

SERVICE AGREEMENT

BETWEEN

ONEIDA TRIBE OF INDIANS OF WISCONSIN

AND

VILLAGE OF ASHWAUBENON

THIS AGREEMENT, by and between the ONEIDA TRIBE OF INDIANS OF WISCONSIN (the “Tribe”), a federally recognized and treaty Tribe, and the VILLAGE OF ASHWAUBENON (the “Village”), a village government organized under the laws of the State of Wisconsin (collectively, the “parties”),

WITNESSETH:

WHEREAS, the Tribe and the Village have been good neighbors and desire the spirit of cooperation between the two governments to continue; and

WHEREAS, the Oneida Reservation was established pursuant to the 1838 Treaty with the Oneida, 7 Stat., 566, and encompasses approximately 65,400 acres; and

WHEREAS, the boundaries of the Oneida Reservation and the boundaries of the Village overlap, and portions of the Village are within the Oneida Reservation; and

WHEREAS, the Tribe owns fee title to parcels of land located within the Village, and the Tribe may apply to have such parcels taken into trust by the United States; and

WHEREAS, the United States holds title to certain parcels of land within the Village in trust for the benefit of the Tribe (“Tribal Trust Lands”); and

WHEREAS, the Tribe and the Village provide services which benefit properties within the Oneida Reservation and the Village; and

WHEREAS, the Village derives revenue from the taxation of real property, among other things; and

WHEREAS, Tribal Trust Lands are exempt from state taxation due to the Tribe’s status as a sovereign; and

WHEREAS, the Tribe and the Village enjoy a relationship of mutual trust and respect; and

WHEREAS, both the Tribe and the Village exercise jurisdiction and provide governmental services within their respective territories, and both recognize the importance of collaborative efforts to mitigate costs associated with providing governmental services; and

WHEREAS, the Tribe is willing to pay for services provided by the Village which benefit Tribal Trust Lands and the Village is willing to recognize the value of services provided by the Tribe by applying credits against the Tribe's payment for services; and

WHEREAS, it is mutually beneficial to both governments to put their understandings in writing;

The Tribe and the Village hereby agree to the following terms and conditions:

1. **DEFINITIONS.** For purposes of this Agreement, the following terms shall have the following meanings:
 - a. "Class III Gaming" has the meaning ascribed to it in the Indian Gaming Regulatory Act, 25 U.S.C. § 2703(8).
 - b. "Gaming Compact" means an agreement entered into between the Tribe and the State of Wisconsin pursuant to the Indian Gaming Regulatory Act, 25 U.S.C. §§ 2701 - 2721, for the conduct of Class III Gaming on the Tribe's Indian lands within the State of Wisconsin.
 - c. "Governmental Purposes" means the use of land by Tribal programs, departments, or agencies in furtherance of Tribal governmental services or responsibilities, or the dedication of land for the promotion of the general health and welfare. Governmental Purposes include, but are not limited to, use of land for law enforcement facilities, social service facilities, health care facilities, governmental offices, parks and trails, and subsidized low-income housing. Governmental Purposes does not include the use of land for gaming facilities or other commercial activities which are intended to generate revenue.
 - d. "Oneida Reservation" or "Reservation" means the land set aside for the use and occupancy of the Tribe and its members pursuant to the 1838 Treaty with the Oneida, 7 Stat., 566, encompassing approximately 65,400 acres.
 - e. "Tribal Fee Land" means land to which the Tribe holds title in fee simple.
 - f. "Tribal Land" means Tribal Fee Land on the Reservation and Tribal Trust Land.
 - g. "Tribal Member" means a duly enrolled member of the Oneida Tribe of Indians of Wisconsin.
 - h. "Tribal Trust Land" means land to which the United States holds title for the benefit of the Tribe pursuant to federal law.

