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IN THE HUALAPAI TRIBAL COURT HUALAPAI RESERVATION, STATE OF ARIZONA

THE HUALAPAI INDIAN TRIBE OF THE HUALAPAI INDIAN RESERVATION, Arizona,) Appeal Case No. 2012-AP-01.
Plaintiff VS.) CASE NO. 2012-CV-017
GRAND CANYON SKYWALK DEVELOPMENT, LLC, a Nevada limited liability company,))))
Defendant.)

NOTICE OF APPEAL FROM AUGUST 3, 2012 MINUTE ENTRY AND ORDER OF THE COURT ON DEFENDANT'S MOTION IN OPPOSITION TO TAKINGS DECLARATION Defendant Grand Canyon Skywalk Development, LLC ("GCSD") hereby appeals to the Hualapai Court of Appeals the Tribal Court's August 3, 2012 *Minute Entry and Order on Defendant's Motion in Opposition to Takings Declaration* issued by the Honorable Lawrence C. King ("Order"). Specifically, and pursuant to Section 10.5(A), Defendant appeals the Court's conclusion that "jurisdiction is proper in this matter." Order at 2 (copy of Order attached hereto).

Briefly, the basis for GCSD's appeal is that GCSD is a non-Indian and neither the Tribe, the Tribal Court, the Hualapai Tribal Council (the "Tribal Council"), nor any representative of the Tribe has the authority to exercise civil regulatory or civil adjudicatory jurisdiction over the non-Indian Defendant, or Defendant's non-Indian Nevada contract interests, which the Tribe purports to have seized by eminent domain. The Tribe's purported taking – by eminent domain power arising under Hualapai Tribal law – does not extend to GCSD's off-reservation, Nevada contract rights.

The Tribal Court's conclusion that there is jurisdiction over the Tribe's purported taking of GCSD's non-Indian, Nevada-based contract rights is incorrect. The Tribal government cannot reach beyond its Reservation borders and take the intangible personal property of a non-resident, non-Indian located in another state. A sovereign's power to condemn property extends no farther than its borders, and property to be taken by a sovereign must be taken within its jurisdictional boundaries. *Mayor & City Council of Baltimore v. Baltimore Football Club Inc.*, 624 F. Supp. 278, 284 (D. Md. 1985); Nichols on Eminent Domain (3d ed. 1980), §§ 2.07, 2.12.

GCSD is and always has been located in Nevada. Its company offices are Nevada, its headquarters are in Nevada, its principal place of business is in Nevada, and its owners are domiciled in Nevada. Under the long-established maxim that the location of intangible personal property follows the owner (mobilia sequuntur personam, the "mobilia doctrine"), GCSD's

intangible contract rights reside in Nevada, beyond the territorial limits of whatever eminent domain powers the Tribe might have. See Blodgett v. Silberman, 277 U.S. 1, 9-10 (1928); Texas v. New Jersey, 379 U.S. 674, 681-82, n.10 (1965). Because the Tribe lacks civil regulatory jurisdiction over non-Indian GCSD to effectuate a taking of GCSD's intangible Nevada contract rights, the Tribal Court also lacks civil adjudicatory jurisdiction with respect to the Tribe's taking efforts. Strate v. A-1 Contractors, 520 U.S. 438, 459 n.14 (1997).

Indeed, the United States Supreme Court's jurisprudence with respect to tribal civil regulatory and civil adjudicatory jurisdiction makes clear that there is no basis for Tribal jurisdiction in the instant matter. See Plains Commerce Bank v. Long Family Land & Cattle Co., 554 U.S. 316 (2008); Nevada v. Hicks, 533 U.S. 353 (2001); Atkinson Trading Co. v. Shirley, 532 U.S. 645 (2001); Strate, 520 U.S. 438; Merrion v. Jicarilla Apache Tribe, 455 U.S. 130 (1982); Montana v. United States, 450 U.S. 544 (1980). Therefore, GCSD seeks reversal of Judge King's Order finding that the Tribal Court has jurisdiction.

