that the Skywalk is drawing tourists.

On an afternoon in the middle of the week, hundreds of tourists wait their turn to stroll on the glass bridge. An usher keeping track of the visitors has counted more than 1450 visitors on her shift. In 2010, some 620,000 tourists visited. Each one paid \$29.99 just to enter the Skywalk, and many will fork over another \$27.99 to take home a photo. Most come by bus or helicopter on package tours.

"It's breathtaking really, it's unbelievable," said Melissa Peck, a tourist from New Jersey as she gazed down at the bottom of the canyon, 4,000 feet below.

The structure was built when Las Vegas businessman <u>David Jin</u> struck a deal with the Hualapai tribe. He would put up \$30 million to build the Skywalk and a Visitor Center, and then would manage the site for the next 25 years. The profits would be split evenly between Jin's corporation, Grand Canyon Skywalk Development, LLC, and the tribe's corporation, 'Sa' Nyu Wa. But now both sides say the other isn't keeping up their end of the bargain. The Hualapai's main grievance is the unfinished visitor center.

The line of tourists winds through the unfinished building on the way to the Skywalk entrance. The exterior of the building is complete, but inside it looks like a construction zone. It's been that way since the attraction opened, said Waylon Honga, a member of the <u>Hualapai Tribal Council</u>.

"There's no ceiling, there's no interior walls, It is one big empty space," said Honga, as he toured the empty space that is supposed to house a restaurant and a gift shop for tourists. "It's got a long ways to go."



By Jude Joffe-Block

Hualapai Tribal Council member Waylon Honga stands in front of bags of insulation that have yet to be installed in the unfinished visitor center.

Honga and the rest of the council insist the unfinished construction is Jin's fault.

"What is stipulated in the contract was for Mr. Jin to extend the water, the sewer and electric lines and complete the building," the councilman said. "And it hasn't been done."

Jin maintains that the utilities are the tribe's responsibility. He has plenty of his own accusations against the tribe--including embezzlement. According to Jin's spokeswoman, Aimee Romero, Jin hasn't received his share of the profits.

"Mr. Jin has not received any of the management fees that were agreed to by the tribe since 2007," Romero said.

Those owed fees could be as high as \$8 million, according to Jin's estimates. Romero said Jin has tried to pursue arbitration with the tribe, but the tribe has refused. For their part, the tribal council says Jin's claims are false.

Now they are weighing whether to use newly acquired powers of eminent domain to undo Jin's contract to manage the Skywalk. The council passed an ordinance earlier this month that would allow the tribal government to use that power for the first time.

"The Hualapai Tribal Council is just looking out for the best interest of its membership," Honga said.

Asserting eminent domain would be a highly unusual move in this case, according to legal experts.

"I don't know that any tribe and any outside investor have gone down this path before," said <u>Gavin Clarkson</u>, a law professor specializing in tribal economic development at the <u>University of Houston Law Center</u>.

Still Clarkson says the tribal government should have the power to void the contract and pay Jin the value of what he would have earned. That argument was echoed by the tribe's attorney, <u>Paul</u> Charlton.

"Any contractor who enters into an agreement with a government has to follow rules of that government," Charlton said. "If the contractor enters into an agreement with the Hualapai people, it has to follow Hualapai rules."

But prominent tribal law expert <u>Troy Eid</u> joined David Jin's legal team out of fear that such a move by the tribe could have damaging effects on other development projects in Indian country. Eid contends that the tribe does not have authority to assert eminent domain over Jin's property rights, since he and his company are outside of the tribe.

"The bottom line is if a tribe can come in and condemn someone's contract, when two corporations are doing business, that has a chilling effect on all private parties that might want to do business with Indian nations," Eid said.

After the Hualapai Tribal Council approved the new eminent domain ordinance, Jin's company, Grand Canyon Skywalk Development, LLC, asked a federal judge to stop the tribe from seizing the company's contract. The judge rejected Jin's request since the tribe had not taken action, but he has ordered discovery. Another motion is pending in tribal court that could compel both sides to enter into arbitration.

In the meantime, up on the Skywalk, tourists like Melissa Peck are missing out on some of the amenities.

"I have to tell you, I was shocked when I walked in, because I thought the inside of the building was a gift shop," Peck said. "But then when I saw nothing was there, I was kind of taken aback."

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Honga and Vaughn: Skywalk's potential will be realized

The Grand Canyon Skywalk is a one-of-a-kind attraction that has enthralled thousands of tourists from around the globe and given them a window into our culture since it opened in 2007.

We are grateful to these visitors, who have helped the Hualapai Tribe diversify and solidify our economic prospects, providing funds for roads, health care and basic services for our 2,100 tribal members, who are all descendants of a people who have occupied this spectacular and spiritually significant land for millions of years.

That said, the skywaik could be - and should be - so much more than it is today.

