Liquor Control Board

David Lopeman, Chairman Squaxin Island Tribe

Ruthann Kurose, Board Member

Washington State Liquer Control Board

Chris Marr Board Member

Washington State Liquor Control Board

Rick Garza, Agency Director

Washington State Liquor Control Board

This page to be inserted into the MOA Agreement between the WSLCB and the Squaxin Island Tribe dated May 8, 2013.

Exhibit A

Locations where alcohol is sold or served on Squaxin Island Tribal Lands by the Tribe and / or Tribal Enterprises

#	Location	Type of Establishment	Hours alcohol is typically sold*	Nature of Alcohol Service (Beer/Wine/Spirits; Self-Service/ Catered; etc.)
1	Creekside Buffet	Buffet Dining	Sunday-Thursday 9am to 10pm Friday-Saturday 9am to 11pm	Beer/Wine/Spirits (Table Service)
	Waters Edge Deli	Table Service Restaurant	Sunday-Monday 9am to 2am	Beer/Wine/Spirits (Table Service)
3	Starlight Lounge	Bar and Restaurant	Monday-Sauturday 11am to 2am Sunday 9am to 2am	Beer/Wine/Spirits (Table Service)
4	Island Grille	Table Service Restaurant	7am to 10pm Daily	Beer/Wine/Spirits (Table Service)
5		Table Service Restaurant	Monday-Thursday 11am to 10pm Friday & Saturday 11am to 11pm Sunday 9:30am to 10pm	Beer/Wine/Spirits (Table Service)
6	Room Service / Hotel Room	Hotel	7:30 am to 10 pm	Beer/Wine/Spirits (Individual bottles, Room Service or Self Service Mini-Bar)
	Salish Cliffs Club House	Table Service Restaurant	9am to 10pm	Beer/Wine/Spirits (Table Service)
8	Beverage Carts	Portable Beverage Service, Golf Course	9am to 10pm	Beer/Wine/Spirits (Catered by Staff)
9	Banquets - Hotel Conference and Banquet facilities	Portable Bar Set Ups for Private Events	6am to 2am depending on event	Beer/Wine/Spirits (Catered by Staff)
10	Skookum Spirit Lounge	Lounge	Wednesday & Thursday 5pm to 10pm Friday & Saturday 5pm to 1am	Beer/Wine/Spirits (Table Service)
11	Event Center	Exhibition Space	6am to 2am depending on event	Beer/Wine/Spirits Concession Areas or Catered by Staff
12	Casino Floor (Service Bar and Occasionally Portable Bars)	Casino	8am to 2am daily	Beer/Wine/Spirits (Service Bar and Occasionally Portable Bars)
13	Gift Shop	Sundry and Gift Items	9am to 11pm daily	Wine/Sprits (Packaged Wine & Spirits for on/off premises consumption)
14	Spa	Spa	9am to 11pm daily	Beer/Wine/Spirits (served by staff)
15	Kamilche Trading Post	Gas / Liquor / Tobacco / Sundry	Sun 6 am to 11 pm; Mon through Thurs 6 am to 12 am; Fri through Sat 6 am to 2 am	Beer/Wine/Spirits (Packaged for off premises consumption; Spirits and wine sale for resale, delivered on and off site)

16	Beer Garden	Mobile Set-up for events anywhere within Resort/Golf Course.	6 am to 2 am depending on event	Portable bar set-up; service area separated from regular premises by appropriate physical barrier, such barrier to be sturdy, visible, and appropriately signed so that guests and employees can readily recognize the intent to limit access to the restricted area; alcohol not to leave "garden"; no entry to minors; adequate i.d. through "wrist-banding" or comparable; adequate security and reasonable provision for public safety at location.
17	Museum	Special Occasion Fundraiser	6 am to 2 am depending on scheduling	The Casino and / or KTP may cater and supply the Squaxin Island Museum Library and Research Center, a 501c3 organization fundraising auction, provided adequate provision is made for the public safety, approval is received from the Squaxin Island Police Department, and the event takes place in Indian country. Moreover, for purposes of accepting donations from distilleries, breweries, or wineries, the Museum may identify itself as having received a special occasion permit.
18	"Espresso Bar"	Hotel	6 am to 2 am depending on scheduling	Wine by the bottle; Wine by the glass
19	Frank's Landing	Tobacco / Sundry	8 am to 8 pm daily	Wine / Beer Packaged for Off-Premises Consumption
20	Steamboat Trading Post	그림부터 10.50시 (그런 1) 그 나는 아이들이 그 집에서 그리고 하는 아이들이 그 살아 먹는 것 같다.	Mon - Fri: 5 am to 10 pm; Sat - Sun: 6 am to 10 pm	Wine / Beer Packaged for Off-Premises Consumption

^(*) The Tribe reserves the right to change the hours of service of each location as business dictates without notice, provided that the Tribe does not sell serve, sell, or allow public consumption between 2 am and 6 am. Any change in hours of service shall not be an "additional privilege" requiring notice to the Board under the MOA.

