

TRIBAL-STATE COMPACT

BETWEEN

THE STATE OF CALIFORNIA

AND

THE SHERWOOD VALLEY RANCHERIA

OF POMO INDIANS

OF CALIFORNIA

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**TRIBAL-STATE COMPACT BETWEEN
THE STATE OF CALIFORNIA AND
THE SHERWOOD VALLEY RANCHERIA OF POMO INDIANS
OF CALIFORNIA**

The Sherwood Valley Rancheria of Pomo Indians of California, a federally recognized Indian Tribe (Tribe), and the State of California (State) enter into this Tribal-State Gaming Compact Between the State of California and the Sherwood Valley Rancheria of Pomo Indians of California (Compact) on a sovereign government-to-government basis pursuant to the Indian Gaming Regulatory Act of 1988 (P.L. 100-497, codified at 18 U.S.C. § 1166 et seq. and 25 U.S.C. § 2701 et seq.) (IGRA), and any successor statute or amendments.

PREAMBLE

WHEREAS, Congress enacted IGRA for the following purposes: “(1) to provide a statutory basis for the operation of gaming by Indian tribes as a means of promoting tribal economic development, self-sufficiency, and strong tribal governments; (2) to provide a statutory basis for the regulation of gaming by an Indian tribe adequate to shield it from organized crime and other corrupting influences, to ensure that the Indian tribe is the primary beneficiary of the gaming operation, and to assure that gaming is conducted fairly and honestly by both the operator and players; and (3) to declare that the establishment of independent Federal regulatory authority for gaming on Indian lands, the establishment of Federal standards for gaming on Indian lands, and the establishment of a National Indian Gaming Commission are necessary to meet congressional concerns regarding gaming and to protect such gaming as a means of generating tribal revenue,” 25 U.S.C. § 2702; and

WHEREAS, the system of regulation of Indian gaming fashioned by Congress in IGRA rests on an allocation of regulatory jurisdiction among the three sovereigns involved: the federal government, the state in which a tribe has land, and the tribe itself. IGRA makes Class III Gaming activities lawful on the lands of federally recognized Indian tribes only if such activities are: (i) authorized by a tribal ordinance; (ii) located in a state that permits such gaming for any purpose by any person, organization or entity; and (iii) conducted in conformity with a gaming compact entered into between the Indian tribe and the state and approved by the Secretary of the Department of the Interior; and

WHEREAS, in 1999, the Tribe and the State entered into the Tribal-State Compact Between the State of California and Sherwood Valley Rancheria of Pomo Indians (1999 Compact), which enabled the Tribe, through revenues generated by its Gaming Operation, to improve the governance, environment, education, health, safety, and general welfare of its citizens, and to promote a strong tribal government, self-sufficiency, and to provide essential government services to its citizens; and

WHEREAS, pursuant to the 1999 Compact the Tribe currently operates a tribal gaming casino offering Class III Gaming Activities on its land; and

WHEREAS, the Tribe is committed to improving the environment, education status, and the health, safety and general welfare of its members and the surrounding community; and

WHEREAS, this Compact respects the Tribe's primary responsibility and sovereign authority over the regulation of its Gaming Facility and continues to enhance the Tribe's economic development and self-sufficiency; and

WHEREAS, the State enters into this Compact out of respect for the sovereignty of the Tribe; to enhance tribal-state cooperation in areas of mutual concern; and in recognition that the voters of California approved Proposition 5 in 1998 and then amended the State Constitution through approval of Proposition 1A in 2000 to authorize the operation of slot machines and banked and percentage card games by Tribes on Indian lands; and

WHEREAS, the State and the Tribe have a legitimate interest in promoting the purposes of IGRA for all federally recognized Indian tribes in California, whether gaming or non-gaming. The Tribe and the State share a joint sovereign interest in ensuring that tribal Gaming Activities are free from criminal and other undesirable elements; and

WHEREAS, the State and the Tribe have concluded that this Compact protects the interests of the Tribe and its members, the surrounding community, and the California public, and will promote and secure long-term stability, mutual respect, and mutual benefits; and

WHEREAS, the State and the Tribe agree that all terms of this Compact are intended to be binding and enforceable.

NOW, THEREFORE, the Tribe and the State agree as set forth herein:

SECTION 1.0. PURPOSES AND OBJECTIVES.

The terms of this Compact are designed and intended to:

- (a) Evidence the goodwill and cooperation of the Tribe and State in fostering a mutually respectful government-to-government relationship that will serve the mutual interests of the parties.
- (b) Develop, enhance, and implement a means of regulating Class III Gaming, and only Class III Gaming, on the Tribe's Indian lands to ensure its fair and honest operation in accordance with IGRA, and through that regulated Class III Gaming, enable the Tribe to develop self-sufficiency, promote tribal economic development, and generate jobs and revenues to support the Tribe's government and its governmental services and programs.
- (c) Promote ethical practices in conjunction with Class III Gaming, through the licensing and control of persons and entities employed in, or providing goods and services to, the Gaming Operation, protect against the presence or participation of persons whose criminal backgrounds, reputations, character, or associations make them unsuitable for participation in gaming, thereby maintaining a high level of integrity in tribal government gaming, and protect the patrons and employees of the Gaming Operation and Gaming Facility.
- (d) Achieve the objectives set forth in the preamble.

SECTION 2.0. DEFINITIONS.

Sec. 2.1. "Applicable Codes" means the California Building Code and the California Public Safety Code applicable to the County, as set forth in titles 19 and 24 of the California Code of Regulations, as those regulations may be amended during the term of this Compact, including, but not limited to, codes for building, electrical, energy, mechanical, plumbing, fire and safety.

Sec. 2.2. "Applicant" means an individual or entity that applies for a tribal gaming license or State determination of suitability.

Sec. 2.3. "Association" means an association of California tribal and state gaming regulators, the membership of which comprises up to two (2) representatives from each tribal gaming agency of those tribes with whom the State

has a Class III Gaming compact or Secretarial procedures prescribed by the Secretary of the Department of the Interior pursuant to 25 U.S.C. § 2710(d)(7)(B)(vii) under IGRA, and up to two (2) delegates each from the California Department of Justice, Bureau of Gambling Control and the California Gambling Control Commission.

Sec. 2.4. “Categorical Exemption” shall mean those Projects that meet the criteria of the activities on the “List of Categorical Exemptions” attached as Appendix C to this Compact, or as otherwise agreed to in writing by the Tribe and the State. The terms and concepts used in Appendix C will be interpreted and applied in a manner consistent with and subject to applicable case law interpreting the California Environmental Quality Act (Pub. Resources Code, § 21000 et seq.).

Sec. 2.5. “Class III Gaming” means the forms of class III gaming defined as such in 25 U.S.C. § 2703(8) and by the regulations of the National Indian Gaming Commission.

Sec. 2.6. “Commission” means the California Gambling Control Commission, or any successor agency of the State.

Sec. 2.7. “Compact” means this Tribal-State Compact between the State of California and the Sherwood Valley Rancheria of Pomo Indians of California.

Sec. 2.8. “County” means the County of Mendocino, California, a political subdivision of the State.

Sec. 2.9. “Financial Source” means any person or entity who, directly or indirectly, extends financing in connection with the Tribe’s Gaming Facility.

Sec. 2.10. “Gaming Activity” or “Gaming Activities” means the Class III Gaming activities authorized under this Compact.

Sec. 2.11. “Gaming Device” means any slot machine within the meaning of article IV, section 19, subdivision (f) of the California Constitution. For purposes of calculating the number of Gaming Devices, each player station or terminal on which a game is played constitutes a separate Gaming Device, irrespective of whether it is part of an interconnected system to such terminals or stations. “Gaming Device” includes, but is not limited to, video poker, but does not include electronic, computer, or other technological aids that qualify as class II gaming (as defined under IGRA).

Sec. 2.12. “Gaming Employee” means any natural person who is an employee of the Gaming Operation and (i) conducts, operates, maintains, repairs, accounts for, or assists in any Gaming Activities, or is in any way responsible for supervising such Gaming Activities or persons who conduct, operate, maintain, repair, account for, assist, or supervise any such Gaming Activities, (ii) is in a category under federal or tribal gaming law requiring licensing, or (iii) is a person whose employment duties require or authorize access to areas of the Gaming Facility in which any activities related to Gaming Activities are conducted but that are not open to the public. The definition of Gaming Employee does not include members or employees of the Tribal Gaming Agency.

Sec. 2.13. “Gaming Facility” or “Facility” means any building in which Gaming Activities or any Gaming Operations occur, or in which the business records, receipts, or other funds of the Gaming Operation are maintained (but excluding off-site facilities primarily dedicated to storage of those records, and financial institutions), which may include parking lots, walkways, rooms, buildings, and areas that provide amenities to Gaming Activity patrons, if and only if, the principal purpose of which is to serve the activities of the Gaming Operation and Facility rather than providing the Gaming Operation with an incidental benefit, provided that nothing herein prevents the conduct of class II gaming (as defined under IGRA) therein.

Sec. 2.14. “Gaming Operation” means the business enterprise that offers and operates Gaming Activities, whether exclusively or otherwise, but does not include the Tribe’s governmental or other business activities unrelated to the operation of the Gaming Facility.

Sec. 2.15. “Gaming Ordinance” means a tribal ordinance or resolution duly authorizing the conduct of Gaming Activities on the Tribe’s Indian lands in California and approved under IGRA.

Sec. 2.16. “Gaming Resources” means any goods or services provided or used in connection with Gaming Activities, whether exclusively or otherwise, including, but not limited to, equipment, furniture, Gaming Devices and ancillary equipment, implements of Gaming Activities such as playing cards, furniture designed primarily for Gaming Activities, maintenance or security equipment and services, and Class III Gaming management or consulting services. “Gaming Resources” does not include professional accounting and legal services.

Sec. 2.17. “Gaming Resource Supplier” means any person or entity who, directly or indirectly, does, or is deemed likely to, manufacture, distribute, supply, vend, lease, purvey, or otherwise provide, to the Gaming Operation or Gaming Facility at least twenty-five thousand dollars (\$25,000) in Gaming Resources in any twelve (12)-month period, or who, directly or indirectly, receives, or is deemed likely to receive, in connection with the Gaming Operation or Gaming Facility, at least twenty-five thousand dollars (\$25,000) in any consecutive twelve (12)-month period, provided that the Tribal Gaming Agency may exclude a purveyor of equipment or furniture that is not specifically designed for, and is distributed generally for use other than in connection with, Gaming Activities, if but for the purveyance, the purveyor is not otherwise a Gaming Resource Supplier as defined herein, the compensation received by the purveyor is not grossly disproportionate to the value of the goods or services provided, and the purveyor is not otherwise a person who exercises a significant influence over the Gaming Operation.

Sec. 2.18. “IGRA” means the Indian Gaming Regulatory Act of 1988 (18 U.S.C. §§ 1166-1168, 25 U.S.C. § 2701 et seq.), and any amendments thereto, as interpreted by all regulations, promulgated thereunder.

Sec. 2.19. “Initial Study” means a preliminary analysis prepared by or for the Tribe, which shall include:

- (a) A description of the Project including its location;
- (b) An identification of the environmental setting;
- (c) An identification of the Project’s potential Significant Effects on the Off-Reservation Environment by use of the checklist at Appendix B, provided that entries on the checklist are briefly explained to indicate that there is some evidence to support the entries. The brief explanation may be either through a narrative or a reference to another information source such as an attached map, photographs, or an earlier environmental analysis;
- (d) A discussion of the ways to mitigate the Project’s Significant Effects on the Off-Reservation Environment if any are identified; and
- (e) The name of the person or persons who prepared or participated in the Initial Study.

Sec. 2.20. “Interested Persons” means (i) all local, state, and federal agencies, which, if a Project were not taking place on Indian lands, would have responsibility for approving the Project or would exercise authority over the natural resources that may be affected by the Project, (ii) any incorporated city within ten (10) miles of the Project, and (iii) persons, groups, or agencies that request in writing a notice of preparation of a draft tribal environmental impact report described in section 11.0, or have commented on the Project in writing to the Tribe or the County where those comments were provided to the Tribe.

Sec. 2.21. “Management Contractor” means any Gaming Resource Supplier with whom the Tribe has contracted for the management of any Gaming Activity or Gaming Facility, including, but not limited to, any person who would be regarded as a management contractor under IGRA.

Sec. 2.22. “Mitigated Negative Declaration” means a Negative Declaration prepared for a Project when the Initial Study has identified potentially Significant Effects on the Off-Reservation Environment, but (i) revisions in the Project plans or proposals agreed to by the Tribe in a binding letter agreement between the Tribe and the State would avoid the effects or mitigate the effects to a point where clearly no Significant Effects on the Off-Reservation Environment would occur and (ii) there is no substantial evidence in light of the whole record before the Tribe that the Project as revised may have a Significant Effect on the Off-Reservation Environment.

Sec. 2.23. “Negative Declaration” means a written statement by the Tribe briefly describing the Initial Study prepared for a Project and the reasons that the Initial Study has identified no Significant Effect on the Off-Reservation Environment, which supports the Tribe’s finding that substantial evidence in light of the whole record before the Tribe supports its determination that the preparation of a Tribal Environmental Impact Report or a Tribal Environmental Impact Document is not required.

Sec. 2.24. “Net Win” means drop from Gaming Devices, plus the redemption value of expired tickets, less fills, less free play, less payouts, less that portion of the Gaming Operation’s payments to a third-party wide-area progressive jackpot system provider that is contributed only to the progressive jackpot amount.

Sec. 2.25. “NIGC” means the National Indian Gaming Commission.

Sec. 2.26. “Project” means (i) the construction of a new Gaming Facility, (ii) a renovation, expansion or modification of an existing Gaming Facility, or (iii) other activity involving a physical change to the reservation environment, provided the principal purpose of which is directly related to the activities of the Gaming Operation, and any one of which may cause a Significant Effect on the Off-Reservation Environment. For purposes of this definition, section 11.0, and Appendix B, “reservation” refers to the Tribe’s Indian lands within the meaning of IGRA or lands otherwise held in trust for the Tribe or its citizens by the United States. “Project” does not include an activity that has been both described and the impacts of which have been previously addressed in a tribal environmental impact report or document described in section 11.0, or in an environmental impact report, statement, or assessment under the Tribe’s 1999 Compact; nor does it include any activity otherwise meeting the definition of “Project” for which a notice of preparation has issued pursuant to the Tribe’s 1999 Compact prior to the effective date of this Compact, which the parties agree shall be governed by section 10.8 of the Tribe’s 1999 Compact.

Sec. 2.27. “Significant Effect(s) on the Off-Reservation Environment” means a substantial or potentially substantial adverse change in any of the physical conditions of the off-reservation environment caused by the Project, including land, air, water, minerals, flora, fauna, ambient noise, cultural areas and objects of historic, cultural or aesthetic significance. For purposes of this definition, “reservation” refers to the Tribe’s Indian lands within the meaning of IGRA or lands otherwise held in trust for the Tribe or its citizens by the United States.

Sec. 2.28. “State” means the State of California or an authorized official or agency thereof.

Sec. 2.29. “State Designated Agency” means the entity or entities designated or to be designated by the Governor to exercise rights and fulfill responsibilities established by this Compact.

Sec. 2.30. “State Gaming Agency” means the entities authorized to investigate, approve, regulate and license gaming pursuant to the Gambling Control Act (chapter 5 (commencing with section 19800) of division 8 of the California Business and Professions Code), or any successor statutory scheme, and any entity or entities in which that authority may hereafter be vested.

Sec. 2.31. “Tribal Chair” or “Tribal Chairperson” or “Tribal Chairman” means the person duly elected or selected under the Tribe’s constitution or

governing documents, customs, or traditions to perform the duties specified therein, including serving as the Tribe's official representative.

Sec. 2.32. "Tribal Gaming Agency" means the person, agency, board, committee, commission, or council designated under tribal law, including, but not limited to, an intertribal gaming regulatory agency approved to fulfill those functions by the NIGC, primarily responsible for carrying out the Tribe's regulatory responsibilities under IGRA and the Tribe's Gaming Ordinance. No person employed in, or in connection with, the management, supervision, or conduct of any Gaming Activity may be a member or employee of the Tribal Gaming Agency.

Sec. 2.33. "Tribe" means the Sherwood Valley Rancheria of Pomo Indians of California, a federally-recognized Indian tribe, or an authorized official or agency thereof.

SECTION 3.0. SCOPE OF CLASS III GAMING AUTHORIZED.

- (a) The Tribe is hereby authorized and permitted to operate only the following Gaming Activities under the terms and conditions set forth in the Compact:
 - (1) Gaming Devices.
 - (2) Any banking or percentage card game.
 - (3) Any devices or games that are authorized under state law to the California State Lottery, provided that the Tribe will not offer such games through use of the Internet, unless any other person, organization, or entity in the State is permitted to do so under state and federal law.
 - (4) Off-track wagering on horse races at a satellite wagering facility pursuant to the requirements in the document attached hereto as Appendix E.
- (b) Nothing herein shall be construed to preclude the Tribe from offering class II gaming.
- (c) Nothing herein shall be construed to authorize or permit the operation of any Class III Gaming that the State lacks the power to authorize or

permit under article IV, section 19, subdivision (f), of the California Constitution.

- (d) The Tribe shall not engage in Class III Gaming that is not expressly authorized in this Compact.

SECTION 4.0. AUTHORIZED NUMBER OF GAMING DEVICES, LOCATION OF GAMING FACILITIES, AND COST REIMBURSEMENT.

Sec. 4.1. Authorized Number of Gaming Devices.

The Tribe is entitled to operate up to a total of one thousand two hundred (1,200) Gaming Devices pursuant to the conditions set forth in section 3.0 and sections 4.2 through and including section 5.2.

Sec. 4.2. Authorized Gaming Facilities

The Tribe may establish and operate not more than three (3) Gaming Facilities and engage in Class III Gaming only on eligible Indian lands held in trust for the Tribe that are located within the boundaries of the Tribe's reservation and certain trust lands as those boundaries exist and on which Class III Gaming may lawfully be conducted under IGRA as of the execution date of this Compact as described in and represented on the map at Appendix A hereto. The Tribe retains the right to acquire additional eligible Indian lands under IGRA and, subject to the provisions of section 15.0, to request negotiation of an amendment to this Compact to authorize Class III Gaming on the subsequently acquired eligible Indian lands. The Tribe may combine and operate in each Gaming Facility any forms and kinds of gaming permitted under law, except to the extent limited under IGRA, this Compact, or the Tribe's Gaming Ordinance.

Sec. 4.3. Special Distribution Fund.

- (a) The Tribe shall pay to the State for deposit into the Special Distribution Fund created by the Legislature on a pro rata basis the State's 25 U.S.C. § 2710(d)(3)(C) costs incurred for purposes consistent with IGRA, including for the performance of all its duties under this Compact, the administration and implementation of tribal-state Class III Gaming compacts and Secretarial procedures prescribed by the Secretary of the Department of the Interior pursuant to 25 U.S.C. § 2710(d)(7)(B)(vii) (Secretarial Procedures), and funding for the Office of Problem Gambling, as determined by the monies

appropriated in the annual Budget Act each fiscal year to carry out those purposes (Appropriation). The Appropriation and the maximum number of Gaming Devices operated by all federally recognized tribes in California determined to be in operation during the previous State fiscal year shall be reported annually by the State Gaming Agency to the Tribe on or before December 15. The term “operated” or “operation” as used in this Compact in relation to Gaming Devices describes each and every Gaming Device available to patrons (including slot tournament contestants) for play at any given time.

- (b) The Tribe’s pro rata share of the State’s 25 U.S.C. § 2710(d)(3)(C) costs in any given year this Compact is in effect shall be calculated by the following equation:

The maximum number of Gaming Devices operated in the Tribe’s Gaming Facility(ies) during the previous State fiscal year as determined by the State Gaming Agency, divided by the maximum number of Gaming Devices operated by all federally recognized tribes in California pursuant to tribal-state Class III Gaming compacts or Secretarial Procedures during the previous State fiscal year, multiplied by the Appropriation, equals the Tribe’s pro rata share.

- (1) Beginning the first full quarter after the effective date of this Compact, the Tribe shall pay its pro rata share to the State Gaming Agency for deposit into the Indian Gaming Special Distribution Fund established by the Legislature (Special Distribution Fund). The payment shall be made in four (4) equal quarterly installments due on the thirtieth (30th) day following the end of each calendar quarter (i.e., by April 30 for the first quarter, July 30 for the second quarter, October 30 for the third quarter, and January 30 for the fourth quarter); provided, however, that in the event this Compact becomes effective during a calendar quarter, payment shall be prorated for the number of days remaining in that initial quarter, in addition to any remaining full quarters in the first calendar year of operation to obtain a full year of full quarterly payments of the Tribe’s pro rata share specified above. A payment year will run from January through December. If any portion of the Tribe’s quarterly pro rata share payment is overdue, the Tribe

shall pay to the State for purposes of deposit into the appropriate fund, the amount overdue plus interest accrued thereon at the rate of one percent (1%) per month or the maximum rate permitted by state law for delinquent payments owed to the State, whichever is less. All quarterly payments shall be accompanied by the report specified in section 4.6.

- (2) If the Tribe objects to the State's determination of the Tribe's pro rata share, or to the amount of the Appropriation as including matters not consistent with IGRA or this Compact, the matter shall be resolved in accordance with the dispute resolution provisions of section 13.0. Any State determination of the Tribe's adjusted pro rata share challenged by the Tribe shall govern and must be paid by the Tribe to the State when due, and the Tribe's payment is a condition precedent to invoking the section 13.0 dispute resolution provisions. In the resolution of any challenge to the Appropriation used to determine the Tribe's pro rata share based on the inclusion of matters not consistent with IGRA or this Compact, the Legislature's inclusion of the costs at issue in the Appropriation alone will not be sufficient to establish that the costs are consistent with IGRA or this Compact.
- (3) Only for purposes of calculating the Tribe's annual pro rata share under section 4.3, subdivision (b), any increase in the Appropriation for the current year shall be capped at an amount equal to five percent (5%) from the Appropriation used to calculate the Tribe's pro rata share in the immediately preceding year. The Appropriation, so capped, will be used to calculate the Tribe's pro rata share under the equation set forth in section 4.3, subdivision (b). The Tribe and the State anticipate and intend that annual increases in the Tribe's pro rata share payment will be significantly less than five percent (5%) annually on an ongoing basis, and that this five percent (5%) cap will be rarely, if ever, implemented.
- (4) The foregoing payments have been negotiated between the Tribe and the State to reimburse the State for the State's costs of regulating and mitigating certain impacts of tribal Gaming Activities.

- (c) In any given State fiscal year, to the extent permissible and only in accordance with the conditions of California Government Code section 12012.96, the State Gaming Agency, upon approval by the California Department of Finance shall reduce, or eliminate, the Tribe's pro rata share payment obligation to the Special Distribution Fund.

Sec. 4.4. Use of Special Distribution Funds.

Revenue placed in the Special Distribution Fund shall be available for appropriation by the Legislature for the following purposes:

- (a) Grants, including any administrative costs, for programs designed to address and treat gambling addiction;
- (b) Grants made pursuant to California Government Code section 12715, including any administrative costs and environmental review costs, for the support of State and local government agencies impacted by tribal government gaming;
- (c) Compensation for regulatory costs incurred by the State including, but not limited to, the Commission, the California Department of Justice, the Office of the Governor, the California Department of Public Health Programs, Office of Problem Gambling, the State Controller, the Department of Human Resources, the Financial Information System for California, and State Designated Agencies in connection with the implementation and administration of Class III Gaming compacts and Secretarial Procedures in California; and
- (d) Any other purposes specified by the Legislature that are consistent with IGRA, including funds necessary to ensure adequate funding to the Revenue Sharing Trust Fund.

Sec. 4.5. Effective Date of Contribution Provisions.

The provisions of this Compact establishing or superseding existing revenue sharing obligations of the Tribe will take effect on the first day of the first month following the effective date of this Compact.

Sec. 4.6. Quarterly Payments and Quarterly Contribution Report.

- (a)
 - (1) The Tribe shall remit quarterly to the State Gaming Agency (i) the payments described in section 4.3, for deposit into the Special Distribution Fund.
 - (2) If the Gaming Activities authorized by this Compact commence during a calendar quarter, the first payment shall be due on the thirtieth (30th) day following the end of the first full quarter of the Gaming Activities and shall cover the period from the commencement of the Gaming Activities to the end of the first full calendar quarter.
 - (3) All quarterly payments shall be accompanied by the certification specified in subdivision (b).
- (b) At the time each quarterly payment is due, regardless of whether any monies are owed, the Tribe shall submit to the State Gaming Agency a certification (the “Quarterly Contribution Report”) prepared by the chief financial officer of the Gaming Operation that specifies the following:
 - (1) The calculation of the maximum number of Gaming Devices operated in the Gaming Facility for each day during the given quarter;
 - (2) The amount due, if any, pursuant to section 4.3; and
 - (3) The total amount of the quarterly payment paid to the State.
- (c) The State Gaming Agency shall have access to all records deemed necessary by the State Gaming Agency to verify the maximum number of Gaming Devices operated in the Gaming Facility during the given quarter, including access to the Gaming Device accounting systems and server-based systems and software, and to the data contained therein on a read-only basis. The parties expressly acknowledge that the Quarterly Contribution Reports provided for in subdivision (b) are subject to section 8.4, subdivision (h).
- (d) Notwithstanding anything to the contrary in section 13.0, any failure of the Tribe to remit the payments referenced in subdivision (a), will

entitle the State to immediately seek injunctive relief in federal or state court, at the State's election, to compel the payments, plus accrued interest thereon at the rate of one percent (1%) per month, or the maximum rate permitted by state law for delinquent payments owed to the State, whichever is less; and further, the Tribe expressly consents to be sued in either court and hereby waives its sovereign immunity and its right to assert sovereign immunity against the State in any such proceeding. Failure to make timely payment shall be deemed a material breach of this Compact.

- (e) If any portion of the payments under subdivision (a) of this section is overdue after the State Gaming Agency has provided written notice to the Tribe of the overdue amount with an opportunity to cure of at least fifteen (15) business days, and if more than sixty (60) calendar days have passed from the due date, then the Tribe shall cease operating all of its Gaming Devices until full payment is made.

Sec. 4.7. Exclusivity.

In recognition of the Tribe's agreement to make the payments specified in section 4.3, the Tribe shall have the following rights:

- (a) In the event the exclusive right of Indian tribes to operate Gaming Devices in California is abrogated by the enactment, amendment, or repeal of a state statute or constitutional provision, or the conclusive and dispositive judicial construction of a statute or the State Constitution by a California appellate court after the effective date of this Compact, that Gaming Devices may lawfully be operated by another person, organization, or entity (other than an Indian tribe operating pursuant to a Class III Gaming compact or Secretarial Procedures) within California, the Tribe shall have the right to exercise one (1) of the following options:
 - (1) Terminate this Compact, in which case the Tribe will lose the right to operate Gaming Devices and other Class III Gaming authorized by this Compact; or
 - (2) Continue under this Compact with an entitlement to a reduction of the payments and/or rates specified in section 5.2 following conclusion of negotiations of an amendment, even though an

amended Compact may continue to provide for: (i) compensation to the State for the costs of regulation, as set forth in section 4.3, subdivision (a); (ii) grants for programs designed to address and treat gambling addiction; and (iii) such assessments as may be permissible at that time under federal law. The negotiations shall commence within thirty (30) days after receipt of a written request by either the Tribe or the State to enter into negotiations, unless both parties agree in writing to an extension of time. If the Tribe and the State fail to reach agreement on the amount of the reduction of such payments within sixty (60) days following commencement of the negotiations specified in this subdivision (a)(2), the amount shall be determined by arbitration pursuant to section 13.2.

- (b) Nothing in this section is intended to preclude the California State Lottery from offering any lottery games or devices that are currently or may hereafter be authorized by state law.
- (c) Nothing in this section precludes the Tribe from discussing with the State the issue of whether any person or entity (other than an Indian tribe pursuant to a Class III Gaming compact or Secretarial Procedures) is engaging in the Gaming Activities specified in subdivision (a)(1) or (2) of section 3.0 of this Compact.

SECTION 5.0. REVENUE SHARING WITH NON-GAMING AND LIMITED-GAMING TRIBES.

Sec. 5.1. Definitions.

For purposes of this section 5.0, the following definitions apply:

- (a) The “Revenue Sharing Trust Fund” is a fund created by the Legislature and administered by the State Gaming Agency that, as limited trustee, is not a trustee subject to the duties and liabilities contained in the California Probate Code, similar state or federal statutes, rules or regulations, or under California state or federal common law or equitable principles, and has no duties, responsibilities, or obligations hereunder except for the receipt, deposit, and distribution of monies paid by gaming tribes for the benefit of Non-Gaming Tribes and Limited-Gaming Tribes. The State

Gaming Agency shall allocate and disburse the Revenue Sharing Trust Fund monies on a quarterly basis as specified by the Legislature. Each eligible Non-Gaming Tribe and Limited-Gaming Tribe in the state shall receive the sum of one million one hundred thousand dollars (\$1,100,000) per year from the Revenue Sharing Trust Fund. In the event there are insufficient monies in the Revenue Sharing Trust Fund to pay one million one hundred thousand dollars (\$1,100,000) per year to each eligible Non-Gaming Tribe and Limited-Gaming Tribe, any available monies in that fund shall be distributed to eligible Non-Gaming Tribes and Limited-Gaming Tribes in equal shares. Monies deposited into the Revenue Sharing Trust Fund in excess of the amount necessary to distribute one million one hundred thousand dollars (\$1,100,000) to each eligible Non-Gaming Tribe and Limited-Gaming Tribe shall remain in the Revenue Sharing Trust Fund available for disbursement in future years, or deposited into the Tribal Nation Grant Fund, but shall not be used for purposes other than the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund. In no event shall the State's general fund be obligated to make up any shortfall in the Revenue Sharing Trust Fund or to pay any unpaid claims connected therewith and, notwithstanding any provision of law, including any existing provision of law implementing the State Gaming Agency's obligations related to the Revenue Sharing Trust Fund under any Class III Gaming compact or Secretarial Procedures, Non-Gaming Tribes and Limited-Gaming Tribes are not third-party beneficiaries of this Compact and shall have no right to seek any judicial order compelling disbursement of any Revenue Sharing Trust Fund monies to them.

- (b) The "Tribal Nation Grant Fund" is a fund created by the Legislature to make discretionary distribution of funds to Non-Gaming Tribes and Limited-Gaming Tribes upon application of such tribes for purposes related to effective self-governance, self-determined community, and economic development. The fiscal operations of the Tribal Nation Grant Fund are administered by the State Gaming Agency, which acts as a limited trustee, not subject to the duties and liabilities contained in the California Probate Code, similar California or federal statutes, rules or regulations, or under California or federal common law or equitable principles, and with no duties or obligations hereunder except for the receipt, deposit, and distribution of monies paid by gaming tribes for the benefit of Non-Gaming Tribes and Limited-

Gaming Tribes, as those payments are directed by a State Designated Agency. The State Gaming Agency shall allocate and disburse the Tribal Nation Grant Fund monies as specified by a State Designated Agency to one (1) or more eligible Non-Gaming Tribe or Limited-Gaming Tribe upon a competitive application basis. The State Gaming Agency shall exercise no discretion or control over, nor bear any responsibility arising from, the recipient tribes' use or disbursement of Tribal Nation Grant Fund monies. The State Designated Agency shall perform any necessary audits to ensure that monies awarded to any tribe are being used in accordance with their disbursement in relation to the purpose of the Tribal Nation Grant Fund. In no event shall the State's general fund be obligated to pay any monies into the Tribal Nation Grant Fund or to pay any unpaid claims connected therewith and, notwithstanding any provision of law, including any existing provision of law implementing the State's obligations related to the Tribal Nation Grant Fund or the Revenue Sharing Trust Fund under any Class III Gaming compact or Secretarial Procedures, Non-Gaming Tribes and Limited-Gaming Tribes are not third-party beneficiaries of this Compact and shall have no right to seek any judicial order compelling disbursement of any Tribal Nation Grant Fund monies to them.

- (c) A "Non-Gaming Tribe" is a federally recognized tribe in California with or without a tribal-state Class III Gaming compact or Secretarial Procedures that has not engaged in, or offered, class II gaming or Class III Gaming in any location, whether within or without California, as of the date of distribution to such tribe from the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund and during the immediately preceding three hundred sixty-five (365) days.
- (d) A "Limited-Gaming Tribe" is a federally recognized tribe in California that has a Class III Gaming compact with the State or Secretarial Procedures, but is operating fewer than a combined total of three hundred fifty (350) Gaming Devices in all of its gaming operations wherever located, or does not have a Class III Gaming compact or Secretarial Procedures but is engaged in class II gaming, whether within or without California, during the immediately preceding three hundred sixty-five (365) days.

Sec. 5.2. Payments to the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund.

Under the terms of this Compact, the Tribe has no obligation to make payments into the Revenue Sharing Trust Fund or the Tribal Nation Grant Fund.

SECTION 6.0. LICENSING.

Sec. 6.1. Gaming Ordinance and Regulations.

- (a) All Gaming Activities conducted under this Compact shall, at a minimum, comply (i) with a Gaming Ordinance duly adopted by the Tribe and approved in accordance with IGRA, (ii) with all applicable rules, regulations, procedures, specifications, and standards duly adopted by the NIGC, the Tribal Gaming Agency, and the State Gaming Agency, and (iii) with the provisions of this Compact.
- (b) The Tribal Gaming Agency shall make available for inspection by the State Gaming Agency upon request a copy of the Gaming Ordinance, and all of its rules, regulations, procedures, specifications, ordinances, or standards applicable to the Gaming Activities and Gaming Operation, but excluding the Tribal Gaming Agency's internal policies and procedures.
- (c) The Tribal Gaming Agency shall make the following documents available to Gaming Operation patrons or their legal representatives, through electronic means or otherwise in its discretion: the Gaming Ordinance; the rules of each Class III Gaming game operated by the Tribe, to the extent that such rules are not available for display on the Gaming Device or the table on which the game is played; rules governing promotions; rules governing points and the player's club program, including rules regarding confidentiality of the player information, if any; the tort claims ordinance specified in section 12.5, subdivision (b); and the ordinances adopted by the Tribe concerning patron disputes pursuant to section 10.0. To the extent that any of the foregoing are available to the public on a website maintained by an agency of the State of California or the federal government, or by the Tribe or the Gaming Operation, the Tribal Gaming Agency may refer requesters to such website(s) for the requested information.

Sec. 6.2. Tribal Ownership, Management, and Control of Gaming Operation.

The Gaming Operation authorized under this Compact shall be owned solely by the Tribe.

Sec. 6.3. Prohibitions Regarding Minors.

- (a) The Tribe shall not permit persons under the age of eighteen (18) years to participate in Gaming Activities, or to loiter in the vicinity of Gaming Activities, but may pass through an area of the Gaming Facility in which Gaming Activities are being conducted while en-route to an area of the Gaming Facility in which no Gaming Activities are being conducted.
- (b) If the Tribe permits the consumption of alcoholic beverages in the Gaming Facility, the Tribe shall prohibit persons under the age of twenty-one (21) years from being present in any area in which alcoholic beverages may be consumed, except to the extent permitted by the Gaming Facility's license issued by the California Department of Alcoholic Beverage Control.

Sec. 6.4. Licensing Requirements and Procedures.

Sec. 6.4.1. Summary of Licensing Principles.

All persons in any way connected with the Gaming Operation or Gaming Facility who are required to be licensed or to submit to a background investigation under IGRA, and any others required to be licensed under this Compact, including, without limitation, all Gaming Employees, Gaming Resource Suppliers, Financial Sources not otherwise exempt from licensing requirements, and any other person having a significant influence over the Gaming Operation, must be licensed by the Tribal Gaming Agency and, except as otherwise provided, cannot have had any determination of suitability denied or revoked by the State Gaming Agency. The parties intend that the licensing process provided for in this Compact shall involve joint cooperation between the Tribal Gaming Agency and the State Gaming Agency, as more particularly described herein.

Sec. 6.4.2. Gaming Facility.

- (a) The Gaming Facility authorized by this Compact shall be licensed by the Tribal Gaming Agency in conformity with the requirements of this Compact, the Gaming Ordinance, IGRA, and any applicable regulations adopted by the NIGC. The license shall be reviewed and renewed every two (2) years thereafter. Verification that this requirement has been met shall be provided by the Tribe to the State by sending, either electronically or by hard copy, a copy of the initial license and each renewal license to the State Gaming Agency within twenty (20) days after issuance of the license or renewal. The Tribal Gaming Agency's certification that the Gaming Facility is being operated in conformity with these requirements shall be posted in a conspicuous and public place in the Gaming Facility at all times.
- (b) To assure the protection of the health and safety of all Gaming Facility patrons, guests, and employees, the Tribe shall adopt, or has already adopted, and shall maintain throughout the term of this Compact, an ordinance that requires any Gaming Facility construction to meet or exceed the standards in the Applicable Codes. The Gaming Facility and construction, expansion, improvement, modification, or renovation will also comply with Title III of the federal Americans with Disabilities Act of 1990, 42 U.S.C. § 12101 et seq. Notwithstanding the foregoing, the Tribe need not comply with any standard that specifically applies in name or in fact only to tribal facilities. Without limiting the rights of the State under this section, reference to Applicable Codes is not intended to confer code enforcement jurisdiction upon the State or its political subdivisions. For purposes of this section, the terms "building official" and "code enforcement agency" as used in titles 19 and 24 of the California Code of Regulations mean the Tribal Gaming Agency or such other tribal government agency or official as may be designated by the Tribe's law. The building official and code enforcement agency designated by the Tribe's law may exercise authority granted to such individuals and entities as specified within the Applicable Codes with regard to the Gaming Facility.
- (c) To assure compliance with the Applicable Codes, the Tribe shall require inspections and, in connection therewith, employ for any Gaming Facility construction, qualified plan checkers or review firms.