As has been widely reported, the Hualapal entered into an agreement with Las Vegas developer David Jin to build the skywalk and manage the project. Jin and his investors agreed to finance construction of the skywalk, a visitors center and gift shop with a restaurant as well as all on-site and off-site utilities and other infrastructure, including restrooms.

oper with

The

touris

the management contract for the skywalk and the would divide revenue from the skywalk and gift shop

erous mutually beneficial contracts with vendors and tour business scrupulously and ethically. We saw this deal the seemed genuine. Now, we can't be so sure.

sits i ROLL OVER FOR COUPON bar

sed to build is an empty shell - an uninspiring building that anging from the ceilings and holes in the floor. There are bathrooms, as Jin promised - for the thousands of e yet, there is no electricity, water or sewer to the ppalling breach of the contract.

whe side reckl ago. peop

account for his actions, Jin did finally show his proactive awsuits against our people. Both are frivolous and less public-relations campaign he launched a few months fic will see through his cynical crusade to denigrate our

we prefer not to settle our disputes in faraway Jin's sensational claims, the Tribal Council is still ptions, including an eminent domain action, to protect the and end this painful dispute.

states that the council will not enforce eminent domain on ation or deny to any person within its jurisdiction the equal e any person of liberty or property without due process."



se its eminent domain rights, the tribe is ready and more investors fair market value for their financial commitment.

Once the situation is resolved, it will allow the tribe to complete the Skywalk Visitors Center and provide a world-class facility that tourists from around the globe deserve.

Waylon Honga and Charles Vaughn are members of the Hualapal Tribal Council.



AZ FACT CHECK



AZ FACT CHECK

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15
                          IN THE UNITED STATES DISTRICT COURT
16
                              FOR THE DISTRICT OF ARIZONA
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    Grand Canyon Skywalk Development,
                                          No. No. 3:12-08030-DGC
18
    LLC, a Nevada limited liability
19
    company.
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                Plaintiff,
                                          AFFIDAVIT OF ROBERT BRAVO, JR.
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     VS.
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     'SA' NYU WA, et al.,
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                 Defendants.
24
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   STATE OF NEVADA
26
                                  ) ss:
   COUNTY OF CLARK
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                                          Page 1 of 5
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319,686,066v1 1.V 126465.011000

- I, ROBERT BRAVO, JR., being duly sworn under oath, states under penalty of perjury under the laws of the United States that the facts contained herein are of my personal knowledge, and if called upon, I could and would competently testify to them.
- I am a member of the Hualapai Tribe. I was born in Kingman. Arizona on March
 1964 and have lived and worked in and for the tribe and its business entities for many years.
- 2. Beginning in 1997, I began working for Hualapai Enterprise, also know as Grand Canyon Resort Corporation ("GCRC") for Grand Canyon West. After one year I left the company on good terms to seek employment elsewhere. During that time I was asked by the Tribal council to become a member of the Board of Directors for GCRC, which I served for approximately one year as another position became available at Grand Canyon West. In November of 2011 I applied for and received the position of Assistant Operation Manager for GCRC.
- 3. I have had numerous positions with the company including special projects manager and interim general manager of Grand Canyon West.
- 4. In September 2009, I became the interim CEO of GCRC and served in that position until September 2011 when I was placed on administrative leave without explanation. Shortly after I was placed on administrative leave, I was terminated without a full explanation as to why.
- 5. I am familiar with the litigation that has been occurring over the last year between SNW, GCSD, and Mr. Jin. and I am aware of the numerous allegations that have been asserted by the Tribe's public relations firm and certain members of the Tribal council alleging that Mr. Jin and GCSD are in breach of their agreement for failing to complete the visitors center and failing to bring the utilities to Eagle Point.
- 6. I know from being both a member of the Tribe and involved with GCRC in various capacities that it was always anticipated that the Tribe would solely be responsible for bringing utilities to Eagle Point and the Skywalk. For example the Indian Village at Eagle Point which has a gift shop facility was in need of utilities for the guests that arrived there. The Tribe would never allow someone who is not a member of the Tribe to own the utilities that would

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service the entire Grand Canyon West, including water, power, and sewer. Importantly, the Tribe has been attempting to get Federal funding to install these utilities for the time I have been involved with GCRC. For example, the water line is currently under construction and controlled by the Tribe.

- 7. I know also that the completion of the building was halted by the Tribal council and was never abandoned by GCSD or Mr. Jin. I was physically at a Tribal council meeting in December of 2010 where the Tribal council voted to allow Mr. Jin to complete only one floor of the existing structure. Surprisingly, just a week later, the Tribal council reversed itself and withdrew the authorization and has refused to allow Mr. Jin to complete the building. As the interim CEO of GCRC, I can tell the court this was frustrating to me because a completed visitor! center would generate considerably more revenue and a better visitor experience for GCRC and the Tribe. It appears that some members of the Tribal council who have taken over and now manipulate the Tribal activities believed that they needed a basis for alleging a breach of contract.
- 8. As a life long member of the Hualapai Tribe. I can further attest that the manner in which the eminent domain ordinance was passed in 2011, was highly unusual and completely contrary to the typical custom and practice of the Hualapai in adopting new ordinances. It has, been the custom and practice for the Tribal council to submit the proposed law for publication in the Tribal newspaper, Gamyu. Members of the Tribe then are able to read it, consider it, make, comment on it and vocalize their support or opposition to members of the Tribal council who are there to represent them. This did not occur with respect to the eminent domain ordinance. The Hualapai public was never given the opportunity to review the ordinance in advance. comment on it or have input as the bulk of the work on the ordinance occurred in secret through 24! Executive Sessions of the Tribal council.
- I understood that SNW was in arbitration with GCSD in Phoenix. Arizona and 9. was aware as most Tribal members were, that GCSD alleged it was owed monies and certain 27 members of the Tribal council alleged that Mr. Jin owed the Tribe money. Most of us believed that the truth would come out in the arbitration. I was surprised to learn that the attorneys for

SNW and the Tribe have terminated the arbitration by claiming they now own GCSD's contractual rights and have decided not to proceed with the arbitration. I believe this will be injurious to the Tribe because we will never know the truth as to which party is owed money and we will never know why the members of the Tribal council have refused to produce financial data and information to an independent tribunal who could fairly evaluate the claims.

