

Downstream Authority of the Quapaw Tribe of Oklahoma Regular Meeting  
January 9, 2013

**Meeting Called to Order:** 1:40 pm

<b>ROLL CALL:</b>	John Berrey, Chairman	Present
	Larry Ramsey, Secretary	Present
	Ranny McWatters, Treasurer	Present
	Marilyn Rogers, Member	Absent
	Tamara Smiley, Member	Present

**DECLARATION OF QUORUM:** announced by Larry Ramsey

Bob Bergquist

Steve Drewes

Hotel/Spa Review

- Water fountain in lobby of Spa (behind desk)
  - Presented two options
  - Per DDA on hold for now, not sure what will go in the space yet
- Gift Card
  - Would like to see something more unique from property on card and cover
- Signature Scent
  - Options presented
    - 3 options presented
      - Cedar / horsemint (Indian perfume)
      - Sage / horsemint
      - Horsemint only – DDA choice for signature scent.
- Shampoo
  - Look for new options (bigger bottles requested) – will present to the DDA for approval once samples received.

Conference Call

Steve Ward, John Thompson

Discussion on Kansas Gaming

- Items for review
  - Regulatory for Kansas Gaming?
  - Rewrite of Quapaw Gaming Ordinance/Code?
  - Money – 2 separate banks?
  - Credit?
  - NIGC Requirements?
  - Construction Requirements for state line?
  - Tribal Codes?
  - Player's card?

## Event Center

John Thompson

- Discussion of presentation
- Long term lease w/Downstream and event center
- Uses
  - Entertainment
  - Midweek tradeshow/conventions
  - Sporting events
  - Other
- Hurdle Rate Analysis
- Interest Rate Analysis
- Process
- Impact of Topeka
- Options
  - A
  - B
  - C
- Issues/Action Items

## PR TV

Sean Harrison

- Economic Impact video
- 30/60 sec tv commercial
- Next Steps
  - Script
  - Costing of production
  - Media buy
- Contact Chickasaw nation
  - Scripts
  - Production services

## Art Review

Linda Pierson – pictures attached

- Willard Stone, 'Ghosts of our Prairie, 9/13, (1977), bronze, 14 ½" x 6" x 19", \$16,000, (#3271) - NO
- Willard Stone, 'Resurrection', 7/16, (1980) 20 1/2" x 12 ½" x 6 ½", \$9,000, (#3284) - NO
- Willard Stone, 'Osceola', bronze 23 ½" x 6 ½", \$8,000, (#3705) - NO
- Jerome Tiger, 'Beauty of Feathers' colored pencil 11 ¾" x 9", \$4,500, (#12.66) - MAYBE
- Charles Banks Wilson, pencil study for Will on Stage', (1993), 15" x 7" \$10,000, (#3817) - MAYBE
- Bobby Martin, 'Mom and Mary Ann (The Red Head)' oil, 72" x 48", \$9,000, (#3813) - NO

- Charles Banks Wilson, 'Longhorns, Cattle Drive', acrylic, 12 7/8" x 9 7/8", \$6,000, (#2914) - MAYBE
- Jason Stone, 'Buffalo Medicine Shield', (1980) Wood, 27" x 20" x 2", \$8,000, (#3288) - MAYBE
- Charles Banks Wilson, 'Chief Josphe', (1980) pencil, 14" x 8", \$8,000, (#2917) - MAYBE
- Archie Blackowl, 'Mother's Prayer', Cheyenne, gouache 19 1/2" x 31 1/4", \$2,450, (#3275) - MAYBE
- Archie Blackowl, 'untitled', tempera 13" x 11", \$850, (#3839) - MAYBE
- Archie Blackowl, 'untitled', tempera 13" x 11", \$850, (#3840) - MAYBE
- Charles Banks Wilson, 'Black Owl', (1967) 7 3/4" x 6", \$950, (#986) - MAYBE
- Charles Banks Wilson, 'Quapah', 16" x 13 1/2", \$1800, (#7.1010) - MAYBE
- Charles Banks Wilson, 'Traditional Dancers' Lithograph, 10 1/2" x 16", \$2500, (#124) - MAYBE
- Charles Banks Wilson, 'Prairie Chief' (1985) Lithograph, 17 1/2" x 12 1/4", \$4500, (#345) - MAYBE
- Willard Stone, 'To Each His Own', (1978) Wood, 19 1/4" x 5" x 5", \$15000, (#3266) - NO
- Willard Stone, 'Peyote Bird', black walnut 33" tall, \$40,000, (#2324) - NO
- Willard Stone, 'There Goes Our Buck', (1978) Wood, 6" x 17 1/4" x 2 1/4", \$13,000, (#3267) - NO
- Thomas Hart Benton, 'Planting', lithograph, 11" x 13", \$3500, #711 - MAYBE
- Thomas Hart Benton, 'Sunday Morning', lithograph, 13 1/4" x 18 1/4", \$3500, #713 - MAYBE
- Dick West, 'White Buffalo, Wah Pah Nah Yah', gouache, 22" x 30", \$12,500 - MAYBE
- Acee Blue Eagle, untitled deer buck, Gouache, 9" x 15", \$9,500 - MAYBE
- Acee Blue Eagle, untitled purple doe Gouache, 11" x 18 1/2", \$10,000 - MAYBE
- Alvin Marshall, 'Walks Safely on Mother Earth' Alabaster, 18" x 12" x 10", \$4,500 - MAYBE
- CCC block, cement, 19" x 17" x 6", \$325 – YES