To be qualified as a plan checker or review firm for purposes of this Compact, plan checkers or review firms must be either California licensed architects, engineers or International Code Council (ICC)-certified building inspectors with relevant experience, or California licensed architects, engineers or ICC-certified building inspectors on the list, if any, of approved plan checkers or review firms provided by the city or County in which the Gaming Facility is located. The Tribe shall also employ qualified project inspectors. To be qualified as a project inspector for purposes of this Compact, project inspectors must possess the same qualifications and certifications as project inspectors utilized by the County in which the Gaming Facility is located. The same persons or firms may serve as both plan checkers/reviewers and project inspectors. The plan checkers, review firms, and project inspectors shall hereinafter be referred to as “Inspector(s).” The Tribe shall require the Inspectors to report to the Tribal Gaming Agency and the State Gaming Agency, in writing and within thirty (30) days after the discovery thereof, any failure to comply with the Applicable Codes. The Tribe agrees to correct any Gaming Facility condition noted in the inspections that does not meet the Applicable Codes (hereinafter “deficiency”).

- (d) The Tribe shall cause the design and construction calculations, and plans and specifications that form the basis for the Gaming Facility construction (the “Design and Building Plans”) to be available to the State Gaming Agency for inspection and copying by the State Gaming Agency upon its request.
- (e) In the event that material changes to a structural detail of the Design and Building Plans will result from contract change orders or any other changes in the Design and Building Plans, such changes shall be reviewed by the qualified plan checker or review firm and field verified by the Inspectors for compliance with the Applicable Codes.
- (f) The Tribe shall maintain during construction all structural contract change orders for inspection and copying by the State Gaming Agency upon its request.
- (g) The Tribe shall maintain the Design and Building Plans depicting the as-built Gaming Facility, unless and until superseded by subsequent as-built Design and Building Plans upon which the superseding

construction was based, and shall make the same available to the State Gaming Agency for inspection and copying by the State Gaming Agency upon its request, for the term of this Compact.

- (h) Upon final certification by the Inspectors that the Gaming Facility meets the Applicable Codes, the Tribal Gaming Agency shall forward the Inspectors' certification to the State Gaming Agency within ten (10) days of issuance. If the State Gaming Agency objects to that certification, the Tribe shall make a good faith effort to address the State's concerns, but if the State Gaming Agency does not withdraw its objection, the matter will be resolved in accordance with the dispute resolution provisions of section 13.0.
- (i) Any failure to remedy within a reasonable period of time any material and timely raised deficiency shall be deemed a violation of this Compact, and furthermore, any deficiency that poses a serious or significant risk to the health or safety of any occupant shall be grounds for the State Gaming Agency, pursuant to court order, to prohibit occupancy of the affected portion of the Gaming Facility until the deficiency is corrected. The Tribe shall not allow occupancy of any portion of the Gaming Facility that is constructed or maintained in a manner that endangers the health or safety of the occupants.
- (j) The Tribe shall also take all necessary steps to reasonably ensure the ongoing availability of sufficient and qualified fire suppression services to the Gaming Facility, and to reasonably ensure that the Gaming Facility satisfies all requirements of titles 19 and 24 of the California Code of Regulations applicable to similar facilities in the County as set forth below:
 - (1) Within thirty (30) days after the effective date of the Compact, and not less than biennially thereafter, and upon at least ten (10) days' notice to the State Gaming Agency, the Gaming Facility shall be inspected, at the Tribe's expense, by an independent fire inspector certified by the ICC or the National Fire Protection Association for purposes of certifying that the Gaming Facility meets a reasonable standard of fire safety and life safety; provided that, if a qualified fire inspector has certified within twelve (12) months prior to the effective date of this Compact that the Gaming Facility meets a reasonable

standard of fire and life safety, the Tribe may satisfy this requirement by submitting a copy of that certification to the State, and thereafter having the Gaming Facility inspected biennially in accordance with this subdivision.

- (2) The State Gaming Agency shall be entitled to designate and have a qualified representative or representatives, which may include local fire suppression entities, present during the inspection. During such inspection, the State Gaming Agency's representative(s) shall specify to the independent fire inspector any condition that the representative(s) reasonably believes would preclude certification of the Gaming Facility as meeting a reasonable standard of fire safety and life safety.
- (3) The independent fire inspector shall issue to the Tribal Gaming Agency and the State Gaming Agency a report on the inspection within fifteen (15) days after its completion, or within thirty (30) days after commencement of the inspection, whichever first occurs, identifying any deficiency in fire safety or life safety at the Gaming Facility or in the ability of the Tribe to meet reasonably expected fire suppression needs of the Gaming Facility.
- (4) Within twenty-one (21) days after the issuance of the report, the independent fire inspector shall also require and approve a specific plan for correcting deficiencies, whether in fire safety or life safety, at the Gaming Facility or in the Tribe's ability to meet the reasonably expected fire suppression needs of the Gaming Facility, including deficiencies identified by the State Gaming Agency's representative. A copy of the report and plan of correction shall be delivered to the State Gaming Agency and the Tribal Gaming Agency. If the independent fire inspector disagrees with an allegation of deficiency by the State Gaming Agency's representative, the Tribe may take the matter to dispute resolution pursuant to section 13.0.
- (5) Immediately upon correction of all deficiencies identified in the report and plan of correction, the independent fire inspector shall certify in writing to the Tribal Gaming Agency and the State Gaming Agency that all deficiencies have been corrected.

- (6) Any failure to correct all deficiencies identified in the report and plan of correction within a reasonable period of time shall be a violation of this Compact, and any failure to promptly correct those deficiencies that pose a serious or significant risk to the health or safety of any occupants shall be a violation of this Compact and grounds for the State Gaming Agency to prohibit, pursuant to court order, occupancy of the affected portion of the Gaming Facility until the deficiency is corrected.
- (7) Consistent with its obligation to ensure the safety of those within the Gaming Facility, the Tribe shall promptly notify the State Gaming Agency of circumstances that it reasonably believes pose a serious or significant risk to the health or safety of any occupants, and take prompt action to correct such circumstances. Any failure to remedy within a reasonable period of time any serious or significant risk to health or safety shall be deemed a violation of this Compact, and furthermore, any circumstance that poses a serious or significant risk to the health or safety of any occupant shall be grounds for the State Gaming Agency to seek a court order prohibiting occupancy of the affected portion of the Gaming Facility until the deficiency is corrected.
- (k) Notwithstanding anything in section 6.4.2 or elsewhere in this Compact, any construction of any Project that has taken place or has commenced prior to the effective date of this Compact shall be subject to the Gaming Facility license rules in section 6.4.2 of the 1999 Compact, provided that the Project was previously approved under section 6.4.2 of that compact.

Sec. 6.4.3. Gaming Employees.

- (a) Every Gaming Employee shall obtain and thereafter maintain current, a valid tribal gaming license, and except as provided in subdivision (b), shall obtain, and thereafter maintain current, a State Gaming Agency determination of suitability, which license and determination shall be subject to biennial renewal; provided that in accordance with section 6.4.9, those persons may be employed on a temporary or conditional basis pending completion of the licensing process and the State Gaming Agency determination of suitability.

(b) The State Gaming Agency and the Tribal Gaming Agency have identified those Gaming Employees who, in addition to a tribal gaming license, must also apply for, obtain, and maintain, a finding of suitability from the State Gaming Agency. The general principles governing those Gaming Employees who must have both a tribal gaming license and a finding of suitability from the State Gaming Agency are set forth below, and are consistent with agreements between the State Gaming Agency and the Tribal Gaming Agency in effect at the time of execution of this Compact as provided in section 6.5.6, subdivision (a) of the 1999 Compact. These agreements shall remain in effect unless and until they are updated or amended through consultations between the State Gaming Agency and the Tribal Gaming Agency. In furtherance of these agreements, position titles of those Gaming Employees who must have both a tribal gaming license and a finding of suitability from the State Gaming Agency have been placed on what is referred to as the Compact Key Employee Position List. If no such Compact Key Employee Position List is in effect at the time of execution of this Compact, one shall be negotiated between the State Gaming Agency and the Tribal Gaming Agency. A Gaming Employee who is required to obtain and maintain current a valid tribal gaming license under subdivision (a) is not required to obtain or maintain a State Gaming Agency determination of suitability if any of the following applies:

- (1) A Gaming Employee shall not be placed on the Compact Key Employee Position List if the employee's position title is subject to the licensing requirement of subdivision (a) solely because he or she is a person who conducts, operates, maintains, repairs, or assists in Gaming Activities, provided that this exception shall not apply if he or she supervises Gaming Activities or persons who conduct, operate, maintain, repair, assist, account for or supervise any such Gaming Activity, and is empowered to make discretionary decisions affecting the conduct or operation of the Gaming Activities.
- (2) A Gaming Employee shall not be placed on the Compact Key Employee Position List if the employee's position title is subject to the licensing requirement of subdivision (a) solely because he or she is a person whose employment duties require or authorize access to areas of the Gaming Facility that are not

open to the public, provided that this exception shall not apply if he or she supervises Gaming Activities or persons who conduct, operate, maintain, repair, assist, account for or supervise any such Gaming Activity, and is empowered to make discretionary decisions affecting the conduct or operation of the Gaming Activities.

- (3) Members and employees of the Tribal Gaming Agency are not subject to a finding of suitability from the State Gaming Agency.
 - (4) The State Gaming Agency and the Tribal Gaming Agency agree to exempt a Gaming Employee from the requirement to obtain or maintain current a State Gaming Agency determination of suitability.
- (c) For those position titles not included on the Compact Key Employee Position List, notwithstanding subdivision (b), where the State Gaming Agency reasonably believes that licensure of an individual may pose a threat to gaming integrity or public safety, the State Gaming Agency may notify the Tribal Gaming Agency of its concerns and request a meeting with the Tribal Gaming Agency to review the tribal license application, and all materials and information received by the Tribal Gaming Agency in connection therewith, for any person whom the Tribal Gaming Agency has licensed, or proposes to license, as a Gaming Employee. Upon that request, the Tribal Gaming Agency shall meet with the State Gaming Agency and discuss such application and materials. If after the meeting the State Gaming Agency continues to believe that the person would be unsuitable for issuance of a license or permit for a similar level of employment in a gambling establishment subject to the jurisdiction of the State, it shall notify the Tribal Gaming Agency of its determination and the reasons supporting its determination. The Tribal Gaming Agency shall thereafter conduct a hearing in accordance with section 6.5.5 to reconsider issuance of the tribal gaming license and shall notify the State Gaming Agency of its determination immediately upon issuing its decision following conclusion of the hearing, which decision shall be final unless the State Gaming Agency requests within thirty (30) days of such notification that the decision be made the subject of dispute resolution pursuant to section 13.0. This subdivision (c) is

intended and anticipated to be exercised infrequently, if at all, on a case-by-case basis.

- (d) Notwithstanding a determination of unsuitability by the State Gaming Agency, the Tribal Gaming Agency may, in its discretion, decline to revoke a tribal gaming license issued to a person employed by the Tribe pursuant to subdivisions (f) or (g).
- (e) Except as provided in subdivisions (f) and (g), the Tribe shall not employ, or continue to employ, any person whose application to the State Gaming Agency for a determination of suitability or for a renewal of such a determination has been denied or withdrawn, or whose determination of suitability has expired without renewal.
- (f) Notwithstanding subdivisions (b) and (c), the Tribe may employ or retain in its employ a person whose application for a determination of suitability, or for a renewal of such a determination, has been denied by the State Gaming Agency, if:
 - (1) The person holds a valid and current license issued by the Tribal Gaming Agency that must be renewed at least biennially;
 - (2) The denial of the application by the State Gaming Agency is based solely on activities, conduct, or associations that antedate the filing of the person's initial application to the State Gaming Agency for a determination of suitability;
 - (3) The person is not an employee or agent of any other gaming operation; and
 - (4) The person has been in the continuous employ of the Tribe for at least three (3) years prior to the effective date of the Tribe's 1999 Compact.
- (g) Notwithstanding subdivisions (b) and (c), the Tribe may employ or retain in its employ a person whose application for a determination of suitability, or for a renewal of such a determination, has been denied by the State Gaming Agency, if the person is an enrolled member of the Tribe (defined for purposes of this subdivision as a person who is a member of the Tribe as determined by the Tribe's law), and if:

- (1) The enrolled member of the Tribe holds a valid and current license issued by the Tribal Gaming Agency that must be renewed at least biennially; and
- (2) The enrolled member of the Tribe is not an employee or agent of any other gaming operation; and
- (3) Either subdivision (g)(3)(A) or (B) applies:
 - (A) The enrolled member was eligible for an exemption under section 6.4.4, subdivision (d) of the 1999 Compact, was granted a license by the Tribal Gaming Agency while the 1999 Compact was in effect, and the State Gaming Agency's denial of the application is based solely on activities, conduct, or associations that antedate the Tribal Gaming Agency's first grant of a license to the tribal member pursuant to the 1999 Compact; or
 - (B) The denial of the application by the State Gaming Agency is based solely on activities, conduct, or associations that antedate by at least five (5) years, the filing of the enrolled member of the Tribe's initial application to the State Gaming Agency for a determination of suitability.
- (h) At any time after five (5) years following the effective date of this Compact, either the Tribal Gaming Agency or the State Gaming Agency may request to amend the position titles identified on the Compact Key Employee Position List.
- (i) This section shall not apply to members of the Tribal Gaming Commission.

Sec. 6.4.4. Gaming Resource Suppliers.

- (a) Every Gaming Resource Supplier shall be licensed by the Tribal Gaming Agency prior to the sale, lease, or distribution, or further sale, lease, or distribution, of any Gaming Resources to or in connection with the Tribe's Gaming Operation or Facility. Unless the Tribal Gaming Agency licenses the Gaming Resource Supplier pursuant to subdivision (d), the Gaming Resource Supplier shall also apply to the

State Gaming Agency for a determination of suitability at least thirty (30) days prior to the sale, lease, or distribution, or further sale, lease, or distribution, of any Gaming Resources to or in connection with the Tribe's Gaming Operation or Facility, except that for Gaming Devices the period specified under section 7.1, subdivision (a)(1) shall govern. The period during which a determination of suitability as a Gaming Resource Supplier is valid expires on the earlier of (i) the date two (2) years following the date on which the determination is issued, unless a different expiration date is specified by the State Gaming Agency, or (ii) the date of its revocation by the State Gaming Agency. If the State Gaming Agency denies or revokes a determination of suitability, the State Gaming Agency shall notify the Tribal Gaming Agency within seven (7) days of taking such action, and the Gaming Resource Supplier shall no longer be authorized to perform any work within or provide any goods or services to, in support of, or in connection with the Tribe's Gaming Operation or Facility thirty (30) days from the date on which the State Gaming Agency's decision takes effect under State law. The license and determination of suitability shall be reviewed at least every two (2) years for continuing compliance. In connection with such a review, the Tribal Gaming Agency shall require the Gaming Resource Supplier to update all information provided in the previous application. For purposes of section 6.5.2, such a review shall be deemed to constitute an application for renewal.

- (b) Any agreement between the Tribe and a Gaming Resource Supplier shall be deemed to include a provision for its termination without further liability on the part of the Tribe, except for the bona fide payment of all outstanding sums (exclusive of interest) owed as of, or payment for services or materials received up to, the date of termination, upon revocation or nonrenewal of the Gaming Resource Supplier's license by the Tribal Gaming Agency based on a determination of unsuitability by the State Gaming Agency. Except as set forth above, the Tribe shall not enter into, or continue to make payments to a Gaming Resource Supplier pursuant to, any contract or agreement for the provision of Gaming Resources with any person or entity whose application to the State Gaming Agency for a determination of suitability has been denied or revoked or whose determination of suitability has expired without renewal.

- (c) Notwithstanding subdivision (a), the Tribal Gaming Agency may license a Management Contractor for a period of no more than seven (7) years, but the Management Contractor must still apply for renewal of a determination of suitability by the State Gaming Agency at least every two (2) years and where the State Gaming Agency denies or revokes a determination of suitability, the State Gaming Agency shall notify the Tribal Gaming Agency within seven (7) days of taking such action, and the Management Contractor shall no longer be authorized to perform any work within or provide any goods or services to, in support of, or in connection with the Tribe's Gaming Operation thirty (30) days from the date on which the State Gaming Agency's decision takes effect under State law. Except where the State Gaming Agency has determined a Management Contractor to be unsuitable, nothing in this subdivision shall be construed to bar the Tribal Gaming Agency from issuing additional new licenses to the same Management Contractor following the expiration of a seven (7)-year license.
- (d) The Tribal Gaming Agency may elect to license a person or entity as a Gaming Resource Supplier without requiring it to apply to the State Gaming Agency for a determination of suitability under subdivision (a) if the Gaming Resource Supplier has already been issued a determination of suitability that is then valid. In that case, and within seven (7) days of the issuance of the license, the Tribal Gaming Agency shall notify the State Gaming Agency of its licensure of the person or entity as a Gaming Resource Supplier, and shall identify in its notification the State Gaming Agency determination of suitability on which the Tribal Gaming Agency has relied in proceeding under this subdivision (d). Subject to the Tribal Gaming Agency's compliance with the requirements of this subdivision, a Gaming Resource Supplier licensed under this subdivision may, during and only during the period in which the determination of suitability remains valid, engage in the sale, lease, or distribution of Gaming Resources to or in connection with the Tribe's Gaming Operation or Facility, without applying to the State Gaming Agency for a determination of suitability. The issuance of a license under this subdivision is in all cases subject to any later determination by the State Gaming Agency that the Gaming Resource Supplier is not suitable or to a tribal gaming license suspension or revocation pursuant to section 6.5.1, and does not extend the time during which the determination of suitability relied on by the Tribal Gaming

Agency is valid. In the event the State Gaming Agency later revokes the determination of suitability relied on by the Tribal Gaming Agency, the State Gaming Agency shall notify the Tribal Gaming Agency of such revocation. Nothing in this subdivision affects the obligations of the Tribal Gaming Agency, or of the Gaming Resource Supplier, under sections 6.5.2 and 6.5.6 of this Compact.

- (e) Except where subdivision (d) applies, within twenty-one (21) days of the issuance of a license to a Gaming Resource Supplier, the Tribal Gaming Agency shall provide to the State Gaming Agency a copy of the license, and a copy of summary reports, including any derogatory information, of the background investigations conducted by the Tribal Gaming Agency and written statements by the Applicant.

Sec. 6.4.5. Financial Sources.

- (a) Subject to subdivision (h) of this section, each Financial Source shall be licensed by the Tribal Gaming Agency prior to the Financial Source extending financing in connection with the Tribe's Gaming Facility or Gaming Operation.
- (b) Every Financial Source required to be licensed by the Tribal Gaming Agency shall, contemporaneously with the filing of its tribal license application, apply to the State Gaming Agency for a determination of suitability. In the event the State Gaming Agency denies or revokes the determination of suitability, the Tribal Gaming Agency shall deny or revoke the Financial Source's license within thirty (30) days of receiving notice of denial or revocation from the State Gaming Agency.
- (c) A license issued under this section shall be reviewed at least every two (2) years for continuing compliance. In connection with that review, the Tribal Gaming Agency shall require the Financial Source to update all information provided in the Financial Source's previous application. For purposes of this section, that review shall be deemed to constitute an application for renewal.
- (d) Any agreement between the Tribe and a Financial Source shall include, and shall be deemed to include, a provision for its termination without further liability on the part of the Tribe, except for the bona

fide repayment of all outstanding sums (exclusive of interest) owed as of the date of termination upon revocation or non-renewal of the Financial Source's license by the Tribal Gaming Agency based on a determination of unsuitability by the State Gaming Agency. The Tribe shall not enter into, or continue to make payments to a Financial Source pursuant to, any contract or agreement for the provision of financing with any person or entity whose application to the State Gaming Agency for a determination of suitability has been denied or whose determination of suitability has been revoked or has expired without renewal.

- (e) A Gaming Resource Supplier who provides financing exclusively in connection with the provision, sale, or lease of Gaming Resources obtained from that Gaming Resource Supplier may be licensed solely in accordance with the licensing procedures applicable, if at all, to Gaming Resource Suppliers, and need not be separately licensed as a Financial Source under this section.
- (f) The Tribal Gaming Agency may elect to license a person or entity as a Financial Source without requiring it to apply to the State Gaming Agency for a determination of suitability under subdivision (b) if the Financial Source has already been issued a determination of suitability that is then valid. In that case, the Tribal Gaming Agency shall immediately notify the State Gaming Agency of its licensure of the person or entity as a Financial Source, and shall identify in its notification the State Gaming Agency determination of suitability on which the Tribal Gaming Agency has relied in proceeding under this subdivision (f). Subject to the Tribal Gaming Agency's compliance with the requirements of this subdivision, a Financial Source licensed under this subdivision may, during and only during the period in which the determination of suitability remains valid, engage in financing in connection with the Tribe's Gaming Operation or Facility, without applying to the State Gaming Agency for a determination of suitability. The issuance of a license under this subdivision is in all cases subject to any later determination by the State Gaming Agency that the Financial Source is not suitable or to a tribal gaming license suspension or revocation pursuant to section 6.5.1, and does not extend the time during which the determination of suitability relied on by the Tribal Gaming Agency is valid. A license issued under this subdivision expires upon the revocation or

expiration of the determination of suitability relied on by the Tribal Gaming Agency. Nothing in this subdivision affects the obligations of the Tribal Gaming Agency, or of the Financial Source, under section 6.5.2 and section 6.5.6 of this Compact.

- (g) Except where subdivision (f) applies, within twenty-one (21) days of the issuance of a license to a Financial Source, the Tribal Gaming Agency shall transmit to the State Gaming Agency a copy of the license and a copy of all tribal license application materials and information received by it from the Applicant which is not otherwise prohibited or restricted from disclosure under applicable federal law or regulation.
- (h) (1) The Tribal Gaming Agency may, at its discretion, exclude from the licensing requirements of this section the following Financial Sources under the circumstances stated:
 - (A) Any federally-regulated or state-regulated bank, savings and loan association, or other federally- or state-regulated lending institution.
 - (B) An entity identified by the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-2, subdivision (f) (as in effect on the date the parties execute this Compact), when that entity is a Financial Source solely by reason of being (i) a purchaser or a holder of debt securities or other forms of indebtedness issued directly or indirectly by the Tribe for a Gaming Facility or for the Gaming Operation or (ii) the owner of a participation interest in any amount of indebtedness for which a Financial Source described in subdivision (h)(1)(A), or any fund or other investment vehicle which is administered or managed by any such Financial Source, is the creditor.
 - (C) Any investor who, alone or together with any person(s) controlling, controlled by or under common control with such investor, holds less than ten percent (10%) of all outstanding debt securities or other forms of indebtedness

issued directly or indirectly by the Tribe for a Gaming Facility or for the Gaming Operation.

- (D) Any agency of the federal government, or of a tribal, state or local government providing financing, together with any person purchasing any debt securities or other forms of indebtedness of the agency to provide such financing.
 - (E) A real estate investment trust (as defined in 26 U.S.C. § 856(a)) which is publicly traded on a stock exchange, registered with the Securities and Exchange Commission, and subject to the regulatory oversight of the Securities and Exchange Commission.
 - (F) An entity or category of entities that the State Gaming Agency and the Tribal Gaming Agency jointly determine can be excluded from the licensing requirements of this section without posing a threat to the public interest or the integrity of the Gaming Operation.
- (2) In any case where the Tribal Gaming Agency elects pursuant to subdivision (h)(1) to exclude a Financial Source from the licensing requirements of this section, the Tribal Gaming Agency shall give no less than thirty (30) days' notice thereof to the State Gaming Agency, and shall give the State Gaming Agency reasonable advance notice of any extension of financing by the Financial Source in connection with the Tribe's Gaming Operation or Facility, and upon request of the State Gaming Agency, shall provide it with sufficient documentation to support the Tribal Gaming Agency's exclusion of the Financial Source from the licensing requirements of this section.
- (3) The Tribal Gaming Agency and the State Gaming Agency shall work collaboratively to resolve any reasonable concerns regarding the initial or ongoing excludability of an individual or entity as a Financial Source. If the State Gaming Agency finds that an investigation of any Financial Source is warranted, the Financial Source shall be required to submit an application for a

determination of suitability to the State Gaming Agency and shall pay the costs and charges incurred in the investigation and processing of the application, in accordance with the provisions set forth in California Business and Professions Code sections 19867 and 19951. Any dispute between the Tribal Gaming Agency and the State Gaming Agency pertaining to the excludability of an individual or entity as a Financial Source shall be resolved by the dispute resolution provisions in section 13.0.

- (4) The following are not Financial Sources for purposes of this section.
 - (A) An entity identified by the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-2, subdivision (h) (as in effect on the effective date of this Compact).
 - (B) A person or entity whose sole connection with a provision or extension of financing to the Tribe is to provide loan brokerage or debt servicing for a Financial Source at no cost to the Tribe or the Gaming Operation, provided that no portion of any financing provided is an extension of credit to the Tribe or the Gaming Operation by that person or entity.
- (i) In recognition of changing financial circumstances, this section shall be subject to good faith renegotiation by the Tribe and the State, upon the request of either party; provided that the renegotiation shall not retroactively affect transactions that have already taken place where the Financial Source has been excluded or exempted from licensing requirements.

Sec. 6.4.6. Processing Tribal Gaming License Applications.

- (a) Each Applicant for a tribal gaming license shall submit the completed application along with the required information and an application fee, if required, to the Tribal Gaming Agency in accordance with the rules and regulations of that agency.

- (b) At a minimum, the Tribal Gaming Agency shall require submission and consideration of all information required under IGRA, including part 556.4 of title 25 of the Code of Federal Regulations, for licensing primary management officials and key employees.
- (c) For Applicants that are business entities, these licensing provisions shall apply to the entity as well as: (i) each of its officers, limited liability company members, and directors; (ii) each of its principal management employees, including any chief executive officer, chief financial officer, chief operating officer, and general manager; (iii) each of its owners or partners, if an unincorporated business; (iv) each of its shareholders who owns more than ten percent (10%) of the shares of the corporation, if a corporation, or who has a direct controlling interest in the Applicant; and (v) each person or entity (other than a Financial Source that the Tribal Gaming Agency has determined does not require a license under section 6.4.5) that, alone or in combination with others, has provided financing in connection with any Gaming Operation or Class III Gaming authorized under this Compact, if that person or entity provided more than ten percent (10%) of either the start-up capital or the operating capital, or of a combination thereof, over a twelve (12)-month period. For purposes of this subdivision, where there is any commonality of the characteristics identified in this section 6.4.6, subdivision (c)(i) through (c)(v), inclusive, between any two (2) or more entities, those entities may be deemed to be a single entity. For purposes of this subdivision, a direct controlling interest in the Applicant referred to in subdivision (c)(iv) excludes any passive investor or anyone who has an indirect or only a financial interest and does not have the ability to control, manage, or direct the management decisions of the Applicant.
- (d) Nothing herein precludes the Tribe or Tribal Gaming Agency from requiring more stringent licensing requirements.

Sec. 6.4.7. Suitability Standard Regarding Gaming Licenses.

- (a) In reviewing an application for a tribal gaming license, and in addition to any standards set forth in the Gaming Ordinance, the Tribal Gaming Agency shall consider whether issuance of the license is inimical to public health, safety, or welfare, and whether issuance of the license will undermine public trust that the Gaming Operation is

free from criminal and dishonest elements and would be conducted honestly.

- (b) A license may not be issued unless, based on all information and documents submitted, the Tribal Gaming Agency is satisfied that the Applicant, and in the case of an entity, each individual identified in section 6.4.6, subdivision (c), meets all of the following requirements:
 - (1) The person is of good character, honesty, and integrity.
 - (2) The person's prior activities, criminal record (if any), reputation, habits, and associations do not pose a threat to the public interest or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, or activities in the conduct of gaming, or in the carrying on of the business and financial arrangements incidental thereto.
 - (3) The person is in all other respects qualified to be licensed as provided, and meets the criteria established in this Compact, IGRA, NIGC regulations, the Gaming Ordinance, and any other criteria adopted by the Tribal Gaming Agency or the Tribe; provided, however, an Applicant shall not be found to be unsuitable solely on the ground that the Applicant was an employee of a tribal gaming operation in California that was conducted prior to May 16, 2000.

Sec. 6.4.8. Background Investigations of Applicants.

- (a) The Tribal Gaming Agency shall conduct or cause to be conducted all necessary background investigations reasonably required to determine that the Applicant is qualified for a gaming license under the standards set forth in section 6.4.7, and to fulfill all applicable requirements for licensing under IGRA, NIGC regulations, the Gaming Ordinance, and this Compact. The Tribal Gaming Agency shall not issue a gaming license, other than a temporary license pursuant to section 6.4.9, until a determination is made that those qualifications have been met.

- (b) In lieu of completing its own background investigation, and to the extent that doing so does not conflict with or violate IGRA or the Tribe's Gaming Ordinance, the Tribal Gaming Agency may contract with the State Gaming Agency for the conduct of background investigations, may rely on a State determination of suitability previously issued under a Class III Gaming compact or Secretarial Procedures involving another tribe and the State, or may rely on a State Gaming Agency license previously issued to the Applicant, to fulfill some or all of the Tribal Gaming Agency's background investigation obligations.
- (c) If the Tribal Gaming Agency contracts with the State Gaming Agency for the conduct of background investigations, then an Applicant for a tribal gaming license shall be required to provide releases to the State Gaming Agency to make available to the Tribal Gaming Agency background information regarding the Applicant. The State Gaming Agency shall cooperate in furnishing to the Tribal Gaming Agency that information, unless doing so would violate California state or federal law, would violate any agreement the State Gaming Agency has with a source of the information other than the Applicant, or would impair or impede a criminal investigation, or unless the Tribal Gaming Agency cannot provide sufficient safeguards to assure the State Gaming Agency that the information will remain confidential.
- (d) In lieu of obtaining summary criminal history information from the NIGC, the Tribal Gaming Agency may, pursuant to the provisions in subdivisions (d) through (j), obtain such information from the California Department of Justice. If the Tribe adopts an ordinance confirming that article 6 (commencing with section 11140) of chapter 1 of title 1 of part 4 of the California Penal Code is applicable to members, investigators, and staff of the Tribal Gaming Agency, and those members, investigators, and staff thereafter comply with that ordinance, then, for purposes of carrying out its obligations under this section, the Tribal Gaming Agency shall be eligible to be considered an entity entitled to request and receive state summary criminal history information, within the meaning of subdivision (b)(13) of section 11105 of the California Penal Code.
- (e) The information received shall be used by the Tribal Gaming Agency solely for the purpose for which it was requested and shall not be

reproduced for secondary dissemination to any other employment or licensing agency. Additionally, any person intentionally disclosing information obtained from personal or confidential records maintained by a state agency or from records within a system of records maintained by a government agency may be subject to prosecution.

- (f) For purposes of subdivision (d), the Tribal Gaming Agency shall submit to the California Department of Justice fingerprint images and related information required by the California Department of Justice of all Applicants, as defined by section 2.2, for the purposes of obtaining information as to the existence and content of a record of state or federal convictions and state or federal arrests and also information as to the existence and content of a record of state or federal arrests for which the California Department of Justice establishes that the person is free on bail or on his or her recognizance pending trial or appeal.
- (g) When received, the California Department of Justice shall forward to the Federal Bureau of Investigation requests for federal summary criminal history information received pursuant to this section. The California Department of Justice shall review the information returned from the Federal Bureau of Investigation and compile and disseminate a response to the Tribal Gaming Agency.
- (h) The California Department of Justice shall provide a state or federal level response to the Tribal Gaming Agency pursuant to California Penal Code section 11105, subdivision (p)(1).
- (i) For persons described in subdivision (f), the Tribal Gaming Agency shall request from the California Department of Justice subsequent notification service, as provided pursuant to section 11105.2 of the California Penal Code.
- (j) The California Department of Justice shall charge a fee sufficient to cover the cost of processing the request described in this section.

Sec. 6.4.9. Temporary Licensing.

- (a) If the Applicant has completed a license application in a manner satisfactory to the Tribal Gaming Agency, and that agency has

conducted a preliminary background investigation, and the investigation or other information held by that agency does not indicate that the Applicant has a criminal history or other information in his or her background that would either automatically disqualify the Applicant from obtaining a tribal gaming license or cause a reasonable person to investigate further before issuing a license, or that the Applicant is otherwise unsuitable for licensing, the Tribal Gaming Agency may issue a temporary tribal gaming license and may impose such specific conditions thereon pending completion of the Applicant's background investigation, as the Tribal Gaming Agency in its sole discretion shall determine.

- (b) Special fees may be required by the Tribal Gaming Agency to issue or maintain a temporary tribal gaming license.
- (c) A temporary tribal gaming license shall remain in effect until suspended or revoked, or a final determination by the Tribal Gaming Agency is made on the application, or for a period of up to one (1) year, whichever comes first.
- (d) At any time after issuance of a temporary tribal gaming license, the Tribal Gaming Agency shall or may, as the case may be, suspend or revoke it in accordance with the provisions of sections 6.5.1 or 6.5.5, and the State Gaming Agency may request suspension or revocation before making a determination of unsuitability.
- (e) Nothing herein shall be construed to relieve the Tribe of any obligation under part 558 of title 25 of the Code of Federal Regulations.

Sec. 6.5. Tribal Gaming License Issuance.

Upon completion of the necessary background investigation, the Tribal Gaming Agency may issue a tribal gaming license on a conditional or unconditional basis. Nothing herein shall create a property or other right of an Applicant in an opportunity to be licensed, or in a tribal gaming license itself, both of which shall be considered to be privileges granted to the Applicant in the sole discretion of the Tribal Gaming Agency.

Sec. 6.5.1. Denial, Suspension, or Revocation of Licenses.

- (a) Any Applicant's application for a tribal gaming license may be denied, and any license issued may be revoked, if the Tribal Gaming Agency determines that the application is incomplete or deficient, or if the Applicant is determined to be unsuitable or otherwise unqualified for a tribal gaming license.
- (b) Pending consideration of revocation, the Tribal Gaming Agency may suspend a tribal gaming license in accordance with section 6.5.5.
- (c) All rights to notice and hearing shall be governed by tribal law. The Applicant shall be notified in writing of any hearing and given notice of any intent to suspend or revoke the tribal gaming license.
- (d) Except as provided in subdivision (e), upon receipt of notice that the State Gaming Agency has determined that a person would be unsuitable for licensure in a gambling establishment subject to the jurisdiction of the State Gaming Agency, the Tribal Gaming Agency shall deny that person a tribal gaming license and promptly, and in no event more than sixty (60) days from the State Gaming Agency notification, revoke any tribal gaming license that has theretofore been issued to that person; provided that the Tribal Gaming Agency may, in its discretion, reissue a tribal gaming license to the person following entry of a final judgment reversing the determination of the State Gaming Agency in a proceeding between the Applicant and the State Gaming Agency in state court conducted pursuant to section 1085 or 1094.5 of the California Code of Civil Procedure, as provided by the California Gambling Control Act.
- (e) Notwithstanding a determination of unsuitability by the State Gaming Agency, the Tribal Gaming Agency may, in its discretion, decline to revoke a tribal gaming license issued to a person employed by the Tribe pursuant to section 6.4.3, subdivision (f) or (g).

Sec. 6.5.2. Renewal of Licenses; Extensions; Further Investigation.

- (a) Except as provided in section 6.4.4, subdivision (c), the term of a tribal gaming license shall not exceed two (2) years, and application for renewal of a license must be made prior to its expiration.

Applicants for renewal of a tribal gaming license shall provide updated material, as requested, on the appropriate renewal forms, but, at the discretion of the Tribal Gaming Agency, may not be required to resubmit historical data previously submitted or that is otherwise available to the Tribal Gaming Agency. At the discretion of the Tribal Gaming Agency, an additional background investigation may be required at any time if the Tribal Gaming Agency determines the need for further information concerning the Applicant's continuing suitability or eligibility for a license.

- (b) Prior to renewing a tribal gaming license for an Applicant for a position identified on the Compact Key Employee Position List, a Gaming Resource Supplier, or a Financial Source, the Tribal Gaming Agency shall deliver to the State Gaming Agency copies of all information and documents received in connection with the application for renewal of the tribal gaming license, which is not otherwise prohibited or restricted from disclosure under applicable federal law or regulation, for purposes of the State Gaming Agency's consideration of renewal of its determination of suitability.
- (c) For those Applicants for a position identified on the Compact Key Employee Position List who are currently employed by the Tribe pursuant to section 6.4.3, subdivision (f) or (g), after receipt of information required by subdivision (b) and the State Gaming Agency's determination that the employee still meets the requirements of section 6.4.3, subdivision (f) or (g), the Applicant shall not be subject to the State Gaming Agency's consideration of renewal of its determination of suitability.

Sec. 6.5.3. Identification Cards.

- (a) The Tribal Gaming Agency shall require that all persons who are required to be licensed wear, in plain view at all times while in the Gaming Facility, identification badges issued by the Tribal Gaming Agency. The Tribal Gaming Agency may allow temporary exceptions to this provision for the purposes of authorizing investigators who are actively investigating a matter within the Gaming Facility to monitor Gaming Activities.

- (b) Identification badges must display information, including, but not limited to, a photograph and an identification number that is adequate to enable agents of the Tribal Gaming Agency to readily identify the person and determine the validity and date of expiration of his or her license.
- (c) The Tribe shall upon request provide the State Gaming Agency with the name, badge identification number (if any), and job title of all Gaming Employees. Such request by the State Gaming Agency shall not be made more than twice a year unless reasonably necessary to further a legitimate objective related to the administration and implementation of this section 6.0.

Sec. 6.5.4. Fees for Tribal Gaming License.

The fees for all tribal gaming licenses shall be set by the Tribal Gaming Agency.

Sec. 6.5.5. Summary Suspension of Tribal Gaming License.

The Tribal Gaming Agency may summarily suspend the tribal gaming license of any licensee if the Tribal Gaming Agency determines that the continued licensing of the person could constitute a threat to the public health or safety or may violate the Tribal Gaming Agency's licensing or other standards. The Tribal Gaming Agency shall notify the State Gaming Agency within seven (7) days of any such determination. Any right to notice or hearing in regard thereto shall be governed by tribal law.