- 10. As an entrepreneur, businessman, and someone who wants the Hualapai Tribe to continue to profit and benefit from having outside investment by entities such as GCSD and Mr. Jin. I am concerned that the conduct of certain members of the Tribal council is sending all of the wrong signals and messages to outside business partners and the public. Per the 2003 Agreement, SNW promised to resolve any disputes through arbitration. SNW promised to share 50% of the profits with GCSD from Skywalk operation; SNW promised that GCSD and Mr. Jin would receive the most favorable pricing for tickets in exchange for paying the entire development costs of the Skywalk, and SNW promised that it would be fair in its financial dealings with GCSD. The current actions by certain members of the Tribal council do not appear to be professional and businesslike, and any potential business partners will be disinclined to enter into development agreements with the Tribe if they fail to honor their promises.
- I am providing this affidavit for only one reason to ensure that the Court and the members of the Tribe know the truth. Some members of the Tribal council that have taken over and are manipulating the Tribe by falsehood and deception should be stopped. Since the Skywalk has opened, the Tribe has made more money than it ever imagined possible. It appears that even through the face of a terrible recession, the Tribe has done better year after year. Instead of rejoicing in their good fortune to have a successful operation run by GCSD, the Tribe is allowing manipulation and greed by some members of the Tribal council to permanently damage our ability to attract additional outside investment and honest business partners to work with the Tribe on the reservation,

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1	12. I would be happy to testify in Court regarding these topics and anything further
2	the Court would like to obtain information on and am willing to do so any time of the Court's
3	choosing.
4	Further affiant sayeth naught.
5	Executed this 28 day of February 2012.
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7	BOBERT-BRAVO, JR.
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10	SUBSCRIBED and SWORN to before me this U day of February, 2012.
11	HUD OF TESTS OF SENDA Wy Contributing Courter Path L. Continues No. Ob. 105791-1)
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GALLAGHER & KENNEDY

--- RA. ---

GLEN HALLMAN DIRECT DIAL: (602) 530-8471
E-MAIL: GHOGKNET.COM

2575 EAST CAMELBACK ROAD PHOENIX, ARIZONA B5016-8225 PHONE: (502) 530-8000 FAX: (502) 530-8500 WWW.GKNET.COM

February 7, 2011

<u>VIA FACSIMILE 702.792.9002</u> <u>AND US MAIL</u>

Mark G. Tratos GREENBERG TRAURIG 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, NV 89169

Re: Hualapai Indian Nation: 'Sa' Nyu Wa, Inc. - Skywalk

Dear Mr. Tratos:

This letter responds to your January 31, 2011 letter to my partner Terry Thompson, purporting to serve a "Notice of Arbitration."

As your co-counsel Teddy Parker has surely informed you, he was informed almost a year ago, on March 24, 2010, that it had come to the attention of the Hualapai Tribal Council that a company known as Y-Travel, an affiliate of Mr. David Jin, was unlawfully operating a shuttle service on the Hualapai Reservation without having obtained prior permission to do so. The Council therefore immediately demanded that Y-Travel cease and desist from such activities. Attached are Mr. Thompson's emails of March 24, 2010 so informing Mr. Jin.

When you first introduced yourself via your January 11, 2011 letter, you indicated that you were "representing Mr. Jin" as to the "Y-Travel matter." Given the prior cease-and-desist letter, we assumed that Y-Travel was finally contemplating petitioning the Tribe for permission to operate on the Reservation. However, if we understand your letter of January 31, 2011 correctly, you are claiming that YTI wants to be rewarded for unlawfully operating on the Reservation in violation of the Council's order.

Your purported "Notice of Arbitration" is in fact an attempt by Y-Travel – which has no contract with the Tribe or any of its affiliates – to invoke the arbitration clause of a contract with one of its affiliates, Grand Canyon Skywalk Development, LLC. As you

Mark G. Tratos February 7, 2011 Page 2

know, the only current agreements pertaining to shuttle service on the Reservation are the Diamond Bar and GCW shuttle agreements (the "2010 Shuttle Agreements"). Y-Travel is not a party to the 2010 Shuttle Agreements. Also, of course, neither was Y-Travel a party to the original 2003 Agreement. In any event, to the extent the 2003 Agreement addressed employee shuttles, it was superseded by the 2010 Shuttle Agreements.

Accordingly, the Tribe's prior demand that Y-Travel cease and desist operations on the Reservation is hereby reiterated. Any further unauthorized conducting of such activities constitutes, among other things, trespass on the Reservation, and the Tribe will exercise all rights and remedies with regard thereto.

Furthermore, your attempt to boot-strap Y-Travel into the 2003 Agreement and then to use YTI as a pretext for invoking arbitration under the Agreement is misplaced.

Therefore, we consider the "Notice of Arbitration" to be void and of no effect.

We also assume that your January 31, 2011 letter refutes your previously professed desire to re-open negotiation of the remaining agreements, which had been the subject of extensive negotiation for over a year. Accordingly, any future correspondence regarding this matter should be directed to my partner Paul Charlton or me.