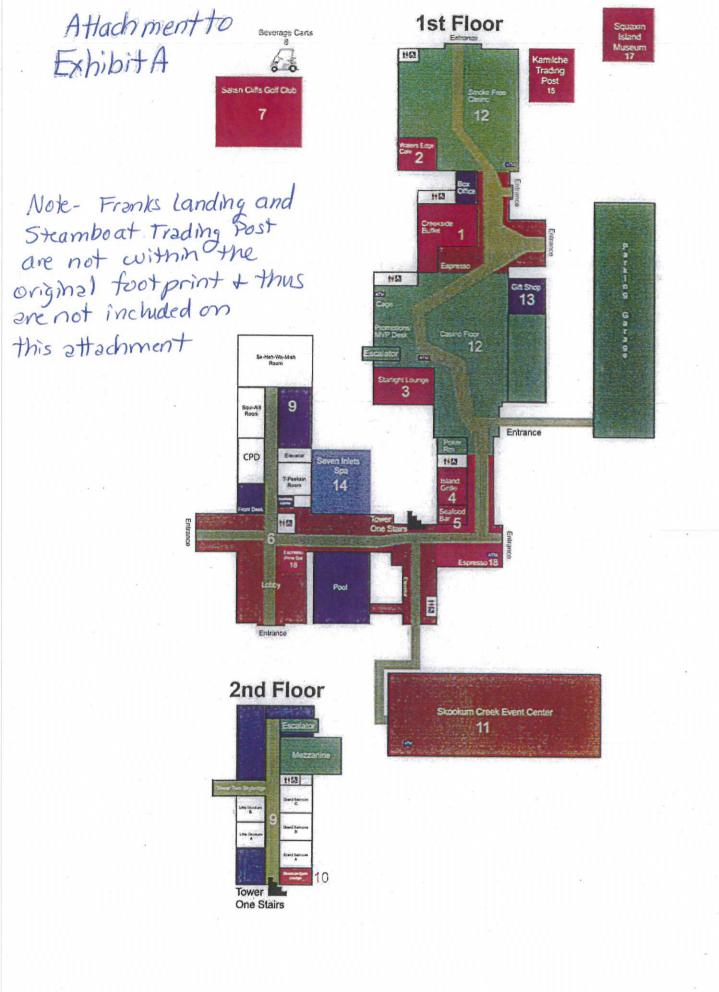


EXHIBIT B OPERATING PLAN: Safety/Training Provisions

Because the introduction, possession, and sale of liquor in Indian Country have, since treaty time, been clearly recognized as matters of special concern to Indian tribes, the Tribe takes liquor regulation and safety extremely seriously. As a result, the Tribe has imposed strict policies and practices on its Tribal Enterprises that go above and beyond the State's requirements. Safe liquor consumption by its patrons is a top priority of the Tribe, and the Tribe makes a great effort to protect the public safety and community interest and trains its staff accordingly. The Tribe also evaluates events, utilizes its resources, and evaluates risk to best address, monitor, and appropriately control the sale and service of liquor at each of its locations and venues to preserve the public's safety.

A. Training.

- 1. Mandatory Alcohol Server Training. The following Tribal Enterprise employees will receive and maintain a valid MAST permit:
 - a. Little Creek Casino Resort (LCCR) Directors and managers.
 - b. Servers and bartenders at all LCCR venues (Class 12 and Class 13 permits).
 - c. LCCR Security (does not include Tribal police or surveillance staff).
- Training for KTP staff. Within six months of the execution of this Agreement or an amendment due to a new service location being added, KTP staff who sell alcohol will be either (a) MAST certified, or (b) trained in accordance with an approved Responsible Vendor Program.
- 3. Additional training by the Tribe. The Tribe provides ongoing training of all food and beverage service teams to heighten awareness related to public safety, including avoiding service to minors and intoxicated persons.
- 4. Additional training by the Board. Upon the Tribe's request, Board staff members will work with the Tribe to provide any requested training and technical assistance for the prevention of violations of alcohol laws. Board Staff members will meet with the Tribe and the Tribal Police, and the Tribal Gaming Authority ("TGA") as the Parties may deem appropriate for further training, collaboration, and communication on liquor issues.

- B. Safety and Security Measures.
 - 1. Minors. To ensure that alcoholic beverages are not sold to or consumed by persons under age 21, the Tribe will implement the following measures:
 - a. Staff will request ID from any guest appearing to be age 30 or under who is requesting to purchase an alcoholic beverage
 - Staff will request ID from any guest in possession of an alcoholic beverage who appears to be of questionable age, and if guest cannot produce valid ID, the beverage will be confiscated and security will be notified
 - c. LCCR Staff will continue the already approved practice of limiting transport of alcoholic beverages throughout the property by allowing guests to carry open alcoholic beverages through, but not loiter in, common areas of the Little Creek Casino resort where minors are allowed. Deviations from this policy will be approved as necessary for special events.
 - d. Staff will accept only Board-approved forms of ID, including:
 - Driver's license, ID card, or Instruction Permit issued by any U.S. state or Canadian province;
 - ii. Washington temporary driver's license;
 - iii. Tribal enrollment card;
 - iv. Legal passport from any nation;
 - v. U.S. Military ID;
 - vi. Merchant Marine card issued by U.S. Coast Guard
 - 2. Intoxicated persons. To ensure that alcoholic beverages are not purchased or consumed by persons who appear to be intoxicated, the Tribe will implement the following measures:
 - a. All staff involved in the sale and service of alcoholic beverages will be trained how to recognize the signs of intoxication.
 - b. Staff will refuse to sell alcoholic beverages to any person who appears to be intoxicated.
 - c. Sales for off-premises consumption. If a guest who appears to be intoxicated attempts to purchase packaged alcoholic beverages for off-premises consumption, staff will notify the manager on duty. The guest will be assessed and a determination will be made whether to sell packaged alcoholic beverages to that guest.
 - d. Sales for on-premises consumption.
 - If an LCCR guest who appears to be intoxicated is seen in possession of or consuming an alcoholic beverage, or attempting to order an alcoholic beverage for on-premises consumption, staff will notify a food and beverage

supervisor or manager. The guest will then be assessed using MAST procedures and a determination will be made if the guest is to surrender the drink if in possession of one, and notified that due to staff's observations, the guest will not be served any additional alcoholic beverages. The supervisor or manager will then gather information from the guest regarding his or her drink history for the day/night and use this information to complete an Intoxication Report that must be completed and submitted to the Director of Food and Beverage at the end of the shift. If not staying the night at the on premise Casino hotel, the guest will be offered non-alcoholic beverages and food if desired while waiting for a ride home or to another location where he or she will be spending the night by either a non-intoxicated personal acquaintance, or through a cab service, which will be provided by the Casino when necessary.

