

Attendance: Mr. Lechliter on Trust

Absentees: Messrs. Horikoshi, Yokoi, Block 21, Michie.

Minutes of September 14 were read and approved with amendment.

Councilmen's work assignments were discussed at the suggestion of Mr. Nagumo. Mr. Nagumo proposed to assign councilmen to the coordinating board thereby entitling them to wages. The Executive Committee to draft a resolution and negotiate with Mr. Robertson.

Mr. Lechliter was invited to the Council meeting to give a clear picture on legal aspect of the trust organization. Following is the brief outline of his explanation: Trustee is very much comparable to an officer or a board of directors of a corporation which is actually owned by stockholders; in case of the community enterprises, patronizers of the community enterprises are the owners of the trust, which owners are holders of patronage receipts. Promoters of a corporation is equivalent to trustees in community enterprises and the latter are not necessarily owners of the enterprises. WRA has a right only to the extent of maintaining relocation centers and has the right to collect rent and to audit books; otherwise, giving evacuees carte blanche. There are two ways by which the declaration of trust can be changed or modified, in both instances only the trustees have the right to do so: namely, to draft a new form of trust and submit it to the people of this center by a written memorandum; or, to initiate action by themselves within the power of trustees. The present trust is set up until such time as cooperative was adopted. To that extent, the present trust can be argued as a temporary trust. A proposal for a new form of trust had been submitted to the Council which when set up will automatically invalidate the Declaration of Trust of the present trust. There is no legal argument in reservation of 5 store managers to be included in the new trustee organization. Original trustees were not appointed by anyone, but was at the request of the Administration they have formed a trust by signing the Declaration of Trust. Section 18 of the Heart Mountain charter provides that the community council cannot determine or regulate what kind of organization is set up, but the Council can adopt a resolution on plans passed and submitted by the present trustees of the Community Enterprises. Employees of the community enterprises may serve on the Board of Trustees. A trustee cannot be ousted by the Board of Trustees or by a popular vote except by his resignation or relocation or by court procedures. Present Community Enterprises is a non-profit corporation and is exempt by Anti Sherman Trust Act.

#### REPORTS:

Mr. Nagumo reported that Block Managers have decided that they did not want to participate in the Manpower Commission. The Council concluded that filling a vacancy created by Mr. Miyamoto's relocation can be waited till after segregation. The Council Labor Committee shall send an observer to the manpower conference. The Agricultural Committee reported that overtime problem is being adjusted now.

In an effort to promote favorable public relations, the Council decided to appoint Mr. Dave Yamakawa of the Community Activities whom the Council agreed to be the most competent person to direct the 3rd War Loan Bond campaign drive. (The Committee appointed Dick Fujioka as alternate as Dave Yamakawa was unable to render services due to his heavy program)

The Council secretary was assigned to draft a memo to be submitted to the Project Director on issuance of work clothing, shoes, shed, hot lunches to coal and warehouse crew.

Meeting was adjourned at 11:30 AM. Next meeting: 9 AM, Monday, 9/20/43.