Sec. 6.5.6. State Determination of Suitability Process.

- (a) With respect to Applicants for licensing for a position identified on the Compact Key Employee Position List, prior to the Tribal Gaming Agency's issuance of a permanent tribal gaming license, the Applicant shall also file an application with the State Gaming Agency, for a determination of suitability for licensure under the California Gambling Control Act; provided that in accordance with section 6.4.9, those persons may be employed on a temporary or conditional basis pending completion of the licensing process.
- (b) Upon receipt of an Applicant's completed license application and a determination by the Tribal Gaming Agency that it intends to issue

either a temporary or permanent license, the Tribal Gaming Agency shall transmit within sixty (60) days to the State Gaming Agency for a determination of suitability for licensure under the California Gambling Control Act a notice of intent to license the Applicant, together with all of the following:

- (1) A copy of all tribal license application materials and information received by the Tribal Gaming Agency from the Applicant that is not otherwise prohibited or restricted from disclosure under applicable federal law or regulation;
 - (2) An original, complete set of fingerprint impressions, rolled by a California state-certified fingerprint roller or by a person exempt from state certification pursuant to California Penal Code section 11102.1, subdivision (a)(2), and which may be on a fingerprint card or obtained and transmitted electronically;
 - (3) A current photograph; and
 - (4) Except to the extent waived by the State Gaming Agency, such releases of information, waivers, and other completed and executed forms as have been obtained by the Tribal Gaming Agency.
- (c) Upon receipt of a written request from a Gaming Resource Supplier or a Financial Source for a determination of suitability, the State Gaming Agency shall transmit an application package to the Applicant to be completed and returned to the State Gaming Agency for purposes of allowing it to make a determination of suitability for licensure.
- (d) Investigation and disposition of applications for a determination of suitability by the State Gaming Agency shall be governed entirely by California state law, and the State Gaming Agency shall determine whether the Applicant would be found suitable for licensure in a gambling establishment subject to the State Gaming Agency's jurisdiction. Additional information may be required from the Applicant by the State Gaming Agency to assist it in its background investigation, to the extent permitted under state law for licensure in a gambling establishment subject to the State Gaming Agency's jurisdiction.

- (e) The Tribal Gaming Agency shall require a licensee to apply for renewal of a determination of suitability by the State Gaming Agency at such time as the licensee applies for renewal of a tribal gaming license.
- (f) Upon receipt of completed license or license renewal application information from the Applicant or the Tribal Gaming Agency, the State Gaming Agency may conduct a background investigation pursuant to state law to determine whether the Applicant is suitable to be licensed for association with Class III Gaming operations. The Tribal Gaming Agency shall provide to the State Gaming Agency summary reports, including any derogatory information, of the background investigations conducted by the Tribal Gaming Agency, and written statements by the Applicant. If further investigation of a Gaming Resource Supplier or a Financial Source is required to supplement the investigation conducted by the Tribal Gaming Agency, the Applicant will be required to pay the application fee charged by the State Gaming Agency pursuant to California Business and Professions Code section 19951, subdivision (a), but any deposit requested by the State Gaming Agency pursuant to section 19867 of that code shall take into account reports of the background investigation already conducted by the Tribal Gaming Agency and the NIGC, if any. Failure to provide information reasonably required by the State Gaming Agency to complete its investigation under California law or failure to pay the application fee or deposit can constitute grounds for denial of the application by the State Gaming Agency. The State Gaming Agency and Tribal Gaming Agency shall cooperate in sharing as much background information as possible, both to maximize investigative efficiency and thoroughness, and to minimize investigative costs.
- (g) Upon completion of the necessary background investigation or other verification of suitability, the State Gaming Agency shall issue a notice to the Tribal Gaming Agency certifying that the State has determined that the Applicant is suitable, or that the Applicant is unsuitable, for licensure and, if unsuitable, stating the reasons therefore. Issuance of a determination of suitability does not preclude the State Gaming Agency from a subsequent determination based on newly discovered information that a person or entity is unsuitable for the purpose for which the person or entity is licensed. Upon receipt of

notice that the State Gaming Agency has determined that a person or entity is or would be unsuitable for licensure, except as provided in section 6.4.3, subdivisions (f) and (g), the Tribal Gaming Agency shall deny that person or entity a license, or immediately suspend or revoke that person's or entity's license, as provided in section 6.5.1. Any right to notice or hearing in regard thereto shall be governed by tribal law. Thereafter, the Tribal Gaming Agency shall revoke any tribal gaming license that has theretofore been issued to that person or entity; provided that the Tribal Gaming Agency may, in its discretion, reissue a tribal gaming license to the person or entity following entry of a final judgment reversing the determination of the State Gaming Agency in a proceeding in state court between the Applicant and the State Gaming Agency conducted pursuant to section 1085 or 1094.5 of the California Code of Civil Procedure, as provided by the California Gambling Control Act.

- (h) Prior to denying an application for a determination of suitability, or to issuing notice to the Tribal Gaming Agency that a person or entity previously determined to be suitable had been determined unsuitable for licensure, the State Gaming Agency shall notify the Tribal Gaming Agency and afford the Tribe an opportunity to be heard. If the State Gaming Agency denies an application for a determination of suitability, or issues notice that a person or entity previously determined suitable has been determined unsuitable for licensure, the State Gaming Agency shall provide that person or entity with written notice of all appeal rights available under state law.
- (i) The Commission, or its successor, shall maintain a roster of Gaming Resource Suppliers and Financial Sources that it has determined to be suitable pursuant to the provisions of this section, or through separate procedures to be adopted by the Commission. Upon application to the Tribal Gaming Agency for a tribal gaming license, a Gaming Resource Supplier that appears on the Commission's suitability roster may be licensed by the Tribal Gaming Agency under section 6.4.4, subdivision (d), and a Financial Source that appears on the Commission's suitability roster may be licensed by the Tribal Gaming Agency under section 6.4.5, subdivision (f), subject to any later determination by the State Gaming Agency that the Gaming Resource Supplier or Financial Source is not suitable or to a tribal gaming license suspension or revocation pursuant to sections 6.5.1 or 6.5.5;

provided that nothing in this subdivision exempts the Gaming Resource Supplier or Financial Source from applying for a renewal of a State Gaming Agency determination of suitability.

Sec. 6.6. Submission of New Application.

Nothing in section 6.0 shall be construed to preclude an Applicant who has been determined to be unsuitable for licensure by the State Gaming Agency, or the Tribe on behalf of such Applicant, from later submitting a new application for a determination of suitability by the State Gaming Agency in accordance with section 6.0, provided that the Applicant may not commence duties or activities until found suitable by the State Gaming Agency. For the purposes of this section 6.6, an Applicant whose application was withdrawn with the consent of the State Gaming Agency prior to the issuance of a determination of suitability, was abandoned, or that was rejected as incomplete or otherwise procedurally defective, shall not for that reason be considered to have been determined to be unsuitable for licensure by the State Gaming Agency. An Applicant whose application was withdrawn with prejudice with the consent of the State Gaming Agency prior to the issuance of a determination of unsuitability shall be ineligible for employment by the Tribe in a position on the Compact Key Employee Position List referenced in section 6.4.3 or to submit a new application for a determination of suitability by the State Gaming Agency for a period of one (1) year from the date of withdrawal.

SECTION 7.0. APPROVAL AND TESTING OF GAMING DEVICES.

Sec. 7.1. Gaming Device Approval.

- (a) No Gaming Device may be offered for play unless all of the following occurs:
 - (1) The manufacturer or distributor that sells, leases, or distributes such Gaming Device (i) has applied for a determination of suitability by the State Gaming Agency at least fifteen (15) days before it is offered for play, (ii) has not been found to be unsuitable by the State Gaming Agency, and (iii) has been licensed by the Tribal Gaming Agency;
 - (2) The software for each game authorized for play on the Gaming Device has been tested, approved and certified by an independent gaming test laboratory or state or national

governmental gaming test laboratory (Gaming Test Laboratory) as operating in accordance with technical standards that meet or exceed industry standards;

- (3) A copy of the certification by the Gaming Test Laboratory, specified in subdivision (a)(2), is provided to the State Gaming Agency by electronic transmission or by mail, unless the State Gaming Agency waives receipt of copies of the certification;
 - (4) The software for the games authorized for play on the Gaming Device is tested by the Tribal Gaming Agency to ensure each game authorized for play on the Gaming Device has the correct electronic signature prior to offering the Gaming Device for play, or if the software is to be installed on a server to which one or more Gaming Devices will be connected, prior to the connection of Gaming Devices to the server;
 - (5) The hardware and associated equipment for each type of Gaming Device has been tested by the Gaming Test Laboratory prior to operation by the public to ensure operation in accordance with the standards established by the Tribal Gaming Agency that meet or exceed industry standards; and
 - (6) The hardware and associated equipment for the Gaming Device has been tested by the Tribal Gaming Agency to confirm operation in accordance with the manufacturer's specifications.
- (b) If either the Tribal Gaming Agency or the State Gaming Agency requests new standards for testing, approval, and certification of the software for the game authorized for play on the Gaming Device pursuant to subdivision (a)(2), the party requesting the new standards shall provide the other party with a detailed explanation of the reason(s) for the request. If the party to which the request is made disagrees with the request, the State Gaming Agency and the Tribal Gaming Agency shall meet and confer in a good-faith effort to resolve the disagreement, which meeting and conferring shall include consultation with an independent Gaming Test Laboratory. If the disagreement is not resolved within one hundred twenty (120) days after the initial meeting between the regulators to discuss the matter,

either the Tribe or the State may submit the matter to dispute resolution under section 13.0 of this Compact.

Sec. 7.2. Gaming Test Laboratory Selection.

- (a) The Gaming Test Laboratory shall be an independent gaming test laboratory that is (i) recognized in the gaming industry as competent and qualified to conduct scientific tests and evaluations of Gaming Devices, and (ii) licensed or approved by any state or tribal government within the jurisdiction of which the operation of Gaming Devices is authorized. At least thirty (30) days before the commencement of Gaming Activities pursuant to this Compact, or if such use follows the commencement of Gaming Activities, at least fifteen (15) days prior to reliance thereon, the Tribal Gaming Agency shall submit to the State Gaming Agency documentation that demonstrates the Gaming Test Laboratory satisfies (i) and (ii) herein. If, at any time, the Gaming Test Laboratory license or approval required by (ii) herein is suspended or revoked by any of those jurisdictions or the Gaming Test Laboratory is found unsuitable by the State Gaming Agency, then the State Gaming Agency may reject the use of that Gaming Test Laboratory, and upon such rejection, the Tribal Gaming Agency shall ensure that the Gaming Test Laboratory discontinues its responsibilities under this section. Any such suspension, revocation, or determination of unsuitability shall not affect the Tribe's right to continue operating Gaming Devices that had been tested and evaluated by that Gaming Test Laboratory, but Gaming Devices tested, evaluated and approved by that Gaming Test Laboratory shall be re-tested, re-evaluated and re-approved by a substitute Gaming Test Laboratory within sixty (60) days from the date on which the Tribal Gaming Agency is notified of the suspension, revocation, or determination of unsuitability, or if circumstances require, any other reasonable timeframe as may be mutually agreed to by the Tribal Gaming Agency and the State Gaming Agency.
- (b) The Tribe and the State Gaming Agency shall inform the Gaming Test Laboratory in writing that, irrespective of the source of payment of its fees, the Gaming Test Laboratory's duty of loyalty runs equally to the State and the Tribe; provided, that if the State Gaming Agency requests that the Gaming Test Laboratory perform additional work,

the State Gaming Agency shall be solely responsible for the cost of such additional work.

Sec. 7.3. Maintenance of Records of Testing Compliance.

The Tribal Gaming Agency shall prepare and maintain records of its compliance with section 7.1 while any Gaming Device is on the gaming floor and for a period of one (1) year after the Gaming Device is removed from the gaming floor, and shall make those records available for inspection by the State Gaming Agency upon request.

Sec. 7.4. State Gaming Agency Inspections.

- (a) The State Gaming Agency may inspect the Gaming Devices in operation at a Gaming Facility on a random basis not to exceed four (4) times annually to confirm that the Gaming Devices, their software and the software of associated equipment operate and play properly pursuant to applicable technical standards. The inspections may be conducted onsite or remotely as a desk audit and include all Gaming Device software, hardware, associated equipment, software maintenance records, and components critical to the operation of the Gaming Device. The State Gaming Agency shall make a good-faith effort to work with the Tribal Gaming Agency to minimize unnecessary disruption to the Gaming Operation, including, where appropriate, performing desk audits rather than onsite physical inspections. The Tribal Gaming Agency shall cooperate with the State Gaming Agency's reasonable efforts to obtain information that facilitates the conduct of remote but effective inspections that minimize disruption to Gaming Activities. If the State Gaming Agency determines that more than one (1) annual onsite inspection is necessary or appropriate, it will provide the Tribal Gaming Agency with the basis for its determination that additional onsite inspections are justified. If the State Gaming Agency requires more than one (1) annual onsite inspection in successive years, the State and Tribe may meet and confer to discuss the basis for such determinations. During each random inspection, the State Gaming Agency may not remove from play more than five percent (5%) of the Gaming Devices in operation at the Gaming Facility, and may not remove a Gaming Device from play, except during inspection or testing, or remove a Gaming Device from the Gaming Facility at any time, unless it

obtains the concurrence of the Tribal Gaming Agency, which shall not be unreasonably withheld. The five percent (5%) limitation on removal from play shall not apply if a Gaming Device's connection to other Gaming Devices, a progressive controller, or similar linked system, makes limiting removal from play of no more than five percent (5%) infeasible or impossible. Whenever practicable, the State Gaming Agency shall not require removal from play any Gaming Device that the State Gaming Agency determines may be fully and adequately tested while still in play. The State Gaming Agency shall return any Gaming Device removed from a Gaming Facility to the Gaming Facility as soon as reasonably possible. The inspections may include all Gaming Device software, hardware, associated equipment, software and hardware maintenance and testing records, and components critical to the operation of the Gaming Device. The random inspections conducted pursuant to this section shall occur during normal business hours outside of weekends and holidays.

- (b) To minimize unnecessary disruption to the Gaming Operation, rather than conducting on-site inspections, the State Gaming Agency may perform "desk audits" of the Tribe's Gaming Devices currently in operation. Upon receipt of notice from the State Gaming Agency of the intent to conduct a desk audit, the Tribal Gaming Agency shall provide the State Gaming Agency with a list of all of the Tribe's Gaming Devices currently in operation, together with the information for each such Gaming Device that supports a desk audit. This information includes:
 - (1) Manufacturer;
 - (2) Game name or theme;
 - (3) Serial number;
 - (4) Machine or asset number;
 - (5) Manufacturer;
 - (6) Location;
 - (7) Denomination;

- (8) Slot type (e.g., video, reel);
 - (9) Progressive type (e.g., stand alone, linked, wide area progressive);
 - (10) Software ID number for all certified software in the Gaming Device, including game, base or system, boot chips and communication chip; and
- (c) The State Gaming Agency shall notify the Tribal Gaming Agency of its intent to conduct any on-site Gaming Device inspection with prior notice sufficient to afford the presence of proper staffing and, where applicable, manufacturer's representatives, to ensure the overall efficiency of the inspection process. The inspection shall not be unreasonably delayed and must take place within thirty (30) days of notification unless the Tribal Gaming Agency and State Gaming Agency agree otherwise.
- (d) The State Gaming Agency may retain and use qualified consultants to perform the functions authorized or specified herein but any such consultants shall be bound by the confidentiality and information use and disclosure provisions applicable to the State Gaming Agency and its employees. The State Gaming Agency shall ensure that any consultants retained by it have met the standards and requirements, including any background investigations, established by applicable regulations governing contract employees prior to participating in any matter under this Compact. The State Gaming Agency shall also take all reasonable steps to ensure that consultants are free from conflicting interests in the conduct of their duties under this Compact. The Tribal Gaming Agency, in its sole discretion, may require a member or staff of the Tribal Gaming Agency or a representative of the State Gaming Agency to accompany any consultant at all times that the consultant is in a non-public area of the Gaming Facility.
- (e) The State Gaming Agency promptly shall consult with the Tribal Gaming Agency concerning any material discrepancies noted and whether those discrepancies continue to exist.

Sec. 7.5. Technical Standards.

The Tribal Gaming Agency shall provide to the State Gaming Agency copies of its regulations for technical standards applicable to the Tribe's Gaming Devices at least thirty (30) days before the commencement of the Gaming Operation or within thirty (30) days after the effective date of this Compact, whichever is later, and thereafter at least thirty (30) days before the effective date of any revisions to the regulations, unless exigent circumstances require that any revisions to the regulations take effect sooner in order to ensure game integrity or otherwise to protect the public or the Gaming Operation, in which event the revisions to the regulations shall be provided to the State Gaming Agency as soon as reasonably practicable.

Sec. 7.6. Transportation of Gaming Devices.

- (a) Subject to the provisions of subdivision (b), the Tribal Gaming Agency shall not permit any Gaming Device to be transported to or from the Tribe's Indian lands except in accordance with procedures established by agreement between the State Gaming Agency and the Tribal Gaming Agency and upon at least ten (10) days' notice to the Sheriff's Department for the County in which the land is located.
- (b) Transportation of a Gaming Device from a Gaming Facility within California is permissible only if:
 - (1) The final destination of the Gaming Device is a gaming facility of any tribe in California that has a Class III Gaming compact with the State or Secretarial Procedures that makes lawful the operation of Gaming Devices;
 - (2) The final destination of the Gaming Device is any other state in which possession of the Gaming Device is made lawful by that state's law, tribal-state compact, or Secretarial Procedures;
 - (3) The final destination of the Gaming Device is another country, or any state or province of another country, wherein possession of Gaming Devices is lawful; or
 - (4) The final destination is a location within California for testing, repair, maintenance, or storage by a person or entity that has

been licensed by the Tribal Gaming Agency and has been found suitable for licensure by the State Gaming Agency.

- (c) Any Gaming Device transported from or to the Tribe's Indian lands in violation of this section 7.6 or in violation of any permit issued pursuant thereto, is subject to summary seizure by California peace officers in accordance with California law.

SECTION 8.0. INSPECTIONS.

Sec. 8.1. On-Site Regulation.

This Compact reflects the previous relationship between the Tribe and the State operating pursuant to a Class III Gaming compact. It recognizes and respects the primary role of the Tribal Gaming Agency to perform on-site regulation and to protect the integrity of the Gaming Activities, the reputation of the Tribe and the Gaming Operation for honesty and fairness, and to maintain the confidence of patrons that tribal governmental gaming in California meets the highest standards of regulation and internal controls. This Compact also acknowledges and affords the State with the authority and responsibility to ensure that the Tribe complies with all of the terms of this Compact and that gaming is conducted with integrity and in a manner that protects the health, safety and other interests of the people of California.

Sec. 8.1.1. Investigation and Sanctions.

- (a) The Tribal Gaming Agency shall investigate any reported violation of this Compact and shall require the Gaming Operation to correct the violation upon such terms and conditions as the Tribal Gaming Agency determines are necessary.
- (b) The Tribal Gaming Agency shall be empowered by the Gaming Ordinance to impose fines or other sanctions within the jurisdiction of the Tribe against gaming licensees who interfere with or violate the Tribe's gaming regulatory requirements and obligations under IGRA, the Gaming Ordinance, or this Compact. Any right to notice or hearing in regard thereto shall be governed by tribal law. Nothing in this Compact expands, modifies, or impairs the jurisdiction of the Tribal Gaming Agency under IGRA, the Gaming Ordinance or other applicable tribal law.

- (c) The Tribal Gaming Agency shall report individual or continuing violations of this Compact that pose a significant threat to gaming integrity or public health and safety, and any failures to comply with the Tribal Gaming Agency's orders, to the State Gaming Agency within ten (10) days of discovery.

Sec. 8.2. Assistance by State Gaming Agency.

The Tribe may request the assistance of the State Gaming Agency whenever it reasonably appears that such assistance may be necessary to carry out the purposes described in section 8.1.1, or otherwise to protect public health, safety, or welfare.

Sec. 8.3. Access to Premises by State Gaming Agency; Notification; Inspections.

- (a) Notwithstanding that the Tribe and its Tribal Gaming Agency have the primary responsibility to administer and enforce the regulatory requirements of this Compact, the State Gaming Agency, including any consultant retained by it, shall have the right to inspect the Tribe's Gaming Facility, and all Gaming Operation or Facility records relating thereto as is reasonably necessary to ensure Compact compliance, including with adequate notice such records located in off-site facilities dedicated to their storage, subject to the conditions in subdivisions (b), (c), and (d). If the Tribe objects to the State's determination of the areas included within any inspection, the matter shall be resolved in accordance with the dispute resolution provisions of section 13.0. The State Gaming Agency shall ensure that any consultants retained by it have met the standards and requirements, including any background investigations, established by applicable regulations governing contract employees prior to participating in any matter under this Compact. The State Gaming Agency shall also take all reasonable steps to ensure that consultants are free from conflicting interests in the conduct of their duties under this Compact and shall provide the Tribal Gaming Agency with prior notice of the use of any consultant. The Tribal Gaming Agency, in its sole discretion, may require a member or staff of the Tribal Gaming Agency or a representative of the State Gaming Agency to accompany any consultant at all times that the consultant is in a non-public area of the Gaming Facility.

- (b) Except as provided in section 7.4, the State Gaming Agency may inspect public areas of the Gaming Facility at any time without prior notice during normal Gaming Facility business hours.
- (c) Inspection of areas of the Gaming Facility not normally accessible to the public may be made at any time during the normal administrative hours of the Tribal Gaming Agency, immediately after the State Gaming Agency's authorized inspector notifies the Tribal Gaming Agency of his or her presence on the premises, presents proper identification, and requests access to the non-public areas of the Gaming Facility. Inspection of areas of the Gaming Facility not normally accessible to the public may be made at any time outside the normal administrative hours of the Tribal Gaming Agency with fourteen (14) days' notice to the Tribal Gaming Agency, except that fourteen (14) days' notice is not required upon the existence of exigent circumstances that the State Gaming Agency reasonably determines may be a threat to gaming integrity or public safety. The Tribal Gaming Agency, in its sole discretion, may require a member or staff of the Tribal Gaming Agency to accompany the State Gaming Agency inspector at all times that the State Gaming Agency inspector is in a non-public area of the Gaming Facility. If the Tribal Gaming Agency imposes such a requirement, it shall require such member or staff to be available at appropriate times for those purposes and shall ensure that the member or staff has the ability to gain immediate access to all non-public areas of the Gaming Facility.
- (d) Nothing in this Compact shall be construed to limit the State Gaming Agency to one (1) inspector during inspections.

Sec. 8.4. Inspection, Copying and Confidentiality of Documents.

- (a) Inspection and copying of Gaming Operation papers, books, and records may occur at any time after the State Gaming Agency gives notice to the Tribal Gaming Agency during the normal administrative hours of the Tribal Gaming Agency, provided that the State Gaming Agency inspectors cannot require copies of papers, books, or records in such manner or volume that it unreasonably interferes with the normal functioning of the Gaming Operation or Facility, or with the operation of the Tribal Gaming Agency.

- (b) In lieu of onsite inspection and copying of Gaming Operation papers, books, and records by its inspectors, the State Gaming Agency may request in writing that the Tribal Gaming Agency provide copies of such papers, books, and records as the State Gaming Agency deems necessary to ensure compliance with the terms of this Compact. The State Gaming Agency's written request shall describe those papers, books, and records requested to be copied with sufficient specificity to reasonably identify the requested documents. Within ten (10) days after it receives the request, or such other time as the State Gaming Agency may agree in writing, the Tribal Gaming Agency shall provide one (1) copy of the requested papers, books, and records to the requesting State Gaming Agency. An electronic version of the requested papers, books, and records may be submitted to the State Gaming Agency in lieu of a paper copy so long as the software required to access the electronic version is reasonably available to the State Gaming Agency.
- (c) Notwithstanding any other provision of California law, any confidential information and records, as defined in subdivision (d), that the State Gaming Agency obtains or copies pursuant to this Compact shall be, and remain, the property solely of the Tribe; provided that such confidential information and records and copies may be retained by the State Gaming Agency as is reasonably necessary to assure the Tribe's compliance with this Compact. The State Gaming Agency may provide such confidential information and records and copies to federal law enforcement and other state agencies or consultants that the State deems reasonably necessary in order to assure the Tribe's compliance with this Compact; provided that to the extent reasonably feasible, the State Gaming Agency will consult with representatives of the Tribe prior to such disclosure. Upon request, the State Gaming Agency shall provide the Tribal Gaming Agency with information regarding its relevant confidentiality policies.
- (d) For the purposes of this section 8.4, "confidential information and records" means any and all information and records received from the Tribe pursuant to the Compact, except for information and records that are in the public domain.
- (e) The State Gaming Agency and all other state agencies and consultants to which it provides information and records obtained pursuant to

subdivisions (a) or (b) of this section, which are confidential pursuant to subdivision (d), will exercise utmost care in the preservation of the confidentiality of such information and records and will apply the highest standards of confidentiality provided under California state law to preserve such information and records from disclosure until such time as the information or record is no longer confidential or disclosure is authorized by the Tribe, by mutual agreement of the Tribe and the State, or pursuant to the arbitration procedures under section 13.2. The State Gaming Agency and all other state agencies and consultants may disclose confidential information or records as necessary to fully adjudicate or resolve a dispute arising pursuant to the Compact, in which case the State Gaming Agency and all other state agencies and consultants agree to preserve confidentiality to the greatest extent feasible and available. Before the State Gaming Agency provides confidential information and records to a consultant as authorized under subdivision (c), it shall enter into a confidentiality agreement with that consultant that meets the standards of this subdivision.

- (f) The Tribe may avail itself of any and all remedies under state law for the improper disclosure of confidential information and records. In the case of any disclosure of confidential information and records compelled by judicial process, the State Gaming Agency will endeavor to give the Tribe prompt notice of the order compelling disclosure and a reasonable opportunity to interpose an objection thereto with the court.
- (g) Except as otherwise provided in any regulation approved by the Association, the Tribal Gaming Agency and the State Gaming Agency shall confer and agree regarding protocols for the release to law enforcement agencies of information obtained during the course of background investigations.
- (h) Confidential information and records received by the State Gaming Agency from the Tribe in compliance with this Compact, or information compiled by the State Gaming Agency from those confidential records, shall be exempt from disclosure under the California Public Records Act, California Government Code, section 6250 et seq.

- (i) Notwithstanding any other provision of this Compact, the State Gaming Agency shall not be denied access to papers, books, records, equipment, or places where such access is reasonably necessary to ensure compliance with this Compact or to conduct or complete an investigation of suspected criminal activity in connection with the Gaming Activities or the operation of the Gaming Facility or the Gaming Operation.
- (j) Upon request, the State Gaming Agency shall provide the Tribal Gaming Agency with a current copy of its records retention and destruction policy.

Sec. 8.5. Cooperation with Tribal Gaming Agency.

The State Gaming Agency shall meet periodically with the Tribal Gaming Agency and cooperate in all matters relating to the enforcement of the provisions of this Compact.

Sec. 8.6. Compact Compliance Review.

The State Gaming Agency is authorized to conduct an annual Compact compliance review (also known as a “site visit”) to ensure compliance with all provisions of this Compact. Upon the discovery of an irregularity that the State Gaming Agency reasonably determines may be a threat to gaming integrity or public safety, and after consultation with the Tribal Gaming Agency, the State Gaming Agency may conduct additional periodic reviews in order to ensure compliance with all provisions of this Compact. Nothing in this section shall be construed to supersede any other audits, inspections, investigations, and monitoring authorized by this Compact.

Sec. 8.7. Waiver of Materials.

The State Gaming Agency shall retain the discretion to waive, in whole or in part, receipt of materials otherwise required by this Compact to be provided to the State Gaming Agency by the Tribal Gaming Agency or the Tribe.

SECTION 9.0. RULES AND REGULATIONS FOR THE OPERATION AND MANAGEMENT OF THE GAMING OPERATION AND FACILITY.

Sec. 9.1. Adoption of Regulations for Operation and Management; Minimum Standards.

It is the responsibility of the Tribal Gaming Agency to conduct on-site gaming regulation and control in order to enforce the terms of this Compact, IGRA, NIGC gaming regulations, State Gaming Agency regulations, and the Gaming Ordinance, to protect the integrity of the Gaming Activities, the reputation of the Tribe and the Gaming Operation for honesty and fairness, and to maintain the confidence of patrons that tribal governmental gaming in California meets the highest standards of fairness and internal controls. To meet those responsibilities, the Tribal Gaming Agency shall be vested with the authority to promulgate, and shall promulgate and enforce, rules and regulations governing, at a minimum, the following subjects pursuant to the standards and conditions set forth therein:

- (a) The enforcement of all relevant laws and rules with respect to the Gaming Activities, Gaming Operation, and Gaming Facility, and the conduct of investigations and hearings with respect thereto, and any other subject within its jurisdiction.
- (b) The physical safety of Gaming Facility patrons and employees, and any other person while in the Gaming Facility. Except as provided in section 12.2, nothing herein shall be construed, however, to make applicable to the Tribe any state laws, regulations, or standards governing the use of tobacco.
- (c) The physical safeguarding of assets transported to, within, and from the Gaming Facility.
- (d) The prevention of illegal activity within the Gaming Facility or with regard to the Gaming Operation or Gaming Activities, including, but not limited to, the maintenance of employee procedures and a surveillance system as provided in subdivision (e).
- (e) Maintenance of a closed-circuit television surveillance system consistent with industry standards for gaming facilities of the type and scale operated by the Tribe, which system shall be approved by, and may not be modified without the approval of, the Tribal Gaming

Agency. The Tribal Gaming Agency shall have current copies of the Gaming Facility floor plan and closed-circuit television surveillance system at all times, and any modifications thereof first shall be approved by the Tribal Gaming Agency.

- (f) The establishment of employee procedures designed to permit detection of any irregularities, theft, cheating, fraud, or the like, consistent with industry practice.
- (g) Maintenance of a list of persons permanently excluded from the Gaming Facility who, because of their past behavior, criminal history, or association with persons or organizations, pose a threat to the integrity of the Gaming Activities of the Tribe or to the integrity of regulated gambling within California. The Tribal Gaming Agency and the State Gaming Agency shall make a good faith effort to share information regarding such permanent exclusions. Nothing herein is intended to grant any third party the right to sue based upon any sharing of information.
- (h) The conduct of an audit of the Gaming Operation, not less than annually, by an independent certified public accountant, in accordance with industry standards.
- (i) Submission to, and prior approval by, the Tribal Gaming Agency of the rules and regulations of each Class III Gaming game to be operated by the Tribe, and of any changes in those rules and regulations. No Class III Gaming game may be offered for play that has not received Tribal Gaming Agency approval.
- (j) Maintenance of a copy of the rules, regulations, and procedures for each game as played, including, but not limited to, the method of play and the odds and method of determining amounts paid to winners.
- (k) Specifications and standards to ensure that information regarding the method of play, odds, and payoff determinations is visibly displayed or available to patrons in written form in the Gaming Facility and to ensure that betting limits applicable to any gaming station are displayed at that gaming station.

- (l) Maintenance of a cashier's cage in accordance with tribal internal control standards that meet or exceed industry standards for such facilities.
- (m) Specification of minimum staff and supervisory requirements for each Gaming Activity to be conducted.
- (n) Technical standards and specifications in conformity with the requirements of this Compact for the operation of Gaming Devices and other games authorized herein or as provided in any regulation approved by the Association.

Sec. 9.2. Manner in Which Incidents Are Reported.

The Tribal Gaming Agency shall require the recording of any and all occurrences within the Gaming Facility that deviate from normal operating policies and procedures (hereinafter "incident"). The Tribal Gaming Agency shall transmit copies of incident reports that it reasonably believes concern a significant or continued threat to public safety or gaming integrity to the State Gaming Agency within a reasonable period of time, not to exceed seven (7) days, after the incident. The procedure for recording incidents pursuant to this section shall also do all of the following:

- (a) Specify that security personnel record all incidents, regardless of an employee's determination that the incident may be immaterial (and all incidents shall be identified in writing).
- (b) Require the assignment of a sequential number to each incident report.
- (c) Provide for permanent reporting in indelible ink in a bound notebook from which pages cannot be removed and in which entries are made on each side of each page and/or in electronic form, provided the information is recorded in a manner so that, once the information is entered, it cannot be deleted or altered and is available to the State Gaming Agency pursuant to sections 8.3 and 8.4.
- (d) Require that each report include, at a minimum, all of the following:
 - (1) The record number.
 - (2) The date.

- (3) The time.
- (4) The location of the incident.
- (5) A detailed description of the incident.
- (6) The persons involved in the incident.
- (7) The security department employee assigned to the incident.

Sec. 9.3. Minimum Internal Control Standards (MICS).

- (a) The Tribe shall conduct its Gaming Activities pursuant to an internal control system that implements minimum internal control standards for Class III Gaming that are no less stringent than those contained in (i) the Minimum Internal Control Standards of the NIGC (25 C.F.R. § 542), as they existed on October 20, 2006, and as they have been or may be amended from time to time, without regard to the NIGC's authority to promulgate, enforce, or audit the standards, or (ii) any subsequent NIGC regulation or NIGC guidance that is at least as stringent as the Minimum Internal Control Standards of the NIGC, including the August 14, 2018 NIGC Guidance on the Class III Minimum Internal Control Standards. These standards are posted on the State Gaming Agency website(s) and are referred to herein as the "Compact MICS." This requirement is met through compliance with the provisions set forth in this section and sections 9.1 and 9.2, or in the alternative, by compliance with the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-8, as it exists currently and as it may hereafter be amended.
- (b) In the event the Commission's Uniform Statewide Tribal Gaming Regulation CGCC-8 is rescinded or otherwise ceases to exist, or if the NIGC withdraws its regulations at 25 C.F.R. § 542, the Compact MICS, as they may be amended from time to time, shall continue to serve as the minimum internal control standards for the purposes of this Compact. Any change, modification, or amendment thereto shall be effected by action of the Association.
- (c) The minimum internal control standards set forth in the Compact MICS shall apply to all Gaming Activities, Gaming Facilities, and the Gaming Operation; however, the Compact MICS are not applicable to

any class II gaming activities. Should the terms in the Compact MICS be inconsistent with this Compact, the terms in this Compact shall prevail.

Sec. 9.4. Program to Mitigate Problem Gambling.

The Gaming Operation shall establish a program, approved by the Tribal Gaming Agency, to mitigate pathological and problem gambling by implementing the following measures:

- (a) It shall train Gaming Facility supervisors and gaming floor employees on responsible gaming and to identify and manage problem gambling.
- (b) It shall make available to patrons at conspicuous locations and ATMs in the Gaming Facility educational and informational materials that aim at the prevention of problem gambling and that specify where to find assistance, and shall display at conspicuous locations and at ATMs within the Gaming Facility signage bearing a toll-free help-line number where patrons may obtain assistance for gambling problems.
- (c) It shall establish self-exclusion measures whereby a self-identified problem gambler may request the halt of promotional mailings, the revocation of privileges for casino services, the denial or restraint on the issuance of credit and check cashing services, and exclusion from the Gaming Facility.
- (d) It shall establish involuntary exclusion measures that allow the Gaming Operation to halt promotional mailings, deny or restrain the issuance of credit and check-cashing services, and deny access to the Gaming Facility to patrons who have exhibited signs of problem gambling. No person involuntarily excluded under such measures shall be entitled to assert any claim whatsoever against the Tribe, the Gaming Operation or any official, employee or agent of the Tribe or the Gaming Operation as the result of such exclusion.
- (e) It shall make diligent efforts to prevent underage individuals from loitering in the area of the Gaming Facility where the Gaming Activities take place.
- (f) It shall assure that advertising and marketing of the Gaming Activities at the Gaming Facility contain a responsible gambling message and a

toll-free help-line number for problem gamblers, where practical, and that they make no false or misleading claims.

Any deficiency in the effectiveness of these measures or standards, as opposed to compliance with the program and measures specified above, does not constitute a material breach of this Compact.

Nothing herein is intended to grant any third party the right to sue based upon any alleged deficiency or violation of these measures.

Sec. 9.5. Enforcement of Regulations.

The Tribal Gaming Agency shall ensure the enforcement of the rules, regulations, and specifications promulgated under this Compact.

Sec. 9.6. State Civil and Criminal Jurisdiction.

Nothing in this Compact affects the civil or criminal jurisdiction of the State under Public Law 280 (18 U.S.C. § 1162; 28 U.S.C. § 1360) or IGRA, to the extent applicable. In addition, criminal jurisdiction to enforce state gambling laws is transferred to the State pursuant to 18 U.S.C. § 1166(d), provided that no Gaming Activity conducted by the Tribe pursuant to this Compact may be deemed to be a civil or criminal violation of any law of the State.

Sec. 9.7. Tribal Gaming Agency Members.

- (a) The Tribe shall take all reasonable steps to ensure that members of the Tribal Gaming Agency are free from corruption, undue influence, compromise, and conflicting interests in the conduct of their duties under this Compact; shall adopt a conflict-of-interest code to that end; and shall ensure the prompt removal of any member of the Tribal Gaming Agency who is found to have acted in a corrupt or compromised manner, or is found to have violated the conflict-of-interest code.
- (b) The Tribe shall conduct a background investigation on each prospective member of the Tribal Gaming Agency; provided that if such member is elected through a tribal election process, that member may not participate in any Tribal Gaming Agency matters under this Compact unless a background investigation has been concluded and the member has been found to be suitable.

- (c) The Tribe shall conduct a background investigation on each prospective employee of the Tribal Gaming Agency to ensure that he or she satisfies the requirements of section 6.4.7.

Sec. 9.8. Uniform Statewide Tribal Gaming Regulations.

