# <u>Employment Grievance: Wrongful Dismissal – Bialik v LRBOI Gaming</u> <u>Commission – Case # 00079GR</u>

**Summary:** The Petitioner, Ms. Bialik was terminated from her employment with the Gaming Commission and alleges to the Court that it was a wrongful dismissal. The Gaming Commission filed a motion to dismiss centering around two factors Sovereign Immunity and at-will employment.

**Decision and Order:** The Respondent's motion for dismissal is **denied**. A future conference or hearing date will be set to proceed with the remainder of the case.

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#### Little River Band of Ottawa Indians

#### 1762 U S 31 South

## Manistee, MI 49660

Carol Bialik, Petitioner

Carol Blank, reditioner

Little River Gaming Commission, Respondent

Case # 00079GR

Formal Grievance: Wrongful Dismissal

In Re: Motion to Dismiss; Briefs filed;

Opinion and Decision

## Background

Carol Bialik was an employee of the Little River Band of Ottawa Indians Gaming Commission,

employment having been terminated August 24, 2000 had filed grievance as per the termination letter and the Tribal Government Operations Personnel Policy (chapters 7 & 8). Initial Respondent, the Tribal Council petitioned to be dismissed as Respondent and have the Gaming Commission named instead and the Court agreed (Dismissal of Council as Respondent and Party, Oct. 6, 2000). The Tribal Council was dismissed and the Gaming Commission named Respondent. Respondent Gaming Commission, through their attorneys, moved to have the matter dismissed. Their motion was centered on two factors: Sovereign Immunity and At Will Employment. At hearing Moving party provided information about the motion, and Petitioner provided response. The Sovereign Immunity of the Gaming Commission, to the extent that the Constitution has not limited it in Article XI, Section 2(a), (the Gaming Commission being "officials of the Tribe") was determined to have been waived in a limited manner by their adoption and use of the Tribal Government Operations Personnel Policy in as much as their own motion referred to portions of it. As Chapter 8 of the policy indicates, and in very plain language, the grievance process ends in Tribal Court. In Motion to Dismiss Council, Mr. Brooks stated in item #13: "If petitioner wishes to grieve a personnel action of the Gaming Commission, her grievance would immediately proceed to the final step in the grievance process- the Tribal Court." The Gaming Commission extends to petitioner the "right" to grieve under chapter 8 in the termination letter provided. For those reasons, the Court found it does have jurisdiction and the matter is properly before it.

The issue of At Will Employment was set aside, temporarily, as the grievance alleged that the vote taken to terminate Ms Bialik was not proper in that there was no quorum available as two of the three commissions were serving after their terms had expired, without reappointment according to the Gaming Ordinance. Attorney for the Commission alleged that the Constitutional holdover provision that Judicial, Council and Ogema remain in place until new persons are sworn in also covered the Gaming Commission, even if their terms had expired. As this issue is crucial, for if the Commissioners were not serving with proper authority, then the authority to terminate might not exist, the Court sought information.

The Court wished to allow all interested parties to provide input, Mr. Quigley for the Gaming Commission and members of the legal staffs for the various Tribal bodies (Mr. Brooks, Ogema and Ms House, Tribal Council) were ordered to brief the Court on the issue defined below, or they could notify the Court of no interest in the matter. Briefs were to address specifically in regard to the Gaming Commission, initial appointments and terms in office. Further the current Gaming Commission members, their appointments and terms of office on the Commission; appointments that filled vacancies and their terms of office. The brief was to provide guidance as to the members of the Gaming Commission on August 23, 2000 and the authority that allowed them to serve (i.e.- term still active, etc.). {Emphasis in original.}

Issue Raised: Quo Warranto Challenge

All persons responded with a Brief, no one claimed the matter to be of no interest.

In the Brief from the Ogema's Attorney the issue of the grievance being a quo warranto challenge, and so not permitted as a grievance collaterally attacking the decision of the Gaming Commission was raised. "Plaintiff is seeking relief under the Personnel Policies. Accordingly, it is questionable whether Petitioner can collaterally attack the decision of the gaming Commission terminating her employment." (Brooks, footnote 6) This issue was decided, both directly and indirectly, in Waitner v. Guenthardt (case # 98/95-001-1-8.3). There the aggrieved challenged the authority of the Tribal Manager to terminate her under the existing Personnel Policies which made terminations an act of the Tribal Council. The Manager's authority to terminate was limited to 'serious infractions'. The allegation was that the reason for termination (in Waitner) was not of the qualifying nature. The manager's authority was established by the Court, prior to the "at will"

issue being discussed. A person may only be dismissed (at will or otherwise) by someone having the authority to do so. For this reason, as in *Waitner*, the Court will proceed to establish that authority under the Personnel Policies provision of a grievance in this case.