- ii. Security will be called to assist with guests who are apparently intoxicated and non-cooperative. The non-cooperative guest will be immediately escorted from the property and alternative transportation arranged. Specifically, security staff will first try and call a taxi for the guest. If the guest refuses the taxi and attempts to drive away, he or she will be notified that local police will be contacted that he has refused alternative transportation. Reports will also be filed by security regarding the incident and submitted to the immediate supervisor by the end of the shift.
- e. Any team member who is suspected of overservice will be investigated through surveillance tapes and reports filed by either the food and beverage manager or security team. The investigation may lead to disciplinary action up to termination.
- 3. Additional security measures. The Tribe also has the following measures in place that will further ensure alcohol is safely sold, served, and/or consumed on site:
 - a. The Tribe will maintain certified MAST trainer(s) on LCCR staff.
 - b. LCCR will be maintained under 24-hour surveillance.
 - c. Surveillance video is typically retained for seven (7) days at the Casino and thirty (30) days at Kamilche Trading Post unless otherwise requested by the Board.
 - d. The ratio of service staff to patrons will be adequate to maintain the public safety for each event and will be increased based on level of risk each event presents.
 - e. Reasonable levels of security staff are present at any given time.
 - f. Tribal Gaming Agents are on-site at the Casino 24/7.
 - g. Tribal police and/or EMTs will be on site at the Casino or on call 24/7.

- h. The Mason County Sheriff's Department and Tribal Police are cross-deputized, and the Sheriff will respond to a call in Indian Country by Tribal Enterprises or the Tribal Police.
- Squaxin Island Police will visit the Frank's Landing and Steamboat Trading Post sites periodically and will respond to calls.
- j. If drive-through window(s) exist at any service location, no alcohol sales will take place through said drive-through window(s).
- C. Special events. For special events in Indian Country, the Tribe shall take the following extra precautions:
 - 1. Schedule of events.
 - a. The Tribe will provide a quarterly schedule of special events to the Regional Captain. The Tribe will update the schedule monthly as necessary.
 - b. Should the Regional Captain have any concerns about the schedule or any plan for the events, the Parties will meet and confer in good faith to resolve those concerns.
 - 2. Unless prior notice is provided to Board staff of an alternate plan, alcohol sales will occur as follows:
 - a. At point of sale locations with proper lighting so that ID may be adequately checked;
 - b. With a maximum of two (2) drinks or one bottle of wine sold to an individual patron during one transaction;
 - c. With adequate service staff to patron ratios;
 - d. With adequate security staff to patron ratios;
 - e. With staff stationed at entrances;
 - f. With posted signs at entrances and dispensing areas; and
 - g. Not within a pre-designated amount of time before the end of the event

Should the Tribe wish to deviate from this standard plan for any given event, the Tribe will notify the Regional Captain in writing at least 14 days prior to the event. The parties will meet and confer in good faith to resolve any concerns with the Tribe's alternate plan.

EXHIBIT C OPERATING PLAN: Enforcement/Compliance Plan

A. Licensing.

- 1. <u>Tribal Enterprises</u>. All Tribal Enterprises that serve alcohol must be licensed in accordance with applicable tribal law.
- 2. Other Business Enterprises. All Tribally-Licensed Businesses must be licensed in accordance with State law and applicable tribal law. The Parties agree to meet in good faith to negotiate an amendment to recognize entities partially but not wholly owned by the Tribe, should the issue arise.
- Employees. All Tribal Enterprise employees who perform duties specified under Stateissued Class 12 or 13 permits must hold such state-issued permits in order to perform such duties at any Tribal Enterprise, Tribal Member-owned business, or Tribally-Licensed Business.

B. Enforcement

1. Premises Check

- a. <u>By the Tribe</u>. The Tribe, through its Tribal Gaming Agency ("TGA"), Tribal Police, or other authorized agency, may conduct its own premises checks in Indian Country to observe compliance with applicable liquor laws and this Agreement and to provide support and education to Tribal Enterprises and staff. The Tribe will share the results of such premises checks with the Board.
- b. <u>By the Board.</u> The Board, through its staff, may also conduct premises checks. Prior to conducting any such check, the Board will contact the TGA and Tribal Police to provide reasonable notice of such premises check. The TGA or the Tribal Police may observe the premises check, provided they do not interfere with the check. The Board will share the results of such premises checks with the Tribe.
- c. <u>Cooperation</u>. Should either Party have any concerns arising out of a premises check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the premises checks themselves or of liquor service by the Tribal Enterprise that was checked.

2. Compliance Checks — Minors.

- a. <u>By the Tribe.</u> The Tribe may conduct its own compliance checks in Indian Country using minors ages 18, 19, or 20 through the TGA, Tribal Police Department, or other authorized agency in accordance with Tribal regulations and policies. The Tribe will provide the results of such checks to the Board. No criminal action may be taken against any minor who purchases alcohol as part of such a compliance check.
- b. <u>By the Board.</u> Board staff may also conduct compliance checks. Prior to conducting any such check, the Board will contact the TGA and Tribal Police to provide notice of such compliance check, and the TGA or Tribal Police may view the check, provided they do not interfere with the check. The Board will share the results of such compliance checks with the Tribe.
- c. <u>Cooperation</u>. Should either Party have any concerns arising out of a compliance check or the results thereof, the Parties will meet in good faith to discuss any suggested changes to protocols of the compliance checks themselves or of liquor service by the Tribal Enterprise that was checked.

3. Complaints.

- a. <u>Tribal Enterprises.</u> When a complaint regarding liquor service at any Tribal Enterprise is received by either the Tribe or the Board, or when the Tribe or the Board otherwise have reason to suspect a violation either through a premises check or compliance check, the following steps will occur:
 - i. Receipt of Complaint.
 - (a) <u>By Tribe.</u> If the complaint is received by the Tribe, it will be communicated to the Tribal Police. The Tribal Police will then document the complaint and provide a copy to the Board staff within seven (7) days.
 - (b) <u>By Board.</u> If the complaint is received by the Board, it will be communicated to the Tribal Police within seven (7) days.
 - ii. <u>Investigation</u>. The Board will investigate the complaint in its discretion and in accordance with its policies and procedures.

iii. Alleged Violation.

