National Indian Gaming Commission

National Environmental Policy Act Record of Decision

Adoption of the United State Bureau of Indian Affairs Final Environmental Impact Statement

and

Selection of Preferred Alternative: Approval of Gaming Management Agreement between the Cowlitz Indian Tribe, the Cowlitz Tribal Gaming Authority and Salishan-Mohegan, LLC for Operation and Management of a Gaming Facility Previously Constructed on the Cowlitz Indian Tribe’s Reservation in Clark County, Washington.

May 19, 2017
AGENCY:
National Indian Gaming Commission (NIGC)

ACTION:
Record of Decision on Selection of Preferred Alternative.

SUMMARY:

This document serves as a Record of Decision (ROD) of the (1) National Indian Gaming Commission’s (NIGC) adoption of the United State Bureau of Indian Affairs (BIA) Final Environmental Impact Statement (FEIS) for the proposed placing of approximately 151.87 acres of land (Cowlitz Parcel) located in Clark County, Washington, into Federal trust status; issuance of a reservation proclamation by the Department of the Interior; development of Tribal headquarters, Tribal elder housing, and Tribal cultural center; approval of a gaming development and management contract; and development of a casino-resort, including ancillary components; and (2) the NIGC’s decision to approve the a Gaming Management Agreement (GMA) between the Cowlitz Indian Tribe, the Cowlitz Tribal Gaming Authority (collectively Tribe), and Salishan-Mohegan, LLC (Salishan-Mohegan). The BIA, as the lead agency, published the Final Environmental Impact Statement (FEIS) on May 30, 2008, and a Final EIS Evaluation of Adequacy in April of 2013. The NIGC, as a Cooperating Agency, has independently reviewed the existing documents and concludes that the BIA has satisfactorily addressed any comments the NIGC made to the documents.

The Draft Environmental Impact Statement (DEIS) and FEIS, considered a reasonable range of alternatives that would meet the purpose and need for the proposal, and analyzed the potential effects of the alternatives, as well feasible mitigation measures. The decision to construct a gaming facility was an independent determination made by the Tribe and was never subject to NIGC review. The effects, however, were reviewed in the DEIS and FEIS. The consequence of the approval of the Proposed Action is that Salishan-Mohegan will control operation of the Tribe’s gaming facility during the term of the contract. Pursuant to the Tribe’s Gaming Compact with the State of Washington, the Tribe is required to comply with and enforce such standards no less stringent than those contained in all Federal laws establishing minimum standards for environmental protection and Tribal Codes regarding public health, safety, and environmental protection standards. The Tribe has enacted two ordinances to serve as an enforceable legal mechanism that would ensure mitigation of the impacts of the Tribe’s decision to construct its gaming facility.

As set forth in the DEIS and FEIS, and the administrative record related to the Proposed Action, approval of the GMA will provide the Tribe with a dependable, sustainable source of income to allow it to achieve self-sufficiency, self-determination, and a strong tribal government. These effects are consistent with the goals of the Indian Gaming Regulatory Act, which was
enacted to promote tribal economic development.¹ These beneficial economic factors associated with the Proposed Action may properly be considered by the NIGC Chair.²

With the issuance of this ROD, the NIGC announces that the Proposed Action is the Preferred Alternative in accordance with 40 C.F.R. § 1505.2. The NIGC Chair finds that the Preferred Alternative most suitably meets all aspects of the purpose and needs of the Proposed Action by promoting the Tribe’s self-governance capabilities and long-term economic development, while preserving key natural resources of the project site, in accordance with Federal policies enunciated in the IGRA, the Indian Reorganization Act, and related laws and regulations. The NIGC Chair’s decision is based on his review of the DEIS, FEIS, Final EIS Evaluation of Adequacy, and the administrative record.

FOR FURTHER INFORMATION CONTACT:

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² 40 C.F.R. § 1505.2(b).
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ATTACHMENTS


Attachment 2 - Final Environmental Impact Statement (May 2008).