Defendant's appeal is proper at this time pursuant to Section 10.3 of the Hualapai Code which provides that "Any party to a civil action ... dissatisfied with a final judgment or order of the Tribal Court may appeal therefrom to the Tribal Court of Appeals." GCSD is dissatisfied with the Court's conclusion regarding jurisdiction and therefore appeals therefrom. And GCSD's appeal is timely pursuant Section 10.4(A)(1). GCSD shall post the requisite administrative fee for this appeal with the Clerk of Court.

Pursuant to Section 10.5(A)(1) of the Hualapai Code, Defendant states that its name, address and telephone number are as follows: Grand Canyon Skywalk Development, LLC, 5985 W. Wigwam, Las Vegas, NV 89139, (702) 220 8372. GCSD is reachable through its counsel. GCSD is represented by the law firm of Greenberg Traurig LLP and specific counsel as follows:

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This appeal of the Court's jurisdictional finding notwithstanding, GCSD will timely submit the materials required in the Court's Order, namely the schedule of discovery and hearings and a brief on the two legal issues identified in the Order for supplemental briefing.

Respectfully submitted this 8th day of August 2012,

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CERTIFICATE OF SERVICE

This is to certify that on August 8, 2012, a true and correct copy of the foregoing Notice of Appeal of Grand Canyon Skywalk Development, LLC was filed and mailed via United States mail to:

In A. F.

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Paul K. Charlton
Jeffrey D. Gross
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THE HUALAPAI INDIAN TRIBE OF THE HUALAPAI INDIAN RESERVATION, Arizona,

Plaintiff,

VS.

GRAND CANYON SKYWALK DEVELOPMENT, LLC, a Nevada limited liability company,

Defendant.

Case No.: 2012-CV-017

MINUTE ENTRY AND ORDER

This matter is before the Court on Defendant's Motion in Opposition to Takings Declaration. Plaintiff filed an Opposition, to which Defendant replied. The Court heard oral argument from the parties. Defendant is represented by counsel for the limited purpose of arguing jurisdiction.

I. BACKGROUND

A Declaration of Taking was filed with this Court on February 8, 2012. The declaration pursuant to Section 2.16(F)(2-4) of the Hualapai Tribe Law and Order Code, declared that the Hualapai Tribe has taken possession of all interests of Grand Canyon Skywalk Development, LLC (GCSD) in that certain Development and Management Agreement by and between GCSD and 'Sa' Nyu Wa (SNW), a tribally charted corporation, dated December 31, 2003 and that certain first amendment to Development and Management Agreement by and between GCDC and SNW dated September 10, 2007 (hereinafter individually and collectively referred to as the "Skywalk Agreement").

 The Declaration requested that an Order be entered that absolute title in such contract interests vests in the Tribe and that the Tribe shall be the party to the Skywalk Agreement in full place and stead of GCSD, with the right to just compensation vesting in GCSD.

The property to be taken is the construction and management of the Skywalk located at Eagle Point within the Hualapai Tribal Reservation.

The Hualapai Indian Tribe filed a Complaint in Condemnation on February 8, 2012. The Tribal Court issued an Order vesting absolute Title to contract interests to that certain Development and Management Agreement by and between GCSD and 'Sa' Nyu Wa (SNW), a tribally charted corporation, dated December 31, 2003 and that certain first amendment to Development and Management Agreement by and between GCDC and SNW dated September 10, 2007, in the Hualapai Tribe.

The Court on February 17, 2012 issued an Order: Severance of §2.16(K) from the Condemnation Ordinance pursuant §2.16(T) because it invaded the province of the Court, and violated the Separation of Powers and therefore was unconstitutional.

II. DISCUSSION

TRIBAL RULES OF CIVIL PROCEDURE

The Court finds that jurisdiction is proper in this matter.