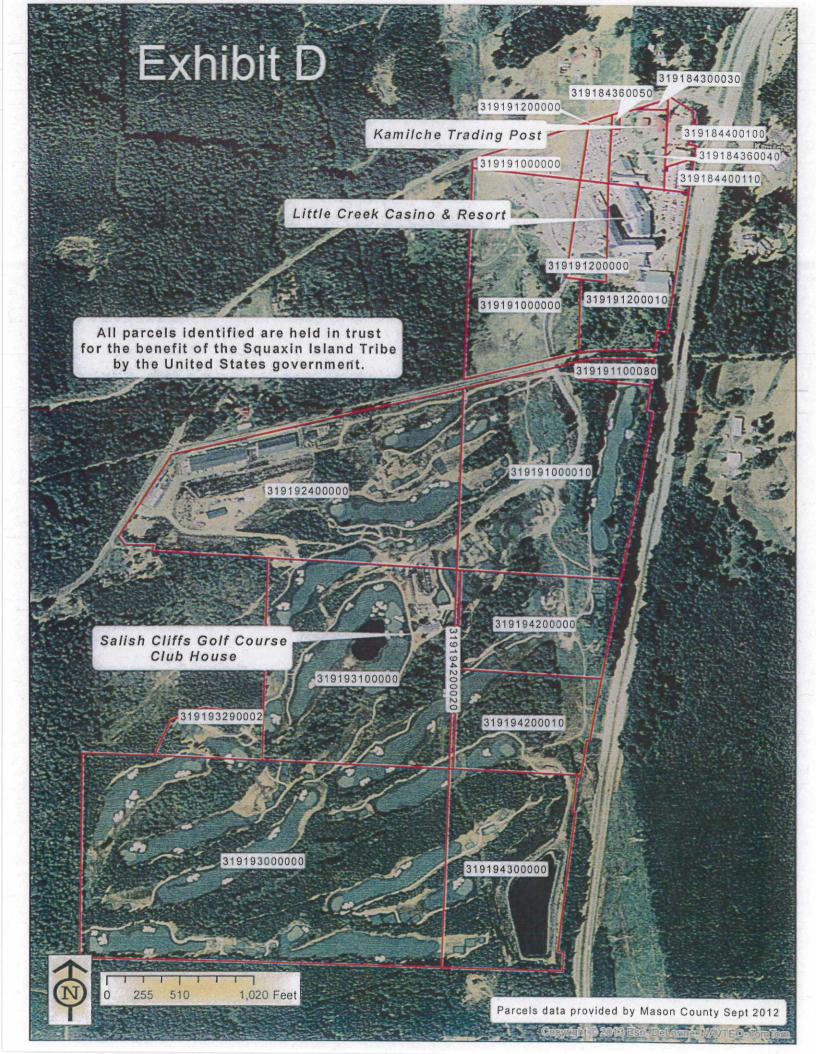
(a) <u>Employee</u>. If the investigation is of an alleged violation by a Tribal Enterprise employee holding a MAST permit, the Board shall provide a copy of any written report to the Tribal Enterprise's management staff. If the employee is not a tribal member, the Board may take any action against the employee in accordance with its laws and regulations. Notice of any additional action taken against that employee by the Tribe will be provided to the Board. If the employee is a tribal member, the Tribe will investigate and take such enforcement action as is consistent with tribal laws and procedures.

(b) Tribal Enterprise. If the investigation is of an alleged violation by the Tribal Enterprise, the Board shall provide a copy of any written report to the Tribal Enterprise's management staff. The Board may take action against the Tribal Enterprise consistent with WAC 314-29-020 which addresses Group 1 violations against public safety. Group 1 violations include: 1) Violations involving minors (Sale or service to a minor/minor frequenting); 2) Sale or service to apparently intoxicated person; 3) Conduct violations (disorderly conduct; licensee and/or employee intoxicated; *criminal conduct); 4) *Lewd conduct; 5) Refusal to allow inspection/obstructing law enforcement officer from performing duties and 6) Condition of suspension violation (failure to follow any suspension restriction while liquor license is suspended). If the Tribe disagrees with the action taken by the Board, the Tribe may proceed under the dispute resolution provisions contained in Section IV(F)(1)(d)(ii) of this MOA. Notice of any additional action taken against any employee of the Tribal Enterprise by the Tribe will be provided to the Board.

*The Tribe may assert, among other things, that some state prohibitions against "criminal" or "lewd" conduct" as used in WAC 314-29-020 do not apply to Tribes, tribal employees or in Indian country, or that some "criminal" or "lewd" conduct does not fall within the scope of LCB's authority under 18 USC s. 1161.

- b. If the Board alleges that the Tribe is not complying with any of the provisions of Exhibits A or B of this MOA, the Board and the Tribe shall seek resolution in accordance with the dispute resolution process outlined in Section IV(F) of this MOA.
- c. For purposes of this Section only, each "location" in Exhibit A shall be deemed a separate location and violations against one location will not affect other locations.

- C. Other Business Enterprises. When a complaint regarding liquor service at any Tribal Member-owned or Tribally-Licensed Business is received by either the Tribe or the Board, it will be communicated to the other party within seven (7) days. Either party may take any appropriate action under its laws that is consistent with this MOA. The Board will provide notice of its findings and a copy of the report, violations imposed, and any other relevant information to the Tribe for further action by the Tribe, should the Tribe wish to further prosecute the licensee. Likewise, any information regarding any action taken by the Tribe or Tribal Court will be provided to the Board.
- D. <u>Amendment</u>. Should the Tribe desire in the future to take over more of the enforcement responsibilities, the parties agree to meet in good faith to amend this Agreement to provide as such.