Attachment 3 - Final EIS Evaluation of Adequacy (April 11, 2013), including supplemental comments.

Attachment 4 – Letter from Betty Sue Morris, Chair, Clark County Commission, to Carl Artman, Assistant Secretary, DOI-BIA (Feb. 5, 2008).

Attachment 5 - Letter from Donald C. Baur, Esq. Perkins Coie, to Jonodev O. Chaudhuri, Chairman, NIGC, with attachments (March 2, 2017).

Attachment 6 - Letter from William Iyall, Chairman, Cowlitz Indian Tribe, to Jonodev O. Chaudhuri, Chairman, NIGC, with attachments (March 30, 2017).

Attachment 7 – Letter from Peter Schultz, Project Manager, Salishan-Mohegan, LLC, to Yvonne Lee, Director of Finance, NIGC (April 12, 2017).


Attachment 9 - E-mail from David Rome, VP, Mohegan Tribal Gaming Authority, to Esther Dittler, Staff Attorney, NIGC (April 25, 2017), with Clark County press release (April 8, 2009); Clark County Resolution No. 2004-03-02, A resolution approving a Memorandum of Understanding ("MOU") between Clark County and the Cowlitz Indian Tribe (March 2, 2004); and, Memorandum of Understanding ("MOU") between Clark County and the Cowlitz Indian Tribe with Exhibits (March 2, 2004).
1.0 INTRODUCTION AND BACKGROUND

1.1 History of Trust Acquisition, Reservation Proclamation, and Gaming Facility

On January 4, 2002, the Cowlitz Indian Tribe (Tribe) was federally recognized through the Bureau of Indian Affair’s (BIA) administrative acknowledgement process. On the same date, the Tribe, which was landless, submitted a fee-to-trust application to the BIA, requesting that the Department of the Interior accept trust title to land totaling 151.87 acres (Cowlitz Parcel) in Clark County, Washington. The Tribe requested that the Cowlitz Parcel be proclaimed its “initial reservation,” and planned to construct Tribal government buildings, Tribal elder housing, a Tribal cultural center, a casino-resort complex, parking facilities, a recreational vehicle park, and a wastewater treatment plant.

The proposed trust acquisition and reservation proclamation for the Cowlitz Parcel was analyzed in an Environmental Impact Statement (EIS) prepared by the BIA. The Proposed Action, was analyzed in the FEIS as Alternative A – Preferred Casino-Resort Project, included (1) placing 8 parcels totaling approximately 151.87 acres into Federal trust status for the benefit of the Tribe; (2) issuance of a reservation proclamation by the Department of the Interior (DOI); (3) approval of a gaming development and management contract; and (4) development of a casino-resort, tribal headquarters, tribal elder housing, a tribal cultural center, and other ancillary facilities on the site.

On December 17, 2010, the Assistant Secretary for Indian Affairs issued a Record of Decision (ROD) announcing a final determination to acquire the Cowlitz Parcel into trust and to proclaim the land to be the Cowlitz Indian Tribe’s reservation in Clark County, Washington. That decision was challenged in the United States District Court for the District of Columbia. On March 13, 2013, the district court remanded the matter to DOI with instructions to rescind the 2010 ROD, and ordered the DOI to issue a new ROD unless good cause was shown why the DOI could not.

The BIA undertook a review of the Final EIS and completed a Final EIS Evaluation of Adequacy on April 11, 2013, to determine if a supplemental EIS was required pursuant to NEPA. Based on the findings in the Evaluation of Adequacy, the DOI determined that the conclusions and mitigation measures set forth in the Final EIS remained applicable to the Tribe’s proposed project and that no supplement was required.