Section 3.1 (D) of the Hualapai Law and Order Code provides that "[a]s to any matters that are not covered by the Tribal Constitution, codes, ordinances or resolutions of the Tribe or by Tribal Common Law or by applicable federal law or regulation, the Tribal Court may be guided by common law as developed by other Tribal, federal or state courts."

EMINENT DOMAIN

"Eminent domain is the power of the sovereign to take property for public use without the owner's consent." 1 J. Sackman, Nichols' The Law of Eminent Domain Sec. 1.11, at 1-7 (3d ed. 1981). To exercise the power of eminent domain, the government must prove that the four elements set forth in the Fifth Amendment are present: (1) private property (2) must be taken (3) for public use (4) and with just compensation.

These elements have been interpreted broadly. The first element requires that the property taken be private. Private property includes land as well as fixtures, leases, options, stocks, and other items. The second element refers to the taking of physical property, or a portion thereof, as well as the taking of property by reducing its value. Property value may be reduced because of noise, accessibility problems, or other agents. Dirt, timber, or rock appropriated from an individual's land for the construction of a highway is taken property for which the owner is entitled to compensation. In general, compensation must be paid when a restriction on the use of property is so extensive that it is tantamount to confiscation of the property.

The third element, public use, requires that the property taken be used to benefit the public rather than specific individuals. Whether a particular use is considered public is ordinarily a question to be determined by the courts. However, if the legislature has made a declaration about a specific public use, the courts will defer to legislative intent (*Hawaii Housing Authority v. Midkiff*, 467 U.S. 229, 104 S. Ct. 2321, 81 L. Ed. 2d 186 [1984]). Further, "[t]he legislature may determine what private property is needed for public purpose ... but when the taking has been ordered, then the question of compensation is judicial" (*Monongahela Navigation Co. v. United States*, 148 U.S. 312, 13 S. Ct. 622, 37 L. Ed. 463 [1893]).

To determine whether property has been taken for public use, the courts first determined whether the property was to be used by a broad segment of the general

public. The definition of public use was later broadened to include anything that benefited the public, such as trade centers, municipal civic centers, and airport expansions.

The last element set forth in the Fifth Amendment mandates that the amount of compensation awarded when property is seized or damaged through condemnation must be fair to the public as well as to the property owner (*Searl v. School District No. 2 of Lake County*, 133 U.S. 553, 10 S. Ct. 374, 33 L. Ed. 740 [1890]).

In a Takings action, the government does not acknowledge taking. Property owner files a "reverse condemnation" action accusing government of taking, seeking just compensation. Takings cases usually involve a temporary invasion of property, or restriction on use of property – which is called a "regulatory" or "constructive" taking.

Condemnation usually consists of two phases: proceedings that relate to the right of the condemnor to take the property, and proceedings to set the amount of compensation to be paid for the property taken.

In the instant matter, the Court takes Judicial Notice that the property within the exterior boundaries of the Hualapai Reservation was established for the benefit of the members of the Hualapai Tribe. Title to said land is held in trust by the United States of America for the Hualapai Tribe. The plain language of a statute controls its interpretation. *Maine v. Thiboutot*, 448 U.S. 1, 4, 9, 100 S.Ct. 2502, 2504, 2506, 65 L.Ed.2d 555 (1980). As such, the Court finds that the Hualapai Tribe does not need to take its own property back by eminent domain. The Skywalk Agreement in section 2.2(s) states clearly that Ownership of the Site and all Project Improvements shall be and remain in the Nation throughout the Construction Term and the Operating Term.

However, the "Law of the Case" dictated that the Court institute hearing pursuant to the Eminent Domain Ordinance.

III. ORDERS

IT IS ORDERED that the parties submitted to the Court a schedule for discovery and hearings in this matter within the next 15 days.

IT IS ORDERED that the parties brief the question of 1. Can eminent domain be used by the Tribe when the Tribe owns the land, and 2. Is a contract right subject to government taking or contract remedies when the parties are a Tribe and a private party. The briefs should be no more than 10 pages due 21 days from the date of this order.