Linda will bring all maybe items to next meeting for final review.

Adjourn 4:41 pm



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bronze, 14 ½" x 6" x 19", \$16,000, (#3271)



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20 1/2" x 12 ½" x 6 ½", \$9,000, (#3284)



Willard Stone, 'Osceola', bronze  
23 ½" x 6 ½", \$8,000, (#3705)



Carl Woodring, Osage, untitled, (1960)  
tempera, 10  $\frac{3}{4}$ " x 8  $\frac{3}{4}$ ", \$2,200, (#10.164)



Jerome Tiger, 'Beauty of Feathers' colored pencil  
11  $\frac{3}{4}$ " x 9", \$4,500, (#12.66)



Charles Banks Wilson, pencil study for  
'Will on Stage', (1993), 15" x 7"  
\$10,000, (#3817)



Bobby Martin, 'Mom and Mary Ann (The Red Head)'  
oil, 72" x 48", \$9,000, (#3813)





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Wood, 19 ¼" x 5" x 5", \$15,000, (#3266)



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33" tall, \$40,000, (#2324)

Willard Stone, 'There Goes Our Buck', (1978)  
Wood, 6" x 17 ¼" x 2 ¼", \$13,000, (#3267)





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Thomas Hart Benton, 'Sunday Morning', lithograph, 13 1/4" x 18 1/4", \$3500, #713