#### Analysis

The Briefs provide an extensive review and analysis of the records of the Gaming Commission and Tribal Council to establish the dates and names of the initial appointments. The terms of those appointments, and who was named as replacement appointees filling out existing terms. Further, the briefs provide information on the dates of any reappointments, and when the terms of the Gaming Commissioners end. All of the briefs agree as to the ending dates as follows: Susan Schultz, reappointed once, term ends May 27, 2003,

Thomas Guenthardt, reappointed once, term ends May 27, 2003,

James Campeau, term ends April 19, 2001 [Term vacant since 8/99],

Millicent Biers, term ends July 13, 2000 and

Valerie Chandler, term ends April 19, 2000.

All the briefs agreed on this point with regard to appointments and terms and in answering these persons were the Gaming Commission members on August 23, 2000. The briefs point out that James Campeau was in fact deceased, but his position had not been filled and so was vacant. In response to the question of authority to serve, the briefs again all agree that the positions of Ms Biers and Ms Chandler were being held under the doctrine of "de facto" authority. In determining the "de facto" authority of the Gaming Commissioners, the Briefs address the issue of "de facto" authority by showing case law where the doctrine was defined and relied upon for case decision. In the Court's review of those cases, however, it was evident that all support some form of "de facto" authority, while there are some passages that may leave the issue open.

In the case *Garcia v. Miller* 261 Ga. 531; 408 S.E.2d 97, the Court was addressing the removal of holdover language from Judicial positions due to constitutional revision. The Georgia Court stated, in part, "[3] All officers of this state, **except those public officers appointed by the Governor and confirmed by the Senate**, 'shall discharge the duties of their offices until the successors are commissioned and qualified'. {Emphasis added.} In the case before this Court it

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is exactly an official appointed by the Ogema (governor/executive) and confirmed by the Council (senate/legislature) that is discussed. So even as the Georgia Court found that seats are not vacant if held by an incumbent "who is legally qualified to exercise the powers.." it avoided the issue of this case. It is the issue of what constitutes 'legally qualified to exercise power' that in this matter this Court is trying to determine. The language (in bold) in Garcia seems to favor a non-holdover situation in the matter before the Court. In Attorney General et rel, v. Warner 299 Mich. 192(1941) the Court finds that incumbents are entitled to hold office until the successor, even if that successor is the person who held the office, is elected or qualified. Here the Court finds position is based on the need to prevent a vacancy in an office important to society. Then in Sempliner v Fitzgerald 300 Mich. 547, 543 (1942) the Court separates or distinguishes between judicial and administrative appointments, noting that administrative appointments are for the unexpired terms, while judicial are until replaced. In all cases the authority of the holdover is found to be "similar" to a person actually appointed to the office. In Wayne County Republican Committee v. Wayne County Board of Commissioners 70 Mich. App. 620; 247 N.W. 2d 571 (1976) the finding was that the Commissioners were allowed to hold office past their terms as replacements until they are ousted or replaced by persons elected by special election. The commissioners were removed but the validity of their actions was upheld even "during the time they were improperly serving on a public body" (Brooks, p8). The Court can take notice of the decisions of other courts, but it is first to review other Tribal sources, then Federal before relying on State decisions. In a case related to holdover in Tribal governments, Chamberlain (et al) v. Peters (et al), No.99-CI-771 (Jan. 5, 2000) Saginaw Chippewa Tribal Appeals Court {27ILR, 6090}, the opinion of Justices Vincenti, Fairbanks and Pommersheim discussed the holdover of a Tribal Council and what authority the Council had, as found in the Tribe's (Sag. Chip.) law: "Its term had expired. In addition, to begin constitutional reforms during the 'holdover' period is questionable as it is well settled law that tribal officials are limited to the authority conferred upon them by their

constitutions or statutes". {Emphasis added}. Although the facts are different, the holdover

authority of Tribal governmental bodies as discussed fits into the question here.

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So, the Court now turns to the place it should actually begin any analysis such as the one here, to the Tribe's laws, policies and documents. Analysis and review to find if the tribe has any policies or tendencies that may instruct with regard to "de facto" authority. First, the Constitutional Provisions, as they are the highest law of the Tribe. ARTICLE IV, § 4(b) "Tribal Council members shall continue in office until their successors are sworn in by the Tribal Court, their office is deemed vacant, or they are removed from the Tribal Council."