- (a) In order to foster statewide uniformity of regulation of Class III Gaming operations throughout the state, the Uniform Statewide Tribal Gaming Regulations CGCC-1, CGCC-2, CGCC-7, and CGCC-8 (as in effect on the date the parties execute this Compact), adopted by the State Gaming Agency and approved by the Association, shall apply to the Gaming Operation until amended or repealed, without further action by the State Gaming Agency, the Tribe, the Tribal Gaming Agency or the Association.
- (b) Subject to the terms and conditions of this section, any subsequent Uniform Statewide Tribal Gaming Regulations adopted by the State Gaming Agency and approved by the Association shall apply to the Gaming Operation until amended or repealed.
- (c) Except as provided in subdivision (f), no State Gaming Agency regulation adopted pursuant to this section shall be effective with respect to the Tribe's Gaming Operation unless it has first been approved by the Association and the Tribe has had an opportunity to review and comment on the proposed regulation.
- (d) Every State Gaming Agency regulation adopted pursuant to this section that is intended to apply to the Tribe (other than a regulation proposed or previously approved by the Association) shall be submitted to the Association for consideration prior to submission of the regulation to the Tribe for comment as provided in subdivision (c). A regulation adopted pursuant to this section that is disapproved by the Association shall not be submitted to the Tribe for comment unless it is readopted by the State Gaming Agency as a proposed regulation, in its original or amended form, with a detailed, written response to the Association's objections.
- (e) Except as provided in subdivision (f), no regulation of the State Gaming Agency adopted pursuant to this section shall be adopted as a final regulation with respect to the Tribe's Gaming Operation before

the expiration of thirty (30) days after submission of the proposed regulation to the Tribe for comment as a proposed regulation, and after consideration of the Tribe's comments, if any.

- (f) In exigent circumstances (e.g., imminent threat to public health and safety), the State Gaming Agency may adopt a regulation that becomes effective immediately. Any such regulation shall be accompanied by a detailed, written description of the exigent circumstances, and shall be submitted immediately to the Association for consideration. If the regulation is disapproved by the Association, it shall cease to be effective, but may be readopted by the State Gaming Agency as a proposed regulation, in its original or amended form, with a detailed, written response to the Association's objections, and thereafter submitted to the Tribe for comment as provided in subdivision (c).
- (g) The Tribe may object to a State Gaming Agency regulation adopted pursuant to this section on the ground that it is unnecessary, unduly burdensome, conflicts with a published final regulation or guidance of the NIGC, or unfairly discriminatory, and may seek repeal or amendment of the regulation through the dispute resolution process of section 13.0, provided that if the regulation of the State Gaming Agency conflicts with a final published regulation of the NIGC or other official published, non-binding NIGC guidance for Class III Minimum Internal Control Standards (NIGC Guidance), the NIGC regulation or NIGC Guidance shall govern pending conclusion of the dispute resolution process.
- (h) Chapter 3.5 (commencing with section 11340) of part 1 of division 3 of title 2 of the California Government Code does not apply to regulations adopted by the State Gaming Agency pursuant to this section.

SECTION 10.0. PATRON DISPUTES

The Tribe shall promulgate, and shall maintain in continuous force, the ordinance entitled "Sherwood Valley Rancheria of Pomo Indians Patron Dispute Resolution Ordinance," as set forth in Appendix F-2 of this Compact. Any subsequent revisions to this ordinance shall provide substantially equivalent procedures for the fair and timely resolution of patron disputes and the Gaming

Operation shall provide the State Gaming Agency with a copy of any such revised ordinance within thirty (30) days of its adoption by the Tribe. The Tribe hereby waives its tribal sovereign immunity with respect to any patron dispute administered in conformity with this patron dispute ordinance.

SECTION 11.0. OFF-RESERVATION ENVIRONMENTAL IMPACTS.

Sec. 11.1. Off-Reservation Environmental Impact Requirement Procedures.

The Tribe shall not commence construction on any Project until the requirements of section 11.0 with respect to environmental review and dispute resolution procedures are met. As provided hereafter, not all construction activities related to the Tribe's Gaming Facility require that the Tribe enter into an agreement to mitigate the off-reservation impacts of that construction.

- (a) If the scope of a Project would allow the Tribe to operate no more than a cumulative total of three-hundred forty-nine (349) Gaming Devices and upon the completion of the Project the Tribe will operate no more than a cumulative total of three hundred forty-nine (349) Gaming Devices in all of its Gaming Facilities, the procedures specified in sections 11.3 through 11.5 and, if required under section 11.5, subdivision (g), the Tribal Environmental Impact Document (TEID) procedures of sections 11.6 through 11.10, shall apply to the Project.
- (b) If, upon the completion of a Project, the Tribe will operate a cumulative total of three hundred fifty (350) Gaming Devices or more in all its Gaming Facilities, the procedures specified in sections 11.3 through 11.5 and, if required under section 11.5, subdivision (g), the Tribal Environmental Impact Report (TEIR) procedures of sections 11.10 through 11.17 shall apply to the Project.
- (c) Nothing herein shall preclude the Tribe from undertaking multiple activities that may constitute Projects.
- (d) To the extent any terms in section 11.0 are not defined in this Compact, they will be interpreted and applied consistent with the policies and purposes of the California Environmental Quality Act, California Public Resources Code section 21000 et seq. (CEQA), the

National Environmental Policy Act of 1969, 42 U.S.C. § 4332 et seq. (NEPA) and IGRA.

- (e) Section 11.0 shall not be construed to confer the authority of state law or state or local government land use planning or decisions over tribal land use decisions and plans regarding activities exclusively on reservation lands or any other lands held in trust for the Tribe or its citizens by the United States.

Sec. 11.2. Tribal Environmental Protection Ordinance.

The Tribe shall adopt an ordinance incorporating the processes and procedures required under section 11.0 (Tribal Environmental Protection Ordinance). In fashioning the Tribal Environmental Protection Ordinance, the Tribe will incorporate the relevant policies and purposes of NEPA and CEQA consistent with legitimate governmental interests of the Tribe and the State, as reflected in section 11.0 and IGRA. No later than one hundred and twenty (120) days before starting the environmental review process required by section 11.0 for the first Project proposed pursuant to this Compact, the Tribe will submit its Tribal Environmental Protection Ordinance to the State. If the State identifies aspects of the Tribal Environmental Protection Ordinance that it believes are inconsistent with section 11.0, the matter will be resolved in accordance with the dispute resolution provisions of section 13.0.

Sec. 11.3. Activity Not a Project.

The Tribe may determine, acting pursuant to its Tribal Environmental Protection Ordinance, that a proposed activity involving a physical change to the reservation environment, the principal purpose of which is directly related to the activities of the Gaming Operation, is not a Project because it will not cause a Significant Effect on the Off-Reservation Environment, and the Tribe shall notify the State within thirty (30) days of that determination and the basis therefor. The State shall inform the Tribe in writing of any objection to the Tribe's determination that the activity is not a Project and the basis upon which it objects within thirty (30) days after receipt of the Tribe's notice regarding the Tribe's determination that the activity will not cause a Significant Effect on the Off-Reservation Environment. If the Tribe disagrees with the State's timely objection to the Tribe's determination that the proposed activity is not a Project, the Tribe and the State shall meet within thirty (30) days after the Tribe receives the State's objections to resolve the issue. If after the meeting the State continues to object to the Tribe's

determination that the activity is not a Project, the matter shall be resolved in accordance with the dispute resolution provisions of section 11.10.

Sec. 11.4. Categorical Exemptions.

- (a) Pursuant to its Tribal Environmental Protection Ordinance, prior to the preparation of a TEID or a TEIR the Tribe may determine whether the Project falls within a Categorical Exemption included on the list of Categorical Exemption projects at Appendix C. If the Project qualifies as a Categorical Exemption, the Project is exempt from the requirements of sections 11.5 through 11.7 and sections 11.11 through 11.17. In determining whether a Categorical Exemption applies to a Project, the Tribe's findings shall be supported by substantial evidence. For purposes of section 11.0, substantial evidence includes facts, reasonable assumptions predicated upon facts, and expert opinions supported by facts. Substantial evidence is not argument, speculation, unsubstantiated opinion or narrative, or evidence that is clearly inaccurate or erroneous.
- (b) A Categorical Exemption shall not be used for a Project where there is a reasonable possibility that the Project will have a Significant Effect on the Off-Reservation Environment due to unusual circumstances. Categorical Exemptions are also inapplicable when the cumulative impact of successive projects of the same type in the same area, over time is significant.
- (c) The Categorical Exemptions appearing on Appendix C related to the classes of Projects defined as new construction or conversion of small structures at paragraph 3 (§ 15303), minor alterations to land at paragraph 4 (§ 15304), and accessory structures at paragraph 5 (§ 15311), are qualified by consideration of where the Project is to be located and a Project that is ordinarily insignificant in its impact on the off-reservation environment as provided in the classes of Projects in these paragraphs of Appendix C may in a particularly sensitive environment be significant. Therefore, the classes of Projects in paragraphs 3 through 5 of Appendix C subject to a Categorical Exemption shall apply in all instances, except where the Project may impact an environmental resource of hazardous or critical concern that has been, as of the first public notice given for the Project under

section 11.0, previously designated, precisely mapped, and officially adopted pursuant to law by federal, state, or local agencies.

- (d) The applicability of a Categorical Exemption to a Project shall not affect the validity or enforceability of an existing government-to-government agreement, if any, that addresses off-reservation impacts of the Gaming Facility.
- (e) The Tribe shall notify the State in writing of a determination that the Project is subject to a Categorical Exemption, and the basis therefor, within thirty (30) days after the determination is made. If the State disputes the propriety of the Categorical Exemption, including the applicability of an exception to a Categorical Exemption, the State shall notify the Tribe in writing within thirty (30) days after receipt of the Tribe's notification and set forth with particularity its objections. The Tribe and the State shall meet within thirty (30) days after the Tribe receives the State's written objections to resolve the issue. If after the meeting the State continues to object to the Tribe's determination that the Project is subject to a Categorical Exclusion, the matter shall be resolved in accordance with the dispute resolution provisions of section 11.10.

Sec. 11.5. Initial Study, Negative Declaration, Mitigated Negative Declaration.

If the Tribe determines that the Project is not subject to a Categorical Exemption and that the Project may cause a Significant Effect on the Off-Reservation Environment, the Tribe shall prepare an Initial Study. The Tribe shall use the checklist at Appendix B for the Initial Study, and its findings shall be supported by substantial evidence. If, based upon the Initial Study, the Tribe determines that it is appropriate to do so, it may prepare a Negative Declaration or a Mitigated Negative Declaration for the Project.

- (a) A draft Negative Declaration or a Mitigated Negative Declaration shall include:
 - (1) A brief description of the Project;
 - (2) The location of the Project, shown on a map; and

- (3) An attached copy of the Initial Study documenting reasons to support the finding that the Project will not have a Significant Effect on the Off-Reservation Environment.
- (b) A draft Negative Declaration shall also include:
 - (1) A proposed finding that the Project will not have a Significant Effect on the Off-Reservation Environment; and
 - (2) The factors considered during the Initial Study, including the reasons, based upon the Initial Study, that support the proposed finding of no Significant Effects on the Off-Reservation Environment.
- (c) A Mitigated Negative Declaration shall also include:
 - (1) A description of draft mitigation measures included in the Project to reduce the potential Significant Effects on the Off-Reservation Environment to a less-than-significant level; and
 - (2) The Tribe's draft mitigation plan, which shall include the proposed mitigation measures, a mitigation monitoring plan, and the Tribe's binding commitment to implement the mitigation plan, subject to the following requirements.
 - (A) The Tribe will submit the draft mitigation plan to the State at least forty-five (45) days before the Tribe plans to take formal action on the adoption of a Mitigated Negative Declaration.
 - (B) The State may submit to the Tribe written comments on the draft mitigation plan not less than thirty (30) days after it receives the plan.
 - (C) The Tribe must consider any State comments on the proposed mitigation plan prior to adopting a Mitigated Negative Declaration.
- (d) The Tribe shall give notice by mail of its adoption of a Negative Declaration or a Mitigated Negative Declaration to the State, the State Clearinghouse in the Office of Planning and Research (State

Clearinghouse), the State Gaming Agency, the California Department of Justice, Office of the Attorney General, the County board of supervisors (and if the Gaming Facility is, or is to be, located within the boundaries of an incorporated city, to the city council (City), and to Interested Persons.

- (e) Within thirty (30) days after receipt of the Tribe's notice given under subdivision (d), the State, the County or the City may request that the Tribe meet and confer with respect to the Negative Declaration or the Mitigated Negative Declaration. The Tribe and the requesting party or parties shall meet and confer within thirty (30) days after the Tribe's receipt of the first such request. If after meeting and conferring the County or the City objects to the Tribe's adoption of a Negative Declaration or a Mitigated Negative Declaration, the County or the City shall inform the State in writing of any objection to the Tribe's determination and the basis upon which the City or the County objects within ten (10) days after the meet and confer session.
- (f) If after the meet and confer process provided in subdivision (e), the State objects to the Tribe's adoption of a Negative Declaration or a Mitigated Negative Declaration, the State shall inform the Tribe in writing of any objection to the Tribe's determination and the basis upon which the State objects within fifteen (15) days either after conclusion of the meet and confer session between the Tribe and the State pursuant to subdivision (e) or after the State's receipt of any City or County objection to the Tribe's determination pursuant to subdivision (e). If the Tribe disagrees with the basis upon which the State objects that the Project is not properly subject to a Negative Declaration or a Mitigated Negative Declaration, the Tribe and the State shall meet within thirty (30) days after the Tribe receives the State's objections to resolve the issue. If after the meeting the State continues to object to the Tribe's adoption of a Negative Declaration or a Mitigated Negative Declaration, the matter shall be resolved in accordance with the dispute resolution provisions of section 11.10.
- (g) If the Tribe determines, based upon the Initial Study or at any time during the process for preparation and approval of a Negative Declaration or a Mitigated Negative Declaration that the Significant Effects on the Off-Reservation Environment of a Project cannot be mitigated to a level of insignificance, the Tribe shall proceed to

prepare either a TEID if the Project meets the requirements of section 11.1, subdivision (a), or a TEIR if the Project meets the requirements of section 11.1, subdivision (b).

- (1) For a proposed TEID Project, the Tribe shall comply with sections 11.6 and 11.7, with all applicable meet and confer and dispute resolution procedures required by sections 11.7 through 11.10, and is subject to section 11.18.
 - (2) For a proposed TEIR Project, the Tribe shall comply with sections 11.10 through 11.18 and with all applicable meet and confer and dispute resolution procedures provided therein.
- (h) A TEID or TEIR, as appropriate, will be required where there is substantial evidence of physical changes to the surrounding environment, including aesthetic impacts to the community character of the environment. The existence of public controversy over the environmental effects of a Project shall not require a TEID or a TEIR if there is no substantial evidence in light of the whole record before the Tribe that the Project may have Significant Effects on the Off-Reservation Environment.

Sec. 11.6. Off-Reservation Environmental Impacts of TEID Projects.

For Projects subject to section 11.1, subdivision (a), when the preparation of a TEID is required, the following requirements shall apply.

- (a) While each TEID shall be specific to the Project at issue, the Tribal Environmental Protection Ordinance shall require that the TEID address, at a minimum, the impacts of the Project on the following:
(i) air quality; (ii) water resources; (iii) traffic; (iv) public services; (v) hazardous materials; and (vi) noise.
- (b) So long as a document also meets the requirements of section 11.7, the term “TEID” includes any environmental assessment, environmental impact report, or environmental impact statement prepared in conformity with the Tribal Environmental Protection Ordinance, NEPA, or CEQA, as applicable.

Sec. 11.7. TEID Procedures.

Before commencement of a Project meeting the requirements of section 11.1, subdivision (a), the Tribe shall:

- (a) Give written notice to the State, the State Clearinghouse, the State Gaming Agency, the California Department of Justice, Office of the Attorney General, the County (and if the Gaming Facility is located, or is to be located, within the boundaries of an incorporated city, to the City), and Interested Persons; and inform the public of the planned Project through posting on a publicly accessible website or similarly accessible medium and publication at least one (1) time in a newspaper of general circulation in the area of the Project.
- (b) Take appropriate actions under the Tribal Environmental Protection Ordinance to determine whether the Project may have any Significant Effects on the Off-Reservation Environment.
- (c) If it is determined that the Project does not meet the criteria for a Categorical Exemption, Negative Declaration or Mitigated Negative Declaration, the Tribe shall prepare a draft TEID. The draft TEID shall include, among other things:
 - (1) A description of the physical environmental conditions in the vicinity of the Project (the environmental setting and baseline conditions), as they exist at the time the draft TEID is prepared;
 - (2) A detailed description of proposed mitigation measures to address all identified Significant Effects on the Off-Reservation Environment and whether any proposed mitigation would not be feasible;
 - (3) If the Project is determined to have a Significant Effect on the Off-Reservation Environment for which there is no feasible mitigation, the TEID will consider alternatives in both location and scope, provided that the TEID need not address a “no project” alternative or alternatives that would cause the Tribe to forgo its right to engage in, or reduce the scale of, the Gaming Activities authorized by this Compact on its Indian lands, or require amendment or reconsideration of any existing tribal land-use plans or policies duly adopted by the Tribe; and

- (4) An evaluation of direct growth inducing impacts of the Project to the off-reservation environment, although growth in any area will not be assumed as necessary, beneficial, detrimental, or of little significance to the environment.
- (d) For the purpose of receiving and responding to comments, submit the draft TEID to the State Clearinghouse, the State Gaming Agency, the California Department of Justice, Office of the Attorney General, the County (or if the Gaming Facility is or is to be located within the boundaries of a city, to the City) and to Interested Persons, and post on the Tribe's website for other members of the public, all of whom shall have at least thirty (30) days after receipt of the draft TEID, to submit written comments to the Tribe on the draft TEID.
- (e) Consult with the County (and, if the Project is within a city, with the City) (collectively, the "Board"), and if requested by the Board, meet to discuss mitigation of Significant Effects on the Off-Reservation Environment.
- (f) Conduct a public meeting and provide an opportunity for public comment, including but not limited to those members of the public residing off-reservation within the vicinity of the Project such as might be affected by the Project, after which the public shall have thirty (30) days to submit written comments to the Tribe on the draft TEID.
- (g) If the draft TEID identifies significant adverse traffic impacts to any portion of the state highway system or facilities (Traffic Impacts) under the jurisdiction of the California Department of Transportation (Caltrans) that are directly attributable to the Project, the Tribe shall give written notice to Caltrans of the Tribe's willingness to meet and confer with Caltrans for the purpose of developing measures that will mitigate the identified Traffic Impacts.
- (h) No sooner than the conclusion of the comment periods, prepare a final TEID (Final TEID), giving due consideration to the comments, if any, received from the State, the Board, Caltrans, and members of the public. The Final TEID shall consist of:
 - (1) The draft TEID or a revision of the draft;

- (2) Comments and recommendations received on the draft TEID either verbatim or in summary;
 - (3) A list of persons, organizations, and public agencies commenting on the draft TEID;
 - (4) The Tribe's responses to significant environmental issues raised in the review and consultation process, reflecting the Tribe's good-faith, reasoned analysis and consideration of each substantive comment bearing on any Significant Effect on the Off-Reservation Environment;
 - (5) Subject to subdivisions (i)(1) and (k) proposed measures to mitigate each Significant Effect on the Off-Reservation Environment identified in the Final TEID; and
 - (6) Any other information added by the Tribe.
- (i) Publish the Final TEID together with a decision by the Tribe (the "Report and Decision") regarding the Project in accordance with the Tribal Environmental Protection Ordinance. The Report and Decision shall, at a minimum, address the following:
- (1) The timely mitigation of any Significant Effects on the Off-Reservation Environment to the extent that the effect is attributable, in whole or in part, to the Project, unless the Tribe has determined pursuant to subdivision (k) that the particular mitigation is infeasible, taking into account economic, environmental, social, technological, or other considerations.
 - (2) Mitigation of any effect on public safety or public services attributable to the Project, including the possibility of compensation for law enforcement, fire protection, emergency medical services and any other public services, to the extent such services are to be provided by the County (and, if the Project is within a city, the City) and its special districts to the Tribe for the purposes of serving the Gaming Facility, unless the Tribe has determined pursuant to subdivision (k) that the particular mitigation is infeasible, taking into account

economic, environmental, social, technological, or other considerations.

- (j) Within twenty (20) days after it is finalized, notice of availability of the Report and Decision shall be published at least one (1) time in a newspaper of general circulation in the area of the Project and a copy of the Report and Decision shall be published on the Tribe's website, if any, and submitted to the State Clearinghouse, the State Gaming Agency, the California Department of Justice, Office of the Attorney General, the Board, and if subdivision (g) applies, Caltrans.
- (k) The Report and Decision may include a determination by the Tribe that some unmitigated Significant Effects on the Off-Reservation Environment are unavoidable but acceptable after balancing the economic, legal, social, technological, or other benefits of the Project to the Tribe and the surrounding community, against its unavoidable environmental risks. If the Tribe determines that the specific economic, legal, social, technological, or other benefits of a Project outweigh the unavoidable Significant Effects on the Off-Reservation Environment, the Report and Decision shall be considered acceptable if:
 - (1) The Report and Decision identifies the specific overriding economic, legal, social, technological or other consideration(s) at issue;
 - (2) The Tribe's determination that the unavoidable Significant Effects on the Off-Reservation Environment are outweighed by the overriding consideration(s) is supported by substantial evidence in the record upon which the Report and Decision is based;
 - (3) The Report and Decision requires or incorporates into the Project changes or alterations, if any, that would significantly lessen the unavoidable Significant Effects on the Off-Reservation Environment;
 - (4) The Report and Decision identifies mitigation measures that the Tribe has determined are feasible and that the Tribe has made a binding commitment to adopt and implement; and

- (5) A monitoring and reporting program designed to ensure that the mitigation measures will be implemented and adopted.

If the State disputes the propriety of a determination of infeasibility made under this subdivision, the State shall give notice of such dispute within ninety (90) days of receipt of the Report and Decision, and the Tribe and the State shall meet within thirty (30) days after the Tribe receives the State's written objections to resolve the issue. If after the meeting the State and Tribe cannot come to agreement regarding the determination of infeasibility, the matter shall be resolved using the dispute resolution procedures set forth in section 11.10.

- (1) If implementation of certain identified mitigation measures for which the Tribe proposes to be responsible would require cooperation by a local or state agency (hereafter "non-tribal government agency"), and that agency fails, refuses, or is unable to cooperate in the implementation of those mitigation measures, the Tribe shall so notify the State in writing, and shall be relieved of only those mitigation obligations until the relevant non-tribal government agency has taken the action(s) necessary for the Tribe to implement those measures; provided that where the non-tribal government agency has refused to cooperate in the implementation of those mitigation measures and the agency's refusal to cooperate continues for more than one (1) calendar year after the Tribe notifies the State in writing of the agency's refusal to cooperate or the Tribe and the State have completed the section 11.10 dispute resolution process, whichever is later, the Tribe shall be completely relieved of only those mitigation measures related to the agency's refusal. If the State disagrees with the Tribe's determination that the non-tribal government agency has failed, refused, or was unable to cooperate in the implementation of those mitigation measures or the Tribe's determination that the mitigation measures require a non-tribal government agency's cooperation, the Tribe and the State shall meet within thirty (30) days after the Tribe receives the State's objections to resolve the issue. If after the meeting the State objects in writing to the Tribe's determination that the non-tribal government agency has failed, refused, or was unable to cooperate in the implementation of those mitigation measures or the Tribe's determination that the mitigation measures require a non-tribal

government agency's cooperation, the dispute shall be resolved using the dispute resolution procedures set forth in section 11.10.

- (m) If the State subsequently contends that the Tribe has failed to comply with any requirements of the mitigation plan, the mitigation measures, the mitigation monitoring plan, or other obligations required by the Report and Decision, the State shall invoke the dispute resolution provisions of section 13.0.
- (n) During the conduct of a Project, the Tribe shall use reasonable efforts to keep the Board and potentially affected members of the public apprised of the Project's progress.

Sec. 11.8. TEID Dispute Resolution.

If invoked by the Board or Caltrans, the following dispute resolution processes shall be utilized and completed before the Tribe begins construction of a Project meeting the requirements of section 11.1, subdivision (a):

- (a) If, after reviewing the Tribe's Report and Decision, either the Board or Caltrans believes that the Final TEID fails to identify a Significant Effect on the Off-Reservation Environment or that the Tribe's proposed mitigation measures, if any, are inadequate under the standards of section 11.7 (Compliance Issue), the Board or Caltrans may, within thirty (30) days after receipt of the Report and Decision, request in writing that the Board or Caltrans (as appropriate) representatives meet and confer with the Tribe in good faith for the purpose of attempting to reach a mutually satisfactory resolution of the Compliance Issue. The Tribe and the Board or Caltrans shall meet as soon as practicable, but no later than thirty (30) days after the request to resolve the Compliance Issue is delivered to the Tribe, and shall attempt to resolve the Compliance Issue within thirty (30) days of the first meeting. Any issues resolved through the meet and confer process shall be reduced to writing, signed by the Tribe and the Board or Caltrans, and appropriate changes shall be made to the Final TEID and Report and Decision.
- (b) Notice of any issue arising under subdivision (a) requiring the Board or Caltrans and the Tribe to meet and confer shall be delivered by the

Board or Caltrans to the Tribe using the notice provisions of section 16.0.

- (c) In the event that the Board or Caltrans and the Tribe are unable to resolve through the procedures of subdivision (a) any differences regarding whether the Tribe's Project will cause one (1) or more Compliance Issues, the Tribe shall initiate the procedures of subdivision (d).
- (d) If the Tribe and the Board or the Tribe and Caltrans are unable to resolve all differences identified and addressed under the procedures of subdivision (a), the following procedures shall apply:
 - (1) The Tribe shall, within ten (10) days after completion of the meet and confer process with the Board or Caltrans, provide the State with a written copy of the Report and Decision and a written description of the unresolved Compliance Issue questions. The Tribe shall provide, at the same time, a copy of the same documents to the Board or Caltrans, as appropriate.
 - (2) The Board or Caltrans may provide any additional materials to the State with a copy to the Tribe, but may not submit materials to the State that have not been previously submitted to the Tribe. The State shall thereafter have sixty (60) days to review the materials submitted, which time may be extended by agreement of the Tribe and the State.
 - (3) If the State contends that the Report and Decision fails to adequately address one (1) or more Compliance Issues, the State shall, within the sixty (60)-day-review period, so notify the Tribe in writing (the "Non-Compliance Notice"), and request a meeting to discuss the matter.
 - (4) Within thirty (30) days after the Tribe's receipt of the Non-Compliance Notice, the State and the Tribe shall meet and confer in good faith for the purpose of attempting to reach a mutually satisfactory resolution of the outstanding issues. Any Compliance Issues resolved through the meet and confer process shall be reduced to writing in appropriate form, signed

by the Tribe and the State, and the Tribe shall make appropriate changes to the Final TEID and the Report and Decision.

- (5) If all Compliance Issues are not resolved as a result of the meet and confer process between the Tribe and the State, the State may, within twenty (20) days after the conclusion of the meet and confer process, initiate the dispute resolution process set forth in section 11.9.

Sec. 11.9. State TEID Environmental Review Dispute Resolution Process.

Environmental review disputes between the Tribe and the State (also referred to in this section as “party” or “parties”) that are unresolved using the procedures of section 11.8, subdivision (d) shall be resolved using the following Environmental Review Dispute Resolution Process (the “ERDR Process”).

- (a) To initiate the ERDR process, the State shall serve a written notice (the “ERDR Notice”) on the Tribe, within twenty (20) days after the conclusion of the meet and confer process of section 11.8, subdivision (d), identifying with particularity those aspects and provisions of the Report and Decision or the TEID that the State alleges constitute a Compliance Issue.
- (b) The dispute shall thereupon be resolved by arbitration and the costs of the arbitration shall be advanced by the State out of the Special Distribution Fund. The arbitrator shall be authorized to award or apportion costs against the Tribe as the arbitrator deems just. Preference will be given to arbitrators with knowledge of federal Indian law, CEQA or NEPA. The arbitration shall be conducted by a single arbitrator selected as follows:
 - (1) Within thirty (30) days following the Tribe’s receipt of the ERDR Notice, the State and the Tribe shall agree in writing upon a single retired federal judge or federal magistrate judge or other person to act as the arbitrator.
 - (2) If the State and the Tribe cannot agree on an arbitrator, then within forty-five (45) days following the Tribe’s receipt of the ERDR Notice, the State and the Tribe shall meet and each shall submit to the other the names of not more than three (3) retired

federal judges or federal magistrate judges. From the resulting group of names, three (3) names shall be randomly selected in a manner agreed upon by the Tribe and the State, and from that list of three (3) names, the State and the Tribe shall each be allowed to strike one (1) name from the list. A coin toss shall determine which party may strike the first name.

- (c) Within thirty (30) days after being designated, the arbitrator shall initiate proceedings to determine whether the Report and Decision or the TEID has failed to adequately address a Compliance Issue. The arbitrator's review shall be limited to the contents of the administrative record certified by the Tribe provided that either party may request that the arbitrator, or the parties may stipulate to, augment the record as would otherwise be authorized under California law regarding writ practice.
- (d) In making a determination, the arbitrator shall give due deference to the Tribe's determinations and uphold the Tribe's final decision unless the State shows that the Tribe committed a prejudicial abuse of discretion because the Tribe's decision is not supported by substantial evidence in light of the whole administrative record. The arbitrator may not weigh any evidence, shall afford deference to the Tribe's factual conclusions, and resolve conflicts in evidence in favor of the Tribe's factual findings. The arbitrator shall also defer to the Tribe's interpretation of its Tribal Environmental Protection Ordinance unless clearly erroneous. The arbitrator shall review disputes involving procedural compliance with section 11.0 de novo.
- (e) Within twenty (20) days after closing the record, the arbitrator shall issue a written decision finding either that: (i) the Report and Decision and the TEID comply with the requirements of sections 11.6 and 11.7, or (ii) the Report and Decision or the TEID does not comply with the requirements of section 11.6 or 11.7 and identifying with specificity the provisions and aspects of the Report and Decision or the TEID that fail to comply. A decision under subdivision (e)(i) shall be final and binding and shall terminate the ERDR Process. If a decision is rendered under subdivision (e)(ii), the Tribe shall take such actions as are necessary to revise, amend or supplement the Report and Decision and the TEID, as appropriate, to address and correct the deficiencies identified in the arbitrator's decision.

- (f) Following the issuance of the Tribe's revised, amended or supplemental Report and Decision and the TEID (collectively, the "Amended Report and Decision"), the Tribe shall provide a written copy of the Amended Report and Decision to the State. The State shall thereupon have thirty (30) days to review the Amended Report and Decision for compliance with the arbitrator's decision. If the State is satisfied that the Amended Report and Decision have corrected the deficiencies identified in the arbitrator's decision, the State shall so notify the Tribe in writing within the thirty (30)-day-review period and the ERDR Process shall thereupon be concluded. If the State contends that the Amended Report and Decision fails to correct the deficiencies, the State shall so notify the Tribe in writing within the thirty (30)-day-review period, identifying with particularity the remaining deficiencies.
- (g) If the State contends the Amended Report and Decision fails to correct the deficiencies found in the arbitrator's decision issued pursuant to this section 11.9, the Tribe and the State shall thereupon submit their dispute to the same arbitrator before whom the dispute was originally heard and follow the procedure provided by subdivisions (c) through (f) until any remaining environmental review disputes identified by the State are determined to be substantially addressed by the Tribe in accordance with the arbitrator's decision issued pursuant to this section 11.9. If the same arbitrator is not available, a new arbitrator shall be selected using the procedures of subdivision (b).
- (h) An arbitrator's decision rendered under subdivision (e)(ii) shall not be deemed a breach of this Compact and shall not be the basis for an action to terminate this Compact under section 13.5, provided that the Tribe continues to engage in the arbitration process provided for in subdivisions (b) through (f).

Sec. 11.10. State and Tribe's Dispute Resolution Process.

Disputes between the Tribe and the State (also referred to in this section as "party" or "parties") regarding the Tribe's compliance with section 11.0 that are expressly made subject to this section 11.10 shall be resolved using the following process:

- (a) To initiate the section 11.10 process, the State must serve a written notice (the “Dispute Notice”) on the Tribe within thirty (30) days after the conclusion of the relevant meet and confer process, identifying with particularity those aspects and provisions of the Tribe’s determination with which the State takes issue.
- (b) The dispute shall thereupon be resolved by arbitration and the costs of the arbitration shall be advanced by the State out of the Special Distribution Fund. The arbitrator shall be authorized to award or apportion costs against the State or Tribe as the arbitrator deems just. Preference will be given to arbitrators with knowledge of federal Indian law, CEQA or NEPA. The arbitration shall be conducted by a single arbitrator selected as follows:
 - (1) Within thirty (30) days following the Tribe’s receipt of the Dispute Notice, the State and the Tribe shall meet and confer in an effort to agree in writing upon a single retired federal judge or federal magistrate judge or other person to act as the arbitrator.
 - (2) If the State and the Tribe cannot agree on an arbitrator, then within forty-five (45) days following the Tribe’s receipt of the Dispute Notice, the State and the Tribe shall meet and each shall submit to the other the names of not more than three (3) retired federal judges or federal magistrate judges. From the resulting group of names, three (3) names shall be randomly selected in a manner agreed upon by the Tribe and the State, and from that list of three (3) names, the State and the Tribe shall each be allowed to strike one (1) name from the list. A coin toss shall determine which party may strike the first name.
- (c) The arbitrator’s review shall be limited to the contents of the administrative record certified by the Tribe; provided either party may request that the arbitrator, or the parties may stipulate to, augment the record as would otherwise be authorized under California law regarding writ practice.
- (d) Within thirty (30) days after being designated, the arbitrator shall initiate proceedings to determine the dispute raised in the Dispute Notice. In making a determination, the arbitrator shall give due

deference to the Tribe's determinations and uphold the Tribe's final decision unless the State shows that the Tribe committed a prejudicial abuse of discretion because the Tribe's decision is not supported by substantial evidence in light of the whole administrative record. The arbitrator may not weigh any evidence, shall afford deference to the Tribe's factual conclusions, and resolve conflicts in evidence in favor of the Tribe's factual findings. The arbitrator shall also defer to the Tribe's interpretation of its Tribal Environmental Protection Ordinance unless clearly erroneous. The arbitrator shall review disputes involving procedural compliance with section 11.0 de novo.

- (e) Within twenty (20) days after the matter is submitted, the arbitrator shall issue a written decision concluding either that: (i) the Tribe's decision complies with the relevant requirements of section 11.0, or (ii) the Tribe's decision does not comply with the relevant requirements of section 11.0, and identifying with specificity the basis upon which the arbitrator has made the decision. A decision under subdivision (e)(i) shall be final and binding and shall terminate the section 11.10 process. If a decision is rendered under subdivision (e)(ii), the Tribe shall take such actions as are necessary to address and correct the deficiencies identified in the arbitrator's decision.
- (f) If the arbitrator does not uphold the Tribe's determination subject to the dispute resolution in this section, the arbitrator must identify in its final decision any deficiencies that must be addressed to bring the determination into compliance with section 11.0, but nothing in this section authorizes the arbitrator to direct the Tribe to exercise its discretion to address any such deficiencies in any particular way. The arbitrator shall retain jurisdiction over the dispute to resolve any issues concerning compliance with the decision of the arbitrator.
- (g) Following the issuance of the Tribe's revised, amended or supplemental decision (the "Amended Decision"), the Tribe shall provide a written copy of the Amended Decision to the State. The State shall thereupon have ninety (90) days to review the Amended Decision for compliance with the arbitrator's decision or it shall be deemed to have waived any objection to the Amended Decision. If the State is satisfied that the Amended Decision has corrected the deficiencies identified in the arbitrator's decision, the State shall so notify the Tribe in writing within the ninety (90)-day-review period,

the section 11.10 process shall thereupon be concluded, and the Tribe and the State shall take such actions as are necessary to implement the Amended Decision. If the State contends that the Amended Decision fails to correct the deficiencies, the State shall so notify the Tribe in writing within the ninety (90)-day-review period, identifying with particularity the remaining deficiencies.

- (h) If the State contends the Amended Decision fails to correct the deficiencies found in the arbitrator's decision pursuant to this section 11.10, the Tribe and the State shall thereupon submit their dispute to the same arbitrator before whom the dispute was originally heard and follow the procedure provided by subdivisions (c) through (g) until any remaining environmental review disputes identified by the State are determined to be substantially addressed by the Tribe in accordance with arbitrator's decision pursuant to this section 11.10. If the same arbitrator is not available, a new arbitrator shall be selected using the procedures of section 11.10, subdivision (b).
- (i) An arbitrator's decision rendered under subdivision (e)(ii) shall not be deemed a breach of this Compact and shall not be the basis for an action to terminate this Compact under section 13.5, provided that the Tribe continues to engage in the arbitration process provided for in subdivisions (b) through (g).

Sec. 11.11. Tribal Environmental Impact Report for TEIR Projects.