The Final EIS Evaluation of Adequacy noted that no changes to the footprint and scope of the Proposed Project have occurred since the 2008 FEIS and 2010 ROD. The Tribe has certified that the project as developed remains within the scope set forth in the FEIS. With respect to enforceability of certain mitigation measures, the evaluation explained that the Tribe and Clark County had entered into a Memorandum of Understanding (MOU) in 2004 that addressed mitigation efforts, but that the MOU was challenged by a third-party. Due to the

uncertainty regarding the final legal status of the 2004 Memorandum of Understanding between the Tribe and Clark County, the Tribe enacted two ordinances to serve as enforceable legal mechanisms that would ensure the same mitigation of impacts that was provided in the MOU. In April 2009, after the publication of the 2008 FEIS, the Tribe and Clark County entered into a new agreement to rescind the 2004 MOU and to rely instead on the Tribe’s Environment, Public Heath, and Safety Ordinance (EPHS Ordinance), which was incorporated into the Tribe’s Gaming Ordinance and approved by the NIGC. The rescission agreement confirmed the Tribe’s limited waiver of sovereign immunity that allows Clark County to enforce the Tribe’s obligations. As a result, the MOU is no longer in effect, the lawsuit challenging the MOU has been dismissed, and the mitigation of impacts is provided for in the Tribal ordinances.

On April 22, 2013, the Assistant Secretary for Indian Affairs rescinded the 2010 ROD and issued a new ROD (2013 ROD) announcing the decision to acquire the Cowlitz Parcel into trust for the Cowlitz Indian Tribe and issue a reservation proclamation. The land was accepted by the United States in trust for the Tribe on March 9, 2015, and a reservation proclamation was issued on November 6, 2015.

The Tribe has since developed the site and constructed the gaming facility. The decision to construct a gaming facility was an independent determination made by the Tribe and was not subject to review by the NIGC. The Tribe opened the gaming facility to the public on April 24, 2017, and is presently managing the facility itself.

2.0 ADOPTION OF THE FINAL ENVIRONMENTAL IMPACT STATEMENT AND PUBLIC INVOLVEMENT

2.1 Adoption of Final Environmental Impact Statement

The regulations promulgated to implement NEPA provide that a cooperating agency may adopt without recirculating the Environmental Impact Statement of a Lead Agency when, after an independent review of the statement, the Cooperating Agency concludes that its comments and suggestions have been satisfied. Based upon my independent review of the FEIS, I have concluded that the NIGC’s comments and suggestions, if any, have been satisfied and I adopt the FEIS and the associated record to support my decision.

The FEIS and the supporting record are available online at http://www.cowlitzeis.com.

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4 Letter from Philip N. Hogan, Chairman, NIGC to William Iyall, Tribal Council Chair, Cowlitz Indian Tribe (Jan. 8, 2008).
7 40 C.F.R. § 1506.3.
2.2 Public Involvement

Scoping of the development of the EIS began with the publication of the BIA Notice of Intent (NOI) in the Federal Register.\(^8\) During scoping, the BIA invited the participation of Federal, State, and local agencies, Native American tribes, environmental groups, citizens, and other interested parties to assist in determining the scope and significant issues to be evaluated in the EIS. In December 2004, a scoping meeting was held in Vancouver, Washington to request input from the public on concerns regarding the proposed actions, as well as to gather information and knowledge of issues relevant to analyzing the environmental impacts associated with the Proposed Action. The comment period was open until December 13, 2004. A scoping report issued in February of 2005, summarized the major issues and concerns from the comments received during the scoping process. All comments were considered.

Public review and comment of the DEIS was initiated with publication of the BIA Notice of Availability (NOA).\(^9\) The NOA was also published in local newspapers. The NOA provided information concerning the proposed project, comment period, and time and location of public hearings. Public hearings were held in Vancouver, Washington on June 14 and June 15, 2006. In response to public requests, on August 25, 2006 the BIA published notice that was re-opening the comment period until August 25, 2006. The total comment period for the DEIS was 145 days.