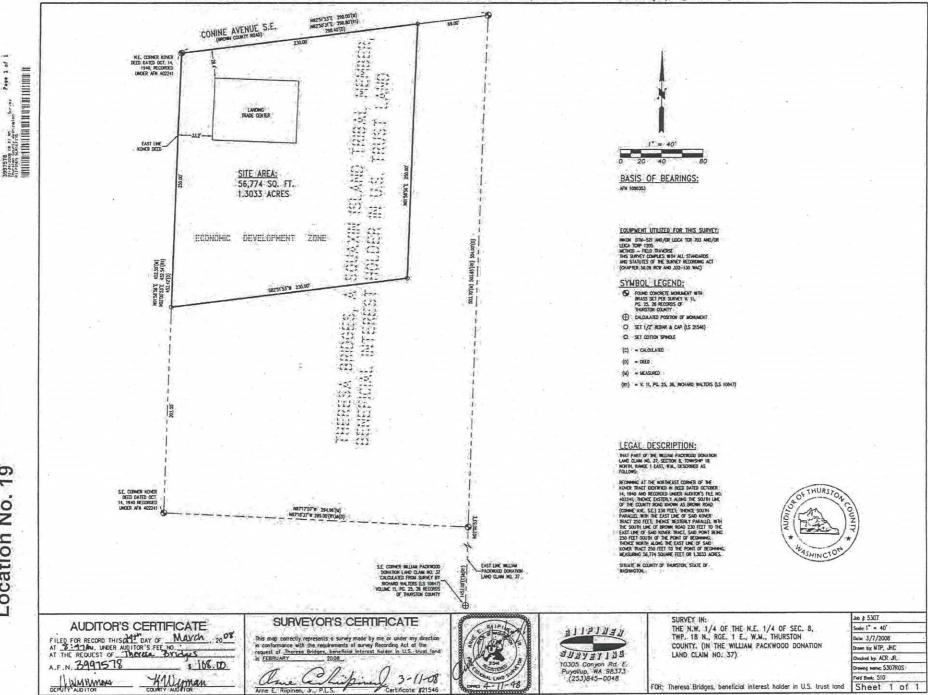
FOR: Theresa Bridges, beneficial interest holder in U.S. trust land

Sheet 1 of 1

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Page 1 of

Attachment to Exhibit D.: 6 Location No.



4-11-48

Certificate #21546



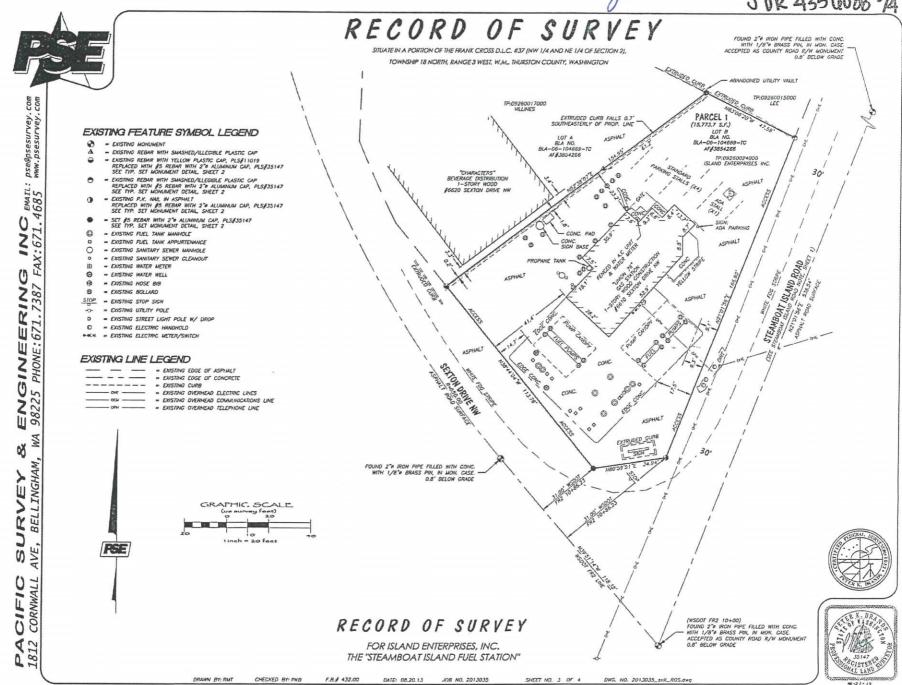


EXHIBIT E

COMPILATION OF SQUAXIN LIQUOR LAWS

Article XXIII. Liquor

9.12.890 Reference.

In addition to the offenses set forth in this section, activities related to liquor within the jurisdiction of the Squaxin Island Tribe shall be controlled pursuant to the Squaxin Island Liquor Code (Squaxin Island Tribal Code Chapter 6.12). (Res. 02-129 (part))

9.12.895 Illegal sale, purchase, possession of liquor—Illegal transfer or use of I.D.

A. No person shall:

- 1. Sell or offer for sale by the drink or bottle, or keep or possess with intent to sell any liquor, except as authorized by the Squaxin Island Liquor Code;
- 2. Purchase liquor from any other person other than at a duly authorized tribal liquor store or other business authorized to sell liquor in Indian country;
- 3. Transfer an identification of age to a minor for the purpose of permitting such minor to obtain liquor; provided, that corroborative testimony of a witness other than a minor shall be a requirement of conviction; or
- 4. Attempt to purchase liquor through the use of false or altered identification, which falsely purports to show the individual to be over the age of twenty-one (21) years.
- B. Any violation of this section shall be a gross misdemeanor. (Res. 07-31 § 45; Res. 02-129 (part))

9.12.900 Minor in possession of liquor.

- A. No person under twenty-one (21) years of age shall purchase, possess, obtain, or sell any liquor.
 - B. Any violation of this section is a misdemeanor. (Res. 02-129 (part))

9.12.905 Minor consuming liquor.

- A. No person under twenty-one (21) years of age shall consume any liquor.
- B. "Consume" means the act of consuming liquor, the condition of having consumed liquor, and the condition of being under the influence of liquor.
 - C. Any violation of this section is a misdemeanor. (Res. 02-129 (part))

9.12.910 Opening or consuming liquor in a public place.

- A. No person shall open the package containing liquor or consume liquor in a public place.
 - B. Any violation of this section is a misdemeanor. (Res. 02-129 (part))

9.12.915 Intoxication in a public place.

A. No person who is intoxicated shall be or remain in any public place.

- B. "Public place" is defined as any place to which the general public has unrestricted access or any property owned by or held in trust for the Squaxin Island Tribe, which includes being in public view, but does not include being inside of private dwellings or buildings.
 - C. Any violation of this section is a misdemeanor. (Res. 02-129 (part))