2. **TERM.** The term of this Agreement shall be three (3) years, commencing on January 1, 2011, and ending on January 1, 2014, unless earlier terminated pursuant to section 13 below.
3. **LAW ENFORCEMENT.** The Oneida Police Department and the Village Police Department will continue to provide mutual aid in the form of back-up/secondary assistance for police, ambulance, emergency medical or rescue services pursuant to the Law Enforcement Mutual Aid Agreement Between the Tribe and the Village dated December 1, 1995, as from time to time amended.
4. **NEIGHBORHOOD PEACE AND SAFETY**
 - a. Tribal law addresses zoning, building, nuisance and land use regulations (“Peace and Safety Regulations”) which are applicable to the Tribe, Tribal Members, and individuals and businesses leasing, occupying or otherwise using Tribal Land in accordance with tribal law. Village ordinances addressing Peace and Safety Regulations do not apply to Tribal Members on the Reservation.
 - b. The Village and the Tribe agree to work together to continue improving the neighborhood services each government provides. The Village and the Tribe recognize that communication between the parties is the best way to achieve this goal.
 - c. The Tribe will enact Peace and Safety Regulations at least as stringent as the Village’s Peace and Safety Regulations to be applicable to the Tribe, Tribal Members, and individuals and businesses leasing, occupying or otherwise using Tribal Land in accordance with tribal laws in those portions of Reservation located within the Village.
 - d. The Village agrees to forward Peace and Safety Regulation issues concerning the Tribe, Tribal Members, and individuals and businesses leasing, occupying or otherwise using Tribal Land to the appropriate tribal staff. If necessary, the tribal staff shall then disseminate the concern to more appropriate tribal staff who shall address the concern. The Tribe agrees to identify at all times at least one contact person for such issues. The Tribe further agrees to send the final summary report outlining the resolution/findings of the Tribe’s investigation to the Village at the conclusion of the Tribe’s process. In the event the Tribe’s process is not completed within 30 days after receiving notification from the Village, the Tribe will provide monthly written updates on its efforts to address the issue. In the event the Village is not satisfied with the Tribe’s resolution of an issue, the Village may initiate dispute resolution in accordance with this Agreement.
 - e. The Tribe agrees not to permit any gasification or waste-to-energy facility to be located within the Village.

5. **STREET IMPROVEMENTS.** The Tribe agrees to pay the actual, proportional cost of street improvements benefitting Tribal Land including, but not limited to, grading, graveling, storm and sanitary sewer and laterals, water mains and laterals, paving and any relays, reconstructions, overlays or repairs thereof, to the same extent as such costs are charged to other property owners. The Tribe agrees to pay those costs in accordance with the following procedure: The Village will not take any action to levy assessments for such improvements but will inform the Tribe of the proposed improvement and the estimated cost thereof not less than thirty (30) days prior to commencement of the project. The Village agrees to give due consideration to all comments which the Tribe may submit regarding the project. The Village will bill the Tribe the cost of any such street improvement attributable to the Tribal Land upon completion of such improvement. The Tribe will pay such bill in full within thirty (30) days of receipt thereof.

6. **COMPENSATION.**

a. Net Cost of Governmental Services (CGS). The parties will calculate the net cost of governmental services by employing the following formula:

The value of Tribal Trust Land (V) will be multiplied by the tax rate (TR), and the result of that multiplication will be divided by the total tax levy (TL) to arrive at a percentage which will be applied to each Village budget line item (BL) for services benefitting Tribal Trust Land. Percentage credits (PC) will then be applied to offset the cost of governmental services provided by the Tribe.

The net cost of governmental services for each Village budget line item may be expressed as follows:

$$\left(\frac{V \times TR}{TL} \right) PC = CGS$$

The aggregate of the net costs of governmental services for each Village budget line item shall be the total net cost of governmental services.

The value of Tribal Trust Land (V) will be the value, as agreed to by the parties and reflected in Attachment A, of all Tribal Trust Land within the Village and the value of the improvements of the Wingate by Wyndham hotel located at 2065 Airport Drive, excluding the value of Tribal Trust Land used for or dedicated to Governmental Purposes.

The tax rate (TR) will be the actual tax rate for the preceding calendar year.

The tax levy (TL) will be the value in the preceding calendar year of all land within the Village, including the value of Tribal Trust Land, multiplied by the tax rate. The budget line items (BL) will be the actual expenditures for the preceding calendar year for each Village budget line item determined by the parties to benefit Tribal Trust Land, as reflected in Attachment B.

The percentage credit (PC) shall be the percentages agreed to by the parties and reflected in Attachment B.

In determining the net cost of governmental services for each year, the parties will utilize the actual, audited Village budget expenditures for the previous year and the valuation of Tribal Trust Land for the previous year. For example, the payment for the year 2011 will be determined based upon the actual, audited Village budget expenditures for the year 2010 and the valuation of Tribal Trust Land for the year 2010. If the Tribe owns fee title to a parcel of land prior to trust acquisition, the Tribe will pay ad valorem property taxes for the entire year in which the property is taken into trust status. The value of the parcel at the time of trust acquisition shall be added to the valuation of Tribal Trust Land in succeeding years.