ARTICLE V, § 3(b) "The Tribal Ogema will continue in office until his/her successor is sworn in by the Tribal Court, the office is deemed vacant, or he/she is removed as the Tribal Ogema." ARTICLE VI, § 5(b) "Tribal Judges will continue in office until a successor is sworn in."

(Deemed Vacant = "A vacancy in the office of the Tribal Ogema or on the Tribal Council resulting from death, resignation, forfeiture, removal, or recall.."}

These provisions are fairly clear in their intention, that there be no gap created by a term ending in one of the three branches of the Government. However, should the Council or Ogema position be deemed vacant for the causes shown above, there is a gap covered by the actions to fill the vacancy. Although the Speaker can act as Ogema, it is clear there is to be some replacement and Council replacement time can vary. Even a member of the Judiciary may die, resign or be removed, leaving a gap or vacancy filled by appointment. The time frame can be very short when there is an appointment or as long as it takes for an election. Article X, § 4"(a) If less than eighteen (18) months remain in the term of office for the Tribal Ogema or Tribal Council member, an individual shall be appointed to full such vacant position at the next regular Tribal Council meeting, provided such appointment is approved by a majority vote of the Tribal Council. The Speaker of the Tribal Council shall nominate an individual to fill the vacancy in the Office of the Tribal Ogema. The Tribal Ogema shall nominate an individual to fill a vacancy on the Tribal Council. (b) If more than eighteen months remain in the term of office for the Tribal Ogema or a Tribal Council member, a special election shall be held within three (3) months after the vacancy occurs. When calling a special election to the fill the vacancy of a Tribal Council member, the qualifications

for candidates and registered voters entitled to participate shall be consistent with those applicable

 to the District in which such vacant seat exists." There is an effort to close gaps, but there can be vacancies, even with the holdover language.

ARTICLE IX, § 1(f) "The service of the Election Board members appointed to conduct the first election shall expire immediately upon completion of their duties, in order that the first-elected Tribal Ogema and Tribal Council may make appointments to the Election Board."

At first glance this seems fairly straight forward, once the first election is held they are done. The expression 'upon completion of their duties' allows for some room to argue when their term ends. It is certain that it was intended to end *before* the next board — "in order that the first-elected Tribal Ogema and Tribal Council may make appointments to the Election Board." There is a lack of language that includes the successor line, and as gaps occur in other positions, one here would be acceptable as well. The loss of rights could be taken to the Court and addressed there through injunction, making it unlikely any real danger would exist after the first election. Certainly, there is nothing evident to support the *addition* of the successor language as understood. Indeed, the language saying the first elected officials "may make appointments" seems to imply that there needs to be a vacancy in these positions prior to appointment.

A review of the Ordinances and documents establishing governmental bodies follows to see if there is a pattern or policy supporting approximate or fixed terms.

Ordinance 97-200-01 Enrollment, establishes the Enrollment Committee at § 4.01, "An Enrollment Committee consisting of three (3) to five (5) enrolled Tribal members shall be appointed in accordance with applicable Tribal laws and polices governing the appointment of members of Tribal Committees". The Committee is bound by the Committee Procedures Policy passed April 13, 1997. In the Committee Procedure Policy at Section 2 D, Vacancies, the policy says: "The Chairperson will notify the Tribal Manager when a voting member of the Committee is no longer able to serve on it." Further it says "No person may serve as a voting member of the Committee until appointment is made by the Tribal Council." Section 2 F, Appointments, includes the language "Members of all Committees shall serve for a period of two years, or until the Committee expires, whichever comes first." Similar to warranty language, it is plain that this means that persons serve two years, unless the committee is dissolved in less time. Although there is no prohibition on continuous service, so the same person could be reappointed within the process outlined in section 2 D.

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Ordinance 97-300-01, Tribal Court, establishes the Court prior to the effective date of the Constitution. The terms of office are four years (six in Constitution) and there are some other differences with Article VI, but when it deals with appointments and related issues the language from the Constitution is included to allow for ease of transition. § 14.02 contains the language "Tribal Judges will continue in office until a successor is sworn in by the Tribal Chairman." Except for designating the person to swear the oath, the language is the same as Art. VI, § 5(b). The next Ordinance 97-400-01 covers the gaming Commission, and so will be addressed last in this review. Ordinance 96-500-01 creates and authorizes the Natural Resource Commission. The language covering terms of office and related matters is found in § II(c). II(c)2 says, in part, "at the expiration of the terms of the Commissioner and the other two Associate Commissioners, the Tribal Council shall fill such vacancies by appointment". Clearly, here it is assumed the person is not in office past term expiration or there would not be a vacancy to be filled. The process to fill requires public notice two weeks in advance of any appointment, similar to the Gaming Commission's notice requirement. Ordinance 96-700-01 establishes the current Housing Commission. The ordinance has been recodified and amended, but the Court may not have the new document. It has been indicated that the language has not changed, only the numbering of sections. The document the Court has says at Section IV § 4(b), in part, "Each Member of the Board shall hold office until his/her successor has been appointed and has qualified". This is clean language that preserves someone in office until their successor has not only been named, but also has been proven qualified to hold the position. 98-900-01 is the Children's Code. In the Code, Section 5, establishes the Binojeeuk Commission. Section 5.02 sets the terms for membership in the Commission- "The term of office for Commission members shall be two (2) years; provided that the Tribal Council establish terms as may be necessary to implement a system of staggered terms." Further, there are to be between three and five members, with a Tribal Council member always on the Commission as chair. There are no