9.12.965 Driving while under the influence of intoxicating liquor or drugs or glue.

- A. What Constitutes. A person is guilty of driving while under the influence of intoxicating liquor or any drug or glue if he or she drives a vehicle within Indian country while:
- 1. He or she has 0.08 grams or more of alcohol per two hundred ten (210) liters of breath as shown by analysis of the person's breath;
- 2. He or she has 0.08 percent or more weight of alcohol in the person's blood as shown by analysis of the person's blood;
- 3. He or she is under the influence of or affected by intoxicating liquor or any drug or glue or other mind-altering substance; or
- 4. He or she is under the combined influence of or affected by intoxicating liquor and any drug or glue or other mind-altering substance.
- B. The fact that any person charged with a violation of this section is or has been entitled to use of such drug under the laws of this Tribe or of any other Tribe or state shall not constitute a defense against any charge of violating this section.
- C. Driving while under the influence is a gross misdemeanor. (Res. 07-31 § 47; Res. 02-129 (part))

9.12.995 Prohibited use of alcoholic beverages in vehicle.

- A. A person is guilty of prohibited use of alcoholic beverages in a vehicle if:
- 1. He or she drinks any alcoholic beverage in a motor vehicle when the vehicle is upon a roadway;
- 2. He or she has an open or unsealed receptacle containing an alcoholic beverage in his or her possession while in a motor vehicle or while the vehicle is upon a roadway; or
- 3. He or she is the driver of a motor vehicle which is on a roadway and in which an open or unsealed receptacle containing an alcoholic beverage is present, unless the receptacle is kept in the trunk or other area of the vehicle which is not normally accessible to the occupants.
- B. Prohibited use of alcoholic beverages in a vehicle is a misdemeanor. (Res. 02-129 (part))

LIQUOR SALES

Sections:

6.12.005	Authority.
6.12.010	Findings and purpose.
6.12.015	Scope.
6.12.020	Definitions.
6.12.030	Authority of the Tribal Council.
6.12.040	Sales.
6.12.050	Property control.

6.12.005 Authority.

The Squaxin Island Tribal Council's authority to adopt the ordinance codified in this title is found in the Squaxin Island Tribal Constitution and in the inherent sovereignty of the Squaxin Island Tribe to regulate its own territory and activities therein. (Res. 07-25 (part))

6.12.010 Findings and purpose.

A. The introduction, possession, and sale of liquor in Indian country have, since treaty times, been clearly recognized as matters of special concern of Indian Tribes and the United States Federal Government. The sale of liquor in Indian country remains exclusively subject to their legislative enactments.

B. Beginning with the Treaty of Medicine Creek, Art. IX, to which the ancestors of the Squaxin Island Indian Tribe were parties, the federal government has respected this Tribe's determination regarding liquor-related transactions and activities in Indian country. At treaty times, the Squaxin Island Tribe's ancestors desired to exclude "ardent spirits" from their reservation. This desire was honored by Congress in the enactment of 18 U.S.C. Section 1154 and 18 U.S.C. Section 1161, which prohibited the introduction of liquor into the Squaxin Island Indian Reservation unless and until the Squaxin Island Indian Tribe has decided when and to what extent liquor transactions shall be permitted. The Squaxin Island Tribal Constitution, Art. III Section 1(b), empowers the Tribal Council to use and manage tribal property. The Tribal Council by this code is exercising this power by providing for tribal liquor sales in Indian country as a tribal business. (Res. 07-25 (part): Res. 81-12 § 1: Res. 80-64 § 1: Res. 80-11: Res. 79-40 (part))

6.12.015 Scope.

- A. Application. This chapter shall apply to the full extent of the sovereign jurisdiction of the Squaxin Island Tribe in Indian country.
- B. Compliance with this chapter is hereby made a condition of the use of any land or premises in Indian country.



- C. Deemed to Consent. Any person who resides, conducts business, engages in a business transaction, receives benefits from the Tribal government, including police, fire or emergency services, acts under Tribal authority, or enters the Indian country under the jurisdiction of the Squaxin Island Tribe, shall be deemed thereby to have consented to the following:
 - 1. To be bound by the terms of this chapter;
- 2. To the exercise of civil jurisdiction by the Squaxin Island Tribal Court over said person in legal actions arising pursuant to this chapter; and
- 3. To detainment, service of summons and process, and search and seizure, in conjunction with legal actions arising pursuant to this chapter. (Res. 07-25 (part))

6.12.020 Definitions.

As used in this chapter, the following words shall have the following meanings unless the context clearly requires otherwise.

"Alcohol" means that substance known as ethyl alcohol, hydrated oxide of ethyl, or spirit of wine, which is commonly produced by the fermentation or distillation of grain, starch, molasses, or sugar, or other substances including all dilutions and mixtures of this substance.

"Alcoholic beverage" is synonymous with the term liquor as defined in this section.

"Beer" means any beverage obtained by the alcoholic fermentation of an infusion or decoction of pure hops, or pure extract of hops and pure barley malt or other wholesome grain or cereal in pure water containing not more than four percent of alcohol by volume. For the purposes of this chapter, any such beverage, including ale, stout, and porter, containing more than four percent of alcohol by weight shall be referred to as "strong beer."

"Council" means the Squaxin Island Tribal Council.

"Indian country," consistent with the meaning given in 18 U.S.C. 1151 means:

1. All land within the limits of the Squaxin Island Indian Reservation under the jurisdiction of the United States government, notwithstanding the issuance of any patent, and, including rights-of-way running through the reservation; and

2. All Indian allotments or other lands held in trust for a Squaxin Island Tribal member or the Tribe, the Indian titles to which have not been extinguished, including rights-of-way running through the same.

"Liquor" includes the four varieties of liquor herein defined (alcohol, spirits, wine, and beer), and all fermented, spirituous, vinous, or malt liquor or combinations thereof, and mixed liquor, a part of which is fermented, spirituous, vinous, or malt liquor, or otherwise intoxicating; and every liquid or solid or semi-solid or other substance, patented or not, containing alcohol, spirits, wine or beer, and all drinks or drinkable liquids and all preparations or mixtures capable of human consumption and any liquid, semi-solid, solid, or other substances, which contains more than one percent of alcohol by weight shall be conclusively deemed to be intoxicating.