- b. Annual Meeting. The parties will meet on or before June 1st of each year to review and discuss the valuation of Tribal Trust Land, Tribal Trust Land acquisitions during the previous calendar year, the cost of governmental services provided by the Tribe and the corresponding percentage credits to which the Tribe is entitled. The parties agree to update Attachments A and B on an annual basis.
 - c. Invoices and Payment. On or before July 1st of each year, the Village will submit an invoice to the Tribe reflecting the net cost of governmental services for the previous year. The Tribe will make payment to the Village on or before August 1st of each year, unless the Tribe disputes the invoice by initiating the dispute resolution procedures set forth in section 12 below, in which case the Tribe may make partial payment or may withhold payment.
7. **LAND INTO TRUST.** The Village will not oppose the Tribe's applications to place Tribal Fee Land located on the Oneida Reservation into trust during the term of this Agreement if the Tribal Fee Land meets either of the following criteria: 1) the Tribe has held fee title to the land for a period of three (3) years or more prior to the date of the application; or 2) prior to the Tribe's acquisition, a tax exempt entity held title to the property for a period of five (5) years or more. If a parcel of land does not meet either of the above-listed criteria, the Village may comment on or object to an application to place the parcel in trust as provided for in 25 C.F.R. Part 151.
8. **INFORMATION SHARING.** The Tribe and the Village will collaborate on mapping and share databases concerning issues of mutual interest and concern such as, but not limited to, parcel information, zoning, land use, land ownership status, census information, archeological/historical background (with certain limitations on sensitive sites and public access), utilities, roads and rights of way, etc.

9. **COST MITIGATION.** The Tribe and the Village shall designate representatives to accept and review proposals regarding potential cost saving measures related to governmental services provided by both the Tribe and the Village.

10. **DISPUTE RESOLUTION.**

a. Negotiation. If either party believes the other has failed to comply with the requirements of this Agreement, or if a dispute arises over the proper interpretation of any provision of this Agreement or the valuation of Tribal Trust Land, then either party may initiate negotiation by serving a written notice on the other identifying the specific provision or provisions of the Agreement in dispute and specifying in detail the factual basis for any alleged non-compliance and/or the interpretation of the provision of the Agreement or the valuation of Tribal Trust Land. Within thirty (30) days of service of such notice, representatives designated by each party shall meet in an effort to resolve the dispute through negotiation.

b. Mediation. If either party believes the other has failed to comply with the requirements set forth in this Agreement, or if there is a dispute over the proper interpretation of any provision of this Agreement or the valuation of tribal trust property, the parties may agree in writing to settle the dispute by non-binding mediation.

c. Arbitration. If a dispute is not resolved within ninety (90) days of service of notice as provided for in subparagraph (a) above, either party may serve on the other a written demand for arbitration, and the dispute shall thereafter be resolved by arbitration which shall be conducted in conformance with the rules set forth below and such other rules as the parties may in writing agree.

i. Arbitration Panel. Each party shall appoint one arbitrator. The two party-appointed arbitrators shall then appoint a third arbitrator, and the three arbitrators shall constitute the panel.

ii. Cost of Arbitration. The cost of arbitration shall be borne equally by the parties, with one-half (1/2) of the cost charged to the Tribe and one-half (1/2) of the cost charged to the Village, and each shall bear its own expenses.

d. Limited Waiver of Immunity. The Village and Tribe specifically waive sovereign immunity or governmental immunity and consent to suit in Brown County Circuit Court solely for the limited purposes of compelling arbitration in accordance with the provisions of this Agreement or enforcement of any arbitration award rendered pursuant to this Agreement.

11. **ENTIRE AGREEMENT.** This agreement constitutes the entire agreement of the parties and supersedes all prior oral and written agreements between the parties on the

subject matter of payment for governmental services which benefit Tribal Trust Lands within the Village.

