

MEMORANDUM OF UNDERSTANDING BETWEEN THE COUNTY OF SONOMA
AND THE SONOMA COUNTY TRANSPORTATION AUTHORITY
FOR MITIGATION OF TRANSPORTATION IMPACTS ASSOCIATED WITH THE GRATON CASINO.

THIS AGREEMENT is made and entered into on February 3, 2026, by and between the COUNTY OF SONOMA (hereinafter COUNTY) and SONOMA COUNTY TRANSPORTATION AUTHORITY (hereinafter AUTHORITY). COUNTY and AUTHORITY are collectively referred to as Parties.

RECITALS

WHEREAS, the COUNTY and the AUTHORITY have a mutual interest in transportation for the residents of Sonoma County and the visitors to Sonoma County; and,

WHEREAS, in 2012, the State of California (State) and the Federated Indians of Graton Rancheria (Tribe) entered into a negotiated Tribal-State Compact, as subsequently amended in 2017, with the purpose of fostering a mutually respectful government to government relationship, implementing a means of regulating Class III Gaming (Gaming) at the Graton Resort and Casino (Gaming Facility) to ensure a fair and honest operation while protecting the interests of the Tribe, the State, its citizens and local communities and accordingly created the Graton Mitigation Fund; and,

WHEREAS, on October 23, 2012, the COUNTY and the Tribe entered into a negotiated Intergovernmental Mitigation Agreement (IMA) as required by the Tribal-State Compact, and as subsequently amended in 2019, which in part set forth reoccurring mitigation payments from the Tribe to the COUNTY for payment to the AUTHORITY for the purpose of Highway 101 and arterial and collector road improvements, and specifically for the Marin-Sonoma Narrows project and subsequent projects to be identified; and,

WHEREAS, in 2023, the State and the Tribe entered into a restated Tribal-State Compact to allow the Tribe to increase the number of Gaming devices within the Gaming Facility, and which required the Tribe to distribute at least 2% of its net win, as that term is defined therein, to neighboring jurisdictions to mitigate impacts resulting from the Gaming Facility; and,

WHEREAS, on June 6, 2023, the COUNTY and Tribe entered into an amended and restated IMA (Restated IMA) with the commitment to continue their efforts to maintain a respectful, long-term government-to-government relationship and continue with the mitigation payments, including for transportation needs, specifically local road maintenance, Highway 101, and arterial and collector road improvements, from the Gaming Facility; and,

WHEREAS, the AUTHORITY received \$12,619,080.93 from the COUNTY based on the October 23, 2012 IMA, of which \$8,014,598.44 was programmed for improvements to Highway 101 in the Marin Sonoma Narrows, leaving \$4,604,482.49 available to dedicate to mitigate other transportation impacts from the Gaming Facility.

WHEREAS, on June 14, 2024, the COUNTY Board of Supervisors accepted staff's recommendation on the allocation of the Tribe's mitigation funds paid to COUNTY, which

recommended a base allocation of \$2,083,835 to the AUTHORITY, beginning with FY 24/25 and now totaling \$4,642,054; and,

WHEREAS, the COUNTY is desirous to continue to mitigate the impacts on transportation related to the Gaming Facility, and is committed to allocating funding from the Tribe's mitigation payments to do so, as laid out in the recommendations approved by the Board of Supervisors on June 14, 2024, and

WHEREAS, the AUTHORITY is ready, willing and able to partner with the County to assist in planning and delivering needed infrastructure improvements.

NOW, THEREFORE, IT IS AGREED by and between the PARTIES hereto as follows:

1. During the fiscal year July 1, 2023, to June 30, 2024, COUNTY paid to AUTHORITY the total sum of **\$2,558,218.83** in Mitigation Payments.
2. During the fiscal year July 1, 2024, to June 30, 2025, COUNTY paid to AUTHORITY the total sum of **\$2,083,835** in Mitigation Payments.
3. AUTHORITY will use Mitigation Payments solely for planning and project development costs associated with transportation projects that mitigate impacts from the Gaming Facility on Lakeville Highway between Highway 37 and near Cougar Mountain Drive.
4. Records. AUTHORITY agrees keep complete books and records on expenditures made with Mitigation Payments, and to make available and submit to audit by COUNTY all of AUTHORITY'S books, records, and financial statements as they relate to the Mitigation Payments upon COUNTY'S request.
5. Indemnification: Each party shall indemnify, defend, protect, hold harmless, and release the other, its officers, agents, and employees, from and against any and all claims, loss, proceedings, damages, causes of action, liability, costs, or expense (including attorneys' fees and witness costs) arising from or in connection with, or caused by any act, omission, or negligence of such indemnifying party or its agents, employees, contractors, subcontractors, or invitees. This indemnification obligation shall not be limited in any way by any limitation on the amount or type of damages or compensation payable to or for the indemnifying party under workers' compensation acts, disability benefit acts, or other employee benefit acts.
6. Non-Discrimination: AUTHORITY shall comply with all applicable federal, state and local laws, rules and regulations in regard to non-discrimination in employment because of race, ancestry, color, sex, age, national origin, religion, marital status, medical condition, or handicap, including the provisions of Article II of Chapter 19 of the Sonoma County Code, prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection.