"Malt liquor" means beer, strong beer, ale, stout, and porter.

"Package" means any container or receptacle used for holding liquor.

"Public place" includes streets and alleys of incorporated cities and towns; state or county or tribal or federal highways or roads, buildings and grounds used for school purposes; public dance halls and grounds adjacent thereto; those parts of establishments

where beer may not be sold under this chapter, soft drink establishments, public buildings, public meeting halls, lobbies, halls, and dining rooms of hotels, restaurants, theaters, stores, garages, and filling stations which are open to and are generally used by the public and to which the public is permitted to have unrestricted access; railroad trains, stages, and other public conveyances of all kinds and character, and the depots and waiting rooms used in conjunction therewith which are open to unrestricted use and access by the public; publicly owned bathing beaches, parks, and/or playgrounds, and all other places of like or similar nature to which the general public has unrestricted right of access, and which are generally used by the public.

"Sale" or "sell" include exchange, barter, and traffic; and also include the selling or supplying or distributing, by any means whatsoever of liquor, or of any liquid known or described as beer or by any name whatsoever commonly used to describe malt or brewed liquor or wine, by any person to any person.

"Tavern" means any establishment with special space and accommodations for sale by the glass and for consumption on the premises, of beer, as herein defined.

"Tribal Council" means the Squaxin Island Tribal Council.

"Wine" means any alcoholic beverage obtained by fermentation of fruits (grapes, berries, apples, etc.) or other agricultural product containing sugar, to which any saccharine substances may have been added before, during, or after fermentation, and containing not more than seventeen (17) percent of alcohol by weight. (Res. 07-25 (part); Res. 81-12 § 2: Res. 80-64 § 2: Res. 79-40 (part))

6.12.030 Authority of the Tribal Council.

- A. General. The Tribal Council shall have complete authority to carry out and enforce the provisions of this code, and to delegate such of its responsibilities as it deems appropriate.
- B. Tribal Council Not to Profit. Members of the Tribal Council may not accept any gratuity related to their provision for liquor sales, and may not have a personal business interest in such sales on the reservation.
 - C. Powers and Duties. The Tribal Council shall have the following powers and duties:
- 1. To make, publish, and enforce necessary rules and regulations governing the tribal business of the sale and distribution of alcoholic beverages on the reservation;
- 2. To provide for the sale of liquor under Council authority, and to employ managers and other personnel as shall be reasonably necessary to allow the Council to perform its functions;
 - 3. To provide for appropriate warehouse and sales facilities;
- 4. To contract with liquor wholesalers and distributors for the purchase and delivery of alcoholic beverages; and
- 5. To take orders, receive and distribute shipments of alcoholic beverages, establish wholesale base prices, set and collect taxes and fees, and to keep accurate records, books and accounts.
- D. Inspection. The Council may at any time inspect warehouse or sale areas on the reservation, and all financial records of purchases and sales. (Res. 07-25 (part); Res. 81-12 § 3: Res. 80-64 § 3: Res. 79-40 (part))



6.12.040 Sales.

- A. All Sales by Tribe. All sales on the reservation shall be made by the Squaxin Island Tribe or its enterprises, except as otherwise specifically approved by the Tribal Council.
- B. Sales—Method of Payment. All sales at reservation liquor stores, bars, taverns, gaming facilities, hotels, restaurants, and other similar locations shall be on a cash, cash equivalent, credit card or check only basis and no credit shall be extended to any person, organization, or entity.
- C. Sales to Minors. No tribal liquor store, bar, tavern, gaming facility, hotel, restaurant or other location shall sell liquor to any person under twenty-one (21) years of age. Any one of the following which shows the person's current age and bears his or her signature and photograph shall be suitable for identification purposes, if valid:
 - 1. Liquor control authority card of any state;
- 2. Driver's licenses of any state or "identification card" issued by any state department of motor vehicles;
 - 3. United States active duty military identification;
 - 4. Passport; and
 - 5. Tribal identification or enrollment card.
- D. Refusal to Sell. A tribal liquor store may refuse to sell liquor to persons under the following circumstances:
- 1. When that person does not provide satisfactory proof that he or she is at least twenty-one (21) years of age;
 - 2. When that person is apparently intoxicated; or
- 3. When the Tribal Council has determined that a particular person and/or his or her family is significantly detrimentally affected by the abuse of alcohol. (Res. 13-19); (Res. 07-25 (part); Res. 03-49 § 1: Res. 81-12 § 4: Res. 80-64 § 4: Res. 79-40 (part))

6.12.050 Property control.

- A. Liquor Stamp. No alcohol beverage except for wine and beer shall be sold by a tribal liquor store unless its package has affixed to it a stamp of the Council.
- B. Restricted Tribal Property. The entire stock of liquor and alcoholic beverages owned by the Tribe and kept for sale on the reservation shall remain restricted property of the Tribe until sold. (Res. 07-25 (part); Res. 81-12 § 5: Res. 80-64 § 5: Res. 79-40 (part))



SQUAXIN ISLAND TRIBE

RESOLUTION NO. 14 - \

of the

SQUAXIN ISLAND TRIBAL COUNCIL

WHEREAS, the Squaxin Island Tribal Council is the Governing Body of the Squaxin Island Tribe, its members, its lands, its enterprises and its agencies by the authority of the Constitution and Bylaws of the Squaxin Island Tribe, as approved and adopted by the General Body and the Secretary of the Interior on July 8, 1965; and

WHEREAS, under the Constitution, Bylaws and inherent sovereignty of the Tribe, the Squaxin Island Tribal Council is charged with the duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources and rights of the Tribe; and

WHEREAS, the Tribe is a federally-recognized Indian Tribe possessing reserved powers, including the powers of self-government; and

WHEREAS, the Squaxin Island Tribal Council has been entrusted with the creation of ordinances and resolutions in order to fulfill their duty of protecting the health, security, education and general welfare of tribal members, and of protecting and managing the lands and treaty resources of the Tribe; and

WHEREAS, the Squaxin Island Tribal Council finds that regulation of Liquor is essential to the health and welfare of the Squaxin Island Tribe and its members; and

WHEREAS, the Squaxin Island Tribe has consistently and historically used the term "reservation" broadly to refer to all of Indian country, as that term is defined under Section 6.12.020 of the Squaxin Island Tribal Code.; and

WHEREAS, given this longstanding and ongoing practice, it is and has been the considered and adopted policy of the Tribal Council to interpret all statutory references to reservation to include all of Indian country unless the context very clearly requires otherwise;

WHEREAS, it is the desire of the Tribal Council, whenever possible, to make consistent use of technical terms, especially within a single chapter or ordinance, and the Liquor Ordinance,

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Chapter 6.12 of the Squaxin Island Code, makes use of both the term "reservation" and "Indian country";

NOW THEREFORE BE IT RESOLVED, that the Squaxin Island Tribal Council hereby amends Sections 6.12.010, 6.12.030, 6.12.040, and 6.12.050 of the Code, in conformance with the attached, incorporated herein by reference. Because such amendments merely clarify existing law and practice, the amendments shall be effective retroactively and prospectively.

CERTIFICATION

The Squaxin Island Tribal Council hereby certifies that the foregoing Resolution was adopted at the regular meeting of the Squaxin Island Tribal Council, held on this 27th day of February, 2014, at which time a quorum was present and was passed by a vote of ________ for and ________ against, with ________ abstentions.

David Lopeman, Chairman

Attested by:

FOR

Pete Kruger Sr., Secretary

Arnold Cooper, Vice Chairman

6.12.010 Findings and purpose.

A. The introduction, possession, and sale of liquor in Indian country have, since treaty times, been clearly recognized as matters of special concern of Indian Tribes and the United States Federal Government. The sale of liquor in Indian country remains exclusively subject to their legislative enactments.

B. Beginning with the Treaty of Medicine Creek, Art. IX, to which the ancestors of the Squaxin Island Indian Tribe were parties, the federal government has respected this Tribe's determination regarding liquor-related transactions and activities in Indian country. At treaty times, the Squaxin Island Tribe's ancestors desired to exclude "ardent spirits" from their ((reservation)) jurisdiction. This desire was honored by Congress in the enactment of 18 U.S.C. Section 1154 and 18 U.S.C. Section 1161, which prohibited the introduction of liquor into ((the Squaxin Island Indian Reservation)) Indian country unless and until the Squaxin Island Indian Tribe ((has)) decided when and to what extent liquor transactions ((shall)) would be permitted. The Squaxin Island Tribal Constitution, Art. III Section 1(b), empowers the Tribal Council to use and manage tribal property. The Tribal Council by this code is exercising this power by providing for tribal liquor sales in Indian country as a tribal business. (Res. 07-25 (part): Res. 81-12 § 1: Res. 80-64 § 1: Res. 80-11: Res. 79-40 (part))

6.12.030 Authority of the Tribal Council.

A. General. The Tribal Council shall have complete authority to carry out and enforce the provisions of this code, and to delegate such of its responsibilities as it deems appropriate.

B. Tribal Council Not to Profit. Members of the Tribal Council may not accept any gratuity related to their provision for liquor sales, and may not have a personal business interest in such sales ((on the reservation)) in Indian country.

- C. Powers and Duties. The Tribal Council shall have the following powers and duties:
- 1. To make, publish, and enforce necessary rules and regulations governing the tribal business of the sale and distribution of alcoholic beverages ((on the reservation)) in Indian country;
- 2. To provide for the sale of liquor under Council authority, and to employ managers and other personnel as shall be reasonably necessary to allow the Council to perform its functions;
 - 3. To provide for appropriate warehouse and sales facilities;
- 4. To contract with liquor wholesalers and distributors for the purchase and delivery of alcoholic beverages; and
- 5. To take orders, receive and distribute shipments of alcoholic beverages, establish wholesale base prices, set and collect taxes and fees, and to keep accurate records, books and accounts.
- D. Inspection. The Council may at any time inspect warehouse or sale areas ((on the reservation)) in Indian country, and all financial records of purchases and sales. (Res. 07-25 (part); Res. 81-12 § 3: Res. 80-64 § 3: Res. 79-40 (part))

6.12.040 Sales.

- A. All Sales by Tribe. All sales ((on the reservation)) in Indian country shall be made by the Squaxin Island Tribe or its enterprises, except as otherwise specifically approved by the Tribal Council.
- B. Sales—Method of Payment. All sales at ((reservation)) <u>Indian country</u> liquor stores, bars, taverns, gaming facilities, hotels, restaurants, and other similar locations shall be on a cash, cash equivalent, credit card or check only basis and no credit shall be extended to any person, organization, or entity.
- C. Sales to Minors. No tribal liquor store, bar, tavern, gaming facility, hotel, restaurant or other location shall sell liquor to any person under twenty-one (21) years of age. Any one of the following which shows the person's current age and bears his or her signature and photograph shall be suitable for identification purposes, if valid:
 - 1. Liquor control authority card of any state;
- 2. Driver's licenses of any state or "identification card" issued by any state department of motor vehicles;
 - 3. United States active duty military identification;
 - 4. Passport; and
 - 5. Tribal identification or enrollment card.
- D. Refusal to Sell. A tribal liquor store may refuse to sell liquor to persons under the following circumstances:
- 1. When that person does not provide satisfactory proof that he or she is at least twenty-one (21) years of age;
 - 2. When that person is apparently intoxicated; or
- 3. When the Tribal Council has determined that a particular person and/or his or her family is significantly detrimentally affected by the abuse of alcohol. (Res. 13-19); (Res. 07-25 (part); Res. 03-49 § 1: Res. 81-12 § 4: Res. 80-64 § 4: Res. 79-40 (part))

6.12.050 Property control.

- A. Liquor Stamp. No alcohol beverage except for wine and beer shall be sold by a tribal liquor store unless its package has affixed to it a stamp of the Council.
- B. Restricted Tribal Property. The entire stock of liquor and alcoholic beverages owned by the Tribe and kept for sale ((on the reservation)) in Indian country shall remain restricted property of the Tribe until sold. (Res. 07-25 (part); Res. 81-12 § 5: Res. 80-64 § 5: Res. 79-40 (part))