

**MINUTES
SPECIAL MEETING
CAYUGA COUNTY LEGISLATURE
JUNE 13th, 2007 – 6:00PM (EMERSON PARK PAVILION)**

Called to order by the Hon. George Fearon, 6:00PM, all legislators' present, except Netti excused.

PLEDGE OF ALLEGIANCE:

MOMENT OF PRAYER:

WORK SESSION ON CAYUGA LAND CLAIM

Cayuga County is sponsoring a meeting of the primary taxing jurisdictions that have land in the original Cayuga Land Claim and for residents of the county who desire to express their concerns. The meeting will be at the Pavilion in Emerson Park. The County will conduct the meeting. The meeting will be held on Wednesday, June 13, 2007 at 6:00 p.m. The meeting will have three sections.

The first section will be a presentation of the proposed agreement by Brian Laudadio from the law firm Harris Beach. **The first section of the meeting will be from 6:00 to 6:30 p.m.**

The second section will be questions and answers addressed to Brian from the members of the respective boards. The respective boards would include board members that represent: School Districts, Towns, Villages, Fire Districts, and Utility Districts etc, within the original Cayuga Land Claim. See the attached list.

The representatives of the various boards will not be taking official action at this meeting regarding where they officially stand on this proposal. If desired, individual boards may take an official stand at a separate meeting on the proposal and communicate such to the Cayuga County Legislature. **The second section of the meeting will be from 6:30 to 7:30 p.m.** Each board that may have a quorum at the meeting may choose to legally advertise the meeting as a work session. There will be a ten-minute recess at the end of the second section of the meeting.

The third and final section of the meeting will be held from 7:40 to 9:10 p.m. In this section of the meeting individual Cayuga County residents with concerns will be allowed to express their opinions. Speakers will have a five-minute time limit. It is probable that not everyone who desires to speak will be able to do so. Any resident may also submit written comments to the members of the Cayuga County Legislature.

Please be aware there will not be a charge for parking at Emerson Park for this event.

It is probable that the Cayuga County Legislature will vote on this proposal at the next regular monthly meeting on Tuesday, June 26, 2007 at 6:00 p.m, this meeting will also be held at Pavilion at Emerson Park.

Chairman George Fearon, Cayuga County Legislature will not take any action tonight, we are here to listen and take written comments from you if you wish.

1st Session:

Brian Laudadio, from the Law Firm of Harris Beach, gave an overview of the proposed resolution of Cayuga Nation's Pending and Future Trust Applications:

Proposed Resolution of Cayuga Nation's Pending and Future Trust Applications

I. Overriding Considerations:

- Win-win for the Counties and Cayuga Nation;
- Counties must be held harmless – should be economic incentive;
- Must be a permanent cap on the amount of sovereign land held by the Nation – need finality, i.e. no future trust applications;
- Must avoid excessive checker-boarding – lands should be contiguous;
- No gaming in Counties without County agreement;
- Agreement must be enforceable – need Congressional disestablishment of Cayuga reservation, appropriate waivers of sovereign immunity and federal and state legislation approving and implementing proposal.

II. Material Terms of Proposal:

(A) Elimination of Nation's Reservation:

- The Nation's 64,000 acre original reservation will be congressionally disestablished. This does away with the issue of whether the Nation has sovereign rights on land it owns in the claim area that is not designated as sovereign by this compromise.

(B) No gaming in Cayuga and Seneca counties:

- The Nation may not have gaming facilities in the counties, including Class II gaming, without county approval – each county can veto gaming if they choose;
- Nation will have a Class III gaming facility in New York at a location to be determined, possibly the Catskills.

(C) The Nation will agree to a permanent cap on sovereign lands in the counties:

- The Nation may designate no more than 10,000 acres of land it owns in the original claim area, via purchases from willing sellers, as restricted-fee, up to two-thirds of it to be located in Cayuga County and one-third located in Seneca County;
- Nation may not designate lands as restricted fee until casino is operational (assures counties that they will be compensated promptly when lands are removed from tax rolls);
- Restricted-fee lands must be located in claim area (limits location unlike trust applications);
- Restricted-fee lands will be comprised of no more than 3 assemblages of contiguous land in each county (no checker-boarding of lands);
- No more than 20% of any municipality may be designated as restricted-fee (smaller municipalities will not be engulfed as could happen with trust applications);
- Restricted-fee designation will not extinguish existing easements and rights-of way (assures uninterrupted service from utilities, etc. unlike trust lands);
- Importantly, as discussed below, the more land designated restricted-fee by the Nation, the greater payments it must make to the counties. This creates a disincentive for the Nation to designate lands as restricted-fee and an incentive to the counties when such lands are designated.