7. **Assignment/Delegation:** AUTHORITY shall not assign, sublet, transfer or delegate any interest in or duty under this agreement without written consent of COUNTY, and no assignment shall be of any force or effect whatsoever unless and until so consented.
8. **Merger:** This writing is intended both as the final expression of the agreement between the PARTIES hereto with respect to the included terms and as a complete and exclusive statement of the terms of the Agreement, pursuant to C.C.P. Section 1856. No modification of this agreement shall be effective unless and until such modification is evidenced by a writing signed by both PARTIES.
9. **Termination:**
 - a) This Agreement may be canceled by a party for breach of any obligation, covenant or condition hereof by the other party, upon notice to the breaching party. With respect to any breach which is reasonably capable of being cured, the breaching party shall have thirty (30) days from the date of the notice to initiate steps to cure. If the breaching party diligently pursues cure, such party shall be allowed a reasonable time to cure, not to exceed sixty (60) days from the date of the initial notice, unless a further extension is granted by the non-breaching party. On cancellation, the non-breaching party retains the same rights as a party exercising its right to terminate under the provisions of paragraph 9(b), except that the canceling party also retains any remedy for breach of the whole contract or any unperformed balance.
 - b) By mutual consent of both parties, this Agreement may be terminated at any time.
10. **Notices.** Any notice which may be required under this Agreement shall be in writing, shall be effective when received, and shall be given by personal service, or by certified or registered mail, return receipt requested, to the addresses set forth below, or to such addresses which may be specified in writing to the parties hereto.

To COUNTY Christina Rivera, County Administrator
County of Sonoma
575 Administration Drive, Suite 104A
Santa Rosa, CA 95403
(707) 565-2048
christina.rivera@sonomacounty.gov

11. Conflict of Interest: AUTHORITY covenants that it presently has no interest and shall not acquire any interest, direct, or indirect, which would conflict in any manner or degree with

the performance of its services hereunder. AUTHORITY further covenants that in the performance of this contract no person having any such interest shall be employed.

12. **AIDS Discrimination:** AUTHORITY agrees to comply with the provisions of Chapter 19, Article II, of the Sonoma County Code prohibiting discrimination in housing, employment, and services because of AIDS or HIV infection during the term of this Agreement and any extensions of the term.
13. **No Third Party Beneficiaries:** Nothing contained in this Agreement shall be construed to create and the parties do not intend to create any rights in third parties.
14. **Counterpart; Electronic Signatures.** The parties agree that this Agreement may be executed in two or more counterparts, each of which shall be deemed an original, and together which when executed by the requisite parties shall be deemed to be a complete original agreement. Counterparts may be delivered via facsimile, electronic mail (including PDF) or other transmission method, and any counterpart so delivered shall be deemed to have been duly and validly delivered, be valid and effective for all purposes, and shall have the same legal force and effect as an original document. This Agreement, and any counterpart, may be electronically signed by each or any of the parties through the use of any commercially-available digital and/or electronic signature software or other electronic signature method in compliance with the U.S. federal E-SIGN Act of 2000, California's Uniform Electronic Transactions Act (Cal. Civil Code § 1633.1 et seq.), or other applicable law. By its use of any electronic signature below, the signing party agrees to have conducted this transaction and to execution of this Agreement by electronic means.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed

COUNTY OF SONOMA

By:

County Executive, or Designee

Date:

APPROVED AS TO FORM FOR COUNTY

By:

County Counsel

Date:

SONOMA COUNTY TRANSPORTATION AUTHORITY

By:

Executive Director

Date:

APPROVED AS TO FORM FOR AUTHORITY

By:

SCTA Counsel

Date:
