

March 25, 2008

Butte County Pursues Litigation

Butte County Press Release Responsive Statement Only

FOR IMMEDIATE RELEASE: MEDIA
CONTACT: Brian Haddix, 530-538-7224

(OROVILLE, California) – Today, the Butte County Board of Supervisors voted unanimously to pursue litigation in the United States District Court for the District of Columbia ("US District Court") to overturn a recent approval by the National Indian Gaming Commission ("NIGC") which would allow gaming to occur on approximately 645 acres of land along highway 149, 1.9 miles east of the junction of Highway 99 ("Proposed Site").

"Butte County reluctantly files this litigation," Brian Haddix, Chief Administrative Officer for Butte County said. "Unfortunately, the developer Station Casinos, Inc., a large Las Vegas-based gaming consortium, has refused to work with the County to resolve the dispute over the location of the proposed casino. As a result, the County has no recourse other than this litigation."

"Butte County supervisors deserve credit for their efforts to protect Butte County's valuable groundwater," Ed McLaughlin, past president of the Butte County Farm Bureau said. "The proposed development has the potential for making the freshwater recharge aquifer system near the site unusable as a groundwater supply in the future. That is a very real concern to the farming community in Butte County."

In 1988, Congress enacted the Indian Gaming Regulatory Act ("IGRA") which, among other things, places limits on where gaming can occur. Specifically, the IGRA only permits gaming to occur on land which meets the definition of "Indian lands" or "restored lands." In this case, the developer is seeking approvals to conduct gaming on the Proposed Site under the "restored lands" definition.

In its lawsuit, Butte County asks the US District Court to conclude that the recent NIGC ruling is unlawful because the developer's Proposed Site does not meet the narrow definition of "restored lands."

While NIGC has up to 60 days to respond to Butte County's complaint, the US District Court is not required to rule on this matter by any specific date. Once the US District

Court rules on the matter, however, either party may appeal which could extend the process for an additional two to four years.

"For more than two years, Butte County has offered to work with the developer to identify a suitable location for the casino," Haddix continued. "The current Proposed Site is simply an unacceptable location for such an intensive land use. Butte County's opposition to this location is based upon objective information, traffic and public safety concerns and a host of unmitigated environmental impacts. In the final analysis, the public's health and safety and conservation of our natural resources are paramount concerns for Butte County."

"We're pleased the County is pursuing this action to protect Butte County natural resources," Barbara Vlamis, executive director for the Butte Environmental Council said. "The developer's preferred site for the casino is a bad location with dangerous consequences which will, if approved, alter the middle of Butte County forever."

###

Key Facts

Mechoopda: Yes!

- Butte County values and respects the Mechoopda Tribe's history and role in our community.
- Butte County does not question the recognition or sovereignty of the Mechoopda Tribe.
- Butte County remains committed to working with the Mechoopda Tribe on finding an acceptable location for a project.

Station Casinos: No!

- Butte County has repeatedly advised the property owner and Las Vegas-based development partner Station Casinos Butte Development, LLC, of its opposition to the location for their proposed casino project.
- The proposed site is an unacceptable location for ANY type of intensive development for a host of reasons including the following: impacts on traffic safety, groundwater, wastewater treatment and flood control:
 - Upwards of \$130 million in tax dollars are currently being spent to improve Highway 149 into a four-lane expressway connecting highways 70 and 99. This casino project would recreate the types of life-threatening hazards current improvements are designed to fix.

- The proposed site sits within a sensitive resource area, a floodplain and the recharge area of the Tuscan Aquifer in an area with shallow groundwater. Additionally, there are potential impacts on water supply, water quality and flood control.
- The site is far removed from any wastewater treatment facility; development would require on-site treatment of sewage, which will increase the amount of drainage runoff and is expected to generate an amount of sewage similar to a town of 4,500 residents.
- Station Casinos, in its Environmental Assessment for the proposed casino project, either dismissed or completely ignored a number of significant environmental impacts identified by Butte County and has steadfastly refused to consider any other site.