Little River Band of Ottawa Indians Tribal Health and Human Services Committee By-Laws.

This is a document that gives structure to the committee named. Interestingly, the document was adopted by the Tribal Council by motion, although it was on the agenda as a resolution

successor statements, nor are there any vacancy allowances.

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adopting the by-laws and has a resolution adoption page from when amended, and although the motion "calls" the by-laws an ordinance – it really was neither resolution nor ordinance. Amended in June 8<sup>th</sup>, 1998, it covers appointments in Section III. A, and B. Members are appointed by the Tribal Council (A), the initial appointments section (B) includes the dates the terms end and that subsequent terms will be two years. This is the only time the terms are referenced with dates of ending, and may not reflect the dates of appointment with the term endings in the same month of differing years. Being date specific, there is no holdover clause in this document, and terms are surely fixed.

This brings us to Ordinance # 97-400-01, Gaming Commission. The section covering the

appointment of Gaming Commissioners is Section 4. The terms of the initial appointments is defined by § 4.02(b) "terms of office for the initial appointees shall be staggered, with two (2) members appointed for a term of one (1)year, two (2) members appointed for a term of two (2) years, and one member appointed for a term of three (3) years. All subsequent appointments to the Gaming Commission shall be for terms of four (4) years {as amended}. Members may be reappointed for additional terms without limitation." Creating staggered terms, it also allows for continued service, but may not create continuous service in office. The appointment (and thus reappointment) process is established in the next section: § 4.02(c) "At least four (4) weeks prior to any meeting during which appointments to the Gaming Commission will be made, the Tribal Ogema shall publicize that he/she will be making such nominations for appointments and shall seek applicants for appointment and nominations of individuals to be appointed". This requires that a specific event, the advertising for applications, take place before the appointment of a Commission member. This is not the only body with this clause, the Natural Resource Commission also has a notice of appointment requirement and contains similar language in regard to staggered terms. (It is noted the Natural Resource terms are fixed, creating their own vacancies at the end of the term.) Vacancies are addressed at § 4.07(b). It says, in part: ",the Council shall declare the position vacant and shall appoint another person to fill the position. The terms of office of each person appointed to replace an initial Commissioner shall be for the balance of any unexpired term for such position,". Two things of note, appointment need to comply with § 4.02(c)'s notice requirements and the term is only as long as the original, not the four years of § 4.02(b). The declaration of a vacancy would trigger the process.

 The Ordinances and documents reviewed have several means of dealing with appointments and terms. Only four of the ten bodies actually use the successor language, Ogema, Council and Court (taken from the Constitution) and Housing, the only non-constitutional body to have it. In the others discussed there is a pre-appointment notice period in two, Natural Resources and Gaming, with term expiration equaling vacancy in Natural Resources. Enrollment is based on the Committee policy with its language fixing terms, ending whichever comes first (and so not beyond). The Binojueek committee is barely structured, but does have staggered terms and a flexible number of members. The 'Health Board' had date specific terms. The Election Board language could be viewed either way, but with the clause so (elected officials) may make appointments points to vacancies that are to be filled. Reviewing, if there were to be an overall Tribal policy of remaining until replaced, then most of these documents would be in conflict. In fact only one other than the Constitutional bodies would contain it, and three would contain conflicting language. There appears no statement or evidence of an overarching policy here, each Ordinance decides the manner of appointment in its 'own' way.

The NIGC in providing information to tribal governments concerning the independence of

Gaming Commissions recommends: "The term should be of *fixed* length and long enough to ensure stability. Continuity is fostered by staggering terms of commission members [thus] avoiding wholesale changes in membership" {emphasis added}.