(D) Cayuga and Seneca counties will be more than held harmless by receiving a share of the Nation's revenue from a Class III gaming facility:

- The counties will receive annually approximately \$15.26 million from revenue sharing. Approximately \$12.8 million (\$7.74 million to Cayuga Co. and \$5.1 million to Seneca Co.) will be paid regardless of the amount of land actually designated as restricted-fee by the Nation and an additional up to \$2.46 million will be paid based on the amount of land actually designated as restricted fee to the county where the land is located:
 - Based on projected \$492 million net drop from Class III gaming facility in the Catskills;
 - Nation pays counties 1% of net drop (approximate \$4.92 million) annually – split evenly by counties;
 - State pays counties 1% of net drop (approximate \$4.92 million) annually – two-thirds to Cayuga Co. and one-third to Seneca Co.;
 - Nation pays counties an additional \$3 million annually which is not based on net drop – two-thirds to Cayuga Co. and one-third to Seneca Co.;
 - Nation also pays up to an additional approximate \$2.46 million from revenue sharing based proportionately on the amount of land actually designated as restricted-fee. This is based on .5% of annual net drop from casino. It will be paid to county where restricted-fee land is located. This creates a disincentive for Nation to designate lands as restricted-fee;
- The stated purpose of these payments is to hold the counties harmless by offsetting any tax losses (real property and sales tax) when land is designated restricted fee by Nation. In reality, the payments far exceed any tax losses. They are a windfall.

(E) Local Municipalities will also be held harmless by receiving a share of the Nation's revenue from a Class III gaming facility:

- When land is designated restricted fee, the local municipality where the land is located will receive direct annual payments from the State;
- This payment of .25% of the annual net drop from the casino, or up to \$1.23 million, will be paid proportionately on the amount of land actually designated restricted fee;
- This payment to the local municipalities will be in addition to any payments made by the County from the payments they receive from the State and Nation;
- The Nation will also enter into municipal service agreements with local municipalities for the provision of police, fire and other municipal service to restricted-fee lands. These agreements will also offset lost tax revenue to local municipalities.

(F) Nation will pay taxes on any other lands:

- Other than those lands designated as restricted-fee pursuant to the proposal, any lands possessed by the Nation in the counties will be held in fee and subject to local and state laws and regulations, including taxation.

(G) Nation will comply with federal environmental laws and state codes:

- The Nation will comply with all federal environmental laws;
- The Nation will adopt building and fire protection codes no less rigorous than the NYS Uniform Building and Fire Protection Code. A mechanism will be in place to allow counties to ensure compliance with the code.

(H) Agreement will be enforceable:

- The Nation will expressly waive sovereign immunity from suit with respect to any action to enforce terms of agreement, and federal and state legislation will be passed that approves of and implements the terms of the proposal.

(I) Seneca-Cayuga Tribe of Oklahoma will be prohibited by Congress from holding any sovereign lands in New York:

Congress will prohibit the Secretary of the Interior from taking lands in trust, restricted-fee, or any other designation that would make the lands Indian Country, for the benefit of the Seneca-Cayuga Tribe of Oklahoma.

2nd Session Questions:

Ed Ide, Town Supervisor of Aurelius, are Trust applications a viable threat, and if settle will we be able to get out of it. Brian Laudadio, Law Firm of Harris Beach, No, four court cases, State of Road Island, first to challenge, it was dismissed. It's under the assumption that there will be successful gaming in the Catskills.

Ed Ide, Town Supervisor of Aurelius, in assessing this risk, this option has been available since 1934, 74 years, 3 decades of heavy litigation.

Brian Laudadio, Law Firm of Harris Beach, can't tell you why it has taken so long, why there has not been a successful challenge.

Ed Ide, Town Supervisor of Aurelius, back to the assumption that the Cayuga's will have a successful gaming facility in the Catskills, what if they don't.

Brian Laudadio, Law Firm of Harris Beach, there are no guarantees.

Ed Ide, Town Supervisor of Aurelius, revenue is based on a successful casino, they still have opportunity for land, may not have revenue to go with it.

Brian Laudadio, Law Firm of Harris Beach, revenue is based on success of a class 3 facility. There is some risk to County.

