



Andrew T. Souza
City Manager

March 23, 2009

BY FACSIMILE TO (916) 978-6099

Dale Morris, Regional Director
Pacific Regional Office
Bureau of Indian Affairs
2800 Cottage Way
Sacramento, California 95825

Dear Mr. Morris,

**SUBJECT: COMMENTS ON PROPOSED OFF-RESERVATION GAMING ACTIVITIES
FOR THE NORTHFORK MONO**

Thank you for your January 23rd letter requesting our comments regarding potential impacts of the proposed 305-acre casino site adjacent to State Route 99 in northern Madera County. We apologize for not raising these issues earlier in the environmental analysis process, but our Planning Department, Public Works Department, and Department of Public Utilities did not receive a copy of the EIR/EIS to review and we were unaware of earlier opportunities.

With regard to potential environmental impacts on the City of Fresno, we foresee three issues which may arise:

Problems with design, safety, and level of service (traffic-carrying capacity) on Freeway 99 interchanges could be exacerbated by a project which draws additional travelers to freeway 99, and Freeway interchanges which are currently near their maximum capacity could sustain an additional increment of congestion to the point where they no longer have an acceptable level of service. Since Fresno is the largest metropolitan area near the proposed casino, we anticipate that some portion of City residents who currently patronize the Chukchansi, Table Mountain, and Mono wind gaming establishments will instead go to the new casino.

Whereas, the urban parts of Friant Road and Willow Avenue (leading to Table Mountain and Mono Wind casinos) and the urban freeway portion of State Route

41 have been more recently designed and constructed to handle urban levels of traffic, this is not be the condition of Highway 99. Several of the Freeway 99 interchanges in the City of Fresno were designed and built in the 1950s and early 1960s, and have become inadequate over ensuing time.

For example, the Shaw Avenue/Freeway 99 interchange was deemed deficient some twenty years ago, yet no funding source has been identified to fully address its continuing and worsening deficiencies (the Fresno County's "Measure C" sales tax increment ballot measure is not projected to generate sufficient revenue to fund this "Tier 2" project). Similarly, "Measure C" is not capable of fully improving the Herndon Avenue/99 interchange to current standards to provide an acceptable level of service. Other interchanges on Highway 99 were evaluated in the Fresno County Council of Governments' recent Freeway Deficiency Study (Shaw/99 was not included in that study because (Caltrans had already prepared a Project Study Report).

There is a lack of available water resources to support unplanned, additional intensive development on the Valley floor. A casino site in the foothills would not share the aquifer (the fractured-rock aquifer in the Sierra foothills is separate from the Valley groundwater basin aquifer), but the groundwater basin underlying Fresno and Madera Counties is hydrologically contiguous for most of the counties' interface, and both jurisdictions have withdrawn groundwater over the decades, resulting in a net reduction in static water levels.

Fresno and Madera Counties have had discussions over the years with regard to groundwater gradients, which seem to show that water purchased and percolated by the City of Fresno for the purpose of replenishing its aquifer is instead moving north across the San Joaquin River into one or more cones of depression in the drawn-down Madera County aquifer. The City of Fresno does not know whether the casino site is hydrologically contiguous with the aquifer of southern Madera County (along the Fresno boundary), but within our own 140+ square mile urban planning boundary we do know that we have a single aquifer (the Fresno Sole Source aquifer).

The primary source of surface water to do recharge or for provide alternative water supplies for both Fresno and Madera is the San Joaquin River, whose water supplies have been deemed to be "fully allocated" for quite some time. The City of Fresno does not know whether the Highway 99 casino site lies within an irrigation district that is entitled to water deliveries from the San Joaquin River, but we do know that the Madera Canal (which conveys water from Friant Dam into Madera County) has a lower carrying capacity than the Friant-Kern Canal (which serves Fresno County and land south to Arvin in Kern County). We know of no water exchange potential for the Madera Canal to take or receive water from another source such as the Fresno River; whereas, east of Centerville water

can be exchanged between the Friant Kern Canal and the Kings River Water Association.

Either through additional drawdown of the aquifer underlying Madera County or through additional demands on the already-overtaxed surface water supplies of the San Joaquin River, development of a major casino site on the Valley floor could make the City of Fresno's water supply situation more tenuous in the future.

Regional air quality impacts and related economic effects: the San Joaquin Valley Air Basin is in longstanding severe nonattainment for ozone/oxidants, and is soon to be designated in Extreme Nonattainment. The Basin has also had chronic problems meeting the Federal particulate matter pollution standards. The District considers the air pollutant inventory to be Valley-wide, and each jurisdiction risks sanctions for air pollution generated by all the other jurisdictions.

If the Highway 99 casino would attract more customers from outside the San Joaquin Valley Air Basin than the existing Chukchansi, Table Mountain, and Mono Wind casinos already attract from outside the Basin, then this proposal could create a net increase in air pollutants and air pollutant precursors.

In order to prevent and remedy air pollution from vehicular travel associated with, and area-wide emissions generated by, new development, in the San Joaquin Valley Air Basin, the regional San Joaquin Valley Air Pollution Control District adopted an indirect Source Review (ISR) Rule. As part of its air quality attainment planning, the District lists the measures needed to achieve compliance with air quality standards, and uses the cost of pollution reduction to calculate its ISR and mitigation fees that are charged to new development projects.

The District is also currently considering a similar rulemaking and mitigation process for global climate change (greenhouse gases).

The City of Fresno does not know if tribal sovereignty precludes collection of Air District fees for development of the Northfork casino complex. If that were the case, nonpayment of ISR and global warming mitigation fees by the casino project would leave no equitable way to mitigate this large indirect and area pollution source.

This could adversely impact the economy of the City of Fresno in two ways:

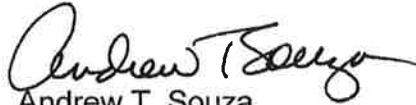
- first, there would be an additional risk of federal sanctions for nonattainment of ozone and particulate matter standards; and
- second, public and private (non-tribal) development and construction in Fresno would have to pay the additional increment of mitigation fees to try to compensate for the

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increment of pollution that an unmitigated casino would generate. This leaves Fresno at a competitive disadvantage in attracting new industries and receiving grants for economic development.

Thank you for considering this information in making your decision. If there are measures which could be used to mitigate these impacts, we welcome the chance to work with the Northfork Mono casino planners to resolve any potential difficulties in a productive manner.

Sincerely,



Andrew T. Souza
City Manager