Counsel for the Council points out that the Gaming Commission is not administrative, but much more due to the nature of its subject matter. However, the Constitution defines the Gaming Commission as a regulatory agency, a body responsible to implement (or execute) specific legislation. The same as the Natural Resource Commission which is responsible for the hunting, fishing, etc. and environmental standards of the Tribe, or the Housing Commission's responsibilities in the area of safe and healthy housing, both of who's subjects are as important as Gaming to the Tribal members in the full picture. Further, the staff of the Gaming Commission can carry out a majority of its functions, the Commission required for hearings. Vacancies may delay the 14 day timetable, but if Commissioners resigned or were ill the delay in the hearing process would be unavoidable and in most cases would be an acceptable situation.

Finally, in analyzing this matter, the Court addresses the issue that it was through accident and not inactivity that the situation arose. The document that lead the Court to review and ask for others to review was a Tribal Council Agenda Request from the Ogema for action at a Tribal Council meeting to be held August 21, 2000 to fill the <u>year long vacancy</u> of James Campaeu's position on the Gaming Commission, and the added request to re-appoint Commissioners Chandler and Biers. That there was at least one vacancy can not be denied, it had been vacant for a year. Even filling that seat would make it possible for there to be a quorum of three total commissioners two days later, even without Ms Chandler and Ms Biers. Instead the action taken by the Tribal Council was not to review any backgrounds or even to appoint the Ogema's nominee, it was to pass a motion alleging the Council took an "improper", if not illegal act *in the past*. There is no proper or legal way the Council could have appointed or reappointed any Gaming Commissioner to a four year term on February 21 1999, as the term at that time was three years until amended on March 25, 1999, even with a new motion "repeating" the older motion.

## Opinion and Decision

The Court finds that nothing in the analysis of "de facto" power that actually creates or gives the position authority. The authority is accepted in a "well, what can be done about it" manner. In most instances, the authority is deemed 'just like a real official', provided the person has a statutory (legal) right to exercise that authority. The authority exists because at one time the statutes made it legal and legitimate. So after the time allowed for the office, a person remains unless removed or replaced. Terms become minimums and officials serve until removed, replaced or dead. Every 'office' benefits and shares the unique status of a "Constitutional" office, or the one established by ordinance unless its subject matter is 'not that important'. De Facto would mean, if it doesn't say the term ending creates a vacancy or is the end of your authority, it doesn't. Even though the Council knew that all that is needed to have a holdover clause was to enact one, as in the Housing Commission Ordinance, and they did not, its okay. Granting and accepting "de facto" power in this instance would mean every body of the Government would share the unique status so carefully placed in the Constitution or Ordinance for some but not all positions, unless clearly denied by their statute. The treating of all terms as

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no one knew what the status of any terms are. It is not important to know what the terms of office are, because whoever is there can serve for life. Not just in the Gaming Commission, but in every place it is not clearly denied. But fixed terms lead to possible gaps. The Court further finds that the 'fear of gaps' must not effect all Governments the same. The Federal system had gaps in the Cabinet positions (i.e.-Attorney General) and other offices - and the Government didn't fall. In fact, had there been a gap in the future, this matter probably would have been acted on a timely manner, with the importance it deserves.

The Court agrees with the statement of the Saginaw Chippewa Appellate Court: "it is well-settled"

approximate rather than fixed is a contributing, if not the only factor creating this situation where

law that tribal officials are limited to the authority conferred upon them by their constitutions or statutes". {The only other source for governmental authority is tradition, and among Anishnaabek authority is limited to what you are told you can do or literally what the "law" says. Review Kewacushkum [spelling approximate] in Tribal history circa 1821.}

It is for all the previous that the Court finds the doctrine of "de facto" membership after a term ends is not one of the Tribe's doctrines. Terms are meant as ending the authority of the persons to act. It is the duty of those who appoint, and the appointed, to know when terms end —or put in place holdover for the position (by ordinance etc.). Those persons whose terms had expired were not Gaming Commissioners.

THEREFORE, Defendant's MOTION for DISMISSAL is denied.

Further, the Court will establish a conference or hearing date as desired by parties in order to proceed with the remainder of this case.

SO ORDERED,

Mach 9,2001

Jonnie J. Sam II, Associate Judge

Appeal

Parties may appeal this Dismissal by filing appeal with the Court within 28 calendar days from the date of this Decision.

# Little River Band of Ottawa Indians Tribal Court 1762 U.S. 31 South Manistee, Michigan 49660 (231) 398-2960

#### **CERTIFICATE OF SERVICE**

I certify that on this date I placed a copy of this order in the mail to the Attorneys for the Gaming Commission and the other parties at their addresses as on file with the Court, as shown below.

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03 -09 - 01 Date

Laurie Willis - Court Clerk