Sincerely yours,

GALLAGHER & KENNEDY, P.A.

By:

Glen Hallman

GH:kjh 2663410/14434-15

cc: Teddy Parker

GALLAGHER & KENNEDY

LAW OFFICES

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DIRECT DIAL: (602) 530-8471
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2576 EAST CAMELBACK ROAD PHOENIX, ARIZONA 85016-9225 PHONE: (602) 530-8000 FAX: (602) 530-8500 WWW.GKNET.COM

March 2, 2011

<u>VIA FACSIMILE 702.792.9002</u> <u>AND US MAIL</u>

Mark G. Tratos, Esq. GREENBERG TRAURIG 3773 Howard Hughes Parkway, Suite 400 North Las Vegas, Nevada 89169

Re: Hualapai Indian Nation: 'Sa' Nyu Wa, Inc. - Skywalk

Dear Mr. Tratos:

This letter responds to yours of February 25, 2011.

First, we assume that the copy of the disbursement request enclosed with your letter was merely a courtesy copy of a draft disbursement request that GCSD was simultaneously submitting to SNW. Under both the Development and Management Agreement (Article 15.11) and the Skywalk Trust Agreement (Article 3), all such requests and drafts thereof must be submitted directly to SNW. Injecting the lawyers into the process would be contrary to the Trust Agreement, as well as both unnecessary and counterproductive.

Also, prior to the execution and implementation of the Skywalk Trust Agreement in the spring of last year, your client had full control of all funds, and has not adequately accounted for that period (including several months in 2010). Thus it is impossible to determine whether or not Gross Operating Revenues in 2010 exceeded Gross Operating Expenses, and if so by how much.

Further, in any event, determining the amount of any distribution would fall within the Alternative Dispute Resolution provisions of the Skywalk Trust Agreement (Article 8). Mark G. Tratos, Esq. March 2, 2011 Page 2

Simply, your client, by its own actions in resisting a full accounting of its handling of funds, has prevented a determination of whether there are any net revenues from which to pay a Manager's Fee.

Finally, we note that the claims you have asserted with regard to Y-Travel expenses must be reserved for by SNW, although SNW denies any such expenses are payable.

Sincerely yours,

GALLAGHER & KENNEDY, P.A.

By:

Glen Hallman

GH:kjh 26800005/14434-15

Exhibit to Consent to Disbursement

Regarding: Particular items as to which consent is withheld or limited (pursuant to Section 3.3.3.2(b))

<u>Y-Travel</u>: Y-Travel is a company affiliated with GCSD and OTTI, and thus any payments to Y-Travel would be improper, as provided in Skywalk Trust Agreement (Section 3.3.3.1(c)).

Pursuant to Section 3,3,3,2(b), the Disbursement Request is hereby deemed modified to exclude the item(s) as to which consent is withheld, and to limit the amount to be disbursed for the item(s) as to which a limitation is indicated.

CONSENT TO DISBURSEMENT¹

	Date:04/05, 2011
То:	US Bank National Association, as Trustee
Devel 2010, items	In connection with Disbursement Request No. 040511-1 dated _04/05, (a signed copy of which is attached hereto), submitted to you by Grand Canyon Skywalk opment, LLC ("Manager") pursuant to the Skywalk Trust Agreement dated as of March 10, among you, the undersigned and Manager, the undersigned hereby consents to payment of the listed in such Disbursement Request, except to the extent that (pursuant to Section 3,3.3.2(b)), at to a particular item is withheld or limited as set forth on an exhibit hereto.
	'SA' NYU <u>WA,</u> INC.

SNW Representative or Other Authorized Signator

This document may be electronically completed, executed and delivered by any means deemed mutually acceptable by all the Parties (such as by having the completed and executed document seanned as a ".pdf" file and then sent by small). A recipient is entitled to require that the signator confirm the document by providing a signed original counterpart to the recipient.



Disbursement Check Request

Requested By: Jan Allen	Request Date:	12/15/2010
Department: Management		

Vendor Name: Y-Travel

3471 W. Oquendo Rd. Ste. 201

Las Vegas, NV 89118

DATE	REASON/DESCRIPTION	у типому.	BUDGET ITEM
05/31/10	Employee Housing - May 2010	\$14,880.00	Operations
06/30/10	Employee Housing - June 2010	\$14,400.00	Operations
07/31/10	Employee Housing - July 2010	\$14,880.00	Operations
08/31/10	Employee Housing - Aug 2010	\$14,880.00	Operations
09/30/10	Employee Housing - Sep 2010	\$14,400.00	Operations
10/31/10	Employee Housing - Oct 2010	\$14,880.00	Operations
11/30/10	Employee Housing - Nov 2010	\$14,400.00	Operations
12/31/10	Employee Housing - Dec 2010	\$14,880.00	Operations
•			
	<u> </u>		
	_		
	Total	\$117,600.00	

Jan Allen	12/15/2010
Requested By	Date
Moder Miller	12/15/2010
Approved By	Date

FACT\$

On February 25, 2011, Plaintiff filed this lawsuit against SNW seeking an order from the Hualapai Tribal Court commanding SNW to participate in binding arbitration with Plaintiff. Plaintiff alleged that it is entitled to such an order under the authority of a 2003 Development and Management Agreement (the "2003 Agreement").