All comments received regarding the DEIS received during the comment period, including those received at the public hearings, and those comments prepared by cooperating agencies, were considered in preparation of the FEIS. The NOA of the FEIS was then published.\(^10\) The 30-day waiting period was extended through the publication of a notice in the Federal Register and substantive comments incorporated into the BIA 2010 Record of Decision.\(^11\)

3.0 PROPOSED ACTION

3.1 Description of the Proposed Action

The Proposed Action, approval of the GMA, would allow Salishan-Mohegan, LLC (Salishan-Mohegan) to manage the day-to-day operation of the Tribe’s gaming facility. Salishan-Mohegan would be responsible for: maintenance of the facility; security of the facility; selection of insurance; administration of the accounting system; management all hospitality, retail, and other related activities; setting hours of operation; hiring, training, and dismissal all employees, supervisors, and management personnel; selection and administration of all gaming; payroll; food and beverage services; entertainment; distribution of all revenues generated by the facility;

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\(^8\) 69 Fed. Reg. 65447 (Nov. 12, 2004).
selection of financial institutions for accounts; engagement of accountants, attorneys, and other professionals; advertisement, marketing, and promotion of the facility; preparation of the annual business plan and budgets; and all necessary ancillary responsibilities.

3.2 Purpose and Need of the Proposed Action

The purpose and need for implementing the GMA with Salishan-Mohegan is to provide for a level of professional management of the gaming facility that will ultimately improve the long-term economic condition of the Tribe and its members through the development of stable, sustainable sources of employment and revenue. Revenues generated from the gaming facility will promote tribal economic development, self-sufficiency, and a strong tribal government, including supporting social, governmental, and educational programs for Tribal members, all as Congress intended in enacting the Indian Gaming Regulatory Act.

4.0 ENVIRONMENTAL CONSEQUENCES

4.1 Environmental Impacts Identified in the FEIS

A number of specific issues were raised during the EIS scoping process and comment periods. Each of the alternatives were considered in the FEIS and evaluated. The categories of the most substantive issues include:

- Geological and Soils;
- Water Resources;
- Air Quality;
- Biological Resources;
- Cultural and Paleontological Resources;
- Socioeconomic Conditions;
- Transportation/Circulation;
- Land Use;
- Public Services;
- Noise;
- Hazardous Materials;
- Aesthetics;
- Indirect and Growth Inducing Effects; and
- Cumulative Effects.

Analyses of these and other environmental parameters were also considered and analyzed within the FEIS.
4.2 Environmental Consequences of the Proposed Action

As indicated above, I am adopting the BIA FEIS, supplemented by the Final EIS Evaluation of Adequacy, which analyzed the environmental impacts of approval of the GMA, including all related activities and uses that are reasonably foreseeable connected to the Proposed Action within the context of NEPA. I have assessed the analysis of the environmental consequences as outline in Section 4 of the BIA FEIS and agree that it provides a complete description of the potential environmental consequences of the Proposed Action and the No Action Alternative. The environmental consequences described in Section 4 of the BIA FEIS and in the Final EIS Evaluation of Adequacy are incorporated herein.

As set forth in the BIA FEIS, the development alternatives when added to past, present, and reasonably foreseeable future actions would not result in significant cumulative impacts. In the Tribe’s EPHS Ordinance, the Tribe has agreed to payments in lieu of taxes and implementation of road improvements that would address potential cumulative impacts associated with traffic and public services. Implementation of interchange improvements recommended in the Draft Interchange Justification Report prepared in coordination with Washington State DOT and Federal Highway Administration would reduce potential cumulative traffic impacts to less than significant. Water quality, biological resources, and cultural resources are afforded substantial protection under Federal, state, and local regulations that would avoid potential cumulative effects associated with these resources. Through compliance with applicable strategies developed by the Washington Climate Advisory Team to meet emission reduction targets, the project’s contribution to cumulative emissions of greenhouse gases would be less than significant thereby supporting the State’s efforts to significantly reduce its cumulative contribution to global climate change. Potential cumulative effects associated with land use and aesthetics would be avoided as future developments would be required to comply with local land use regulations. Therefore, with incorporation of mitigation measures, as set forth in the FEIS, the Proposed Action would not result in cumulatively considerable environmental issues.