For Projects subject to section 11.1, subdivision (b), when the preparation of a TEIR is required, the following requirements shall apply:

- (a) Before the commencement of the Project, the Tribe shall cause to be prepared a comprehensive and adequate TEIR, analyzing the potentially Significant Effects on the Off-Reservation Environment of the Project pursuant to the process set forth in sections 11.2 through 11.5 and 11.11 through 11.18; provided, however, that information or data that is relevant to the TEIR and is a matter of public record or is generally available to the public need not be repeated in its entirety in the TEIR, but may be specifically cited as the source for conclusions stated therein; and provided further that such information or data shall be briefly described, that its relationship to the TEIR shall be indicated, and that the source thereof shall be reasonably available for

inspection at a public place or public building. The TEIR shall provide detailed information about the Significant Effects on the Off-Reservation Environment that the Project is likely to have, including each of the matters set forth in Appendix B, shall list ways in which the Significant Effects on the Off-Reservation Environment might be minimized, and shall include a detailed statement setting forth all of the following:

- (1) A description of the physical environmental conditions in the vicinity of the Project (the environmental setting and baseline conditions), as they exist at the time the notice of preparation is issued;
- (2) All Significant Effects on the Off-Reservation Environment of the Project;
- (3) In a separate section:
 - (A) Any Significant Effects on the Off-Reservation Environment that cannot be avoided if the Project is implemented; and
 - (B) Any Significant Effects on the Off-Reservation Environment that would be irreversible if the Project is implemented;
- (4) Measures proposed to mitigate the Significant Effects on the Off-Reservation Environment to below a level of significance, including, but not limited to, measures to reduce the wasteful, inefficient, and unnecessary consumption of energy;
- (5) If the Project is identified to have Significant Effects on the Off-Reservation Environment for which there is no feasible mitigation, the TEIR will consider a reasonable range of potentially feasible alternatives, provided that the TEIR need not address a “no project” alternative or alternatives that would cause the Tribe to forgo its right to engage in or reduce the scale of the Gaming Activities authorized by this Compact on its Indian lands, or require amendment or reconsideration of any

existing tribal land-use plans or policies duly adopted by the Tribe;

- (6) Whether any proposed mitigation would be infeasible;
 - (7) A Tribal Mitigation Plan, if applicable as provided in section 11.15;
 - (8) An evaluation of direct growth inducing impacts of the Project to the off-reservation environment, although growth in any area will not be assumed as necessary, beneficial, detrimental, or of little significance to the environment; and
 - (9) Whether the proposed mitigation would be effective to substantially reduce or eliminate the potential Significant Effects on the Off-Reservation Environment.
- (b) The TEIR shall contain a statement indicating the reasons for determining that various effects of the Project on the off-reservation environment with respect to the matters set forth in Appendix B are not significant and consequently have not been discussed in detail in the TEIR.
 - (c) The TEIR shall clearly identify and describe the Significant Effects on the Off-Reservation Environment, including each of the items on Appendix B, giving due consideration to both the short-term and long-term effects.
 - (d) The TEIR's discussion of mitigation measures shall describe feasible measures that could minimize Significant Effects on the Off-Reservation Environment, and shall distinguish between the measures that are proposed by the Tribe and measures proposed by others. Where several measures are available to mitigate an effect, each should be discussed and the basis for selecting a particular measure should be identified. Formulation of mitigation measures should not be deferred until some future time.
 - (e) The TEIR must include sufficient information about each alternative to allow meaningful evaluation, analysis, and comparison.

- (f) The TEIR shall contain an index or table of contents and a summary, which shall identify each Significant Effect on the Off-Reservation Environment with proposed measures and alternatives that would reduce or avoid that effect, and issues to be resolved, including the choice among alternatives and whether and how to mitigate the Significant Effects on the Off-Reservation Environment.
- (g) Previously approved land use documents, including, but not limited to, general plans, specific plans, and local coastal plans, may be used in the cumulative impact analysis.

Sec. 11.12. Notice of Preparation of Draft TEIR.

- (a) Upon commencing the preparation of the draft TEIR, the Tribe shall issue a notice of preparation to the State Clearinghouse, the State Gaming Agency, the County (and if the Project is, or is to be, located within the boundaries of an incorporated city, to the City), the California Department of Justice, Office of the Attorney General, and all Interested Persons (and, in the event potentially significant traffic impacts are identified in the final TEIR, to Caltrans if applicable). The Tribe shall also post the notice of preparation on its website. The notice of preparation shall provide information describing the Project and its potential Significant Effects on the Off-Reservation Environment sufficient to enable Interested Persons to make a meaningful response or comment. At a minimum, the notice of preparation shall include all of the following information:
 - (1) A description of the Project;
 - (2) The location of the Project shown on a detailed map, preferably topographical, and on a regional map; and
 - (3) The potential off-reservation environmental effects of the Project.
- (b) The notice of preparation shall also inform Interested Persons of the preparation of the draft TEIR and shall inform them of the opportunity to provide comments to the Tribe within thirty (30) days of the date of the receipt of the notice of preparation by the State Clearinghouse and the County. The notice of preparation shall also request Interested

Persons to identify in their comments the off-reservation environmental issues and reasonable mitigation measures that the Tribe should analyze in the draft TEIR.

Sec. 11.13. Notice of Completion of Draft TEIR.

- (a) No sooner than thirty (30) days following the receipt of the notice of preparation by the State Clearinghouse and the County, the Tribe shall file a copy of the draft TEIR and a notice of completion with the State Clearinghouse, the State Gaming Agency, the County (and if the Project is, or is to be, located within the boundaries of an incorporated city, to the City), the California Department of Justice, Office of the Attorney General, and all Interested Persons (and, in the event potentially significant traffic impacts are identified in the draft TEIR, to Caltrans if applicable). The Tribe shall also post the notice of completion and a copy of the draft TEIR on its website. The notice of completion shall include all of the following information:
 - (1) A brief description of the Project;
 - (2) The proposed location of the Project;
 - (3) An address where copies of the draft TEIR are available; and
 - (4) Notice of a period of forty-five (45) days during which the Tribe will receive comments on the draft TEIR.
- (b) The Tribe will submit ten (10) copies each of the draft TEIR and the notice of completion to the County (and if the Project is, or is to be, located within the boundaries of an incorporated city, to the City), which will be asked to post public notice of the draft TEIR at the office of the County Board of Supervisors (and the office of the City) and to furnish the public notice and a copy of the draft TEIR to the public libraries serving the County (and the City). The Tribe shall serve in a timely manner the notice of completion to all Interested Persons. As an alternative to paper copies, the Tribe and the County (and the City) may agree that a single electronic copy of the draft TEIR and notice of completion may be submitted by the Tribe to the County (and the City). In addition, the Tribe will provide public notice by the procedures specified below:

- (1) Publication on the Tribe's website;
- (2) Publication at least one (1) time by the Tribe in a newspaper of general circulation in the area affected by the Project. If more than one (1) area is affected, the notice shall be published in the newspaper of largest circulation from among the newspapers of general circulation in those areas; and
- (3) Direct mailing by the Tribe to the owners and occupants of property adjacent to, but outside, the Indian lands on which the Project is to be located. Owners of such property shall be identified as shown on the latest equalization assessment roll.

Sec. 11.14. Issuance of Final TEIR.

The Tribe shall prepare, certify and make available to the County, the City if applicable, the State Clearinghouse, the State Gaming Agency, the California Department of Justice, Office of the Attorney General, and all Interested Persons (and, in the event potentially significant traffic impacts are identified in the draft or final TEIR, to Caltrans) a final TEIR (Final TEIR), which shall consist of:

- (a) The draft TEIR or a revision of the draft.
- (b) Comments and recommendations received on the draft TEIR either verbatim or in summary.
- (c) A list of persons, organizations, and public agencies commenting on the draft TEIR.
- (d) The responses of the Tribe to significant environmental points raised in the review and consultation process, reflecting the Tribe's good-faith, reasoned analysis and consideration of each substantive comment bearing on any off-reservation environmental impact.
- (e) If applicable, a Tribal Mitigation Plan pursuant to section 11.15.
- (f) The Final TEIR may include a determination by the Tribe that some unmitigated Significant Effects on the Off-Reservation Environment are unavoidable but acceptable after balancing the economic, legal, social, technological, or other benefits of the Project to the Tribe and the surrounding community, against its unavoidable environmental

risks. If the specific economic, legal, social, technological, or other benefits of the Project outweigh the unavoidable Significant Effects on the Off-Reservation Environment, the Final TEIR shall include all the following:

- (1) The specific overriding economic, legal, social, technological or other consideration(s) at issue;
 - (2) The determination that the unavoidable Significant Effects on the Off-Reservation Environment are outweighed by the overriding consideration(s) is supported by substantial evidence in the record upon which the Final TEIR is based;
 - (3) Changes or alterations, if any, that have been required in or incorporated into, the Project which avoid or substantially lessen the Significant Effects on the Off-Reservation Environment; and
 - (4) All other mitigation measures identified in the Final TEIR that the Tribe has determined are feasible and will be adopted and implemented.
- (g) If subdivision (f) applies, the Project may proceed only if the determination required by subdivision (f) is supported by substantial evidence. Substantial evidence includes facts, reasonable assumptions predicated upon facts, and expert opinions supported by facts. Substantial evidence is not argument, speculation, unsubstantiated opinion or narrative, or evidence that is clearly inaccurate or erroneous. If the State disputes the propriety of a determination of infeasibility made under subdivision (f), the dispute shall be resolved using binding arbitration following the procedures set forth in sections 13.2 and 13.4. Provided that, when resolving such disputes under this subdivision, the arbitrator shall afford deference to the Tribe's factual conclusions and resolve conflicts in evidence in favor of the findings.
- (h) Any other information added by the Tribe.

Sec. 11.15. Tribal Mitigation Plan.

- (a) Prior to construction of the Project and before certification of the Final TEIR, the Tribe shall develop a written mitigation plan (Tribal

Mitigation Plan) with respect to the timely mitigation of any Significant Effects on the Off-Reservation Environment identified in the Final TEIR. The Tribe shall meet and confer with the County and/or the City (for purposes of sections 11.15 and 11.16 “local government”), or Caltrans regarding the Tribal Mitigation Plan.

- (b) The Tribal Mitigation Plan shall include the following:
 - (1) Measures identified to mitigate Significant Effects on the Off-Reservation Environment identified in the Final TEIR below a level of significance, including but not limited to, measures to reduce the wasteful, inefficient, and unnecessary consumption of energy and measures to mitigate traffic impacts on the state highway system or facilities directly attributable to the Project;
 - (2) A monitoring and reporting program designed to ensure that the mitigation measures will be implemented and adopted; and
 - (3) Mitigation of effects on public safety as a direct consequence of the Project including, but not limited to, compensation for law enforcement, fire protection, emergency medical services and any other public services to be provided by the local government and its special districts to the Tribe, where applicable, for the purposes of the Gaming Operation, including the Gaming Facility, as a direct consequence of the Project.
- (c) The Tribal Mitigation Plan shall include the proposed terms of an intergovernmental agreement with the local government for any applicable mitigation required by the Tribal Mitigation Plan. The Tribe and the local government shall meet and confer regarding the need for, and the terms of, an intergovernmental agreement that will (i) address the timely mitigation of any Significant Effects on the Off-Reservation Environment directly attributable in whole or in part to the Project; (ii) adopt and implement the monitoring and reporting program in the Tribal Mitigation Plan; (iii) if applicable, incorporate the facts and findings required pursuant to section 11.14, subdivision (f); and (iv) provide for mitigation of impacts on law enforcement, fire protection, emergency medical services or any other public services to be provided by the local government and its special districts as a direct consequence of the Project. Nothing herein shall preclude the

Tribe and the local government from entering into an intergovernmental agreement on terms that differ from those proposed in the Tribal Mitigation Plan.

- (d) If applicable, the Tribal Mitigation Plan shall include the proposed terms of an intergovernmental agreement with Caltrans for any applicable mitigation required by the Tribal Mitigation Plan for traffic impacts on the state highway system or facilities. The Tribe and Caltrans shall meet and confer regarding the need for, and the terms of, an intergovernmental agreement that will (i) address the timely mitigation of all traffic impacts on the state highway system or facilities directly attributable in whole or in part to the Project; (ii) adopt and implement a monitoring and reporting program in the Tribal Mitigation Plan, if applicable; (iii) if applicable, incorporate the facts and findings required pursuant to section 11.14, subdivision (f); and (iv) provide for mitigation of significant or cumulative traffic impacts directly attributable to the Project. Nothing herein shall preclude the Tribe and Caltrans from entering into an intergovernmental agreement on terms that differ from those proposed in the Tribal Mitigation Plan.
- (e) The Tribe shall not commence a Project until the intergovernmental agreement(s) with the local government as provided in subdivision (c), and if applicable the intergovernmental agreement with Caltrans specified in subdivision (d), are executed by the parties to the agreement or until any dispute related to the intergovernmental agreements is resolved pursuant to section 11.16.
- (f) During the conduct of the Project, the Tribe shall keep the local government, Caltrans if applicable, and potentially affected members of the public apprised of the Project's progress.

Sec. 11.16. Dispute Resolution Procedures to Resolve Disputes Related to the Tribal Mitigation Plan or Intergovernmental Agreements.

- (a) The Tribe, local government, or Caltrans (also referred to in this section as "party" or "parties") may demand binding arbitration before a Judicial Arbitration and Mediation Services, Inc. (JAMS) arbitrator with respect to any disputes arising under or concerning the Tribal Mitigation Plan or intergovernmental agreement. These disputes include:

- (1) Disputes related to a refusal by either the Tribe or the local government, or Caltrans, if applicable, to meet and confer regarding the need for a (i) Tribal Mitigation Plan or (ii) an intergovernmental agreement; and
 - (2) Disputes related to the terms of, or compliance with, a (i) Tribal Mitigation Plan or (ii) an intergovernmental agreement.
- (b) If implementation of certain identified mitigation measures for which the Tribe proposes to be responsible would require cooperation by the local government or Caltrans, and if either agency fails, refuses, or is unable to cooperate or otherwise meet and confer regarding the development or implementation of a Tribal Mitigation Plan or an intergovernmental agreement, the Tribe shall notify the local government or Caltrans in writing, and shall be relieved of only those mitigation obligations until the local government or Caltrans has taken the action(s) necessary for the Tribe to implement those measures or until the matter is resolved pursuant to the dispute resolution procedures provided in this section.
- (c) If the local government or Caltrans disagrees with the Tribe's determination that the local government or Caltrans has failed, refused, or was unable to cooperate or otherwise meet and confer regarding the development or implementation of a Tribal Mitigation Plan or an intergovernmental agreement, the local government or Caltrans shall provide its objections in writing to the Tribe within thirty (30) days of receiving the Tribe's written notice under subdivision (b).
- (d) If either party wishes to initiate a dispute under this section, that party shall first serve the other party with a written notice of a dispute. The written notice must describe the particular issues, or terms, that are in dispute. The Tribe and the local government or Caltrans shall meet to resolve the issue within sixty (60) days after receipt of the notice of dispute. If no resolution is reached in the meet and confer process, either party may serve notice to the other that the meet and confer has concluded and then either party shall have sixty (60) days to initiate binding arbitration as provided in subdivision (e).

- (e) Disputes shall be resolved between the Tribe and the local government or Caltrans through binding arbitration.
- (1) Binding arbitration between the Tribe and the local government or Caltrans shall be conducted before a JAMS arbitrator. Preference will be given to arbitrators with knowledge of federal Indian law, CEQA or NEPA. Selection of the arbitrator shall follow the procedures set forth in section 11.9, subdivision (b), substituting the local government or Caltrans in the place of the State, depending on the party to the arbitration.
 - (2) The arbitration shall be in accordance with JAMS Comprehensive Arbitration Rules and Procedures as those rules exist on the effective date of this Compact, including the expedited procedures set forth in Rules 16.1 and 16.2 of those Rules, except that the demand for binding arbitration shall be served on the Tribe and the local government or Caltrans, in accordance with section 16.0 of this Compact.
 - (3) The arbitrator's review shall be limited to the contents of the administrative record certified by the Tribe; provided either party may request that the arbitrator, or the parties may stipulate to, augment the record as would otherwise be authorized under California law regarding writ practice.
 - (4) In making a determination, the arbitrator shall give due deference to the Tribe's determinations and uphold the Tribe's final decision unless the local government or Caltrans shows that the Tribe committed a prejudicial abuse of discretion because the Tribe's decision is not supported by substantial evidence in light of the whole administrative record. The arbitrator may not weigh any evidence, shall afford deference to the Tribe's factual conclusions, and resolve conflicts in evidence in favor of the Tribe's factual findings. The arbitrator shall also defer to the Tribe's interpretation of its Tribal Environmental Protection Ordinance unless clearly erroneous. The arbitrator shall review disputes involving procedural compliance with section 11.0 de novo.

- (5) The parties to the arbitration shall equally bear the cost of JAMS and the JAMS arbitrator. The parties to the arbitration shall each bear the costs of their own attorney's fees.
- (6) The arbitration shall take place within seventy-five (75) miles of the Gaming Facility.
- (7) The arbitrator's decision shall be final and binding for all purposes.
- (8) If the Tribe fails or refuses to participate in binding arbitration, the Tribe may not commence construction of the Project.
- (9) Notwithstanding the prohibition on the Tribe commencing the Project under section 11.15, subdivision (e), if the Tribe serves notice of a dispute as provided in section 11.16, subdivision (d) and the local government or Caltrans, if applicable, does not initiate arbitration after the meet and confer process or fails or refuses to participate in binding arbitration, the Tribe may commence the Project in accordance with its Final TEIR and Tribal Mitigation Plan, if applicable.
- (10) The Tribe may not commence the Project if it fails or refuses to comply with the terms of an arbitrator's ruling at the conclusion of binding arbitration in which the Tribe and the local government, or Caltrans, if applicable, has participated.
- (11) If, at the conclusion of binding arbitration, the local government or Caltrans fails or refuses to comply with the terms of the arbitrator's ruling, the Tribe may proceed with the Project in accordance with the terms of the arbitrator's ruling.
- (12) If the arbitrator does not uphold the Tribe's adoption of the Final TEIR or Tribal Mitigation Plan, the arbitrator must identify in its final decision any deficiencies that must be addressed to bring the Tribe's Final TEIR or Tribal Mitigation Plan into compliance with section 11.0. The Tribe shall take such actions as are necessary to address and correct the deficiencies identified in the arbitrator's decision, but nothing in this section authorizes the arbitrator to direct the Tribe to

exercise its discretion to address any such deficiencies in any particular way. The arbitrator shall retain jurisdiction over the dispute to resolve any issues concerning compliance with the decision of the arbitrator.

- (f) To effectuate this section, and in the exercise of its sovereignty, the Tribe expressly waives, and also waives its right to assert, sovereign immunity in connection with the arbitrator's jurisdiction in any action to: (i) enforce the other party's obligation to arbitrate; (ii) enjoin commencement of the Project pending a final resolution of the arbitration; (iii) enforce or confirm an arbitral award rendered in the arbitration; and (iv) enforce or execute a judgment in state or federal court based upon the award.
- (g) If implementation of certain identified mitigation measures for which the Tribe proposes to be responsible would require cooperation by a state or local agency (non-tribal government agency) and that agency fails, refuses, or is unable to cooperate in the implementation of those mitigation measures, the Tribe shall so notify the State in writing, and shall be relieved of only those mitigation obligations until the non-tribal government agency has taken the action(s) necessary for the Tribe to implement those measures.
- (h) If the State disagrees with the Tribe's determination that the non-tribal government agency has failed, refused, or was unable to cooperate in the implementation of those mitigation measures or the Tribe's determination that the mitigation measures require the non-tribal government agency's cooperation, the Tribe and the State shall meet within thirty (30) days after the Tribe receives the State's objections to resolve the issue. If after the meeting the State objects in writing to the Tribe's determination that the non-tribal government agency has failed, refused, or was unable to cooperate in the implementation of those mitigation measures or the Tribe's determination that the mitigation measures require the non-tribal government agency's cooperation, the dispute shall be resolved using the dispute resolution procedures set forth in section 11.10.

Sec. 11.17. Failure to Prepare Adequate TEIR or TEID.

Subject to sections 11.9 and 11.10, the Tribe's failure to prepare a TEIR or a TEID that satisfies the requirements and standards of section 11.0 may be deemed a breach of this Compact and furthermore may be grounds for issuance of an injunction or other appropriate equitable relief.

Sec. 11.18. Failure to Implement the Tribal Mitigation Plan.

The Tribe's failure to implement the Tribal Mitigation Plan or intergovernmental agreement may be deemed a breach of this Compact and furthermore may be grounds for issuance of an injunction or other appropriate equitable relief. The local government shall have the right to notify the State and the State shall have the right to consult with the local government regarding an alleged failure to comply with the Tribal Mitigation Plan or intergovernmental agreement.

SECTION 12.0. PUBLIC AND WORKPLACE HEALTH, SAFETY, AND LIABILITY.

Sec. 12.1. General Requirements.

The Tribe shall not conduct Class III Gaming in a manner that endangers the public health, safety, or welfare, provided, however, that nothing herein shall be construed to make applicable to the Tribe any state laws or regulations governing the use of tobacco.

Sec. 12.2. Tobacco Smoke.

Notwithstanding section 12.1, the Tribe agrees to provide a non-smoking area in the Gaming Facility. If, after the effective date of this Compact, the Tribe significantly renovates or expands its existing Gaming Facility, the Tribe shall use the best available ventilation technology for the portion of the Gaming Facility to be renovated or expanded, and shall use the best available ventilation technology in the construction of a new Gaming Facility. The Tribe shall comply with all applicable federal laws with respect to the sale of tobacco products.

Sec. 12.3. Health and Safety Standards.

To protect the health and safety of patrons and employees of the Gaming Facility, the Tribe shall, for the Gaming Facility:

- (a) Adopt and comply with standards no less stringent than California public health standards for food and beverage handling. The Gaming Operation will allow inspection of food and beverage services by state or county health inspectors, during normal hours of operation, to assess compliance with these standards, unless inspections are routinely made by an agency of the United States government to ensure compliance with equivalent standards of the United States Public Health Service. Nothing herein shall be construed as submission of the Tribe to the jurisdiction of the state or county health inspectors, but any alleged violations of the standards shall be treated as alleged violations of this Compact.
- (b) Adopt and comply with standards no less stringent than federal water quality and safe drinking water standards applicable in California. The Gaming Operation will allow for inspection and testing of water quality by state or county health inspectors, as applicable, during normal hours of operation, to assess compliance with these standards, unless inspections and testing are made by an agency of the United States pursuant to, or by the Tribe under express authorization of, federal law, to ensure compliance with federal water quality and safe drinking water standards. Nothing herein shall be construed as submission of the Tribe to the jurisdiction of the state or county health inspectors, but any alleged violations of the standards shall be treated as alleged violations of this Compact.
- (c) Comply with the building and safety standards set forth in section 6.4.2.
- (d) Adopt and comply with federal workplace and occupational health and safety standards. Subsequent to an inspection or enforcement action by the Federal Occupational Safety and Health Administration or by an agency of the United States pursuant to federal law, the Tribe will provide a copy of the inspector's report or other documentation of the inspection to the State Gaming Agency within ten (10) days of receipt of the report or other documentation of the inspection.
- (e) Adopt and comply with tribal codes to the extent consistent with the provisions of this Compact and other applicable federal law regarding public health and safety.

- (f) (1) Adopt and comply with standards no less stringent than federal law that forbid discrimination, harassment or sexual harassment and seeks to provide fair opportunity in employment for all qualified persons and to prohibit discrimination in employment on the basis of characteristics of or being in a protected class as defined by California state law including race, color, religion, ancestry, sex (including sexual orientation, gender identity/expression and pregnancy), age, genetic information, marital status, national origin, disability, medical condition or military/veteran status. The Tribe shall promulgate, and shall maintain in continuous force the policy entitled “Sherwood Valley Rancheria of Pomo Indians Sherwood Valley Casino Anti-Discrimination and Harassment Policy and Procedures” as set forth in Appendix F-3 of this Compact. Any subsequent revisions to this policy shall provide substantially equivalent procedures no less stringent than federal law, for the fair and timely resolution of harassment or discrimination claims by Gaming Employees and the Gaming Operation shall provide the State Gaming Agency with a copy of any such revised policy within thirty (30) days of its adoption by the Tribe.
- (2) Nothing herein shall preclude the Tribe from giving a preference in employment to members and descendants of federally recognized Indian tribes pursuant to a duly adopted tribal ordinance or policy.
- (3) With respect to all employment-related claims as defined in subdivision (f)(1), the Tribe shall obtain and maintain an employment practices liability insurance policy consistent with industry standards for non-tribal casinos and underwritten by an insurer with an A.M. Best rating of A or higher which provides coverage of at least (i) if the Tribe operates fewer than three hundred fifty (350) Gaming Devices, two million dollars (\$2,000,000) per occurrence, or (ii) if the Tribe is operating three hundred fifty (350) Gaming Devices or more, three million dollars (\$3,000,000) per occurrence, for unlawful harassment, retaliation, or employment discrimination arising out of the employment of persons to work or working for, in connection with, or relating to the operation of, the Gaming Operation, Gaming Facility or Gaming Activities. The Tribe

hereby agrees the liability coverage would be available to all claimants who prove claims for unlawful harassment, retaliation, or employment discrimination pursuant to the processes under this subdivision (f).

- (4) The Tribe, in the exercise of its sovereignty, hereby expressly waives, and also waives its right to assert, sovereign immunity and any and all defenses based thereon, up to the full amount of coverage available under the limits of the employment practices liability insurance policy referenced in subdivision (f)(3), for the award based on a proven employment-related claim arising out of the employment of persons to work or working for, in connection with, or relating to the operation of, the Gaming Operation, Gaming Facility or Gaming Activities; provided, however, that nothing herein requires the Tribe to agree to liability for punitive damages or attorney's fees or to waive its right to assert sovereign immunity in connection therewith. The foregoing waiver of immunity is expressly limited to the tribal adjudicative processes set forth in this subdivision (f)(1) and in the employment discrimination complaint ordinance or policy, and to enforce an obligation required by, or to enforce or execute an ensuing award or judgment under, this subdivision (f).
- (5) Consistent with subdivision (f)(4), the Tribe shall include an endorsement with its employment practices liability insurance policy providing that the insurer shall not invoke tribal sovereign immunity up to the limits of such policy for claimants alleging retaliation, harassment, or employment discrimination pursuant to the processes set forth in this subdivision (f); however, such endorsement or acknowledgement shall not be deemed to waive or otherwise limit the Tribe's sovereign immunity for the pursuit of any employment-related claim outside the processes set forth herein, or for any portion of a proven claim that exceeds the limits of the employment practices liability insurance policy referenced in subdivision (f)(3). Nothing in this provision shall be interpreted to supersede any requirement in the Tribe's employment discrimination complaint ordinance or policy that a claimant must satisfy to exhaust administrative remedies as a

prerequisite to adjudication of any employment-related claims covered by this Compact.

- (6) In the event the Tribe fails to promulgate and keep in continuous force the employment discrimination complaint policy specified in subdivision (f)(1), such failure shall constitute a breach of this Compact.
- (7) The Gaming Operation shall provide written notice of the employment discrimination complaint policy and the procedures for bringing a complaint in its employee handbook. The Gaming Operation also shall post and keep posted in prominent and accessible places in the Gaming Facility where notices to employees and applicants for employment are customarily posted, a notice setting forth the pertinent provisions of the employment discrimination complaint policy and information pertinent to the filing of a complaint.
- (g) Adopt and comply with standards that are no less stringent than California state laws prohibiting a gambling enterprise from cashing, except for tribal members, any check drawn against a federal, state, county, or city fund, including but not limited to, Social Security, unemployment insurance, disability payments, or public assistance payments.
- (h) Adopt and comply with, as a matter of tribal law, standards that are no less stringent than California state laws, if any, governing the terms of extension of credit to patrons by gambling enterprises.
- (i) Comply with provisions of the Bank Secrecy Act, 31 U.S.C. §§ 5311-5314, as amended, and all reporting requirements of the Internal Revenue Service, insofar as such provisions and reporting requirements are applicable to gambling establishments.
- (j) Adopt and comply with ordinances or policies no less stringent than (i) the minimum wage, maximum hour, child labor, and overtime standards set forth in the Fair Labor Standards Act, 29 U.S.C. §§ 206, 207 and 212, subject to 29 U.S.C. §§ 213 and 214; (ii) the United States Department of Labor regulations implementing the Fair Labor Standards Act, appearing at 29 C.F.R. § 500 et seq.; and (iii) the

State's minimum wage rate set forth and as adjusted in California Labor Code section 1182.12. Notwithstanding the foregoing, only the federal minimum wages laws set forth in the Fair Labor Standards Act, 29 U.S.C. § 206 et seq., shall apply to tipped employees. Nothing herein shall make applicable state law concerning overtime, or be construed as authorizing or creating any private cause of action against the Tribe or the Gaming Operation based upon an alleged violation of any of the foregoing standards.

Sec. 12.4. Tribal Gaming Facility Standards Ordinance.

The Tribe shall adopt in the form of an ordinance or ordinances the standards and obligations described in section 12.3 to which the Gaming Operation and Gaming Facility are held, and shall transmit the ordinance(s) to the State Gaming Agency not later than thirty (30) days after the effective date of this Compact. In the absence of a promulgated tribal standard in respect to a matter identified in section 12.3, or the express adoption of an applicable federal and/or state statute or regulation, as the case may be, in respect of any such matter, the otherwise applicable federal and/or California state statute or regulation shall be deemed to have been adopted by the Tribe as the applicable standard.

Sec. 12.5. Insurance Coverage and Claims.

- (a) The Tribe shall obtain and maintain commercial general liability insurance consistent with industry standards for non-tribal casinos in the United States underwritten by an insurer with an A.M. Best rating of A or higher that provides coverage of no less than seven million seven hundred thousand dollars (\$7,700,000) per occurrence for bodily injury, personal injury, and property damage directly arising out of, connected with, or relating to the operation of the Gaming Operation, Gaming Facility, or Gaming Activities (Policy). To effectuate the insurance coverage, the Tribe expressly waives, and waives its right to assert, sovereign immunity up to the greater of seven million seven hundred thousand dollars (\$7,700,000) or the limits of the Policy, in accordance with the tribal ordinance referenced in subdivision (b) below, in connection with any claim for bodily injury, personal injury, or property damage, directly arising out of, connected with, or relating to the operation of the Gaming Operation, Gaming Facility, or the Gaming Activities, including, but not limited to, injuries resulting from entry onto the Tribe's land for purposes of

patronizing the Gaming Facility or providing goods or services to the Gaming Facility; provided, that such injury occurs at the Gaming Facility or on a road accessing the Facility exclusively. Nothing herein requires the Tribe to agree to liability for punitive damages or attorney's fees or to waive its right to assert sovereign immunity in connection therewith. The Policy shall acknowledge in writing that the Tribe has expressly waived, and waived its right to assert, sovereign immunity for the purpose of adjudication of those claims up to the limits of the Policy and for the purpose of enforcement of any ensuing award or judgment and shall include an endorsement providing that the insurer shall not invoke tribal sovereign immunity up to the limits of the Policy; however, such endorsement or acknowledgement shall not be deemed to waive or otherwise limit the Tribe's sovereign immunity for any portion of the claim that exceeds seven million seven hundred thousand dollars (\$7,700,000) or the Policy limits, whichever is greater.

- (b) The Tribe shall adopt, and at all times hereinafter shall maintain in continuous force, the ordinance entitled "Sherwood Valley Rancheria of Pomo Indians Tort Remedy Procedures for Gaming Patrons Ordinance" as set forth in Appendix F-4 of this Compact, as it may be amended from time to time; provided, however, that any amended tort claims ordinance related to claims for bodily injury, personal injury, and property damage directly arising out of, connected with, or relating to the operation of the Gaming Operation, Gaming Facility, or Gaming Activities shall provide substantially equivalent procedures for the fair resolution of those tort claims, and that the Tribe shall provide the State Gaming Agency with a copy of any such amended tort claims ordinance or policy within thirty (30) days of its enactment.
- (c) In the event the Tribe fails to adopt and maintain in continuous force the ordinance or policy specified in subdivision (b), such failure shall constitute a breach of this Compact.

Sec. 12.6. Participation in State Programs Related to Employment.

- (a) Not later than the effective date of this Compact, the Tribe will advise the State of its election to participate in the statutory workers' compensation system as provided in subdivision (a)(1) below or,

alternatively, will forward to the State all relevant ordinances that have been adopted and all other documents establishing the system and demonstrating that the system is fully operational and compliant with the comparability standards set forth in subdivision (a)(2), including such waivers of the Tribe's sovereign immunity as are necessary to allow Gaming Operation and Gaming Facility employees to enforce the Tribe's workers' compensation system. The Tribe and the State agree that independent contractors doing business with the Tribe must comply with all state workers' compensation laws and obligations.

- (1) The Tribe agrees that it will participate in the State's workers' compensation program with respect to employees employed at the Gaming Operation or Gaming Facility. The workers' compensation program includes, but is not limited to, state laws relating to the securing of payment of compensation through one (1) or more insurers duly authorized to write workers' compensation insurance in this state or through self-insurance as permitted under the State's workers' compensation laws. All disputes arising from the workers' compensation laws shall be heard by the Workers' Compensation Appeals Board pursuant to the California Labor Code. The Tribe hereby consents to the jurisdiction of the State Workers' Compensation Appeals Board and the courts of the State of California for purposes of enforcement of this subdivision.
- (2) In lieu of participating in the State's statutory workers' compensation system, the Tribe may create and maintain a system that provides redress for the Gaming Operation and Gaming Facility employees' work-related injuries through requiring insurance or self-insurance. This system must include a scope of coverage, provision of up to ten thousand dollars (\$10,000) in medical treatment for an alleged injury until the date that liability for the claim is accepted or rejected, employee choice of physician provisions comparable to those mandated for comparable employees under state law, quality and timely medical treatment provided comparable to the state's medical treatment utilization schedule, availability of an independent medical examination to resolve disagreements on appropriate treatment (by an Independent Medical Reviewer on the state-

approved list, a Qualified Medical Evaluator on the state-approved list, or an Agreed Medical Examiner upon mutual agreement of the employer and employee), and the right to notice, hearings before an independent tribunal, a means of enforcement against the employer, and benefits (including, but not limited to, temporary and permanent disability, death, supplemental job displacement, and return to work supplement), comparable to those mandated for comparable employees under state law.

- (b) The Tribe agrees that it will participate in the State's program for providing unemployment compensation benefits and unemployment compensation disability benefits with respect to employees employed at the Gaming Operation or Gaming Facility, which participation shall include compliance with the provisions of the California Unemployment Insurance Code, and the Tribe consents to the jurisdiction of the State agencies charged with the enforcement of that code and of the courts of the State of California for purposes of enforcement and to effectuate its consent, in the exercise of its sovereignty, the Tribe expressly waives, and also waives its right to assert, its sovereign immunity in connection therewith.
- (c) As a matter of comity, the Tribe shall, with respect to all persons employed at the Gaming Operation or Gaming Facility, including nonresidents of California, but excluding persons who are exempt pursuant to California Revenue and Tax Code section 17131.7, withhold all amounts due to the State as provided in the California Unemployment Insurance Code and the California Revenue and Taxation Code and the regulations thereunder, as may be amended, and shall forward such amounts to the State. The Tribe shall file with the Franchise Tax Board a copy of any information return filed with the Secretary of the Treasury, as provided in the California Revenue and Taxation Code and the regulations thereunder, except those pertaining to persons who are exempt pursuant to California Revenue and Tax Code section 17131.7.

Sec. 12.7. Emergency Services Accessibility.

The Tribe shall make reasonable provisions for adequate emergency fire, medical, and related relief and disaster services for patrons and employees of the Gaming Facility.

Sec. 12.8. Alcoholic Beverage Service.

Purchase, sale, and service of alcoholic beverages shall be subject to California state law.

Sec. 12.9. Possession of Firearms.

The possession of firearms by any person in the Gaming Facility is prohibited at all times, except for federal, state, tribal or local law enforcement personnel, or tribal security personnel authorized by tribal law and federal or California law to possess firearms at the Gaming Facility.

Sec. 12.10. Labor Relations.

Notwithstanding any other provision of this Compact, and except as otherwise provided by applicable federal law, this Compact shall be null and void if, on or before its effective date, the Tribe has not confirmed the enactment or continuing effect of the Tribal Labor Relations Ordinance set forth in Appendix D to this Compact, and the Gaming Activities may continue only as long as the Tribe maintains the ordinance. The Tribe shall provide written notice to the State that it has adopted the ordinance, along with a copy of the ordinance as adopted.

SECTION 13.0. DISPUTE RESOLUTION PROVISIONS.

Sec. 13.1. Voluntary Resolution; Court Resolution.

In recognition of the government-to-government relationship of the Tribe and the State (for purposes of this section 13.0 also referred to as the “party” or “parties”), the parties shall make their best efforts to resolve disputes that arise under this Compact by good faith negotiations whenever possible. Therefore, except for the right of either party to seek injunctive relief against the other when circumstances are deemed to require immediate relief, the Tribe and the State shall seek to resolve disputes by first meeting and conferring in good faith in order to foster a spirit of cooperation and efficiency in the administration and monitoring of

the performance and compliance of the terms, provisions, and conditions of this Compact, as follows:

- (a) Either party shall give the other, as soon as possible after the event giving rise to the concern, a written notice setting forth the facts giving rise to the dispute and with specificity, the issues to be resolved.
- (b) The other party shall respond in writing to the facts and issues set forth in the notice within fifteen (15) days of receipt of the notice, unless both parties agree in writing to an extension of time.
- (c) The parties shall meet and confer in good faith by telephone or in person in an attempt to resolve the dispute through negotiation within thirty (30) days after receipt of the notice set forth in subdivision (a), unless both parties agree in writing to an extension of time.
- (d) If the dispute is not resolved to the satisfaction of the parties after the first meeting, either party may seek to have the dispute resolved by an arbitrator in accordance with this section, but neither party shall be required to agree to submit to arbitration.
- (e) Disputes that are not otherwise resolved by arbitration or other mutually agreed means may be resolved in the United States District Court in the judicial district where the Tribe's Gaming Facility is located, or if the federal court lacks jurisdiction, in any state court of competent jurisdiction in or over the County. The disputes to be submitted to court action include, but are not limited to, claims of breach of this Compact, and failure to negotiate in good faith as required by the terms of the Compact, provided that the remedies expressly provided in section 13.4, subdivision (a)(ii) are the sole and exclusive remedies available to either party for issues arising out of this Compact, and supersede any remedies otherwise available, whether at law, tort, contract, or in equity and, notwithstanding any other provision of law or this Compact, neither the State nor the Tribe shall be liable for damages or attorney fees in any action based in whole or in part on issues arising out of this Compact, or based in whole or in part on the fact that the parties have either entered into this Compact, or have obligations under this Compact. The parties are

entitled to all rights of appeal permitted by law in the court system in which the action is brought.

- (f) In no event may the Tribe be precluded from pursuing any arbitration or judicial remedy against the State on the ground that the Tribe has failed to exhaust state administrative remedies, and in no event may the State be precluded from pursuing any arbitration or judicial remedy against the Tribe on the ground that the State has failed to exhaust any tribal administrative remedies.