On April 1, 2011, SNW filed its Answer to Plaintiff's Complaint. In that Answer, SNW asserted that it is immune from suit under the doctrine of sovereign immunity, and that it had not expressly made itself amenable to suit in the Hualapai Tribal Court. As an economic arm of the Hualapai tribal government, SNW is entitled to sovereign immunity, as is the Hualapai Tribe generally. Furthermore, nothing in the 2003 Agreement cited by the Plaintiff allows for an action to be brought against SNW in the Hualapai Tribal Court. As a result, SNW cannot be sued in the Hualapai Tribal Court; accordingly, this Court should dismiss Plaintiff's Complaint in the above-captioned matter with prejudice.

LAW AND ARGUMENT

I. The Court Should Dismiss Plaintiff's Complaint With Prejudice Because SNW Is Immune From Suit in the Hualapai Tribal Court.

Article XVI, Section 1 of the Constitution of the Hualapai Indian Tribe guarantees that "the Tribe is immune from suit except to the extent that the Tribal Council expressly waives sovereign immunity." In matters related to tribal sovereignty, the Tribe's commercial activities are indistinguishable from other types of governmental activities. See Kiowa Tribe v. Mfg. Techs., Inc., 523 U.S. 751, 754 (1998) (declining to draw a

distinction between governmental and commercial activities for the purpose of determining a tribe's immunity from suit). The Court's protection of the Tribe's sovereign immunity is of utmost importance because the doctrine promotes the self-sufficiency and economic development of the Tribe.

SNW is wholly-owned by the Hualapai Tribe and has been incorporated under the laws of the Hualapai Tribe. Furthermore, while still maintaining ultimate control, the Hualapai Tribal Council has delegated its authority to manage SNW to the SNW Board of Directors.\(^1\) As a result of this structure, SNW is a subordinate economic arm of the tribal government and entitled to immunity from suit. See, e.g., White Mountain Apache Tribe v. Shelley, 480 P.2d 654, 655-57 (Ariz. 1971) (concluding that a business created for economic purposes as authorized by tribal law constitutes a subordinate economic organization and is therefore entitled to immunity from suit); Hwal'bay Ba:j Enterprises, Inc. v. Beattie, App. Div. 2008). The Appellate Division of the Hualapai Nation has affirmed SNW's right to immunity from suit. Hwal'bay Ba:j Enterprises, Inc. v. Beattie, App. Div. Case No. 2008-AP-007, at 6 (Hualapai App. Div. 2008), attached hereto as Exhibit A.

As a sovereign nation, the Hualapai Tribe is entitled to such immunity from suit to the extent the Tribe has not clearly waived it. See, e.g., Kiowa Tribe, 523 U.S. at 754; Santa Clara Pueblo v. Martinez, 436 U.S. 49, 58 (1978). Any purported waiver of

¹ The Hualapai Tribal Council possesses the authority "to manage all tribal economic affairs and enterprises." Hualapal Const. Art. V, Sect. m.

beyond what the language requires. See United States v. Nordic Village, Inc., 503 U.S. 30, 34 (1992). Once a tribe's sovereign immunity has been established, the plaintiff has the burden of establishing that its claim falls under an express waiver. Hwal'bay Ba:j Enterprises, Inc. v. Beattie, App. Div. Case No. 2008-AP-007, at 5 (Hualapai App. Div. 2008) (citing Colville Tribal Enterprises Corp. v. Orr, 5 CCAR 1 (Colville Confederated Tribes Ct. App. 1998)).

In this case, Plaintiff cannot establish an express waiver of SNW's sovereign immunity to allow it to be sued in Hualapai Tribal Court.² The limited waiver of sovereign immunity in the 2003 Agreement does not include an action in the Hualapai Tribal Court. As a result, this Court must dismiss Plaintiff's Complaint with prejudice.

CONCLUSION

Because SNW possesses sovereign immunity and has not waived its immunity with respect to Plaintiff's claims, this Court must dismiss Plaintiff's Complaint with prejudice.

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² To be clear, SNW is not contending that this action should (or could) be brought in any other court – only that there has been no express waiver of its sovereign immunity from suit in Tribal Court. And in any event, parties cannot confer jurisdiction upon any court; courts independently determine whether they have jurisdiction over any matter.

Respectfully submitted this 14th day of June, 2011.

GALLAGHER & KENNEDY, P.A.

By:

Gleh Hallman
Paul K. Charlton
Benjamin C. Runkle
2575 East Camelback Road
Phoenix, Arizona 85016-9225
Attorneys for Defendant 'Sa' Nyu Wa, Inc.

ORIGINAL of the foregoing filed via facsimile this 1 14th day of June, 2011 with: 2 Clerk of the Court 3 HUALAPAI INDIAN TRIBE, TRIBAL COURT Hualapai Indian Reservation (AZ) 4 P.O. Box 275 - 960 Rodeo Drive 5 Peach Springs, AZ 86434 Fax: 928-769-2736 6 7 Copy of the foregoing mailed this 14th day of June, 2011 to: 8 9 Pamela M. Overton / Aaron C. Schepler GREENBERG TRAURIG, LLP 10 2375 East Camelback Road, Suite 700 Phoenix, AZ 85016 11 Fax: 602-445-8100 12 Mark Tratos 13 Donald L. Prunty 14 GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway 15 Suite 400 North Las Vegas, NV 89169 16 Fax: 702-792-9002 17 Troy A. Eid 18 Robert S. Thompson GREENBERG TRAURIG, LLP 19 1200 17th Street, Suite 2400 20 Denver, CO 80202 Attorneys for Grand Canyon Skywalk 21 Development, LLC 22 Fax: 303-572-6540 Duna m Navarro 23 By: 24 25

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Petitioner,

Respondent(s)

The Court Finds that:

Tribally chartered corporation

"SA' NYU WA, INC., a Hualapai Indian

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This matter came before the Court on July 8, 2011, on a Motion to
 Dismiss regarding a December 31, 2011 contract (Agreement) entered
 between the parties, in the above referenced matter.