SO ORDERED this 3rd day of August 2012.

/s/ Lawrence C. King
Honorable Lawrence King
Judge, Hualapai Indian Tribe



Wendy Creason Tel 303.685.7415 Fax 720.904.7617 creasonw@gtlaw.com



FILED

August 9, 2012

VIA FEDERAL EXPRESS

The Hualapai Tribal Court Attn: Clerk 960 Rodeo Way Peach Springs, Arizona 86434

Re: Case No. 2012-CV-017

The Hualapai Indian Tribe of The Hualapai Indian Reservation

v. Grand Canyon Skywalk Development, LLC

Dear Clerk,

Please find attached a cashier's check (certified bank check) in the amount of \$50.00 to cover the filing fees associated with the filing of the Notice of Appeal From August 3, 2012 Minute Entry and Order of the Court on Defendant's Motion in Opposition to Takings Declaration, filed via facsimile on August 8, 2012. A courtesy copy of the filing is attached for your reference.

Should you need any additional information or have questions, please do not hesitate to contact this office. Thank you.

Sincerely,

Wendy Creason

Assistant to Jennifer H. Weddle

:wc Attachments LV 419825769v1

HUALAPAI COURT OF APPEALS Preliminary Checklist

(Form to be Completed & Transmitted Electronically to Chief Justice Within 2 Business Days of the Filing of the Notice of Appeal or Petition for a Writ and **Prior** to Commencing Preparation of the Record on Appeal)

Cas	se Name (Always Place Plaintiff/Petitioner's Name in Tribal Court First)
M	le Hualapai Tribe - 15- Grand Canyon Skywall
Арг	pellate Case Number: 2012 - AP - 012 Development
Tril	bal Court Case Number: 2012-CV-017
Pan	el of Justices for Case: Williams, Clinton & Fergusson
	d Justice: Williams
A.	Title on Notice of Appeal/Petition for Writ Document:
	Notice of Appeal
В.	Date Notice of Appeal/Petition for Writ Filed: (Note: Notices/Petitions Should Only be Filed if Received with Fees or a Motion to Fee Waiver)
C.	Did the Notice/Petition Contain a Certificate or Other Proof of Service on Opposing Parties and their Legal Representatives?
	Please Circle Yes No
	(Note: Any Documents Received Without a Certificate or Other Proof of Service on Opposing Parties and their Legal Representative Should <i>Not</i> be Filed)
D.	Order from Which Notice/Petition is Taken as Stated in the Notice/Petition:
	Minute Entry and Order
Prelin	Minute Entry and Order minary Checklist Case No: $2012-49-012$

E.	Was the Order from Which Notice/Petition is Taken a Final Order?					
	Please Circle:	Yes	No	Uncertain		
	(Attach the Or	der from W	hich Notice/	Petition is Taken.)		
F.	Date of the Order from Which Notice/Petition is Taken: Angust 3, 2012					
G.	Number of Day Notice/Petition	is Taken ar	Between Filing and the Filing	ng of the Order from Which Date of the Notice/Petition:		
Н.	Was the Notice/Petition Timely (that is, was the Notice of Appeal filed within 30 days of the Order; or was the Petition for a Writ filed within 15 days of the Order (App. Rule 16(c)(i))?					
	Please Circle:	Yes	No			
I.	If the Answer to H. Above was No, Did the Last Day for Filing a Notice/Petition Fall on a Day on which the Court was Closed?					
	Please Circle:	Yes	No			
J.	If the Answer to Business Day or			s the Notice/Petition Filed on the Next Open?		
	Please Circle:	Yes	No			
K.	Was a Motion to Court of Appea		e Filing Fee o	or a Motion for a Stay filed with the		
	Please Circle:	Yes	No			
	ared By:	j				
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Prelim	inary Checklist Case	No: 0/	2-AP-C	2		