Sec. 13.2. Arbitration Rules for the Tribe and the State.

Provided that the remedies expressly provided in section 13.4 are the sole and exclusive remedies available under this Compact, arbitration between the Tribe and the State shall be conducted before a JAMS arbitrator in accordance with JAMS Comprehensive Arbitration Rules and Procedures. Discovery in the arbitration proceedings shall be governed by section 1283.05 of the California Code of Civil Procedure, provided that no discovery authorized by that section may be conducted without leave of the arbitrator. The parties shall equally bear the cost of JAMS and the JAMS arbitrator. Either party dissatisfied with the award of the arbitrator may at the party's election invoke the JAMS Optional Arbitration Appeal Procedure (or if those rules no longer exist, the closest equivalent). In any JAMS arbitration under this section 13.2, the parties will bear their own attorney's fees. The arbitration shall take place within seventy-five (75) miles of the Gaming Facility, or as otherwise mutually agreed by the parties and the parties agree that either party may file a state or federal court action to (i) enforce the parties' obligation to arbitrate, (ii) confirm, correct, or vacate the arbitral award rendered in the arbitration in accordance with section 1285 et seq. of the California Code of Civil Procedure, or (iii) enforce or execute a judgment based upon the award. The parties agree not to assert, and will waive, any defense alleging improper venue or forum non conveniens as to any state court located within the County or any federal court located in the Northern District of California in any such action brought with respect to the arbitration award.

Sec. 13.3. No Waiver or Preclusion of Other Means of Dispute Resolution.

This section 13.0 may not be construed to waive, limit, or restrict any remedy to address issues not arising out of this Compact that is otherwise available to either the Tribe or the State, nor may this section 13.0 be construed to preclude,

limit, or restrict the ability of the parties to pursue, by mutual agreement in writing, any other method of Compact dispute resolution, including, but not limited to, mediation.

Sec. 13.4. Limited Waiver of Sovereign Immunity.

- (a) For the purpose of actions or arbitrations based on disputes between the State and the Tribe that arise under this Compact and the judicial enforcement of any judgment or award resulting therefrom, the State and the Tribe expressly waive their right to assert any and all sovereign immunity from suit, including, but not limited to, any immunity under the Eleventh Amendment to the United States Constitution, and enforcement of any ensuing judgment or arbitral award and consent to the arbitrator's jurisdiction and further consent to be sued in federal or state court, as the case may be, provided that (i) the dispute is limited solely to issues arising under this Compact, (ii) neither the Tribe nor the State makes any claim for restitution or monetary damages (except that payment of any money expressly required by the terms of this Compact may be sought), and solely injunctive relief, specific performance (including enforcement of a provision of this Compact expressly requiring the payment of money to one or another of the parties), and declaratory relief (limited to a determination of the respective rights and obligations of the parties under the Compact) may be sought, and (iii) nothing herein shall be construed to constitute a waiver of the sovereign immunity of either the Tribe or the State with respect to any third party that is made a party or intervenes as a party to the action.
- (b) In the event that intervention, joinder, or other participation by any additional party in any action between the State and the Tribe would result in the waiver of the Tribe's or the State's sovereign immunity as to that additional party, the waivers of either the Tribe or the State provided herein may be revoked, except where joinder is required, as determined by the court, to preserve the court's jurisdiction, in which case the State and the Tribe may not revoke their waivers of sovereign immunity as to each other.
- (c) The waivers and consents to jurisdiction expressly provided for under this section 13.0 and elsewhere in the Compact shall extend to all arbitrations and civil actions expressly authorized by this Compact,

including, but not limited to, actions to compel arbitration, any arbitration proceeding herein, any action to confirm, modify, or vacate any arbitral award or to enforce any judgment, and any appellate proceeding emanating from any such proceedings, whether in state or federal court.

- (d) Except as stated herein or elsewhere in this Compact, no other waivers or consents to be sued, either express or implied, are granted by either party, whether in state statute or otherwise, including but not limited to California Government Code section 98005. Notwithstanding the foregoing, the Tribe may bring a bad-faith negotiation claim against the State under 25 U.S.C. § 2710(d)(7)(A)(i) should the State either refuse to negotiate for an amended or new compact when the requirements in section 15.0 have been met, or fail to conduct those negotiations in good faith.

Sec. 13.5. Judicial Remedies for Material Breach.

- (a) Subsequent to exhausting the section 13.0 dispute resolution provisions, after providing a thirty (30)-day written notice of an opportunity to cure an alleged breach of this Compact, unless the circumstances are deemed to require immediate relief, either the Tribe or the State (also referred to in this section as “party” or “parties”) may bring an action in federal court for a declaration that the other party has materially breached this Compact. If the federal court rules that a party has materially breached this Compact, then the party found to have committed the breach shall have sixty (60) days after the later of entry of a final judgment and the conclusion of any appeals and any filing periods for any further appeal have expired, to cure the material breach, but the non-breaching party may seek to shorten this time in the event of a public health or safety emergency. The court may order additional time to cure the breach if the material breach cannot be cured within sixty (60) days even in good faith and with due diligence.
- (b) If the material breach is not cured within the time allowed by the court, then in addition to the declaration of material breach and any equitable remedies explicitly identified in section 13.0 that may have been awarded, the non-breaching party may seek, in the same federal court action, enforcement of the judgment or termination of the

Compact as a further judicially imposed remedy. The court may order termination based only on a finding (i) that the respondent party has breached its Compact obligations, and (ii) that the respondent party willfully failed to cure the material breach within the time allowed. In the event a federal court determines that it lacks jurisdiction over such an action, the action may be brought in the Superior Court for the County, and any finding that termination is warranted shall be effective thirty (30) days after issuance of the termination order by the federal district court or superior court, as the case may be.

- (c) The parties expressly waive, and also waive their right to assert, their sovereign immunity from suit for purposes of an action under this section, subject to the waiver qualifications stated in section 13.4.

SECTION 14.0. EFFECTIVE DATE AND TERM OF COMPACT.

Sec. 14.1. Effective Date.

This Compact shall be effective upon the occurrence of both of the following:

- (a) The Compact is ratified in accordance with the Tribe's law and state law; and
- (b) Notice that the Compact has been approved or deemed approved is published in the Federal Register as provided in 25 U.S.C. § 2710(d)(3)(B).

Sec. 14.2. Term of Compact.

- (a) Once effective, this Compact shall be in full force and effect for state law purposes for twenty-five (25) years following the effective date.
- (b) If this Compact does not take effect by June 30, 2022 it shall be deemed null and void unless the Tribe and the State agree in writing to extend the date.

SECTION 15.0. AMENDMENTS; RENEGOTIATIONS.

Sec. 15.1. Amendment by Agreement

The terms and conditions of this Compact may be amended at any time by the mutual and written agreement of the Tribe and the State (also referred to in section 15.0 as “party” or “parties”) during the term of this Compact set forth in section 14.2, provided that each party voluntarily consents to such negotiations, including the scope of such negotiations, in writing.

Sec. 15.2. Negotiations for a New Compact.

No sooner than eighteen (18) months before the expiration date of this Compact set forth in section 14.2, either party may request the other party to enter into negotiations to extend the term of this Compact or to enter into a new Class III Gaming compact. If the parties have not agreed to extend the term of this Compact or have not entered into a new compact by the expiration date in section 14.2, this Compact shall automatically be extended for eighteen (18) months. If the parties are engaged in negotiations that both parties agree in writing are proceeding towards conclusion of a new or amended compact, this Compact shall automatically be extended for an additional two (2) years.

Sec. 15.3. Changes in the Law.

If a federal or state court decides that, as a result of a change in the law, a provision of the Compact is invalid or inoperable but also decides that the Compact remains valid and the court’s judgment is not stayed pending appeal, the parties shall meet and negotiate in good faith concerning a replacement for that Compact provision and other appropriate related amendments. The parties shall meet within forty-five (45) days after the ruling of invalidity or inoperability becomes effective.

Sec. 15.4. Entitlement to Renegotiate Compact Based on Changed Market Conditions.

Notwithstanding the foregoing sections 15.1 through 15.3, the State shall, within forty-five (45) days of the Tribe’s written request, participate in good faith negotiations with the Tribe to amend this Compact where the stated basis for the Tribe’s request is changed conditions that either (i) materially and adversely affect the Tribe’s Gaming Operation such that the Tribe no longer enjoys the benefits otherwise provided by this Compact and the Tribe’s obligations under this Compact therefore become unduly onerous, or (ii) create new opportunities to

expand its Gaming Operation beyond the limitations on Gaming Devices or Gaming Facilities of this Compact. The State has no obligation to enter into negotiations unless the Tribe provides information adequate to prove that its request meets the required basis for negotiations pursuant to this section.

Sec. 15.5. Entitlement to Renegotiate Compact Based on State Authorization of New Forms of Class III Gaming

- (a) If after the effective date of this Compact the State authorizes any person to conduct a new form of Class III Gaming not expressly authorized in this Compact, the parties shall, at the Tribe's request, enter into good-faith negotiations to amend section 3.0 of this Compact for the purpose of adding the newly authorized Class III Gaming activity and making other appropriate related amendments.
- (b) Without limiting the Tribe's rights under subdivision (a), in the event that a uniform statewide compact amendment is developed in consultation between the State and California federally recognized Indian tribes to address the newly authorized Class III Gaming, the Tribe may choose to adopt the uniform compact amendment to modify section 3.0 of this Compact, subject to the necessary ratification by the California legislature and approval by the United States Department of the Interior.

Sec. 15.6. Requests to Amend or to Negotiate a New Compact.

All requests to amend this Compact or to negotiate to extend the term of this Compact or to negotiate for a new Class III Gaming compact shall be in writing, addressed to the Tribal Chair or the Governor, as the case may be, and shall include the activities or circumstances to be negotiated, together with a statement of the basis supporting the request. If the request meets both the requirements of this section and either section 15.1, 15.2, 15.3, 15.4, or 15.5, the parties shall confer within forty-five (45) days of the request to determine (i) whether the request meets the requirements of section 15.0 and, if so, (ii) the scope of negotiations, and (iii) a schedule for commencing negotiations, and thereafter both parties shall negotiate in good faith. The Tribal Chair and the Governor of the State are hereby authorized to designate the person or agency responsible for conducting the negotiations, and shall execute any documents necessary to do so.

SECTION 16.0. NOTICES.

Unless otherwise indicated by this Compact, all notices required or authorized to be served shall be served by first-class mail at the following addresses, or to such other address as either party may designate by written notice to the other:

Governor	Tribal Chairman
Governor's Office	Sherwood Valley Rancheria of Pomo Indians of California
State Capitol	190 Sherwood Hill Drive
Sacramento, CA 95814	Willits, CA 95490

SECTION 17.0. CHANGES TO IGRA.

This Compact is intended to meet the requirements of IGRA as it reads on the effective date of this Compact, and when reference is made to IGRA or to an implementing regulation thereof, the referenced provision is deemed to have been incorporated into this Compact as if set out in full. Subsequent changes to IGRA that diminish the rights of the State or the Tribe may not be applied retroactively to alter the terms of this Compact, except to the extent that federal law validly mandates retroactive application without the State's or the Tribe's respective consent.

SECTION 18.0. MISCELLANEOUS.

Sec. 18.1. Third-Party Beneficiaries.

Notwithstanding any provision of law, this Compact is not intended to, and shall not be construed to, create any right on the part of a third party or third-party beneficiary to bring an action to enforce any of its terms.

Sec. 18.2. Complete Agreement.

This Compact, together with all appendices, sets forth the full and complete agreement of the Tribe and the State and supersedes, supplants, and extinguishes any prior agreements or understandings with respect to the subject matter hereof.

Sec. 18.3. Construction.

Neither the presence in another tribal-state Class III Gaming compact of language that is not included in this Compact, nor the absence in another tribal-state Class III Gaming compact of language that is present in this Compact shall be a factor in construing the terms of this Compact. In the event of a dispute between the Tribe and the State as to the language of this Compact or the construction or meaning of any term hereof, this Compact will be deemed to have been drafted by the Tribe and the State in equal parts so that no presumptions or inferences concerning its terms or interpretation may be construed against either party to this Compact.

Sec. 18.4. Successor Provisions.

Wherever this Compact makes reference to a specific statutory provision, regulation, or set of rules, it also applies to the provision or rules, as they may be amended from time to time, and any successor provision or set of rules. Within thirty (30) days of the discovery of the adoption of any subsequent amendment of such statutory provision, regulation, or rules or any successor provision (Amendment), either the Tribe or the State may give notice of its position that the Amendment does not apply to the Compact. If the State and the Tribe agree that the Amendment does not apply to the Compact, that agreement shall be memorialized in a written agreement. If the State and the Tribe do not agree that the Amendment applies to the Compact, the State and the Tribe shall resolve the dispute in accordance with section 13.0 of this Compact.

Sec. 18.5. Ordinances and Regulations.

Whenever the Tribe adopts or materially amends any ordinance or regulations required to be adopted and/or maintained under this Compact, in addition to any other Compact obligations to provide a copy to others, the Tribe shall provide a copy of such adopted or materially amended ordinance or regulations to the State Gaming Agency within thirty (30) days of the effective date of such ordinance or regulations and the State Gaming Agency shall provide the Tribe with written confirmation of receipt of said ordinance or regulations within thirty (30) days of receipt thereof.

Sec. 18.6. Calculation of Time.

In computing any period of time prescribed by this Compact, the day of the event from which the designated period of time begins to run shall not be included. The last day of the period so computed shall be included, unless it is a Saturday, a Sunday, or a legal holiday under the Tribe's laws, the State's law, or federal law. Unless otherwise specifically provided herein, the term "days" shall be construed as calendar days.

Sec. 18.7. Force Majeure.

In the event of a force majeure event, including but not limited to: an act of God; accident; fire; flood; earthquake; or other natural disaster; strike or other labor dispute; riot or civil commotion; act of public enemy; enactment of any rule; order or act of a government or governmental instrumentality; effects of an extended restriction of energy use; epidemics or pandemics; and other causes of a similar nature beyond the Tribe's control that causes the Tribe's Gaming Operation or Facility to be inoperable or operate at significantly less capacity or be unable to meet one (1) or more of its obligations under this Compact; the Tribe and the State agree to meet and confer for the purpose of discussing the event and appropriate actions, if any, given the circumstances, including the potential for the waiver or deferral of Compact payment obligations. In the instance that a force majeure event impacts more than fifty percent (50%) of tribal gaming operations located in California, the State and the Tribe agree to allow the State to elect to meet and confer with several or all tribes that have been impacted by the force majeure event for the purpose of discussing the event and appropriate actions, if any, given the circumstances.

If the Tribe and the State cannot agree that a force majeure event has occurred or on an appropriate action to remedy the force majeure event within fourteen (14) days after the initial meeting between the parties to discuss the matter, unless both the Tribe and the State agree in writing to an extension of this time, either the Tribe or the State may submit the matter to dispute resolution under section 13.0 of this Compact.

Sec. 18.8. Representations.

- (a) The Tribe expressly represents that as of the date of the undersigned's execution of this Compact the undersigned has the authority to execute this Compact on behalf of the Tribe, including any waiver of sovereign immunity and the right to assert sovereign immunity therein, and will provide written proof of such authority and of the ratification of this Compact by the tribal governing body to the Governor no later than thirty (30) days after the execution of this Compact by the undersigned.
- (b) The Tribe further represents that it is (i) recognized as eligible by the Secretary of the Department of the Interior for special programs and services provided by the United States to Indians because of their status as Indians, and (ii) recognized by the Secretary of the Department of the Interior as possessing powers of self-government.
- (c) In entering into this Compact, the State expressly relies upon the foregoing representations by the Tribe, and the State's entry into the Compact is expressly made contingent upon the truth of those representations as of the date of the Tribe's execution of this Compact through the undersigned. If the Tribe fails to timely provide written proof of the undersigned's aforesaid authority to execute this Compact or written proof of ratification by the Tribe's governing body, the Governor shall have the right to declare this Compact null and void.
- (d) In the event the Tribe (i) asserts in any dispute between the Tribe and the State that the undersigned lacked the authority to execute this Compact on behalf of the Tribe, or (ii) in any Compact-related dispute in the limited contexts set forth in this Compact, including, but not limited to, the Compact provisions governing tort, workers' compensation, patron, or employment discrimination claims, whether or not involving the State, asserts that its waiver of sovereign immunity is not valid based upon a claim by the Tribe that the representations regarding the authority to waive or the waiver did not comply with the Tribe's laws, then the State and the Tribe agree that the Tribe shall lose all rights to conduct Class III Gaming under the terms of this Compact. If the Tribe otherwise identifies a potential defect regarding the authority of the undersigned to execute this Compact or the effectiveness of the limited waivers of the Tribe's

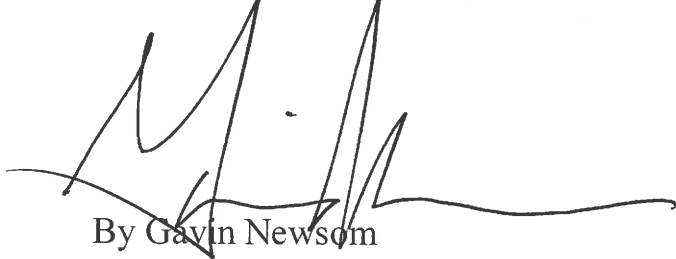
sovereign immunity, and takes action to resolve the defect, the Tribe's right to conduct Class III Gaming under the terms of this Compact are not implicated unless and until the Tribe makes the assertions specified in (i) or (ii) above.

- (1) The Tribe shall give written notice to the State of its intent to assert either that the undersigned lacked authority to execute this Compact on behalf of the Tribe or that its waiver of sovereign immunity is not valid for the reasons stated in this subdivision at least fourteen (14) days before making that assertion, and shall cease conducting Class III Gaming within thirty (30) days of making the assertion.
- (2) Within fourteen (14) days after identifying a potential defect regarding the authority of the undersigned to execute this Compact or the effectiveness of the limited waivers of the Tribe's sovereign immunity as stated in the Compact, the Tribe shall give written notice to the State of the facts related to the potential defect and the specific actions the Tribe is taking to cure the potential defect.

- (e) This Compact shall not be presented to the California State Legislature for a ratification vote until the Tribe has provided the written proof required in subdivision (a) to the Governor.

IN WITNESS WHEREOF, the undersigned sign this Compact on behalf of the State of California and the Sherwood Valley Rancheria of Pomo Indians of California.

STATE OF CALIFORNIA



By Gavin Newsom
Governor of the State of California

THE SHERWOOD VALLEY
RANCHERIA OF POMO INDIANS OF
CALIFORNIA



By Melanie Rafanan
Chairman of the Sherwood Valley
Rancheria of Pomo Indians of California

Executed this 10th day of August,
2021, at Sacramento, California

Executed this 2nd day of August,
2021, at Sherwood Valley,
California

ATTEST:

Shirley N. Weber, Ph.D.
Secretary of State, State of California

APPENDICES

- A. Description and Map of the Tribe's Gaming Eligible Land
- B. Off-Reservation Environmental Impact Analysis Checklist
- C. List of Categorical Exemptions
- D. Tribal Labor Relations Ordinance
- E. Off-Track Satellite Wagering
- F. Tribal Ordinances
 - F-2. Sherwood Valley Rancheria of Pomo Indians
Patron Dispute Resolution Ordinance
 - F-3 Sherwood Valley Rancheria of Pomo Indians Sherwood Valley
Casino Anti-Discrimination and Harassment Policy and Procedures
 - F-4 Sherwood Valley Rancheria of Pomo Indians Tort Remedy
Procedures for Gaming Patrons Ordinance

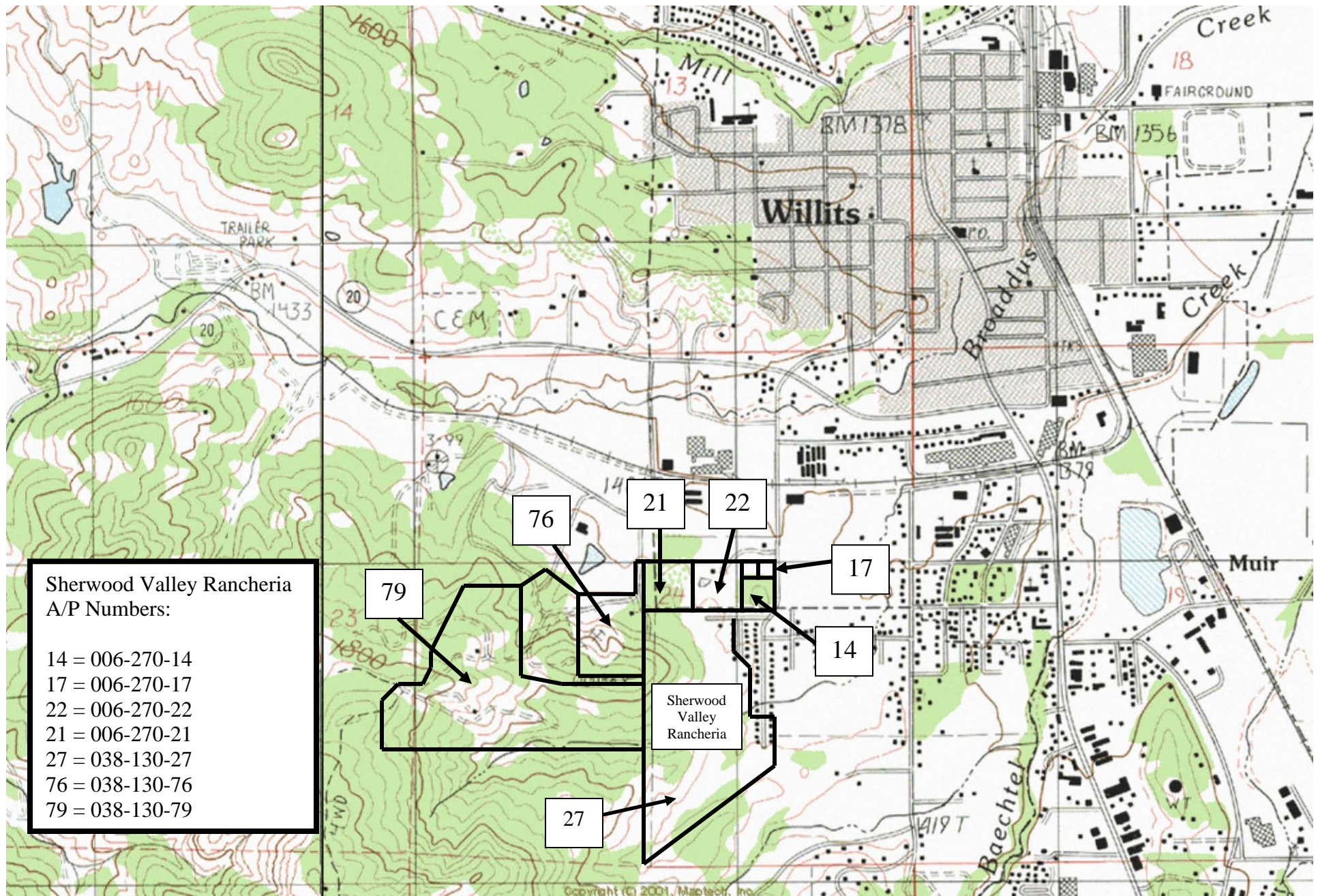
APPENDIX A

Description of the Sherwood Valley Rancheria's Gaming Eligible Trust Land

The following parcels of land are held in trust by the United States of America for the Sherwood Valley Rancheria, in the County of Mendocino, State of California and are eligible for gaming:

APNs: 006-270-14, 006-270-17, 006-270-22, 006-270-21, 038-130-27,
038-130-76, 038-130-79

SHERWOOD VALLEY RANCHERIA – Map Topographic & Land Holdings



APPENDIX B

Off-Reservation Environmental Impact Analysis Checklist

I. Aesthetics

Would the project:	<i>Potentially Significant Impact</i>	<i>Less Than Significant With Mitigation Incorporation</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
a) Have a substantial adverse effect on a scenic vista?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Substantially damage off-reservation scenic resources, including, but not limited to, trees, rock outcroppings, and historic buildings within a state scenic highway?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Create a new source of substantial light or glare, which would adversely affect day or nighttime views of historic buildings or views in the area?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

II. Agricultural and Forest Resources

Would the project:	<i>Potentially Significant Impact</i>	<i>Less Than Significant With Mitigation Incorporation</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
a) Involve changes in the existing environment, which, due to their location or nature, could result in conversion of off-reservation farmland to non-agricultural use or conversion of off-reservation forest land to non-forest use?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

III. Air Quality

Would the project:	<i>Potentially Significant Impact</i>	<i>Less Than Significant With Mitigation Incorporation</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
a) Conflict with or obstruct implementation of the applicable air quality plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
b) Violate any applicable air quality standard or contribute to an existing or projected air quality violation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Result in a cumulatively considerable net increase of any criteria pollutant for which the project region is non-attainment under an applicable federal or state ambient air quality standard (including releasing emissions, which exceed quantitative thresholds for ozone precursors)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose off-reservation sensitive receptors to substantial pollutant concentrations?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create objectionable odors affecting a substantial number of people off-reservation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IV. Biological Resources

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Have a substantial adverse impact, either directly or through habitat modifications, on any species in local or regional plans, policies, or regulations, or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Have a substantial adverse effect on any off-reservation riparian habitat or other sensitive natural community identified in local or regional plans, policies, and regulations or by the California Department of Fish and Wildlife or U.S. Fish and Wildlife Service?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Have a substantial adverse effect on federally protected off-reservation wetlands as defined by Section 404 of the Clean Water Act?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
d) Interfere substantially with the off-reservation movement of any native resident or migratory fish or wildlife species or with established native resident or migratory wildlife corridors, or impede the use of native wildlife nursery sites?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Conflict with the provisions of an adopted Habitat Conservation Plan, Natural Community Conservation Plan, or other approved local, regional, or state habitat conservation plan outside Reservation boundaries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

V. Cultural Resources

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Cause a substantial adverse change in the significance of an off-reservation historical or archeological resource?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Directly or indirectly destroy a unique off-reservation paleontological resource or site or unique off-reservation geologic feature?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Disturb any off-reservation human remains, including those interred outside of formal cemeteries?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VI. Geology and Soils

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Expose off-reservation people or structures to potential substantial adverse effects, including the risk of loss, injury, or death involving:				
i) Rupture of a known earthquake fault, as delineated on the most recent Alquist-Priolo Earthquake Fault Zoning Map issued by the State Geologist for the area or based on	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
other substantial evidence of a known fault? Refer to Division of Mines and Geology Special Publication 42.				
ii) Strong seismic ground shaking?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii) Seismic-related ground failure, including liquefaction?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv) Landslides?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Result in substantial off-reservation soil erosion or the loss of topsoil?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VII. Greenhouse Gas Emissions

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Generate greenhouse gas emissions, either directly or indirectly, that may have a significant impact on the off- reservation environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any off-reservation plan, policy or regulation adopted for the purpose of reducing the emissions of greenhouse gases?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

VIII. Hazards and Hazardous Materials

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Create a significant hazard to the off-reservation public or the off-reservation environment through the routine transport, use, or disposal of hazardous materials?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

b) Create a significant hazard to the off-reservation public or the off-reservation environment through reasonably foreseeable upset and accident conditions involving the release of hazardous materials into the environment?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Emit hazardous emissions or handle hazardous or acutely hazardous materials, substances, or waste within one-quarter mile of an existing or proposed off-reservation school?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Expose off-reservation people or structures to a significant risk of loss, injury or death involving wildland fires.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

IX. Water Resources

Would the project:	<i>Potentially Significant Impact</i>	<i>Less Than Significant With Mitigation Incorporation</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
a) Violate any applicable off-reservation water quality standards or waste discharge requirements?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Substantially deplete off-reservation groundwater supplies or interfere substantially with groundwater recharge such that there should be a net deficit in aquifer volume or a lowering of the local groundwater table level (e.g., the production rate of pre-existing nearby wells would drop to a level which would not support existing land uses or planned uses for which permits have been granted)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, in a manner which would result in substantial off-reservation erosion or siltation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Substantially alter the existing drainage pattern of the site or area, including through the alteration of the course of a stream or river, or substantially increase the rate or amount of surface runoff in a manner which would result in flooding off-reservation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e) Create or contribute runoff water which would exceed the capacity of existing or planned storm water drainage systems or provide substantial additional sources of polluted runoff off-reservation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f) Place within a 100-year flood hazard area structures, which would impede or redirect off-reservation flood flows?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
g) Expose off-reservation people or structures to a significant risk of loss, injury or death involving flooding, including flooding as a result of the failure of a levee or dam?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

X. Land Use

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Conflict with any off-reservation land use plan, policy, or regulation of an agency adopted for the purpose of avoiding or mitigating an environmental effect?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with any applicable habitat conservation plan or natural communities conservation plan covering off-reservation lands?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XI. Mineral Resources

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Result in the loss of availability of a known off-reservation mineral resource classified MRZ-2 by the State Geologist that would be of value to the region and the residents of the state?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Result in the loss of availability of an off-reservation locally important mineral resource recovery site delineated on a local general plan, specific plan, or other land use plan?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XII. Noise

Would the project result in:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Exposure of off-reservation persons to noise levels in excess of standards established in the local general plan or noise ordinance, or applicable standards of other agencies?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Exposure of off-reservation persons to excessive groundborne vibration or groundborne noise levels?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) A substantial permanent increase in ambient noise levels in the off-reservation vicinity of the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) A substantial temporary or periodic increase in ambient noise levels in the off-reservation vicinity of the project?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XIII. Population and Housing

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Induce substantial off-reservation population growth?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Displace substantial numbers of existing housing, necessitating the construction of replacement housing elsewhere off-reservation?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XIV. Public Services

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Result in substantial adverse physical impacts associated with the provision of new or physically altered off-reservation governmental facilities, the construction of which could cause significant environmental impacts, in order to maintain acceptable service ratios, response times, or other				

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
performance objectives for any of the off-reservation public services:				
i) Fire protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
ii) Police protection?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iii) Schools?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
iv) Parks?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
v) Other public facilities?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XV. Recreation

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Increase the use of existing off-reservation neighborhood and regional parks or other recreational facilities such that substantial physical deterioration of the facility would occur or be accelerated?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XVI. Transportation / Traffic

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Conflict with an applicable plan, ordinance or policy establishing measures of effectiveness for the performance of the off-reservation circulation system, taking into account all modes of transportation including mass transit and non-motorized travel and relevant components of the circulation system, including, but not limited to intersections, streets, highways and freeways, pedestrian and bicycle paths, and mass transit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Conflict with an applicable congestion management program, including, but not limited to, level of service standards and travel demand measures, or other standards	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Would the project:	<i>Potentially Significant Impact</i>	<i>Less Than Significant With Mitigation Incorporation</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
established by the county congestion management agency for designated off-reservation roads or highways?				
c) Substantially increase hazards to an off-reservation design feature (e.g., sharp curves or dangerous intersections) or incompatible uses (e.g., farm equipment)?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Result in inadequate emergency access for off-reservation responders?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XVII. Utilities and Service Systems

Would the project:	<i>Potentially Significant Impact</i>	<i>Less Than Significant With Mitigation Incorporation</i>	<i>Less than Significant Impact</i>	<i>No Impact</i>
a) Exceed off-reservation wastewater treatment requirements of the applicable Regional Water Quality Control Board?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b) Require or result in the construction of new water or wastewater treatment facilities or expansion of existing facilities, the construction of which could cause significant off-reservation environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c) Require or result in the construction of new storm water drainage facilities or expansion of existing facilities, the construction of which could cause significant off-reservation environmental effects?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d) Result in a determination by an off-reservation wastewater treatment provider (if applicable), which serves or may serve the project that it has inadequate capacity to serve the project's projected demand in addition to the provider's existing commitments?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

XVIII. Cumulative Effects

Would the project:	Potentially Significant Impact	Less Than Significant With Mitigation Incorporation	Less than Significant Impact	No Impact
a) Have impacts that are individually limited, but cumulatively considerable off-reservation? "Cumulatively considerable" means that the incremental effects of a project are considerable when viewed in connection with the effects of past, current, or probable future projects.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

APPENDIX C

LIST OF CATEGORICAL EXEMPTIONS.

The section references within this Appendix refer to the regulations promulgated at the California Code of Regulations, title 14, division 6, chapter 3, sections 15300 through 15333, Guidelines for Implementation of the California Environmental Quality Act pursuant to section 21084 of the Public Resources Code.

1. Existing Facilities (§ 15301)

The operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the Tribe's determination. The types of "existing facilities" itemized below are not intended to be all-inclusive of the types of projects which might fall within this exemption for Existing Facilities. The key consideration is whether the project involves negligible or no expansion of an existing use.

Examples include but are not limited to:

- (a) Interior or exterior alterations involving such things as interior partitions, plumbing, and electrical conveyances;
- (b) Existing facilities of both investor and publicly-owned utilities used to provide electric power, natural gas, sewerage, or other public utility services;
- (c) Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety);

- (d) Restoration or rehabilitation of deteriorated or damaged structures, facilities, or mechanical equipment to meet current standards of public health and safety, unless it is determined that the damage was substantial and resulted from an environmental hazard such as earthquake, landslide, or flood;
- (e) Additions to existing structures provided that the addition will not result in an increase of more than 50 percent of the floor area of the structures before the addition, or 2,500 square feet, whichever is less;
- (f) Addition of safety or health protection devices for use during construction of or in conjunction with existing structures, facilities, or mechanical equipment, or topographical features including navigational devices;
- (g) New copy on existing on and off-premise signs;
- (h) Maintenance of existing landscaping, native growth, and water supply reservoirs (excluding the use of pesticides, as defined in Section 12753, Division 7, Chapter 2, of the California Food and Agricultural Code);
- (i) Demolition and removal of individual small structures listed below:
 - (1) A store, motel, office, restaurant, or similar small commercial structure if designed for an occupant load of 30 persons or less.
 - (2) Accessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences.

2. Replacement or Reconstruction (§ 15302)

The replacement or reconstruction of existing structures and facilities where the new structure will be located on the same site as the structure replaced and will have substantially the same purpose and capacity as the structure replaced, including but not limited to:

- (a) Replacement or reconstruction of existing structures or buildings to provide earthquake resistant structures which do not increase capacity more than 50 percent.
- (b) Replacement of a commercial structure with a new structure of substantially the same size, purpose, and capacity.
- (c) Replacement or reconstruction of existing utility systems and/or facilities involving negligible or no expansion of capacity.
- (d) Conversion of overhead electric utility distribution system facilities to underground including connection to existing overhead electric utility distribution lines where the surface is restored to the condition existing prior to the undergrounding.

3. New Construction or Conversion of Small Structures (§ 15303)

The construction and location of limited numbers of new, small facilities or structures; installation of small new equipment and facilities in small structures; and the conversion of existing small structures from one use to another where only minor modifications are made in the exterior of the structure. The numbers of structures described in this section are the maximum allowable on any legal parcel within the reservation. Examples of this exemption include, but are not limited to:

- (a) A store, motel, office, restaurant or similar structure not involving the use of significant amounts of hazardous substances, and not exceeding 2500 square feet in floor area.
- (b) Water main, sewage, electrical, gas, and other utility extensions, including street improvements, of reasonable length to serve such construction.
- (c) Accessory (appurtenant) structures including garages, carports, patios, swimming pools, and fences.

4. Minor Alterations to Land (§ 15304)

The minor public or private alterations in the condition of land, water, and/or vegetation which do not involve removal of healthy, mature, scenic trees except for forestry or agricultural purposes. Examples include, but are not limited to:

- (a) Grading on land with a slope of less than 10 percent, except that grading shall not be exempt in a waterway, in any wetland, in an officially designated (by federal, tribal, state, or local government action) scenic area, or in officially mapped areas of severe geologic hazard such as an Earthquake Fault Zone or Seismic Hazard Zone;
- (b) New gardening or landscaping, including the replacement of existing conventional landscaping with water efficient or fire resistant landscaping;
- (c) Filling of earth into previously excavated land with material compatible with the natural features of the site;
- (d) Minor alterations in land, water, and vegetation on existing officially designated wildlife management areas or fish production facilities which result in improvement of habitat for fish and wildlife resources or greater fish production;
- (e) Minor temporary use of land having negligible or no permanent effects on the environment, including carnivals, sales of Christmas trees, etc.;
- (f) Minor trenching and backfilling where the surface is restored;
- (g) Maintenance dredging where the spoil is deposited in a spoil area authorized by all applicable tribal and federal regulatory agencies;
- (h) The creation of bicycle lanes on existing rights-of-way;
- (i) Fuel management activities within 30 feet of structures to reduce the volume of flammable vegetation, provided that the activities will not result in the

taking of endangered, rare, or threatened plant or animal species or significant erosion and sedimentation of surface waters. This exemption shall apply to fuel management activities within 100 feet of a structure if the public agency having fire protection responsibility for the area has determined that 100 feet of fuel clearance is required due to extra hazardous fire conditions.

5. Accessory Structures (§ 15311)

The construction, or placement of minor structures accessory to (appurtenant to) existing commercial, industrial, or institutional facilities, including but not limited to:

- (a) On-premise signs;
- (b) Small parking lots;
- (c) Placement of seasonal or temporary use items such as lifeguard towers, mobile food units, portable restrooms, or similar items in generally the same locations from time to time in the Gaming facility, publicly owned parks, stadiums, or other facilities designed for public use.

6. Cogeneration Projects at Existing Facilities (§ 15329)

The installation of cogeneration equipment with a capacity of 50 megawatts or less at existing facilities meeting the conditions described in this section.

- (a) At existing industrial facilities, the installation of cogeneration facilities will be exempt where it will:
 - (1) Result in no net increases in air emissions from the industrial facility, or will produce emissions lower than the amount that would require review under the new source review rules applicable in the County, and

- (2) Comply with all applicable state, federal, and local air quality laws.
- (b) At commercial and institutional facilities, the installation of cogeneration facilities will be exempt if the installation will:
 - (1) Meet all the criteria described in subdivision (a);
 - (2) Result in no noticeable increase in noise to nearby off-reservation residential structures; and
 - (3) Not be contiguous or nearby off-reservation structures that are not commercial or institutional structures.