ARBRITRATION COMPLAINT

- Present and ready to proceed were Troy Eid and Mark Tratos on behalf
 of the Petitioner, Grand Canyon Skywalk Development, (GCSD) and
 Glen Hallman on behalf of the Respondent, 'SA NYU WA, (SNW).
- Hualapai Tribal Court has jurisdiction to hear this matter pursuant to Article VI§ 2 of the Hualapai Constitution, Chapter 2.2 of the Hualapai Law and Order Code (Code).
- It is well settled that only the United States Congress or a tribe can expressly waive sovereign immunity.
- SNW expressly preserved its assertion of sovereign immunity in its April
 2011, Answer and then filed a Motion to Dismiss on June 14, 2011.
- A Sovereign Nation has the right and power to state when and how it may
 be sued and must be free from interference from unconsented to

- litigation. SNW is a subordinate economic arm of the government and is entitled to immunity.
- There is no dispute that SNW expressly waived its sovereign immunity for the limited purpose of mandatory arbitration. The issue is whether it waived sovereign immunity in Hualapai Tribal Court.
- The Plaintiff has the burden of proving that the claim falls under an express waiver.
- SNW argued that it expressly waived sovereign immunity for the limited of purpose of mandatory arbitration in federal court only.
- 10. Article 15, General Provisions §§ 15.4 (a), (b), (c) and (d) read together support SNW's sweeping position. SNW is a subordinate economic arm of government and is entitled to immunity. SNW agreed to mandatory arbitration and expressly agreed to a limited waiver of sovereign immunity. The Governing Laws provision in § (b) identifies Hualapai and Arizona law as applicable, however, § (c) clarifies any ambiguity. This section indicates that any provision of the agreement determined to be unenforceable shall be reformed or severed by a federal court of competent jurisdiction. The express limited waiver combined with the Choice of Law for arbitration constitutes a mutually agreed upon forum selection. This negotiated forum selection eliminates enforcement of arbitration in Hualapai Court in this case only.
- 11. It counter-intuitive and disappointing, that the attorneys who negotiated the agreement advised SNW to specifically seek arbitration outside Hualapai jurisdiction. However, once the SNW asserts its sovereign immunity, the tribal court is deprived of jurisdiction.

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AMERICAN ARBITRATION ASSOCIATION

Commercial Panel

No. 76 517 Y 00191 11 S1M

In the Matter of the Arbitration of

Grand Canyon Skywalk Development, LLC

and

'Sa' Nyu Wa, Inc.

REPORT OF PRELIMINARY HEARING AND SCHEDULING ORDER (No. 5)

Shawn Aiken conducted Preliminary Hearing No. 5 via telephone on Tuesday, January 10, 2012, beginning at 9:00 a.m. MST. Attorneys Mark Tratos Donald Prunty, and Pamela Overton appeared for Claimant Grand Canyon Skywalk Development, LLC. Attorney Glen Hallman appeared for Respondent 'Sa' Nyu Wa, Inc. Our case manager, Ms. Lynn Cortina, started the call.

- 1. Status of Document Production. Counsel reported on the status of document production. The parties plan to address three main issues: (a) production of bank account records, including statements for the operational accounts; (b) point of sale information, including inspections of records (point of sale and otherwise) in Las Vegas and Peach Springs; and (c) production of tribal council meeting minutes, including executive session, and minutes of standing construction subcommittees. The parties plan to address production of records by the relevant auditors, including Moss Adams, and, within the next week, whether the tribunal should issue a subpoena for production of audit reports, work papers, and related documents.
- 2. <u>Witnesses and Depositions.</u> No later than the close of business on Friday, January 13, 2012, counsel shall exchange lists of deponents, both fact and

Case 3:12-cv-08030-DGC Document 37-5 Filed 03/01/12 Page 36 of 51

expert witnesses. In the case of expert witnesses, although the names of those

witnesses may not be available, counsel should nevertheless list those witnesses.

Counsel plan to then discuss the scheduling of depositions in February, especially

fact witnesses (first half of the month) and financial experts (latter half of the

month). In preparation for the financial depositions, representatives of Navigant

(respondent) and one or more representatives for claimant may meet in order to

discuss the adequacy of production and other preparation for their testimony. As a

result of this work plan, Mr. David Emery's failure to respond to requests for

production becomes less important.

3. Preliminary Hearing No. 6. Our case manager will arrange for and

confirm our next preliminary hearing, via telephone, on January 25, 2012, at 11:00

a.m. (Arizona time). During that hearing, we will discuss the status of document

production and deposition schedule for February, including key fact witnesses and

the proposed, tentative schedule for all witnesses.