5.0 ENVIRONMENTALLY PREFERRED ALTERNATIVE

Section 2 of the FEIS considered a range of alternatives. At the time the 2013 ROD was issued, the DOI found that either the Reduced Intensity Alternative (Alternative C) or the No Action Alternative (Alternative F) would result in the fewest effects to the biological and physical environment. The DOI noted that because it could not predict with certainty the exact type of development that would occur under the No Action Alternative, it was difficult to assess whether it would result in similar, less, or greater impacts to the natural and human environment than the Proposed Action. Nevertheless, the No Action Alternative was assumed to have less impact, and, therefore, would be environmentally preferred.
The DOI determined that Alternative A was the agency’s Preferred Alternative because it meets the purpose and need for the proposed actions. BIA’s mission is to enhance the quality of life and to promote economic opportunity in balance with meeting the responsibility to protect and improve the trust resources of Indian tribes. While Alternative A would have slightly greater environmental impacts than either of the environmentally preferred alternatives, those alternatives do not meet the purpose and need for the Proposed Action, and the environmental impacts of the Preferred Alternative are adequately addressed by the mitigation measures adopted in the 2013 ROD. Approval of the GMA is within the Alternative selected by the DOI and the approval of the GMA does not alter the effects as discussed in the FEIS.

As explained above, the Tribe has already constructed the gaming facility and it is presently open to the public. Approval of the GMA, permits Salishan-Mohegan to manage the Tribe’s gaming facility. No new temporary or permanent structures beyond those identified in the DEIS and FEIS will be erected as part of the Proposed Action. Moreover, approval of the GMA does not alter the external look or scope of the gaming facility, and does not change the operational baselines as reviewed and discussed within the FEIS. The GMA is merely a contract to manage the operations of the existing gaming facility to maximize the monetary benefit to the Tribe. Consequently, approval of the GMA would not result in environmental effects greater than those associated with disapproval. The FEIS demonstrates that with or without the Proposed Action, each of the factors analyzed will have a substantially similar impact on the environment. Therefore, at this time, approval and implementation of the Proposed Action would not result in any additional environmental impacts compared to disapproval of the GMA, as such both are considered environmentally preferable alternative.  

6.0 PREFERRED ALTERNATIVE

As discussed herein, the purpose and need for the Proposed Action is to provide the Tribe with the opportunity to develop and maintain a source of revenue sufficient to allow it to meet its governmental needs and the needs of its tribal members in accordance with Federal policies enunciated in IGRA, the IRA, and related laws and regulations. As discussed above, the approval of the management contract is the best option to maximize the Tribe’s profits to allow it to meet its obligations and provides benefits to its tribal members. Salishan-Mohegan can immediately apply its experience to maximize operational efficiencies at the gaming facility. Those increased efficiencies will result in greater initial net profits and revenues to the Tribe than those associated with the No Action Alternative.

For the reasons stated above, the NIGC Chair finds that the Proposed Action is the Preferred Alternative because the revenue realized by the Tribe through Salishan-Mohegan’s management of the gaming facility would be substantially greater than the revenue realized

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12 40 C.F.R. § 1505.2.
though facility management by the Tribe. Accordingly, approval of the GMA with Salishan-Mohegan best meets the purpose and need of the Proposed Action.

7.0 MITIGATION MEASURES

All mitigation measures associated were analyzed in the FEIS and Final EIS Evaluation of Adequacy. The Tribe is required to implement the enforceable mitigation measures set forth in Section 6 of the FEIS.

8.0 COMMENTS

In accordance with the requirements of 40 C.F.R. § 1503.4, all comments regarding the EIS Scoping Process, DEIS, and FEIS\textsuperscript{13} were considered and responses prepared. All comments and the responses to those comments are attached to the FEIS in accordance with 40 C.F.R. § 1503.4(b).