12. **AMENDMENT.** Either party may propose amendments to this Agreement at any time. No amendment or modification of this Agreement will be effective unless the amendment or modification is set forth in writing and agreed to and executed by both parties. The parties may agree to non-binding mediation for disputes regarding proposed amendments, but such disputes shall not otherwise be subject to dispute resolution or arbitration.
13. **TERMINATION.** This Agreement may be terminated in one of two ways: 1) this Agreement will immediately terminate and cease to be effective in the event the Tribe ceases to conduct Class III Gaming pursuant to a Gaming Compact with the State of Wisconsin; or 2) the parties may terminate this Agreement by mutual agreement, provided that such agreement is reduced to writing and signed by both parties. Upon termination, neither party shall have any further obligation under this Agreement, except that the provisions of section 10 above shall survive termination of this Agreement. In the event this Agreement terminates because the Tribe ceases to conduct Class III Gaming pursuant to a Gaming Compact with the State of Wisconsin, the parties agree to engage in good faith discussions regarding the possibility of entering into a successor agreement.
16. **NOTICE.** Notice provided under this Agreement must be in writing and must be sent by certified mail, return receipt requested, to the appropriate representative(s) of the party receiving notice as set forth in Attachment C.
17. **SEVERABILITY.** If any provision of this Agreement is determined to be invalid under the laws of the United States, the Tribe or the State, such invalidity will not affect the validity of the remaining provisions of this Agreement.
18. **PRESERVATION OF JURISDICTION.** Nothing in this Agreement is intended to be a grant of jurisdiction from one party to another. This Agreement is not intended to alter the existing jurisdiction of any party, and by approving this Agreement, neither party is agreeing or conceding to any jurisdiction of the other party which would not otherwise exist under the law.
19. **NO THIRD PARTY BENEFICIARIES.** This Agreement is made and entered into for the sole protection and benefit of the Tribe and the Village, and is not intended to create any right, benefit, obligation, or cause of action, whether direct or indirect, for any person or entity not a signatory to this Agreement.

IN WITNESS WHEREOF the parties have set their hands and seal on the date listed below.

VILLAGE OF ASHWAUBENON

Date: 4-15-2011

By: Michael W. Aubinger
Michael W. Aubinger, President

Date: 4-15-2011

By: Dawn A. Collins
Dawn A. Collins, Clerk

Seal of Village of Ashwaubenon

ONEIDA TRIBE OF INDIANS

Date: 4-15-11

By: Richard G. Hill
Richard G. Hill, Chairman

Seal of the Oneida Tribe of Indians of Wisconsin

ATTACHMENT A
Value of Tribal Trust Properties in the Village of Ashwaubenon

Parcel No.	Address	Value
VA-14	2100 Airport Drive	34,607,400
VA-16	2020 Airport Drive	81,784,900
VA-228-14-H-4	1724 View Lane	124,000
VA-30	*2632 Packerland Drive	
VA-35-33	Cypress Road	85,600
VA-35-34	E Adam Drive	280,538
VA-35-35	E Adam Drive	4,066,000
VA-35-36	E Adam Drive	365,600
VA-35-37	E Adam Drive	111,588
VA-35-38	E Adam Drive	139,950
VA-35-39	E Adam Drive	42,925
VA-35-40	Cypress Road	14,125
VA-35-41	Short Road	211,313
VA-35-45	Glory Road	4,189,655
VA-35-46	Cypress Road	177,625
VA-35-47	Cypress Road	68,000
VA-35-49	Short Road	176,300
VA-35-50	Short Road	80,050
VA-35-51	E Adam Drive	102,338
VA-35-52	E Adam Drive	31,450
	2065 Airport Drive	4,040,000
VILLAGE OF ASHWAUBENON TOTAL		\$ 130,699,357

* Government Property

Attachment B
VILLAGE OF ASHWAUBENON - ONEIDA TRIBE

2011 Cost of Government Services Contract

Tribal Trust Land Equalized Value	\$	130,699,357
2010 Tax Rate		4.69316
	\$	613,393
2010 Total Tax Levy	\$	10,809,178
Cost of Governmental Services Percentage		5.67474%