Dated:

January 10, 2012 Phoenix, Arizona /s/ Shawn K. Aiken

Shawn K. Aiken, Arbitrator

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AMERICAN ARBITRATION ASSOCIATION

Commercial Panel

No. 76 517 Y 00191 11 S1M

In the Matter of the Arbitration of

Grand Canyon Skywalk Development, LLC

and

'Sa' Nyu Wa, Inc.

REPORT OF PRELIMINARY HEARING AND SCHEDULING ORDER (No. 6)

Shawn Aiken conducted Preliminary Hearing No. 6 via telephone on Wednesday, February 1, 2012, beginning at 11:00 a.m. MST. Attorneys Mark Tratos Donald Prunty, and Pamela Overton appeared for Claimant Grand Canyon Skywalk Development, LLC. Attorney Glen Hallman appeared for Respondent 'Sa' Nyu Wa, Inc. Our case manager, Ms. Lynn Cortinas, started the call.

1. Report on Status of Document Production. Counsel discussed production of records by each side and responses to subpoenas from third parties. The parties agreed to submit their separate statements of positions on the current discovery disputes, including the scope of the subpoena to Wells Fargo and the point of sale documentation, no later than February 8, 2012. We will discuss those papers on our next telephone call at 11:00 a.m. (Arizona/MST) on February 9, 2012. The decision will follow on or very shortly after February 13, 2012. In the meantime, Mr. Hallman reported, the Tribe will make all good faith efforts to produce certain point of sale documentation by February 10, 2012. Near the end of the call, the parties agreed that each side would produce point of sale information related to ticket sales. The only question appeared to be whether those records would reflect monthly or yearly data. Counsel agreed that daily records were not needed for production but available only for review, if needed.

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2. Status of Deposition Scheduling. The parties have not discussed or

confirmed the schedule for expert or lay depositions. As Mr. Hallman pointed out,

the expert witnesses must review the reports and other data related to ticket sales.

Counsel will discuss, agree upon, and submit their joint prehearing schedule,

including proposed dates for depositions. The four-hour presumptive limit will apply

to non-parties and the seven-hour presumptive limit to parties and principals of

parties.

3. Agreed Upon Modification To Subpoenas. Mr. Prunty and Mr.

Hallman agreed that the parties will produce responsive documents related to the

skywalk operations. Mr. Prunty will draft and Mr. Hallman will review the

proposed language modifying the subpoenas, which they will submit to the

arbitrator no later than Wednesday, February 8, 2012.

4. Payment to Accountant. The parties continue to dispute the

payment to the accountant (Ms. Jan Allen). Mr. Hallman reports that his client

made the payment ordered by the Tribunal, but she did not provide the required

information, Mr. Hallman explained. The parties will submit their positions on this

dispute for hearing on February 9th and resolution by the Tribunal thereafter.

5. Preliminary Hearing No. 7. Our case manager will arrange for and

confirm our next telephonic preliminary hearing on February 9, 2012 at 11:00

a.m. (Arizona/MST). During that hearing, the arbitrator will confirm the pre-

hearing schedule (if not agreed upon) and resolve any outstanding discovery

disputes.

Dated:

February 7, 2012 Phoenix, Arizona /s/ Shawn K. Aiken

Shawn K. Aiken, Arbitrator

SNAAA-SKANCurrentN29914001 Grand Canyon v 'Sa' Nyu Wa\Pleadings\PrelimHrgReport6 120207.doc

Gallagher & Kennedy, P.A. 2375 East Came each Road Proper Argana Road (602) 530-6000	1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24	Paul Charlton (SBN 012449) Christopher W. Thompson (SBN 026384) GALLAGHER & KENNEDY, P.A. 2575 Bast Camelback Road Phoenix, Arizona 85016-9225 Telephone: (602) 530-8000 Facsimile: (602) 530-8500 Email: gh@gknet.com	TRIBAL COURT GS, ARIZONA Case No. 2012-CV-017 TEMPORARY RESTRAINING ORDER the Hualapai Indian Tribe's (the "Tribe") (the "Application"). Upon the file, record, as shown that Defendant Grand Canyon	2012	
	J	Application for Temporary Restraining Order (the "Application"). Upon the file, record, and proceedings in this action, the Toba has shown that Defendant G. J. C.			
	25	and proceedings in this action, the Tribe has shown that Defendant Grand Canyon Skywalk Development 11 C ("GCSD") people a threat of the standard of the stand			
	26	Skywalk Development, LLC ("GCSD") poses a threat of actual or imminent harm to the property interests of the Hualapai Tribe.			
			RECEIVED FEB 0 8 2012		

I NOW THEREFORE, sufficient cause appearing, 2 IT IS HERBBY ORDERED that GCSD, its officers, agents, employees and persons and entities in active concert or participation with GCSD are restrained and 3 enjoined from destroying or damaging any property located at the Grand Canyon 4 Skywalk and which is the subject of GCSD's contractual interest in that certain 5 Development and Management Agreement, dated as of December 31, 2003, as amended б (the "Skywalk Agreement"), and from taking, removing, or absconding with such 7 8 property from the Hualapai Reservation. IT IS HEREBY FURTHER ORDERED that the parties shall appear before the 9 Court on the 17th day of February, 2012, at 3:00 o'clock P m., 10 to show cause, if any, why a preliminary injunction should not issue. 11 12 IT IS HEREBY FURTHER ORDERED that this Temporary Restraining Order shall expire on the above date, unless otherwise ordered by the Court. 13 14 15 DONE IN OPEN COURT THIS ____ day of February, 2012. 16 Musical Court Sudge
Hualapai Tribal Court Sudge
Nane Juliu hook 17 18 19 20 21 22 23 24 25 26 2