Ed Ide, Town Supervisor of Aurelius, class 3 facility, for most of my adult life some one from you firm has been explaining to me that we are doomed in this whole process, we should settle, but every court case they said we would lose. We have won, State Constitution forbids gambling. One of the biggest gambling facilities in the State is operated illegally. Cayuga Nation was altering the roadside, the DOT did not touch the nation, but instead went after the property owners for the same thing. Haven't collect any sales tax. Then we heard they would negotiate to pay one half. Casino is being operated illegally. When Cayuga's started excavating at their site, I made it known to the DOT with aerial photographs, so they could scale the size of the excavation, which was 5 times the size of their limit. No action was ever taken. Two different Groups, what provision do you have in the agreement that you are dealing with the right group, what if you find out at a latter date that you have settle with the wrong group?

Brian Laudadio, Law Firm of Harris Beach, We have been told by the Bureau of Indian Affairs that we are dealing with the right tribe, authorized person for the Cayuga Indian Nations. This will be congressionally approved, which means on one can come in and say you are dealing with the wrong party, it's a statue, Federal Law. Not an issue, should not worry about it, really need to do agreement.

Ed Ide, Town Supervisor of Aurelius, exclusion of Seneca/Cayuga's, don't you expect that to be challenged as discriminatory.

Brian Laudadio, Law Firm of Harris Beach, yes they will lobby to stop proposals, but we would be in no worse position than we are now, still defending trust application.

Ed Ide, Town Supervisor of Aurelius, thank you.

Ed Trufant, Mayor, Village of Union Springs, the Village of Union Springs voted last night to oppose the settlement. At this time too many loop holes, mainly Cayuga/Seneca's, if they pull out of the deal it does not go through.

Brian Laudadio, Law Firm of Harris Beach, I have no guarantee it will be supported.

Ed Trufant, Mayor, Village of Union Springs, you said Nation would enforce building and fire codes, what about Village zoning.

Brian Laudadio, Law Firm of Harris Beach, no restrictions on zoning, only on building codes.

Ed Trufant, Mayor, Village of Union Springs, why where we held out of negotiations, I read about this in the paper, I was appalled.

Brian Laudadio, Law Firm of Harris Beach, I don't think we intentionally held anyone from the negotiations, I think the courts are working diligently to approve the Trust Application.

Ed Trufant, Mayor, Village of Union Springs, I want to table so people can look at this, not acceptable to me or Village of Union Springs, full of loop holes.

Legislator Petrus, is there a dead line.

Brian Laudadio, Law Firm of Harris Beach, no dead line.

Ed Trufant, Mayor, Village of Union Springs, how many more class 3 casinos.

Brian Laudadio, Law Firm of Harris Beach, I can't tell you.

2nd Session Questions Con't:

Ed Trufant, Mayor, Village of Union Springs, I ask to table this.

Bob Bower, Springport, there must be more to the proposal.

Brian Laudadio, Law Firm of Harris Beach, legislation is at the state level.

Bob Bower, Springport, it's up to the people, were not happy with what we are losing. Sovereign lands are tax exempt, cigarettes not taxed, gas not taxed. Regular stores can't compete, people come 50 miles to buy tax exempt, need to address sales tax. Ruins our community.

Brian Laudadio, Law Firm of Harris Beach, I understand your concerns, state must resolve these issues, provide revenue back to Counties.

Bob Bower, Springport, I urge these issues to be part of the proposal, should be able to add to agreement. They take our sales tax and commerce, not restricted to any and all Indian tribes, only property in original proposal.

Brian Laudadio, Law Firm of Harris Beach, no one else is making a claim.

Bob Bower, Springport, 35 years plus this has been going on, any and all should be included.

Kevin Grish, Trustee, Village of Cayuga, this is a enforceable agreement only if you take them to court.

Brian Laudadio, Law Firm of Harris Beach, this is under Federal Legislation.

Kevin Grish, Trustee, Village of Cayuga, enforcement would mean lawsuit, burden on Towns, Villages and County, what's to stop them from doing what they want.

John green, Union Spring School District, we have the most to loose, we have 6,000 acres. The school district, voted 9-0 in opposition of proposal.

Warren Albrecht, Town of Springport, this is Government for Government, not Government for the people.

Lon Fricano, Union Springs, no discrimination, we don't care who our neighbors are, but we feel like second class citizens. They already have checker boarded, revenue scale could go away. Payment coming back is not guaranteed.

What if casinos closed, what happens to the wind fall then. Should be the same as any other tax payer.

Brian Laudadio, Law Firm of Harris Beach, it all depends on how successful the casino is. They will have to pay for services like fire, municipalities would have to be paid. They will continue to buy land until this is settled.