	2010 Audited Expenditures	CGS Percentage 5.67474%	Credit	Service Agreement
General Government				
Village Board / President	\$ 358,497	\$ 20,344	100.0%	\$ -
Municipal Court	201,778	11,450	100.0%	-
Clerk / Election / Licenses	206,990	11,746	100.0%	-
Assessment of Property	123,418	7,004	100.0%	-
Treasury	45,698	2,593	100.0%	-
General Accounting and Auditing	370,622	21,032	100.0%	-
Village Attorney	128,619	7,299	100.0%	-
Village Hall	272,568	15,468	100.0%	-
Worker's Compensation Insurance	106,859	6,064	25.0%	4,548
Property and Liability Insurance	79,199	4,494	25.0%	3,371
Unemployment / Contingency	94,108	5,340	25.0%	4,005
Total General Government	1,988,356	112,834		11,924
Public Safety				
Police / Fire / Rescue	8,169,539	463,600	66.8%	153,961
Building Inspection	240,978	13,675	100.0%	-
Fire Inspection	107,982	6,128	0.0%	6,128
Weights and Measures	19,411	1,102	97.5%	28
Total Public Safety	8,537,910	484,504		160,116
Public Works				
Engineering	197,124	11,186	95.0%	559
Administration	130,933	7,430	95.0%	372
Garage	389,582	22,108	95.0%	1,105
Streets and Related Facilities				
Street Maintenance & Repairs	405,909	23,034	95.0%	1,152
Curb & Gutter	73,916	4,195	95.0%	210
Street Cleaning	25,303	1,436	95.0%	72
Snow & Ice	130,332	7,396	95.0%	370
Traffic Control	128,490	7,291	95.0%	365
Street Lighting	469,817	26,661	95.0%	1,333
Labor for School & Other	23,585	1,338	100.0%	-
Sidewalks	4,023	228	100.0%	-
Storm Sewer	18,503	1,050	95.0%	52
Transit System	92,054	5,224	10.0%	4,701
Total Public Works	2,089,571	118,578		10,291
Sanitation				
Garbage & Refuse Collection	310,274	17,607	95.0%	880
Recycling	192,465	10,922	95.0%	546
Landfill	141,039	8,004	95.0%	400
Leaf Collection / Wood Chipping	107,462	6,098	95.0%	305
Weed Control	17,445	990	95.0%	49
Total Sanitation	768,685	43,621		2,181
Health and Human Services				
Animal Control	11,129	632	100.0%	-
Culture and Recreation				
Parks & Recreation Administration	324,247	18,400	100.0%	-
Swimming Pool and Lake	162,058	9,196	100.0%	-
Recreation Programs	150,244	8,526	100.0%	-
Community Center	27,389	1,554	100.0%	-
Park Maintenance	457,353	25,954	100.0%	-
Forestry	165,103	9,369	100.0%	-
Total Culture and Recreation	1,286,394	73,000		-
Conservation and Development				
Industrial Development	5,338	303	95.0%	15
Economic Development	423	24	95.0%	1
Total Conservation and Development	5,761	327		16
Debt Service				
Capital Projects	1,222,092	69,351	0.0%	69,351
Special Revenues	770,463	43,722	0.0%	43,722
	286,664	16,267	0.0%	16,267
Total Expenditures	\$ 16,196,562	\$ 919,113		\$ 313,868
Amount billed to Schneider National for parcel VA-35-45 (1155 Glory Road)				\$ (8,660)
Net Amount to bill Oneida Tribe				\$ 305,209

ATTACHMENT C
List of Parties' Designated Representatives for Notice

Paragraph	Oneida Tribe of Indians	Village of Ashwaubenon
3	Chief of Police 2783 Freedom Road Oneida, WI 54155 920-869-2239	Police Chief Ashwaubenon Dept. of Public Safety 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300
4	General Manager Skenandoah Complex Post Office Box 365 Oneida, WI 54155 920-496-7000 Oneida Law Office Norbert Hill Center Post Office Box 109 Oneida, WI 54155 920-869-4327	Director of Administrative Services 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300
5	Treasurer Norbert Hill Center Post Office Box 365 Oneida, WI 54155 920-869-2214 General Manager Skenandoah Complex Post Office Box 365 Oneida, WI 54155 920-496-7000	Village Treasurer 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300
6	Treasurer Norbert Hill Center Post Office Box 365 Oneida, WI 54155 920-869-2214 Chief Financial Officer Norbert Hill Center Post Office Box 365 Oneida, WI 54155 920-869-2214	Village Treasurer 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300

Paragraph	Oneida Tribe of Indians	Village of Ashwaubenon
8	<p>General Manager Skenandoah Complex Post Office Box 365 Oneida, WI 54155 920-496-7000</p>	<p>Director of Administrative Services 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p> <p>Village President 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p>
9	<p>General Manager Skenandoah Complex Post Office Box 365 Oneida, WI 54155 920-496-7000</p>	<p>Director of Administrative Services 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p> <p>Village President 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p>
10	<p>Chairman Norbert Hill Center Post Office Box 365 Oneida, WI 54155 920-869-2214</p> <p>Oneida Law Office Norbert Hill Center Post Office Box 109 Oneida, WI 54155 920-869-4327</p>	<p>Director of Administrative Services 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p> <p>Village Attorney 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p>
12	<p>Chairman Norbert Hill Center Post Office Box 365 Oneida, WI 54155 920-869-2214</p> <p>Oneida Law Office Norbert Hill Center Post Office Box 109 Oneida, WI 54155 920-869-4327</p>	<p>Director of Administrative Services 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p> <p>Village Attorney 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p>

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13	<p>Chairman Norbert Hill Center Post Office Box 365 Oneida, WI 54155 920-869-2214</p> <p>Oneida Law Office Norbert Hill Center Post Office Box 109 Oneida, WI 54155 920-869-4327</p>	<p>Director of Administrative Services 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p> <p>Village Attorney 2155 Holmgren Way Ashwaubenon, WI 54304 920-492-2300</p>