1 Name and Address of Applicant: Hualapai Indian Tribe, c/o 2 Glen Hallman 3 Paul Charlton Christopher Thompson 4 GALLAGHER & KENNEDY, P.A. 2575 Bast Camelback Road 5 Phoenix, Arizona 85016-9225 6 Telephone: (602) 530-8000 Facsimile: (602) 530-8500 7 8 Name and Address of the Restrained Party: 9 Grand Canyon Skywalk Development, LLC, c/o 10 Pamela M. Overton GREENBERG TRAURIG, LLP 11 2375 Bast Camelback Road, Suite 700 Phoenix, AZ 85016 12 AND 13 Mark Tratos GREENBERG TRAURIG, LLP 3773 Howard Hughes Parkway, Suite 400 North 14 15 Las Vegas, NV 89169 AND 16 Troy A. Eid GREENBERG TRAURIG, LLP 17 1200 17th Street, Suite 2400 18 Denver, CO 80202 19 20 2979734 21 22 23 24 25 26

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FILED

Case No. 20/2-27-017

DECLARATION OF TAKING

December 31, 2003, and that certain first amendment to Development and Management Agreement by and between GCSD and 'Sa' Nyu Wa, a tribally chartered corporation, dated September 10, 2007 (hereinafter individually and collectively referred to as the "Skywalk Agreement").

Accordingly, the Tribe is entitled to an order from the Court that absolute title in such contractual 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 public use for which the property is taken is the construction and management of the Skywalk located at Eagle Point within the Hualapai Tribal Reservation, which construction and operation concerns the entirety of the Hualapai Indian Tribe and its people and promotes the general interest of the Hualapai Indian Tribe and its peoples.

The amount of money estimated by the Tribe to be just compensation for the property taken is \$11,040,000.

Now, therefore, the Tribe requests the Court enter an order vesting absolute title in GCSD's contractual interests in the Skywalk Agreement and that the Tribe shall be the party thereto in full place and stead of GCSD, with the right to just compensation vesting in GCSD.

Respectfully submitted this $\underline{\mathcal{O}}$ day of February, 2012.

GALLAGHER & KENNEDY, P.A.

By:

Glen Hallman
Paul Charlton
Christopher W. Thompson
2575 Bast Camelback Road
Phoenix, Arizona 85016-9225
Attorneys for Plaintiff

Tribal Certification

I, Chairwoman, Louise Benson hereby certify this Declaration of Taking, and declare that the property described in the Complaint is taken for the Tribe.

Couise Benson

1 2	ORIGINAL of the foregoing filed this 82 day of February, 2012 with:
3	The Hualapai Tribal Court 960 Rodeo Way
4	P.O. Box 275
5	Peach Springs, AZ 86434
6	COPY sent via U.S. Mail
7	this same day to:
8	Pamela M. Overton
9	GREENBERG TRAURIG, LLP 2375 East Camelback Road, Suite 700
10	Phoenix, AZ 85016
11	E-mail: OvertonP@gtlaw.com AND
12	Mark Tratos GREENBERG TRAURIG, LLP
13	3773 Howard Hughes Parkway, Suite 400 North
14	Las Vegas, NV 89169 E-mail: TratosM@gtlaw.com
15	AND
16	Troy A. Eid GREENBERG TRAURIG, LLP
17	1200 17th Street, Suite 2400
	Denver, CO 80202 E-mail: EidT@gtlaw.com
18	Attorneys for Grand Canyon Skywalk Development, LLC
19	le land Herry
20-	Deborah Yanazzo
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3. The Court has the power to declare the laws of Hualapai Tribe void when such

establishment procedures for Hualapai judiciary, additionally §2.16 (T) of the

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Code allows for severance of §2.16(K).

laws are not in agreement with this constitution pursuant to Article Vi §3 (b) and

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1 4. The constitution does not mention pro tem judges however pursuant to Article VI. § 14, leaves this unenumerated area to the judiciary, meaning the Chief Judge. 2 5. The Chief Judge and Associate Judge have conflicts in this matter pursuant to Article VI §10 and are precluded from presiding over this condemnation case. 3 6. There appears good cause for appointment of a pro tem judge. 4 5 IT IS HEREBY ORDERED that 6 1. Section 2.16(K) shall be severed from the Condemnation Ordinance pursuant to §2.16 (T) because it invades the province of the Court, violates the Separation of 7 Powers and is therefore unconstitutional. 8 2. Chief Judge Yellowhawk and Associate Judge Marshall shall be recused from 9 this case pursuant to Article VI§10 of the Constitution. This will preserve the 10 independence and integrity of the judiciary. 3. The Chief Judge shall appoint a pro tem judge to hear the matter. 11 12 Dated this 17th Day of February, 2012 13 14 Duane Yellowhawk, Chief Judge 15 Hualapai Nation Tribal Court 16 17 Distribution of copies to: 18 Petitioner, 19 Hualapal Nation 20 Office of the Chairman PO Box 179 21 Peach Springs, AZ 86434 22 Petitioners' Legal Counsel 23 Respondent, 24 Respondent's Legal Counsel 25