John Greer, Village of Cayuga, schools not listed as receiving any funds.

Brian Laudadio, Law Firm of Harris Beach, school would receive federal if more than 10 students per 7,000.

Stephanie Church, Town of Aurelius, opposed to agreement, caps on payments at 1.23 million.

Brian Laudadio, Law Firm of Harris Beach, there are no caps based on projection.

Stephanie Church, Town of Aurelius, what about building enforcement, building inspection, going by code.

Brian Laudadio, Law Firm of Harris Beach, would be paid by nation, they have to comply.

Stephanie Church, Town of Aurelius, it would cost upwards of \$50,000 for a lawsuit, very expensive, it fall on the county. No class 3 casino, no payments.

Recess 10 minutes

3rd Session:

R.J. Hodges, Town of Springport, agrees with what has been said. What is the future for us, nothing is clear, I have a lot of concerns. It's not always win win, somebody has to lose. Concerned with business's going out of Cayuga County. This would put a burden on the community, every dollar counts, when you pay and they don't. We need to understand the language, I vote no.

Timothy Lattimore, Mayor, City of Auburn, my family had a farm in Scipio for years, I know what farmers are going through. There are doubts, we have negotiate from the ground up, we have looked into this. They don't want to be in the gas business, cigarette business, they want union jobs. The casino would bring in good paying union jobs, we're working on a business for the County. Saratoga has gaming and are doing very well. This could bring the Community back. We need to sit down and negotiate plan that will create jobs, help the Community, County and Hospital. These would be strong jobs, make the settlement.

Ken Howe, Town of Springport, we need to collect sales tax, I commend other speakers.

Mary Grattz, Town of Aurelius, concerned with the time frame, 34 days, not enough time to make a decision, need more time. Regarding the term limits, you did it 10 years ago and you're back at it again.

Deb Waldron, Town of Springport, lands designated as restricted -fee, how is the value decided.

Brian Laudadio, Law Firm of Harris Beach, .25% of the net drop per acre, no bearing on where land is.

William Zobkiw, Auburn, I have spoke with members of the Cayuga Nation, authorized person of Indian Affairs, and they have overstepped their bounds. Cayuga's may not have ratified this agreement.

Richard Tallcot, Town of Springport, if it's to good to be true, it usually is. I know right from wrong. The proposal was 6months in the making, it's had 4 revisions, what is the rush. A environmental impact should be done first, Montezuma Wildlife Reserve, local communities could be faced with \$10,000 in legal fees. Cayuga's do not need Sovereign Nation. United States Constitution does not apply to tribal land, Law firm of Harris Beach didn't think we win the land claim, County Legislature vote no.

Robert Reohr, Village of Union Springs, enforceability, though civil litigation, we have laws we abide by, what happens on Sovereign land, how to we enforce the ability to foreclose?

Brian Laudadio, Law Firm of Harris Beach, it would have to waive sovereign immunity if there is a breach of the agreement. Congress approval of the agreement waives sovereign immunity.

Chet Crosby, Town of Owasco, can we over-rule Supreme Court, times are changing, world has changed. Congress leaves us hanging. Lose or win, we lose, class 3 Casino will fail. We will have 6 in New York State, how much can we loose. How can you guarantee we will get money? How do we protect landfills, business, what goes on?

Andrew Lehtonen, Town of Springport, I'm very angry, this is not a money issue it is a moral issue. No person because of blood should have it better then anyone else. We have all pledged to Allegiance, how can they have it better than us. This is a moral issue, shouldn't talk to people that don't abide by our laws. Equality is necessary for justice. Live as we do and pay taxes, abide by our laws as we do. They don't want us driving on the Thruway that goes thru their land, you shouldn't allow people to do that. They think they are better than us, so as we do, moral issue, what the County stands for.

Ed Ide, Town Supervisor of Aurelius, Property owners, 1,700 jobs that the mayor spoke of will probably not be from here. Consider real value of those jobs, townships will be radically effected. Goals in agreement, restricted-fee lands allows for 3 in Cayuga county, we will still have problems. They Could pick up lake property and then get the lake. Will they have EPA regulations, policing? Mayor Lattimore is down wind of the Land Claim. There are significant moral issues here, expect the worst. This group sees what it wants, wee what it will take to buy you out. There should be lines that your not will to cross. Justification, not worth it.

Motion to adjourn by Legislator Murphy, 8:30PM, approved by voice vote, all present voting aye.

Motion by Murphy 10-23-07 to approve minutes of 6-13-07, approved by voice vote, all present voting aye.