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Gouache, 9" x 15", \$9,500



Acee Blue Eagle, untitled purple doe  
Gouache, 11" x 18 ½", \$10,000



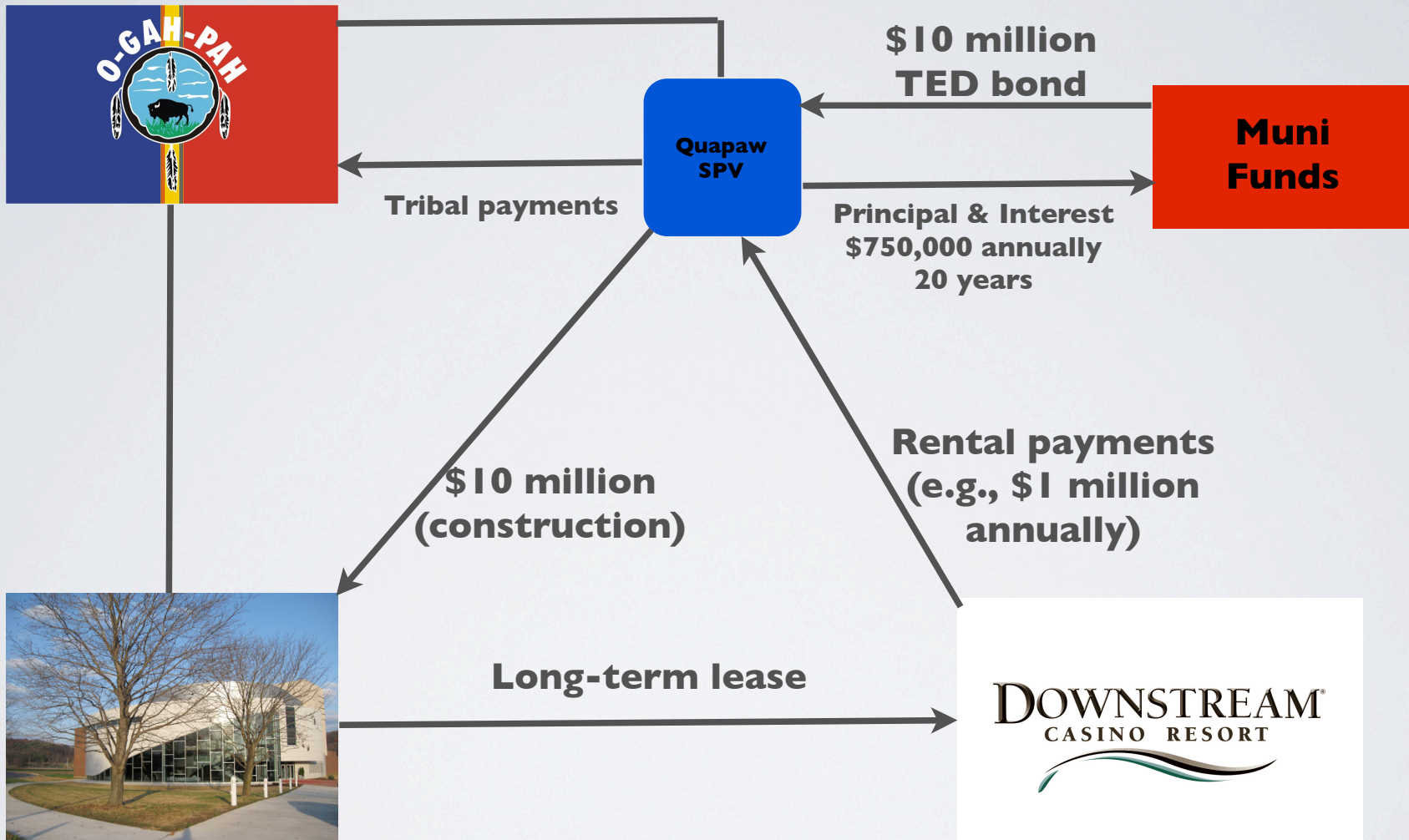
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Alabaster, 18" x 12" x 10", \$4,500



CCC block, cement, 19" x 17" x 6", \$325



# **O-Gah-Pah Events Center**



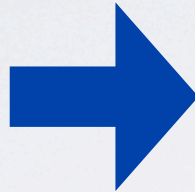


# **Uses**

- 1. Entertainment**
- 2. Mid-week trade shows and conventions**
- 3. Sporting events**
- 4. Other**

# Hurdle rate analysis

**20%  
Return**



**\$10 million  
investment**



**\$2 million  
total incremental  
EBITDA**

## Interest rate analysis

<b>Amount</b>	<b>Term</b>	<b>Rate</b>	<b>Annual Payment</b>
\$10 million	20 years	4%	\$731,115
\$10 million	20 years	6%	\$865,248
\$15 million	20 years	4%	\$1,096,672
\$15 million	20 years	6%	\$1,297,871



# **Process**

- 1. Analyze feasibility/viability**
- 2. Determine location, size, scope and return objectives**
- 3. Identify contractor (consider Quapaw entity), architect and bank broker**
- 4. Design**
- 5. Structure long-term loan**
- 6. Finance**
- 7. Build**

# **Impact of Topeka**



# **OPTIONS**

## **Building events center and new gaming space in Kansas**

**A. Consider large TEDB (lower interest rate tax-exempt bond) refinancing with “donut” around gaming space, which would be financed with taxable bonds**

**B. Bond amendment to allow for add'l borrowing under existing indenture with a contemporaneous TEDB financing for events center**

**C. Tribe finances and builds events center and gaming floor then leases 100% of space to Downstream**

# **Issues/Action Items**

- 1. Obtain TEDB allotment**
- 2. Feasibility study**
- 3. Master planning**
- 4. Kansas compact**
- 5. Re financing, if tribe or tribal entity issues bonds will lease from Downstream be sufficient or can distribution payments be used as collateral?**
- 6. Bond indenture and CIT loan amendment process**