The NIGC, as a cooperating agency, adopted the EIS without recirculating the document\textsuperscript{14}. Although the NIGC was not required to solicit and consider comments, the NIGC has reviewed and considered comments received while review of the Proposed Action was pending. The NIGC received one letter with comments regarding the then pending litigation regarding the underlying trust acquisition and comments regarding disposal of waste water. The commenter referred to a decision issued by the Court of Appeals for the District of Columbia affirming a District Court decision that held: that the Secretary of the Interior reasonably interpreted and applied the Indian Reorganization Act\textsuperscript{15} to conclude that the Cowlitz are a “recognized Indian tribe now under Federal jurisdiction”;\textsuperscript{16} found the Secretary reasonably determined that the Cowlitz Tribe meets IGRA’s “initial-reservation” exception;\textsuperscript{17} and rejected other claims brought under the IRA and NEPA. The comment asserted that the Tribe could not commence gaming until the litigation was resolved. We note that the Supreme Court denied the petition for a writ of certiorari on April 3, 2017, which resolved the litigation favorably to the Tribe.\textsuperscript{18}

The commenter also raised concerns regarding disposal of wastewater into an underground injection control (UIC) system, which it acknowledges falls under the jurisdiction of the United States Environmental Protection Agency (EPA). We note that the FEIS and the Final EIS Evaluation of Adequacy contemplated that wastewater would be treated and discharged to surface water, but that the Tribe decided to dispose of treated wastewater in Class V UIC wells. The EPA responded to this concern finding that the request to discharge in UIC

\textsuperscript{13} Notice of Availability was published in the Federal Register. 73 Fed. Reg. 31143 (May 30, 2008)
\textsuperscript{14} 40 C.F.R. § 1506.3(c).
\textsuperscript{15} 25 U.S.C. § 461 et seq.
\textsuperscript{16} 25 U.S.C. § 479
\textsuperscript{17} 25 U.S.C. § 2701 et seq.
wells falls within the functional equivalency exception to NEPA, and therefore, not subject to further analysis. The EPA reviewed the UIC system under the EPA UIC Program, and stated that no additional NEPA compliance is necessary with respect to the UICs.

The commenter noted that Clark County has raised concerns with the Tribe regarding discharge of wastewater. We note that, pursuant to the Tribe’s Gaming Compact with the State of Washington, the Tribe is required to comply with and enforce such standards no less stringent than those contained in all Federal laws establishing minimum standards for environmental protection and Tribal Codes regarding public health, safety and environmental protection standards. The Tribe also enacted two ordinances to serve as an enforceable legal mechanism that would ensure mitigation of the impacts of the Tribe’s decision to construct its gaming facility.

The Tribe’s Environmental and Public Health and Safety Ordinance (EPHS Ordinance) includes a waiver of the Tribe’s sovereign immunity and the Tribe’s consent to be sued by Clark County in state court to demand specific performance of the EPHS requirements contained in the ordinance. The EPHS Ordinance was adopted to ensure that the mitigation measures previously negotiated between the Tribe and Clark County, and memorialized in a Memorandum of Understanding that has since been challenged by a third party, remain enforceable by Clark County. In addition, the Tribe’s Gaming Ordinance incorporates the EPHS Ordinance. Clark County and the NIGC have recourse available to address any concerns it may have regarding the Tribe’s compliance with environmental standards. The applicable standards and available recourse remain identical under the No Action Alternative and under the Proposed Action and, as mentioned above, there are no additional impacts imposed through implementation of the Proposed Action.

9.0 DEcision TO IMPLEMENT THE PREFERRED ALTERNATIVE

The NIGC Chair selects the Preferred Alternative, described herein. This decision is made based upon the analyses and information contained in the DEIS, FEIS, Final EIS Evaluation of Adequacy, and the administrative record related to that analysis. Based upon the information and analyses contained in the foregoing documents, the NIGC Chair finds that the Preferred Alternative will not result in any adverse effects on the environment and it will maximize the economic benefit to the Tribe over and above the economic benefit that could be realized through the No Action Alternative.

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19 Cowlitz Indian Tribe Gaming Ordinance, § 22.
10.0 SIGNATURE

By my signature, I indicate my decision to implement the Preferred Alternative and approve the GMA.

[Signature]

Jonodev O. Chaudhuri
Chairman
National Indian Gaming Commission

5/19/17
Date