7. Minor Actions to Prevent, Minimize, Stabilize, Mitigate or Eliminate the Release or Threat of Release of Hazardous Waste or Hazardous Substances (§ 15330)

Any minor cleanup actions taken to prevent, minimize, stabilize, mitigate, or eliminate the release or threat of release of a hazardous waste or substance which are small or medium removal actions costing \$1 million or less.

- (a) No cleanup action shall be subject to this exemption if the action requires the onsite use of a hazardous waste incinerator or thermal treatment unit or the relocation of residences or businesses, or the action involves the potential release into the air of volatile organic compounds as defined in California Health and Safety Code Section 25123.6, except for small scale in situ soil vapor extraction and treatment systems which have been permitted by the any federal or tribal agency under the Federal Clean Air Act. All actions must be consistent with applicable federal, tribal, state and local environmental permitting requirements including, but not limited to, off-site disposal, air quality rules such as those governing volatile organic compounds and water quality standards, and approved by the regulatory body with jurisdiction over the site.
- (b) Examples of such minor cleanup actions include but are not limited to:

- (1) Removal of sealed, non-leaking drums or barrels of hazardous waste or substances that have been stabilized, containerized and are designated for a lawfully permitted destination;
- (2) Maintenance or stabilization of berms, dikes, or surface impoundments;
- (3) Construction or maintenance or interim of temporary surface caps;
- (4) Onsite treatment of contaminated soils or sludges, provided treatment system meets all applicable law;
- (5) Excavation and/or offsite disposal of contaminated soils or sludges in regulated units;
- (6) Application of dust suppressants or dust binders to surface soils;
- (7) Controls for surface water run-on and run-off that meets applicable seismic safety standards;
- (8) Pumping of leaking ponds into an enclosed container;
- (9) Construction of interim or emergency ground water treatment systems;
- (10) Posting of warning signs and fencing for a hazardous waste or substance site that meets legal requirements for protection of wildlife.

Appendix D

Tribal Labor Relations Ordinance

Section 1: Threshold of Applicability

- (a) The Tribe shall adopt this Tribal Labor Relations Ordinance (“TLRO” or “Ordinance”) and this Ordinance shall apply only if the Tribe employs two hundred fifty (250) or more persons, not including the [Name of Tribe]’s enrolled members, in a tribal casino and related facility. For purposes of this Ordinance, “Tribe” shall include any person or entity that operates a tribal casino on the Tribe’s behalf, and a “tribal casino” is one in which class III gaming is conducted pursuant to the tribal-state compact. A “related facility” is one for which the only significant purpose is to facilitate patronage of the class III gaming operations.
- (b) Upon the request of a labor union (also referred to as “union,” “employee organization” or “labor organization”) that seeks or may in the future seek to represent a bargaining unit of the Tribe’s Eligible Employees, as defined in Section 2, concerning grievances, labor disputes, wages, rates of pay, hours of employment, or conditions of work, the Tribal Gaming Commission or Tribal Gaming Agency (hereinafter referred to as the “Tribal Gaming Commission”) shall certify the number of employees, not including enrolled members of the Tribe, in a tribal casino or related facility as those terms are defined in subsection (a) of this Section 1. Either party may dispute the certification of the Tribal Gaming Commission to the Tribal Labor Panel, the creation of which is set forth in Section 13 herein. Notwithstanding the foregoing, if a labor union has filed a petition for an election under Section 9 of the National Labor Relations Act (“NLRA”) to represent a bargaining unit of the Tribe’s Eligible Employees, that labor union may not seek an election under this Ordinance for one year (365 days) after the date of filing the election petition under the NLRA so long as all of the following conditions are met:
 - (1) The Tribe has not, in response to the election petition or a related case or proceeding, contested the National Labor Relations Board’s jurisdiction over the tribal casino and related facility; and
 - (2) The National Labor Relations Board has not declined jurisdiction over the labor union’s petition for an election; and
 - (3) The Tribe has complied with its obligations under Section 5 of this Ordinance during the previous three hundred sixty-five (365) days.

Section 2: Definition of Eligible Employees

- (a) The provisions of this Ordinance shall apply to any person (hereinafter “Eligible Employee”) who is employed within a tribal casino in which class III gaming is conducted pursuant to a tribal-state compact, or in a related facility except for any of the following:
 - (1) any employee who is a supervisor, defined as any individual having authority, in the interest of the Tribe and/or employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign (including scheduling), reward, or discipline other employees, or responsibility to direct them or to adjust their grievances, or effectively to recommend such action, if in connection with the foregoing the exercise of such authority is not of a merely routine or clerical nature, but requires the use of independent judgment;
 - (2) any employee of the Tribal Gaming Commission;
 - (3) any employee of the security or surveillance department, other than those who are responsible for the technical repair and maintenance of equipment;
 - (4) any cash operations employee who is a “cage” employee or money counter; or
 - (5) any dealer.
- (b) On March 1 of each year, the Tribal Gaming Commission shall certify the number of Eligible Employees employed by the Tribe to the administrator of the Tribal Labor Panel.

Section 3: Non-Interference with Regulatory or Security Activities

Operation of this Ordinance shall not interfere in any way with the duty of the Tribal Gaming Commission to regulate the gaming operation in accordance with the Tribe’s National Indian Gaming Commission-approved gaming ordinance and/or the compact. Furthermore, the exercise of rights hereunder shall in no way interfere with the tribal casino’s surveillance/security systems, or any other internal controls system designed to protect the integrity of the Tribe’s gaming operations. The Tribal Gaming Commission is specifically excluded from the definition of Tribe and its agents.

Section 4: Eligible Employees Free to Engage in or Refrain From Concerted Activity

Eligible Employees shall have the right to self-organization, to form, to join, or assist employee organizations, to bargain collectively through representatives of their own choosing, to engage in other concerted activities for the purpose of collective bargaining or other mutual aid or protection, and shall also have the right to refrain from any or all such activities.

Section 5: Unfair Labor Practices for the Tribe

It shall be an unfair labor practice for the Tribe and/or employer or their agents:

- (a) to interfere with, restrain or coerce Eligible Employees in the exercise of the rights guaranteed herein;
- (b) to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it, but this does not restrict the Tribe and/or employer and a certified union from agreeing to union security or dues check off;
- (c) to discharge or otherwise discriminate against an Eligible Employee because s/he has filed charges or given testimony under this Ordinance; or
- (d) after certification of the labor organization pursuant to Section 10, to refuse to bargain collectively with the representatives of Eligible Employees.

Section 6: Unfair Labor Practices for the Labor Organization

It shall be an unfair labor practice for a labor organization or its agents:

- (a) to interfere, restrain or coerce Eligible Employees in the exercise of the rights guaranteed herein;
- (b) to engage in, or to induce or encourage any individual employed by any person engaged in commerce or in an industry affecting commerce to engage in, a strike or a primary or secondary boycott or a refusal in the course of his/her employment to use, manufacture, process, transport or otherwise handle or work on any goods, articles, materials, or commodities or to perform any services; or to threaten, coerce, or restrain any person engaged in commerce or in an industry affecting commerce or other terms and conditions of employment. This section does not apply to Section 11;
- (c) to force or require the Tribe, casino and/or employer to recognize or bargain with a particular labor organization as the representative of Eligible Employees if another labor organization has been certified as the representative of such Eligible Employees under the provisions of this TLRO;
- (d) to refuse to bargain collectively with the Tribe, casino and/or employer, provided it is the representative of Eligible Employees subject to the provisions herein; or
- (e) to attempt to influence the outcome of a tribal governmental election, *provided*, however, that this subsection (e) does not apply to tribal members.

Section 7: Tribe and Union Right to Free Speech

- (a) The Tribe's and the union's expression of any view, argument or opinion or the dissemination thereof, whether in written, printed, graphic or visual form, shall not constitute or be evidence of interference with, restraint, or coercion if such expression contains no threat of reprisal or force or promise of benefit.
- (b) The Tribe agrees that if a union first offers in writing that it and its local affiliates will comply with (b)(1) and (b)(2), the Tribe shall comply with the provisions of (c) and (d).
 - (1) For a period of three hundred sixty-five (365) days following delivery of a Notice of Intent to Organize ("NOIO") to the Tribe the union shall:
 - (A) not engage in strikes, picketing, boycotts, attack websites, or other economic activity at or in relation to the tribal casino or related facility; and refrain from engaging in strike-related picketing on Indian lands as defined in 25 U.S.C. § 2703(4);
 - (B) not disparage the Tribe for purposes of organizing Eligible Employees;
 - (C) not attempt to influence the outcome of a tribal government election or other tribal governmental decision so long as the decision is unrelated to Eligible Employees or the subject-matter of this Ordinance; provided, however, that this prohibition does not apply to tribal members; and
 - (D) during the three hundred sixty-five (365) days after the Tribe received the NOIO, the union must collect dated and signed authorization cards pursuant to Section 10 herein and complete the secret ballot election also in Section 10 herein. Failure to complete the secret ballot election within a period of three hundred sixty-five (365) days after the Tribe received the NOIO shall mean that the union shall not be permitted to deliver another NOIO for a period of two years (730 days) from the date the Tribe received the NOIO.
 - (2) Resolve all issues, including collective bargaining impasses, through the binding dispute resolution mechanisms set forth in Section 13 herein.
- (c) Upon receipt of a NOIO, the Tribe shall:
 - (1) within five (5) business days provide to the union an election eligibility list containing the full first and last names of the Eligible Employees within the sought-after bargaining unit and the Eligible Employees' last known addresses, telephone numbers and email addresses;

- (2) for a period of three hundred sixty-five (365) days thereafter, not take any action or make any statement that directly or indirectly states or implies any opposition to the selection by such employees of a collective bargaining agent, or preference for or opposition to any particular union as a bargaining agent. This includes refraining from making derisive comments about unions; publishing or posting pamphlets, fliers, letters, posters or any other communication which could reasonably be interpreted as criticizing the union or advising Eligible Employees to vote “no” against the union. However, the Tribe shall be free at all times to fully inform Eligible Employees about the terms and conditions of employment it provides to employees and the advantages of working for the Tribe; and
- (3) resolve all issues, including collective bargaining impasses, through the binding dispute resolution mechanisms set forth in Section 13 herein.
- (d) The union’s offer in subsection (b) of this Section 7 shall be deemed an offer to accept the entirety of this Ordinance as a bilateral contract between the Tribe and the union, and the Tribe agrees to accept such offer. By entering into such bilateral contract, the union and Tribe mutually waive any right to file any form of action or proceeding with the National Labor Relations Board for the three hundred sixty-five (365)-day period following the Tribe’s receipt of the NOIO.
- (e) The Tribe shall mandate that any person or entity responsible for all or part of the operation of the casino and related facility shall assume the obligations of the Tribe under this Ordinance. If the Tribe enters into a management contract, and at the time the management contract is in effect the Tribe recognizes a labor organization as the representative of Eligible Employees, certified pursuant to this Ordinance, the labor organization will provide the management contractor, upon request, the election officer’s certification which constitutes evidence that the labor organization has been determined to be the majority representative of the Tribe’s Eligible Employees in the sought-after bargaining unit.
- (f) If the Tribe fails to comply with any obligation under this Section, including the time limits, the Tribe shall recognize the union as the collective bargaining representative of any unit of Eligible Employees, contingent upon and following certification by a member of the Tribal Labor Panel pursuant to Section 10 that a majority of such Eligible Employees have selected the union to serve as their representative. Upon request by the Tribal Labor Panel member, the Tribe shall provide a list of Eligible Employees in the unit and signature exemplars.

Section 8: Access to Eligible Employees

- (a) Access shall be granted to the union for the purposes of organizing Eligible Employees, provided that such organizing activity shall not interfere with patronage of the casino or related facility or with the normal work routine of the Eligible Employees and shall be done on non-work time in non-work areas

that are designated as employee break rooms or locker rooms that are not open to the public. The Tribe may require the union and/or union organizers to be subject to the same licensing rules applied to individuals or entities with similar levels of access to the casino or related facility, provided that such licensing shall not be unreasonable, discriminatory, or designed to impede access.

- (b) The Tribe, in its sole discretion, may also designate additional voluntary access to the union in such areas as employee parking lots and non-casino facilities located on tribal lands.
- (c) In determining whether organizing activities potentially interfere with normal tribal work routines, the union's activities shall not be permitted if the Tribal Labor Panel determines that they compromise the operation of the casino's:
 - (1) security and surveillance systems throughout the casino and reservation;
 - (2) access limitations designed to ensure security;
 - (3) internal controls designed to ensure security and approved by the Tribal Gaming Commission or Agency consistent with the compact; or
 - (4) other systems designed to protect the integrity of the Tribe's gaming operations, tribal property and/or safety of casino personnel, patrons, employees or tribal members, residents, guests or invitees.
- (d) The Tribe agrees to facilitate the dissemination of information from the union to Eligible Employees at the tribal casino by allowing posters, leaflets and other written materials to be posted in non-public employee break areas where the Tribe already posts or permits the posting of announcements pertaining to Eligible Employees. Actual posting of such posters, notices, and other materials shall be by Eligible Employees desiring to post such materials, at such times and in such manner as is permitted for the posting of other employee materials, provided that such rules do not interfere with or delay the exercise of rights created by the Section.

Section 9: Indian Preference Explicitly Permitted

Nothing herein shall preclude the Tribe from giving Indian preference in employment, promotion, seniority, lay-offs or retention to members of any federally recognized Indian tribe or shall in any way affect the Tribe's right to follow tribal law, ordinances, personnel policies or the Tribe's customs or traditions regarding Indian preference in employment, promotion, seniority, lay-offs or retention. Moreover, in the event of a conflict between tribal law, tribal ordinance or the Tribe's customs and traditions regarding Indian preference and this Ordinance, the tribal law, tribal ordinance, or the Tribe's customs and traditions shall govern.

Section 10: Secret Ballot Elections

- (a) The election officer shall be chosen within five (5) business days of notification by the labor organization to the Tribe and the administrator of the Tribal Labor Panel of its intention to present authorization cards, and the same election officer shall preside thereafter for all proceedings under the request for recognition; provided, however, that if the election officer resigns, dies, or is incapacitated for any other reason from performing the functions of this office, a substitute election officer shall be selected in accordance with the dispute resolution provisions herein. Dated and signed authorization cards from thirty percent (30%) or more of the Eligible Employees within the bargaining unit verified by the elections officer will result in the conduct of a secret ballot election. The election officer shall make a determination as to whether the required thirty percent (30%) showing has been made within three (3) business days after the submission of authorization cards. If the election officer determines the required thirty percent (30%) showing of interest has been made, the election officer shall issue a notice of election. The election shall be concluded within thirty (30) calendar days of the issuance of the notice of election.
- (b) Upon the showing of interest to the election officer pursuant to subsection (a), within three (3) business days the Tribe shall provide to the union an election eligibility list containing the full first and last names of the Eligible Employees within the sought after bargaining unit and the Eligible Employees' last known addresses, telephone numbers and email addresses. Nothing herein shall preclude a Tribe from voluntarily providing an election eligibility list at an earlier point of a union organizing campaign with or without an election.
- (c) The election shall be conducted by the election officer by secret ballot pursuant to procedures set forth in a consent election agreement in substantially the same form as Attachment 1. In the event either that a party refuses to enter into the consent election agreement or that the parties do not agree on the terms, the election officer shall issue an order that conforms to the terms of the form consent election agreement and shall have authority to decide any terms upon which the parties have not agreed, after giving the parties the opportunity to present their views in writing or in a telephonic conference call. The election officer shall be a member of the Tribal Labor Panel chosen pursuant to the dispute resolution provisions herein at Section 13(b)(2). All questions concerning representation of the Tribe and/or Eligible Employees by a labor organization shall be resolved by the election officer.
- (d) The election officer shall certify the labor organization as the exclusive collective bargaining representative of a unit of employees if the labor organization has received the support of a majority of the bargaining unit's Eligible Employees in a secret ballot election that the election officer determines to have been conducted fairly. The numerical threshold for certification is fifty percent (50%) of the Eligible Employees in the bargaining unit plus one (1). If the election

officer determines that the election was conducted unfairly due to misconduct by the Tribe and/or employer or the union, the election officer may order a re-run election. If the election officer determines that there was the commission of serious Unfair Labor Practices by the Tribe, or in the event the union made the offer provided for in Section 7(b) and that the Tribe violated its obligations under Section 7(c), in a way that interferes with the election process and precludes the holding of a fair election, and the labor organization is able to demonstrate that it had the support of a majority of the employees in the bargaining unit at any time before or during the course of the Tribe's misconduct, the election officer shall certify the labor organization as the exclusive bargaining representative. If the election officer determines that the union committed serious unfair labor practices during the three hundred sixty-five (365) days after the Tribe received the NOIO in a way that precludes holding a fair election, the election officer may delay the election until a time when the election officer determines that a fair election may be held.

- (e) The Tribe or the union may appeal within five (5) days any decision rendered after the date of the election by the election officer to a three (3)-member panel of the Tribal Labor Panel mutually chosen by both parties, provided that the Tribal Labor Panel must issue a decision within thirty (30) days after receiving the appeal.
- (f) A union that loses an election and has exhausted all dispute remedies related to the election may not invoke any provisions of this Ordinance at that particular casino or related facility until one (1) year after the election was lost.

Section 11: Collective Bargaining Impasse

- (a) Upon recognition, the Tribe and the union will negotiate in good faith for a collective bargaining agreement covering bargaining unit employees represented by the union.
- (b) If collective bargaining negotiations result in impasse, the union shall have the right to strike. No strike-related picketing may be conducted on the Tribe's Indian lands as defined in 25 U.S.C. § 2703(4).
- (c) Where the union makes the offer set forth in Section 7(b), if collective bargaining negotiations result in impasse, the matter shall be resolved as set forth in Section 13(c).

Section 12: Decertification of Bargaining Agent

- (a) The filing with the election officer of a petition signed by thirty percent (30%) or more of the Eligible Employees in a bargaining unit seeking the decertification of a certified union, will result in a secret ballot election. The election officer shall make a determination as to whether the required thirty percent (30%) showing has been made within three (3) business days after the

submission of the petition. If the election officer determines the required thirty percent (30%) showing of interest has been made, the election officer shall issue a notice of election. The election shall be concluded within thirty (30) calendar days of the issuance of the notice of election.

- (b) The election shall be conducted by an election officer by secret ballot pursuant to procedures set forth in a consent election agreement in substantially the same form as Attachment 1. The election officer shall be a member of the Tribal Labor Panel chosen pursuant to the dispute resolution provisions herein. All questions concerning the decertification of the union shall be resolved by the election officer. The election officer shall be chosen upon notification to the Tribe and the union of the intent of the Eligible Employees to present a decertification petition, and the same election officer shall preside thereafter for all proceedings under the request for decertification; *provided* however that if the election officer resigns, dies or is incapacitated for any other reason from performing the functions of this office, a substitute election officer shall be selected in accordance with the dispute resolution provisions herein.
- (c) The election officer shall order the labor organization decertified as the exclusive collective bargaining representative of the bargaining unit if a majority of the Eligible Employees support decertification of the labor organization in a secret ballot election that the election officer determines to have been conducted fairly. The numerical threshold for decertification is fifty percent (50%) of the Eligible Employees in the bargaining unit plus one (1). If the election officer determines that the election was conducted unfairly due to misconduct by the Tribe and/or employer or the union, the election officer may order a re-run election or dismiss the decertification petition.
- (d) A decertification proceeding may not begin until one (1) year after the certification of a labor union if there is no collective bargaining agreement. Where there is a collective bargaining agreement, a decertification petition may only be filed no more than ninety (90) days and no less than sixty (60) days prior to the expiration of a collective bargaining agreement. A decertification petition may be filed any time after the expiration of a collective bargaining agreement.
- (e) The Tribe or the union may appeal within five (5) days any decision rendered after the date of the election by the election officer to a three (3) member panel of the Tribal Labor Panel chosen in accordance with Section 13(b), provided that the Tribal Labor Panel must issue a decision within thirty (30) days after receiving the appeal.

Section 13: Binding Dispute Resolution Mechanism

- (a) All issues shall be resolved exclusively through the binding dispute resolution mechanisms herein.

- (b) The method of binding dispute resolution shall be a resolution by the Tribal Labor Panel, consisting of ten (10) arbitrators appointed by mutual selection of the parties, which panel shall serve all tribes that have adopted this or any tribal labor relations ordinance adopted pursuant to a compact with the State of California. The Tribal Labor Panel shall have authority to hire staff and take other actions necessary to conduct elections, determine units, determine scope of negotiations, hold hearings, subpoena witnesses, take testimony, and conduct all other activities needed to fulfill its obligations under this Ordinance.
- (1) Each member of the Tribal Labor Panel shall have relevant experience in federal labor law and/or federal Indian law, with preference given to those with experience in both. Names of individuals may be provided by such sources as, but not limited to, Indian Dispute Resolution Services, Federal Mediation and Conciliation Service, and the American Academy of Arbitrators.
 - (2) One arbitrator from the Tribal Labor Panel will render a binding decision on the dispute under the Ordinance. Five (5) Tribal Labor Panel members' names shall be submitted to the parties and each party may strike no more than two (2) names. If the dispute will be decided by a three (3)-member panel, seven (7) Tribal Labor Panel names will be submitted and each party can strike no more than two (2) names. A coin toss shall determine which party may strike the first name. The arbitrator will generally follow the American Arbitration Association's procedural rules relating to labor dispute resolution, as well as substantive federal decisional law under Section 301 of the Labor Management Relations Act. The arbitrator must render a written, binding decision that complies in all respects with the provisions of this Ordinance within thirty (30) days after a hearing.
- (c)
- (1) Upon certification of a union in accordance with Section 7 or 10 of this Ordinance, the Tribe and union shall negotiate for a period of ninety (90) days after certification. If, at the conclusion of the ninety (90)-day period, no collective bargaining agreement is reached and either the union and/or the Tribe believes negotiations are at an impasse, at the request of either party, the matter shall be submitted to mediation with the Federal Mediation and Conciliation Service. The costs of mediation and conciliation shall be borne equally by the parties.
 - (2) Upon appointment, the mediator shall immediately schedule meetings at a time and location reasonably accessible to the parties. Mediation shall proceed for a period of thirty (30) days. Upon expiration of the thirty (30)-day period, if the parties do not resolve the issues to their mutual satisfaction, the mediator shall certify that the mediation process has been exhausted. Upon mutual agreement of the parties, the mediator may extend the mediation period.

- (3) Within twenty-one (21) days after the conclusion of mediation, the mediator shall file a report that resolves all of the issues between the parties and establishes the final terms of a collective bargaining agreement, including all issues subject to mediation and all issues resolved by the parties prior to the certification of the exhaustion of the mediation process. With respect to any issues in dispute between the parties, the report shall include the basis for the mediator's determination. The mediator's determination shall be supported by the record.
 - (4) In resolving the issues in dispute, the mediator may consider those factors commonly considered in similar proceedings.
- (d) Either party may seek a motion to compel arbitration or a motion to confirm or vacate an arbitration award under this Section 13 without exhausting tribal remedies in the appropriate state superior court, unless a bilateral contract has been created in accordance with Section 7, in which case either party may proceed in federal court. The Tribe agrees to a limited waiver of its sovereign immunity for the sole purpose of compelling arbitration or confirming or vacating an arbitration award issued pursuant to the Ordinance in the appropriate state superior court or in federal court. The parties are free to put at issue whether or not the arbitration award exceeds the authority of the Tribal Labor Panel. Any party unsuccessfully challenging its duty to arbitrate or to comply with an arbitral award shall be liable for the other party's attorney's fees and other expenses of litigation.

Attachment 1

CONSENT ELECTION AGREEMENT PROCEDURES

Pursuant to the Tribal Labor Relations Ordinance adopted pursuant to section 12.0 of the Tribe's compact, the undersigned parties hereby agree as follows:

1. Jurisdiction. [Tribe] is an employer within the meaning of the Ordinance; and each employee organization named on the ballot is an employee organization within the meaning of the Ordinance; and the employees described in the voting unit are Eligible Employees within the meaning of the Ordinance.

2. Election. An election by secret ballot shall be held under the supervision of the elections officer among the bargaining unit's Eligible Employees of the Tribe named above, and in the manner described below, to determine which employee organization, if any, shall be certified to represent such employees pursuant to the Ordinance.

3. Voter Eligibility. Unless otherwise indicated below, the eligible voters shall be all Eligible Employees within the requested bargaining unit who were employed on the eligibility cutoff date indicated below, and who are still employed on the date they cast their ballots in the election, *i.e.*, the date the voted ballot is received by the elections officer. Eligible Employees who are ill, on vacation, on leave of absence or sabbatical, temporarily laid off, and employees who are in the military service of the United States shall be eligible to vote.

4. Voter Lists. The Tribe shall electronically file with the elections officer a list of eligible voters within three (3) business days after receipt of a Notice of Election.

5. Notice of Election. The elections officer shall serve Notices of Election on the Tribe and on each party to the election. The Notice of Election shall contain a sample ballot, a description of the voting unit and information regarding the balloting process. Upon receipt, the Tribe shall post such Notice of Election conspicuously on all employee bulletin boards in each area of the facility in which members of the voting unit are employed. Once a Notice of Election is posted, where the union has made the written offer set forth in Section 7(b) of the Tribal Labor Relations Ordinance, the Tribe shall continue to refrain from publishing or posting pamphlets, fliers, letters, posters or any other communication which should be interpreted as criticism of the union or advises employees to vote "no" against the union. The Tribe shall be free at all times to fully inform employees about the terms and conditions of employment it provides to employees and the advantages of working for the Tribe.

6. Challenges. The elections officer or an authorized agent of any party to the election may challenge, for good cause, the eligibility of a voter. Any challenges shall be made prior to the tally of the ballots.

7. Tally of Ballots. At the time and place indicated below, ballots shall be commingled and tabulated by the elections officer. Each party shall be allowed to station an

authorized agent at the ballot count to verify the tally of ballots. At the conclusion of the counting, the elections officer shall serve a Tally of Ballots on each party.

8. Objections and Post-election Procedures. Objections to the conduct of the election may be filed with the elections officer within five (5) calendar days following the service of the Tally of Ballots. Service and proof of service is required.

9. Runoff Election. In the event a runoff election is necessary, it shall be conducted at the direction of the elections officer.

10. Wording on Ballot. The choices on the ballot shall appear in the wording and order enumerated below.

FIRST: [***]

SECOND: [***]

THIRD: [***]

11. Cutoff Date for Voter Eligibility: [***]

12. Description of the Balloting Process. A secret ballot election will take place within thirty (30) days after delivery of the voter list referenced in paragraph 4. The employer will determine the location or locations of the polling places for the election. There must be at least one (1) neutral location (such as a high school, senior center, or similar facility) that is not within the Gaming Facility or subject to the gaming facility's surveillance system, and employees must also be afforded the option of voting by mail through procedures established by the election officer. Such procedures must include provisions that provide meaningful protection for each employee's ability to make an informed and voluntary individual choice on the issue of whether to accept or reject a union. Such procedures must also ensure that neither Tribe, employer nor union representatives shall observe employees personally marking, signing, or placing their ballot in the envelope. Only voters, designated observers and the election officer or supporting staff can be present in the polling area. Neither Tribe, employer nor union representatives may campaign in or near the polling area. If the election officer or supporting staff questions an employee's eligibility to vote in the election, the ballot will be placed in a sealed envelope until the employee's eligibility is determined. The box will be opened under the supervision of the election officer when voting is finished. Ballots submitted by mail must be received by the elections officer no later than the day before the election in order to be counted in the official tally of ballots.

13. Voter List Format and Filing Deadline: Not later than three (3) business days after receipt of the Notice of Election, the Tribe shall file with the elections officer, at [**address**], an alphabetical list of all eligible voters including their job titles, work locations and home addresses.

Copies of the list shall be served concurrently on the designated representative for the [***]; proof of service must be concurrently filed with elections officer.

In addition, the Tribe shall submit to the election officer on or before [***], by electronic mail, a copy of the voter list in an Excel spreadsheet format, with columns labeled as follows: First Name, Last Name, Street Address, City, State, and Zip Code. Work locations and job titles need not be included in the electronic file. The file shall be sent to [***].

14. Notices of Election: Shall be posted by the Tribe no later than [***].

15. Date, Time and Location of Counting of Ballots: Beginning at [**time**] on [**date**], at the [**address**].

16. Each signatory to this Agreement hereby declares under penalty of perjury that s/he is a duly authorized agent empowered to enter into this Consent Election Agreement.

(Name of Party)
By
(Title) (Date)

(Name of Party)
By
(Title) (Date)

(Name of Party)
By
(Title) (Date)

(Name of Party)
By
(Title) (Date)

Date approved: _____

[**Author**]

Elections Officer

APPENDIX E

Off-Track Satellite Wagering

WHEREAS, the State of California (State) permits and regulates pari-mutuel wagering on horse racing (also known as off-track wagering) at authorized satellite wagering facilities (also known as simulcast wagering facilities) at various locations within the State, under the terms of California Business and Professions Code section 19400 et seq. (California Horse Racing Law); and

WHEREAS, the California Horse Racing Board (Board) is the agency established under California state law to administer and enforce all laws, rules, and regulations affecting horse racing and pari-mutuel wagering within the state and has enacted regulations that appear at title 4, division 4 of the California Code of Regulations, regulating the conduct of pari-mutuel and simulcast wagering on the results of horse races (Board Rules and Regulations); and

WHEREAS, operation of a satellite wagering facility is a Class III Gaming activity under IGRA; and

WHEREAS, the Sherwood Valley Rancheria of Pomo Indians of California (Tribe) has duly enacted its Gaming Ordinance, which permits Class III Gaming on and within the Tribe's Indian lands if conducted in conformity with an applicable tribal-state compact; and

WHEREAS, section 3.0, subdivision (a), of the Compact authorizes and permits the Tribe to offer off-track wagering on horse races at a satellite wagering facility pursuant to the requirements of this Appendix; and

WHEREAS, the Tribe and the State each recognize the sovereign authority and interests of the other in regulating gaming activities within their respective areas of jurisdiction and in ensuring that off-track wagering on horse races is conducted fairly, honestly, professionally and in a manner that promotes the California horse racing industry.

NOW, THEREFORE, in consideration of the mutual promises set forth herein, the Tribe and the State agree as follows:

Sec. 1.0. Definitions.

Except where the context otherwise requires, the terms employed in this Appendix shall have the same meanings ascribed to them in the California Horse

Racing Law, the Board Rules and Regulations, and in the Compact, as they may be modified or amended from time to time during the term of the Compact.

Whenever reference to the Compact is made in this Appendix, that reference shall be understood to also include any Class III Gaming compact between the Tribe and the State to amend or replace the Compact that may hereafter be entered into and that is in effect. A satellite wagering machine is a device used solely to conduct off-track wagering on horse races authorized by this Appendix, and such a machine shall not be treated as a Gaming Device as defined in the Compact, including for the purpose of calculating the number of Gaming Devices operated by the Tribe under the Compact.

Sec. 2.0. Purpose.

The purpose of this Appendix is to establish and declare the terms upon which off-track wagering in a satellite wagering facility may be established and operated by the Tribe in its Gaming Facility as a means of developing self-sufficiency and generating additional revenues necessary to provide tribal services and programs, while providing the State and the Tribe with an effective means of regulating such activities in accordance with IGRA.

Sec. 3.0. Authorization to Operate Satellite Wagering Facility.

The Tribe is authorized to establish and operate off-track wagering on horse races in a satellite wagering facility (Satellite Facility) upon the Tribe's Indian lands within its Gaming Facility, provided that the Tribe completes and submits to the Board an Application for Authorization to Operate a Simulcast Wagering Facility (Form CHRB-25, or such form as may be revised), and such Satellite Facility is operated in conformity with IGRA, this Appendix, and the Compact. To the extent there may be provisions in the Compact that are in conflict with provisions in the California Horse Racing Law or the Board Rules and Regulations that are specific to the conduct of off-track wagering on horse races at a satellite wagering facility, the California Horse Racing Law and the Board Rules and Regulations, and the terms of this Appendix, shall control.

- (a) Satellite Facility. For purposes of this Appendix, a site within a Gaming Facility authorized under Compact section 4.2, which shall be clearly demarcated, shall be approved as the Tribe's Satellite Facility, provided that, upon inspection by the Board, the Board finds that the Satellite Facility complies with the substantive requirements of the California Horse Racing Law and the Board Rules and Regulations. References to the Satellite Facility in this Appendix shall refer only to

the portion of the Gaming Facility that has been demarcated as the Satellite Facility and shall not refer to any other portion of the Gaming Facility.

- (b) Continuing Obligation to Maintain Satellite Facility. The Tribe agrees to maintain its Satellite Facility in a manner that complies with all applicable satellite wagering facility requirements made applicable by this Appendix at all times; provided, however, that the Tribe retains sole discretion to cease operation of the Satellite Facility.
- (c) Except as provided in this Appendix, no prohibition upon, or regulation of, the establishment or operation of the Satellite Facility will be imposed upon the Tribe by the State.

Sec. 4.0. Agreements with Satellite Operating Organizations.

In order to permit the conduct of off-track wagering on horse races through intrastate satellite wagering and out-of-state satellite wagering at the Satellite Facility, the Tribe is hereby authorized to enter into agreements with any satellite operating organization that is established pursuant to Business and Professions Code section 19608.2, subdivision (a) or other provision of the California Horse Racing Law or the Board's Rules and Regulations, and which organization provides the audiovisual signal of, and operates satellite wagering on, racing events authorized to be received in the northern zone. No such satellite operating organization shall refuse to enter into such an agreement with the Tribe on the ground that the Tribe is not an entity eligible to be authorized to operate a satellite wagering facility under state law, or that the proposed agreement with the Tribe is otherwise inconsistent with any other provision of state law, or with the Board Rules and Regulations, as long as the proposed agreement between the Tribe and the satellite operating organization complies with federal law and with the terms of this Appendix. A copy of any such agreement entered into by the Tribe shall be provided to the Board at the location of the Board's headquarters within thirty (30) days after its execution. Except as herein provided, nothing in this Appendix is intended to alter in any way the rights of the satellite operating organization under state law.

Sec. 5.0. Distribution of Handle.

- (a) (1) Generally. The amounts deducted from pari-mutuel wagers at the Satellite Facility, and the distribution of such amounts, shall

be the same as those provided for under the California Horse Racing Law and the Board Rules and Regulations for satellite wagering facilities, other than fairs, in the southern zone.

- (2) State License Fee. In the event that during the term of the Compact, California law is amended to authorize the State to collect a state license fee, or a fee equivalent thereto, from the wagers placed at the Satellite Facility, the Tribe and the State shall promptly meet and confer as to whether that state license fee may be imposed on the Tribe under federal law. Any dispute as to this issue shall be resolved under the dispute resolutions provisions of section 13.0 of the Compact.

(b) Additional Provisions for Purposes of Business and Professions Code Section 19605.7.

- (1) The Tribe and the satellite operating organization may agree between them and may specify by incorporating into the agreement described in this Appendix, section 4.0, how the percentages of the handle specified in Business and Professions Code section 19605.7, subdivision (c), and designated for promotion of the program at the Satellite Facility, shall be distributed and expended; and
- (2) The Tribe shall be deemed to be the equivalent of the county, and entitled to the 0.33% of the handle distributed to the local government within which the Satellite Facility is located, as specified in Business and Professions Code section 19605.7, subdivision (d), and the Tribe shall receive that distribution instead of Mendocino County.

Sec. 6.0. Right of Entry.

The Tribe hereby grants the Board a right of entry onto the Tribe's land solely for purposes of inspecting its Satellite Facility and monitoring compliance with this Appendix. Such inspection or other site visits shall be conducted by the Board in accordance with the same schedules, policies, and procedures that the Board customarily applies to satellite wagering facilities licensed under state law. Except when entering, leaving, or remaining in the public areas of the Satellite Facility during normal operating hours, Board members or personnel shall notify the Tribal Gaming Agency, as defined in the Compact, when they seek access to

the restricted (i.e., non-public) areas of the Satellite Facility. Inspections of the non-public areas of the Satellite Facility and inspections, copying, and maintenance of papers, books and records, which shall remain the property of the Tribe, shall be conducted in accordance with the Compact. Nothing in this Appendix shall preclude the State Gaming Agency, as defined in the Compact, from entry into the Satellite Facility to carry out all activities, rights, and duties provided to the State Gaming Agency by the Compact.

Sec. 7.0. Concurrent Tribal Authority.

Nothing contained herein shall operate to preclude the Tribe from exercising such additional and concurrent regulatory authority as it may otherwise possess over the Gaming Activities authorized under this Appendix; provided, however, that any regulatory authority exercised by the Tribe over the Gaming Activities authorized in this Appendix shall be no less stringent than that which the Board would exercise over off-track wagering on horse races at satellite wagering facilities approved under state law.

Sec. 8.0. Consent Under Interstate Horse Racing Act.

To the extent that acceptance of interstate off-track wagers on horse races is authorized by California state law and the Board, the execution of the Compact by the State shall constitute consent to acceptance of interstate off-track wagers by the satellite operating organization at the Satellite Facility, as required under 15 U.S.C. § 3004(a)(3). Either the State, or the Board or its successor, if requested, shall acknowledge in writing the consent given herein.

Sec. 9.0. Licenses Generally.

Subject to compliance with the terms of this Appendix, the Tribe shall not be required to obtain or possess a license from the Board in order to establish and operate a satellite wagering facility within its Gaming Facility, and shall not be required to obtain any other license under state law in connection with its operation of its Satellite Facility, except as may be required under the Compact.

Sec. 10.0. Licensing of Employees.

- (a) Administrative and managerial personnel who exercise control over other persons licensed by the Board or the operation of satellite wagering, or whose duties routinely require access to restricted areas of the Satellite Facility, and clerical and other employees employed in a restricted area of the Satellite Facility, shall hold a valid license

issued by the Board, if the person is required to be licensed pursuant to section 1481 of the Board Rules and Regulations; provided that this requirement shall not apply to tribal public safety officers and security personnel of the Gaming Facility who regularly patrol the Satellite Facility in the course of performing their normal, assigned duties, but who are not assigned to remain therein continuously; and provided further that for the purposes of this Appendix, the restricted area of the Satellite Facility shall mean those areas within the Satellite Facility where admission can be obtained only upon presentation of authorized credentials or proper license, including those areas designated as the pari-mutuel department.

- (b) If required by any of the Tribe's ordinances, regulations, or rules, every person employed at the Satellite Facility on the Tribe's Indian lands shall:
 - (1) Hold a valid license issued by the Tribal Gaming Agency; or
 - (2) Be approved by the Tribal Gaming Agency for such employment.

Sec. 11.0. Security Control Over Satellite Facility.

The Tribe shall maintain such security controls over its Satellite Facility and premises, including the presence of licensed security personnel, as the Board's Chief Investigator shall direct; and shall remove, deny access to, eject, or exclude persons whose presence within the Satellite Facility is inimical to the interests of the State as provided by sections 1980 and 1989 of the Board Rules and Regulations, or to the interests of the Tribe in operating an honest, legitimate satellite facility. Persons prohibited from wagering or excluded from the Satellite Facility pursuant to sections 1980 through 1989 of the Rules and Regulations shall have the right to a hearing thereon pursuant to the Board Rules and Regulations, and the Tribe shall abide by the Board's decision following such hearing; however, nothing in this section shall affect the Tribe's power to exclude or remove persons from the Tribe's land, Gaming Facility, or Satellite Facility pursuant to federal law and the Tribe's laws, regulations, rules, or policies.

Sec. 12.0. Civil Regulation.

- (a) Generally. Except as modified by this Appendix, and except to the extent that they are in conflict with federal law, all provisions of the California Constitution and all provisions of California Horse Racing

Law that specifically and directly pertain to the conduct of off-track wagering on horse races at a satellite wagering facility, and all rules, regulations, policies, and regulatory and enforcement practices of the Board or its successor, which are now in existence or which may hereafter be enacted, adopted or from time to time amended, and that apply generally to satellite wagering facilities within the State, are hereby incorporated into this Appendix and shall be applicable to the Satellite Facility authorized by this Appendix to the same extent and in the same manner as they apply to satellite wagering facilities in operation within the state generally.

- (b) Non-Discrimination in Enforcement. In exercising the regulatory enforcement authority granted herein, such authority and the application of the Board Rules and Regulations and procedures shall not be exercised by the Board in a manner that discriminates against the Tribe or is more stringent than that applied to state-licensed satellite wagering facilities in operation within the State generally.

Sec. 13.0. Suitability Standard Regarding Licensing. It is the Tribe's and the State's intent that the licensing of persons, entities, and financial sources directly providing services or materials to the Tribe's Satellite Facility shall involve joint cooperation between the Tribal Gaming Agency and the Board. Except as modified by this Appendix, the Tribe agrees to comply with all licensing requirements, procedures, and standards relevant to satellite wagering facilities that are set forth in the California Horse Racing Law and the Board's Rules and Regulations.

Sec. 14.0. Governing Law. This Appendix shall be governed by and construed in accordance with federal law (including but not limited to IGRA) and the laws of the State of California to the extent those laws are not inconsistent with federal law; provided, however, that provisions of state laws and regulations expressly incorporated into this Appendix shall be construed in accordance with the laws of the State of California.

APPENDIX F

Sherwood Valley Rancheria of Pomo Indians of California Tribal Ordinances

APPENDIX F-2

Sherwood Valley Rancheria of Pomo Indians Patron Dispute Resolution Ordinance

ORDINANCE NO. 2021-XX-XX-XX

**SHERWOOD VALLEY RANCHERIA OF POMO INDIANS
PATRON DISPUTE RESOLUTION ORDINANCE**

BE IT ENACTED BY THE SHERWOOD VALLEY RANCHERIA OF POMO INDIANS AS FOLLOWS:

Section 1. Title.

The Sherwood Valley Rancheria of Pomo Indians ("Tribe") hereby enacts this ordinance, which shall be titled the "Sherwood Valley Patron Dispute Resolution Ordinance Amended" ("Ordinance").

Section 2. Purpose.

The Tribe has entered into a Tribal-State Gaming Compact (the "Compact") with the State of California. The purpose of this Ordinance and the procedures set forth herein is to comply with Section 10.0 of the Compact by providing a system and procedures for the fair and timely resolution of Patron Disputes.

Section 3. Authority.

This Ordinance is enacted pursuant to the Tribe's inherent sovereign authority and the Constitution of the Tribe.

Section 4. Definitions.

The following words have the following meanings as used in this Ordinance:

- A. "Gaming Activity" or "Gaming Activities" means the gaming activities authorized under the Compact.
- B. "Gaming Facility" or "Facility" means any building in which Gaming Activities or any Gaming Operations occur, such as the Sherwood Valley Casino ("Casino"), or in which the business records, receipts, or other funds of the Gaming Operation are maintained (but excluding offsite facilities primarily dedicated to storage of those records, and financial institutions), which may include parking lots, walkways, rooms, buildings, and areas that provide amenities to Gaming Activity patrons if, and only if, the principal purpose of which is to serve the activities of the Gaming Operation and Facility rather than providing the Gaming Operation with an incidental benefit.
- C. "Gaming Operation" means the business enterprise that offers and operates Gaming Activities, whether exclusively or otherwise, but does not include the Tribe's governmental or other business activities unrelated to the operation of the Gaming Facility.
- D. "Patron(s)" means any person who has entered onto the Tribe's land for purposes of patronizing the Gaming Facility or providing goods or services to the Gaming Facility.
- E. "Patron Dispute" means any disagreement regarding an incident alleged by a Patron relating to winnings from game play, a contest or giveaway at the Casino.

- F. "Person" means any natural individual.
- G. "Tribal Council" means the Tribal Council of the Tribe duly elected or designated under the Tribe's Constitution or other governing laws, traditions, or customs.
- H. "Tribal Gaming Commission" means the person, Commission, board, committee, commission, or council designated under Tribal law, primarily responsible for carrying out the Tribe's regulatory responsibilities under the Indian Gaming Regulatory Act and the Sherwood Valley Gaming Ordinance of 1996, Number 96-01-09-97.
- I. "Tribe" means the Sherwood Valley Rancheria of Pomo Indians of California also known as the Sherwood Valley Rancheria or the Sherwood Valley Band of Pomo Indians.

Section 5. Dispute Resolution Procedures.

In the event a Patron Dispute arises, the following procedures apply in order to promptly and thoroughly document and resolve the dispute.

- A. Informal Resolution. All Patron Disputes, whenever possible, should be resolved informally by the Casino with the intent of maintaining good Patron relations.
- B. Internal Dispute Resolution Procedures. In the event a Patron Dispute cannot be resolved informally, the Casino General Manager, or other gaming operation personnel at the direction of the General Manager (General Manager) must thoroughly document the dispute and follow the procedures set forth herein.
 - 1. The General Manager shall conduct a thorough and impartial investigation of all Patron Disputes as soon as reasonably possible after the dispute is reported, preferably while the Patron, witnesses, and pertinent Casino employees are on-site and other critical factors have not been compromised. If the Patron is unable or unwilling to remain on-site during the entire investigation, the Patron's contact information should be obtained before leaving the Casino.
 - 2. When commencing an investigation of a Patron Dispute, the General Manager shall take any oral statement the Patron wishes to give and shall provide the Patron a "Patron Dispute Complaint Form" (attached hereto as Attachment 1). The Complaint Form must be completed by the Patron and submitted back to the General Manager within five (5) days or as soon as reasonably possible, but in no event later than thirty (30) days from the date of the event giving rise to the dispute. The failure of the Patron to submit a completed Patron Dispute Complaint Form within thirty (30) days may result in the dismissal of the dispute without any further recourse.
 - 3. Any witnesses to the incident or event giving rise to the Patron Dispute shall have the opportunity to fill out and submit a "Voluntary Statement Form" (attached hereto as Attachment 2), to provide any information concerning the incident. In order to be considered, this information should be provided within five (5) days or as soon as reasonably possible, but in no event later than thirty (30) days from the date of the event giving rise to the dispute.
 - 4. Within thirty (30) days of receiving a Patron Dispute, the General Manager must complete the investigation thereof and the General Manager must provide a written determination of the dispute to the Tribal Gaming Commission and the Patron. The

written determination must include notice to the Patron of his or her opportunity to appeal the determination to the Tribal Gaming Commission within thirty (30) days of the date of the determination.

C. Tribal Gaming Commission Hearing. If the Patron disagrees with the General Manager's determination, the Patron may, in writing, file an appeal to the Tribal Gaming Commission and request a hearing within thirty (30) days of the date of the General Manager's written determination.

1. The Patron's written appeal along with all evidence obtained by the General Manager or GOP during the investigation will be provided to the Tribal Gaming Commission for its consideration on appeal.
2. Prior to the hearing, the Patron will be provided the opportunity to review any evidence to be considered by the Tribal Gaming Commission on appeal, except for any such evidence the Tribal Gaming Commission is prohibited under applicable law from disclosing due to privilege, confidentiality or sensitivity.
3. At the appeal hearing, the Patron may appear in person, or by a legal representative, and will be permitted to present evidence in support of his or her appeal.
4. Within thirty (30) days following the hearing, the Tribal Gaming Commission shall issue a written notice of decision on the appeal and deliver it to the Patron by certified U.S. mail.

D. Final Decision. The decision of the Tribal Gaming Commission on an appeal regarding a Patron Dispute shall be final and not subject to any further appeals.

Section 6. Limited Waiver of Sovereign Immunity.

A. The sovereign immunity of the Tribe is hereby waived in accordance with Section 10.0 of the Compact, only for the sole and limited purpose of administering and resolving Patron Disputes in conformity with this Ordinance, provided that this waiver is effective only to the extent that the nature and extent of the Patron Dispute is within the scope and limits of this Ordinance.

B. Nothing herein shall be interpreted or construed as:

1. a waiver of the sovereign immunity of the Tribe beyond the limits set forth herein;
2. a waiver of the sovereign immunity of the Tribe with respect to untimely Patron Disputes;
3. a waiver of the sovereign immunity of the Tribe for punitive, double, treble, incidental, consequential or exemplary damages, interest prior or subsequent to judgment, attorney fees, court costs, expert fees or civil penalties;
4. a waiver of the sovereign immunity of the Tribe for any other claims or obligations asserted against or arising out of the Gaming Facility operations;

5. a waiver of the sovereign immunity of any other business or entity owned or controlled by the Tribe;
6. a waiver authorizing a lien, attachment, execution or other judicial or non-judicial process upon the assets of the Tribe or the Casino other than insurance proceeds; or
7. providing a cause of action of any kind whatsoever against any Tribal Council member, officer, director or employee of the Tribe or of the Gaming Operation acting within the course and scope of their official capacity or employment. Nothing herein shall preclude a Patron Dispute against the Casino pursuant to the procedures set forth in this Ordinance.

Section 7. Exclusive Remedy.

This Ordinance provides the exclusive procedures, forum, and remedy for the resolution of all Patron Disputes.

Section 8. Effective Date; Repeal of Prior Ordinance; Amendments.

This Ordinance and the procedures therein shall be effective on the date they are approved by the Tribal Council. By enacting this Ordinance, the Tribal Council effectively repeals and replaces any prior enacted ordinances of the Sherwood Valley Rancheria regarding patron disputes and any amendments thereto. This Ordinance may be amended in the same manner as it was adopted. Any amendment to this Ordinance shall become effective on the date such amendment is approved by the Tribal Council.

CERTIFICATION

This is to certify that the foregoing Ordinance was adopted by the Sherwood Valley Rancheria Tribal Council at a duly noticed meeting at which a quorum was present on _____, 2021, by a vote of _____ in favor, _____ opposed, and _____ abstaining.

Melanie Rafanan, Chairperson

Dated: _____

Attest

Dated: _____

SHERWOOD VALLEY CASINO
PATRON DISPUTE COMPLAINT FORM

[illegible]

[illegible]

Signature: _____ **Date:** _____

VOLUNTARY WITNESS STATEMENT

Date of Incident: _____ Time of Incident: _____

Location of Incident: _____

Name(s) of Involved People: _____

The following is a voluntary statement of facts and circumstances known to me concerning the above-referenced incident, given of my own free will for whatever purpose it may serve.

[illegible]

(Continue on reverse, if necessary)

Print Name _____ Signature _____

Address _____ Date _____

Telephone No. _____

For Casino Use Below:

Employee Dept: _____

Job Title: _____

APPENDIX F-3

Sherwood Valley Rancheria of Pomo Indians Sherwood Valley Casino Anti-Discrimination and Harassment Policy and Procedures

SHERWOOD VALLEY RANCHERIA OF POMO INDIANS

SHERWOOD VALLEY CASINO

ANTI-DISCRIMINATION AND HARASSMENT POLICY AND PROCEDURES

The Sherwood Valley Casino, an entity of the Sherwood Valley Rancheria of Pomo Indians of California, ("Casino") has zero tolerance for harassment and discrimination of any kind based on any protected class or characteristic. It is the policy of the Casino to provide a working atmosphere free from discrimination, intimidation, and any forms of harassment. Furthermore, all Casino employees, including management, share the responsibility for fostering a pleasant, respectful, and professional working atmosphere, which allows individuals to achieve high performance in their duties. The Casino expects all employees to read, understand, and comply with this policy and the procedures herein.

I. Harassment and Discrimination Prohibited

The Casino expressly forbids harassment (unwelcome conduct) or discrimination (treating someone differently) on the basis of any of the following protected classes as defined by California or federal law (whether actual or perceived): race, color, religion, ancestry, sex/gender (including sexual orientation, gender identity/expression and pregnancy), age, genetic information, marital status, national origin, disability, medical condition or military/veteran status, or any other class or characteristic protected as defined by applicable California or federal law.

Prohibited harassment may be overt or subtle and it may take any form, including verbal, nonverbal, written or physical. Some examples of harassment are verbal abuse; profane language, racial, ethnic and religious epithets; slurs or jokes (verbal, written or e-mail); graffiti (remarks written or drawn on walls or other structures); obscene gestures, touching or hazing. Even derogatory remarks between friends may amount to prohibited discrimination.

The Casino implements this policy to help provide fair employment opportunities for all qualified persons.

II. Sexual Harassment

Sexual harassment is harassment based on a person's sex, and it is intolerable in the workplace. Any form of sexual harassment is prohibited by the Casino and shall be a violation of this policy. Sexual harassment may consist of a wide range of unwanted or unwelcome sexually directed behavior that may include:

- a. making unwelcome sexual advances or requests for sexual favors or other verbal or physical conduct of any kind, including sexual flirtations, touching, advances, or propositions as a condition of the employee's continued employment or prevent advancement of employment;
- b. making submission to or rejection of such conduct the basis for employment decisions affecting the employee;

- c. stating or implying that a particular employee's deficiencies or performance are attributable, in whole or in part, to the sex of that person;
- d. verbal abuse of a sexual nature; or
- e. demeaning, insulting, intimidating, sexually suggestive comments about an individual's dress/body; or verbal, written recorded, or electronically transmitted messages, writings, objects, or pictures that create a hostile work environment.

III. Retaliation

Retaliation is when an employee suffers an adverse employment action, such as demotion or discipline, because the employee exercised his or her rights. It is a violation of this policy to retaliate against an individual for opposing or reporting any discriminatory or harassing conduct, testifying, or participating in any way in an investigation or proceeding authorized under this policy.

IV. Employee Responsibility

Any Casino employee who personally experiences or witnesses another person that being harassed by someone, or discriminated or retaliated against, in violation of this policy, should report such conduct to the Casino's management. Incidents shall ordinarily be reported to management through the employee's normal chain of command, including the department supervisor and manager. Supervisors and managers should attempt to resolve such issues, if possible, through informal means.

Although management supports the previously mentioned chain of command, they also encourage an "open door" policy of communication to ensure a level of comfort for all employees. All employees are welcome at any time to share concerns regarding harassment or discrimination with the Casino Human Resources Manager or the Casino General Manager.

Any employee who experiences harassment, discrimination, or retaliation should follow the procedures in this policy and should take full advantage of any preventive or corrective programs or opportunities provided by the Casino.

V. Management Responsibility and Investigations

All members of Casino management are responsible for ensuring that no harassment, discrimination, or retaliation occurs within their area of authority, as well as by non Casino employees, such as vendors, contractors or other third parties at the Gaming Facility. Supervisors and managers, with the assistance and guidance of the Human Resources Department, are responsible for the effective implementation of this policy. Supervisors and managers should seek to create an open climate where employees will feel comfortable reporting any conduct prohibited under this policy.

Supervisors and managers are to give complaints of violations of this policy their immediate attention. Management should report any such complaints that cannot be promptly resolved informally to the Casino's Human Resources Manager. The Human Resources Manager, in cooperation with the involved department and/or a Casino Human Resources Investigator, will

perform investigations of unresolved complaints. The investigation may include conferring with parties and witnesses named by the complaining employee. During the investigation, if appropriate, management may take additional personnel measures pending the investigation of a claim, including temporary work reassignments of the complaining or accused employee. Because of the sensitive nature of such complaints, incidents must be investigated with particular care and should remain, to the extent possible, strictly confidential. Management will take all appropriate action to prevent and correct prohibited harassing, discriminatory or retaliatory behavior.

VI. Sanctions

If the Human Resource Manager's investigation reveals that an employee's complaint is valid, prompt action, sufficient to immediately stop the prohibited conduct and to prevent its recurrence, will be taken. This may include disciplinary action up to and including termination.

Should the investigation reveal that an employee has been the victim of harassment by a non-Casino employee, such as vendors, contractors or other third parties at the Gaming Facility, the Human Resource Manager will report such to the Casino General Manager, who will be responsible for taking the appropriate action against the non Casino employee.

Should the investigation reveal that a non-Casino employee has been the victim of harassment by an employee, the Casino General Manager shall be responsible for taking the appropriate action against the employee, which may include disciplinary action up to and including termination.

VII. Dispute Resolution Process/Complaint Procedures

- a. Any employee who personally experiences or witnesses a person being harassed by someone, or discriminated or retaliated against, has suffered discrimination, harassment, or retaliation in violation of this policy may utilize the following procedures:

1. Step One (1): The employee shall promptly, but no later than one hundred and eighty (180) days from the alleged incident or conduct, report the incident or conduct to the employee's immediate supervisor/manager, and provide any information the employee has pertinent to the incident. If the incident/conduct involves the supervisor/manager, then the employee may report it directly to the Casino Human Resources Manager. The supervisor/manager shall gather any relevant information (emails, statements, etc.), including any relevant information provided by the employee, and submit the information to the Human Resources Manager. The supervisor/manager shall then provide a written recommendation to the Human Resources Manager within thirty (30) days of receiving complaint, or such longer period as extended by the Human Resource Manager for good cause. All information gathered during the investigation of an employee complaint hereunder shall be retained confidentially in the personnel file(s) of the involved employee(s) and/or in separate confidential files, pursuant to other applicable policies of the Human Resources Department.

2. Step Two (2): The Human Resources Manager shall review all information submitted and conduct further investigations if necessary. Once all information and the supervisor/manager's recommendation have been reviewed, the Human Resources Manager shall render a written determination, including a proposed resolution, and provide written notice of such to the employee and all other appropriate parties within sixty (60) days of the completion of the investigation. If the employee's complaint or request for resolution is denied, the employee will also be informed in writing of his or her opportunity to appeal the decision and be provided with a copy of this policy.

3. Step Three (3): The employee may appeal the determination of the Human Resource Manager to the Casino General Manager, in writing, by certified mail no later than thirty (30) days after the date of the Human Resources Manager's notice of determination under Step Two. Upon receipt of an appeal, the General Manager shall review and investigate the incident and issue a written decision to the employee and all other appropriate parties. Should the complaint involve the General Manager or any employee who reports directly to the General Manager, the aggrieved employee may skip this Step Three (3) and proceed directly to Step Four (4).

4. Step Four (4): The employee may make a final appeal to the Tribal Claims Commission, in writing, by certified mail no later than thirty (30) days after the date of the notice of the decision/determination being appealed. "Tribal Claims Commission" means a three-person appellate body appointed by the Tribal Council to hear employee discrimination, harassment, or retaliation complaint appeals as provided for in this Ordinance. The Tribe shall take reasonable steps to ensure that members of the Tribal Claims Commission are free from corruption, undue influence, compromise, and conflicting interests in the conduct of their duties under this Compact including the adoption of a conflict-of-interest code to that end and ensuring that the Tribal Claims Commission members have had a background investigation; and shall ensure the prompt removal of any member of the Tribal Claims Commission who is found to have acted in a corrupt or compromised manner, or is found to have violated the conflict-of-interest code. No employee of the Gaming Facility or Gaming Operation shall serve on the Tribal Claims Commission. The employee may request a hearing regarding his or her employment discrimination, harassment, or retaliation complaint. The Tribal Claims Commission will schedule the hearing, if so requested and the Human Resources Manager will forward all evidence obtained during the investigation to the Tribal Claims Commission in advance of the Hearing. If the employee timely files a request for a hearing, the employee may appear in person or by a representative and shall be permitted to present evidence in support of his or her claim. The Tribal Claims Commission shall, if so requested, conduct a hearing and then issue a written, final decision and provide written notice of such to the employee and all other appropriate parties within ninety (90) days after the Tribal Claims

Commission receives the written appeal, unless the Tribal Claims Commission extends such time period for good cause. This final decision shall be binding and exhaust the appeal process.

- b. The procedures referred to in this policy are the exclusive remedies for employees with a complaint of harassment, discrimination, or retaliation.
- c. A complaint may be resolved at any step in the process. Complaints are to be fully processed until the employee is satisfied, does not file a timely appeal, or exhausts all procedures set forth herein. A decision becomes binding on all parties whenever an employee does not file a timely appeal or when a decision is made in the final step of the process and the right of appeal no longer exists.
- d. At any step in the process, the employee has the right to appear before the decision-maker and be heard, either personally or through a representative, and may submit evidence in support of the employee's case.
- e. The employee will have the right to obtain information supporting his or her complaint comparable to the discovery procedures in California Code of Civil Procedure section 1283.05.
- f. Final decisions on appeals will not be precedent-setting or binding on future complaints or appeals unless they are officially stated as the Casino's policy. When appropriate, a decision issued under these procedures will be retroactive to the date of the employee's original complaint.
- g. Information concerning complaints, inquiries and investigations initiated pursuant to this policy shall be maintained confidentially to the extent possible. Supervisors, department heads, and other members of management who investigate a complaint or an appeal may only disclose said information on a need-to-know basis.
- h. Any person accused in a complaint is required to cooperate with any formal investigation conducted in accordance with this policy. Failure to do so shall subject the accused employee to disciplinary action up to and including termination.
- i. Any employee who abuses the procedures and process set forth herein by intentionally providing false information regarding a complaint, inquiry, or investigation pursuant to this policy shall be subject to disciplinary action up to and including termination.

VIII. Indian/Tribal Hiring Preferences

Nothing in this policy shall preclude or restrict the Casino's right to give preference in employment to members and descendants of federally recognized Indian tribes pursuant to applicable Tribal law.

IX. Insurance

The Tribe has determined that it is in its best interest to maintain an employment practices liability insurance policy for employment discrimination, harassment and retaliation Claims arising from the Tribe's Casino in no less than the amount identified in section 12.3, subdivision (f) of the Compact.

X. Limited Waiver of Sovereign Immunity

The sovereign immunity of the Tribe is hereby waived only for the sole and limited purpose of processing and resolving employee complaints of discrimination, harassment and retaliation in conformity with this policy, provided that this waiver is effective only to the extent that the complaint is within the scope and limits of this policy and the express coverage and limits of the employment practices liability insurance policy in effect at the time of the final decision on the complaint. Any recovery or relief granted pursuant to a complaint hereunder may not exceed the amount of any such liability insurance policy then in effect. Nothing herein shall be interpreted or construed as:

1. a waiver of the sovereign immunity of the Tribe beyond the limits set forth herein;
2. a waiver of the sovereign immunity of the Tribe with respect to untimely employee complaints;
3. a waiver of the sovereign immunity of the Tribe for punitive, double, treble, incidental, consequential or exemplary damages, interest prior or accruing before 240 days following final judgment or settlement, attorney fees, court costs, expert fees or civil penalties;
4. a waiver of the sovereign immunity of the Tribe for any other claims or obligations asserted against or arising out of the Gaming Facility operations;
5. a waiver of the sovereign immunity of any other business or entity owned or controlled by the Tribe;
6. a waiver authorizing a lien, attachment, execution or other judicial or non-judicial process upon the assets of the Tribe or the Casino other than insurance proceeds; or
7. providing a cause of action of any kind whatsoever against any Tribal Council member, officer, director or employee of the Tribe or of the Gaming Operation acting within the course and scope of their official capacity or employment. Nothing herein shall preclude a discrimination, harassment, or retaliation complaint against the Casino pursuant to the procedures set forth in this policy.

APPENDIX F-4

Sherwood Valley Rancheria of Pomo Indians Tort Remedy Procedures for Gaming Patrons Ordinance

ORDINANCE NO. 2021-XX-XX-XX

**SHERWOOD VALLEY RANCHERIA OF POMO INDIANS
TORT REMEDY PROCEDURES FOR GAMING PATRONS ORDINANCE**

BE IT ENACTED BY THE SHERWOOD VALLEY RANCHERIA OF POMO INDIANS AS FOLLOWS:

Section 1. Title.

The Sherwood Valley Rancheria of Pomo Indians ("Tribe") hereby enacts this ordinance, which shall be cited as the "Sherwood Valley Tort Remedy Procedures Ordinance" ("Ordinance").

Section 2. Purpose.

The Tribe has entered into a Tribal-State Gaming Compact (the "Compact") with the State of California. The purpose of this Ordinance and the procedures set forth herein is to comply with Section 12.5(b) of the Compact by providing a system for the fair disposition of Tort Claims arising from alleged injuries to the person or damages to the property of Patrons of the Tribe's Gaming Facility and to ensure that there is adequate liability insurance to cover such claims.

Section 3. Authority.

This Ordinance is enacted pursuant to the Tribe's inherent sovereign authority and the Constitution and Bylaws of the Tribe.

Section 4. Scope.

These procedures apply to all Tort Claims alleged by Patrons of the Tribe's Gaming Facility.

Section 5. Definitions.

The following words have the following meanings as used in this Ordinance:

A. "Gaming Activity" or "Gaming Activities" means the gaming activities authorized under the Compact.

B. "Gaming Facility" or "Facility" means any building in which Gaming Activities or any Gaming Operations occur, such as the Sherwood Valley Casino ("Casino"), or in which the business records, receipts, or other funds of the Gaming Operation are maintained (but excluding offsite facilities primarily dedicated to storage of those records, and financial institutions), which may include parking lots, walkways, rooms, buildings, and areas that provide amenities to Gaming Activity patrons if, and only if, the principal purpose of which is to serve the activities of the Gaming Operation and Facility rather than providing the Gaming Operation with an incidental benefit.

C. “Gaming Operation” means the Tribe’s business enterprise that offers and operates Gaming Activities, whether exclusively or otherwise, but does not include the Tribe’s governmental or other business activities unrelated to the operation of the Gaming Facility.

D. “Patron(s)” means any person who has entered onto the Tribe’s land for purposes of patronizing the Gaming Facility or providing goods or services to the Gaming Facility.

E. “Person” means any natural individual.

F. “Tort Claim” means a claim for an injury to the person or damage to the property of a Patron occurring on the premises of a Gaming Facility based on a claim asserting negligence or an intentional tort directly arising out of, connected with, or relating to, the operation of the Gaming Facility, Gaming Activities or Gaming Operation. A Tort Claim specifically excludes any other claim or cause of action.

G. “Tribal Council” means the Tribal Council of the Tribe duly elected or designated under the Tribe’s Constitution or other governing laws, traditions, or customs.

H. “Tribal Claims Commission” means a three-person appellate body appointed by the Tribal Council to hear tort claim appeals as provided for in this Ordinance. The Tribe shall take reasonable steps to ensure that members of the Tribal Claims Commission are free from corruption, undue influence, compromise, and conflicting interests in the conduct of their duties under this Ordinance including the adoption of a conflict-of-interest code to that end and ensuring that the Tribal Claims Commission members have had a background investigation; and shall ensure the prompt removal of any member of the Tribal Claims Commission who is found to have acted in a corrupt or compromised manner, or is found to have violated the conflict-of-interest code. No employee of the Gaming Facility or Gaming Operation shall serve on the Tribal Claims Commission.

I. “Tribal Gaming Commission” means the person, agency, board, committee, commission, or council designated under Tribal law, primarily responsible for carrying out the Tribe’s regulatory responsibilities under the Indian Gaming Regulatory Act and the Tribe’s Gaming Ordinance No. 96-01-09-97.

J. “Tribe” means the Sherwood Valley Rancheria of Pomo Indians of California also known as the Sherwood Valley Rancheria or the Sherwood Valley Band of Pomo Indians.

Section 6. Insurance Coverage.

The Casino shall maintain public liability insurance for personal injury and property damage claims on the premises of the Gaming Facility as required under Section 12.5(a) of the Compact. The liability insurance carrier shall defend the Casino, including providing legal counsel, against all disputed Tort Claims.

Section 7. Tort Claims Procedures.

A. Parties to Claim. All Tort Claims authorized under these procedures shall be brought by Patrons (or their legal representative on their behalf) and asserted solely against the Casino and no other person or entity.

B. Time to Submit Claim. All Tort Claims and potential Tort Claims shall be submitted pursuant to these procedures within one hundred eighty (180) days after the accident or incident giving rise to the claim. Claims submitted after this deadline are barred and no action may be brought thereon in any forum. For purposes of this Section, a claim accrues when a Patron realizes, or reasonably should realize, that the Patron has suffered personal injury or property damage and knows or should reasonably know what caused or contributed to the injury or damage.

C. Initiating a Claim. To initiate a Tort Claim, a Patron shall report the alleged Tort Claim to the General Manager of the Casino within the time prescribed in subsection B. above. With respect to each reported Tort Claim, the General Manager will promptly notify the Casino's liability insurance carrier, which shall open a file on the potential Tort Claim and provide the Patron with a copy of this Ordinance and a Tort Claim Form (Attachment 1 hereto). The Patron must make a good faith effort to fill out the Tort Claim Form completely and submit it as instructed on the form.

D. Evaluation and Action by Insurance Carrier. Each submitted Tort Claim will be reviewed and evaluated by the Casino's liability insurance carrier in accordance with applicable Casino procedures and this Ordinance. The Casino General Manager, or their designee, shall assist the insurance carrier with its evaluation, as necessary. The insurance carrier will pay any Tort Claims it determines are valid, in accordance with standard claims adjustment practices. All Tort Claims that the insurance carrier cannot settle or determine are invalid will be denied. The initial decision on the Tort Claim shall be made by the insurance carrier and the Patron will be informed of the decision within ninety (90) days after the Tort Claim is received by the insurance carrier. If a Tort Claim is denied, the Patron will be notified in writing, by certified mail (return receipt requested), of the denial of the Tort Claim and his or her right to appeal the denial to the Tribal Gaming Commission pursuant to the provisions of this Ordinance below. The Casino's liability insurance carrier will defend all disputed claims and may appoint legal counsel to represent the Gaming Facility.

Section 8. Appeal Procedures.

A. Right to Appeal. The denial of a timely Tort Claim by the Casino's insurance carrier may be appealed to the Tribal Gaming Commission under the procedures set forth herein.

B. Notice of Appeal. A Patron seeking to appeal the denial of his or her Tort Claim must file a written notice of appeal with the Tribal Gaming Commission within thirty (30) days of the date of the written denial of his or her Tort Claim. The notice of appeal shall include: (i) a description of the Tort Claim; (ii) the date the Tort Claim was denied; (iii) the basis for the appeal; and (iv) whether a hearing is requested.

C. Hearings. If a hearing is requested by the Patron, the Tribal Gaming Commission shall provide the Patron at least thirty (30) days' written notice of the hearing date along with all nonprivileged documentation and information relating to the Tort Claim and investigation thereof. At the hearing, the Patron may appear personally and/or through legal counsel, may call witnesses to testify, may conduct discovery and may submit other evidence in support of his or her appeal. The Tribal Gaming Commission may grant an extension of the hearing date for up to thirty (30)

days upon the request of the Patron for good cause or in the exercise of the Tribal Gaming Commission's own discretion.

D. Decision on Appeal. The Tribal Gaming Commission shall investigate the facts and review the law as it deems necessary, conduct a hearing if requested by the Patron, render a decision on the appeal, and notify the Patron of the decision in writing, by certified mail, return receipt requested within ninety (90) days of receipt of the notice of appeal, except that if the Tribal Gaming Commission grants an extension of the hearing date, it shall issue a notice of decision within sixty (60) days of the extended hearing date. The notice of decision shall include a notice to the Patron of his or her right to appeal the decision of the Tribal Gaming Commission to the Tribal Claims Commission.

E. Final Appeal to Tribal Claims Commission. A Patron may appeal a decision of the Tribal Gaming Commission regarding his or her Tort Claim by submitting a written notice of appeal to the Tribal Claims Commission within thirty (30) days of the date of the written decision of the Tribal Gaming Commission. The Tribal Claims Commission shall have exclusive jurisdiction over all appeals from a decision of the Tribal Gaming Commission regarding a Tort Claim. The Tribal Claims Commission shall decide the appeal based on the existing record developed through the foregoing claims and appeal procedures. However, nothing shall prevent the Tribal Claims Commission from ordering and conducting a de novo hearing in its discretion. The Tribal Claims Commission shall issue a decision within ninety (90) days of the notice of the appeal, or after the hearing, if scheduled. The decision of the Tribal Claims Commission shall be final and shall not be subject to further appeal or review in any form.

Section 9. Limited Waiver of Sovereign Immunity.

A. The sovereign immunity of the Tribe is hereby waived in accordance with Section 12.5(a) of the Compact, only for the sole and limited purpose of allowing only Patrons to bring Tort Claims against the Casino in accordance with these procedures, provided that this waiver is effective only to the extent that the nature and extent of the Tort Claim is within the scope and limits of this Ordinance and the express coverage and limits of the public liability insurance policy in effect at the time of the settlement, judgment, order, or award. No settlement, judgment, order, or award against the Casino resulting from such a Tort Claim may exceed the amount of any such public liability insurance policy then in effect.

B. Nothing herein shall be interpreted or construed as:

1. a waiver of the sovereign immunity of the Tribe beyond the limits set forth herein;
2. a waiver of the sovereign immunity of the Tribe with respect to untimely Tort Claims;
3. a waiver of the sovereign immunity of the Tribe for punitive, double, treble, incidental, consequential or exemplary damages, interest prior or subsequent to judgment, attorney fees, court costs, expert fees or civil penalties;

4. a waiver of the sovereign immunity of the Tribe for any other claims or obligations asserted against or arising out of the Gaming Facility operations;
5. a waiver of the sovereign immunity of any other business or entity owned or controlled by the Tribe;
6. a waiver authorizing a lien, attachment, execution or other judicial or non-judicial process upon the assets of the Tribe or the Casino other than insurance proceeds; or
7. providing a cause of action of any kind whatsoever against any Tribal Council member, officer, director or employee of the Tribe or of the Gaming Operation acting within the course and scope of their official capacity or employment. Nothing herein shall preclude a Tort Claim against the Casino pursuant to the procedures set forth in this Ordinance.

Section 10. Exclusive Remedy.

This Ordinance provides the exclusive procedures, forum, and remedy for the pursuit of all Tort Claims.

Section 11. Effective Date; Repeal of Prior Ordinance; Amendments.

This Ordinance and the procedures therein shall be effective on the date they are approved by the Tribal Council. By enacting this Ordinance, the Tribal Council effectively repeals and replaces the Sherwood Valley Tribal Tort Claims Ordinance (Ordinance No. 11-14-00-03) and any amendments thereto. This Ordinance may be amended in the same manner as it was adopted. Any amendment to this Ordinance shall become effective on the date such amendment is approved by the Tribal Council.

CERTIFICATION

This is to certify that the foregoing Ordinance was adopted by the Sherwood Valley Rancheria Tribal Council at a duly noticed meeting at which a quorum was present on _____, 2021, by a vote of _____ in favor, _____ opposed, and _____ abstaining.

Melanie Rafanan, Chairperson

Dated: _____

Attest

Dated: _____

ATTACHMENT 1
SHERWOOD VALLEY CASINO
TORT CLAIM FORM

Your claim must be submitted to the Casino General Manager within 180 days from the date of incident/accident/loss.

1. Claimant's Name: _____

2. Claimant's Address: _____ City/State/Zip: _____

3. Telephone Number: (Home) _____ (Cell) _____

4. E-mail Address: _____

5. Type of Loss: ☐ Personal Injury ☐ Property Damage ☐ Other _____

6. Dollar Amount of Claim (if known): \$_____

7. Date and Time of Incident/Accident: _____

8. Location of Incident/Accident: _____

9. Detailed description of Incident/Accident (attach additional sheet(s) if necessary): _____

10. Name and Contact Information for any Witnesses: _____

11. Describe Injury/Damage/Loss being claimed: _____

12. Provide date(s), location(s), and description of any Medical Treatment received: _____

13. Provide information on any other insurance claim you made regarding this Incident/Accident: _____

14. Declaration and Signature of Claimant: I declare under penalty of perjury that the information I have provided for this Claim Form is true to the best of my knowledge.

Signature of Claimant: _____ Date: _____

PLEASE RETURN THIS COMPLETED AND SIGNED CLAIM FORM (AND ATTACHMENTS) TO:

Casino General Manager, Sherwood Valley Casino, 100 Kawi Pl, Willits, CA 95490 [Manager will copy to [Insurance Carrier Name] at [Insurance Carrier Address]]