



1 NGC 13-09

2
3
4
5
6 STATE OF NEVADA

7 BEFORE THE NEVADA GAMING COMMISSION

8 STATE GAMING CONTROL BOARD,)
9 Complainant,)
10 vs.)
11 ELLIS LEE GARNER, sole proprietor)
12 dba COCK 'N BULL,)
13 Respondent.)

COMPLAINT

Attorney General's Office
Gaming Division
555 E. Washington Ave., Ste. 3900
Las Vegas, Nevada 89101

14 The State of Nevada, on relation of its STATE GAMING CONTROL BOARD (BOARD),
15 Complainant herein, by and through its counsel, CATHERINE CORTEZ MASTO, Attorney
16 General, and EDWARD L. MAGAW, Deputy Attorney General, hereby files this Complaint for
17 disciplinary action against ELLIS LEE GARNER, sole proprietor dba COCK 'N BULL
18 (hereinafter collectively referred to as "COCK 'N BULL" and/or "LICENSEE"), Respondent
19 herein, pursuant to Nevada Revised Statute (NRS) 463.310(2) and alleges as follows:

20 1. Complainant, BOARD, is an administrative agency of the State of Nevada duly
21 organized and existing under and by virtue of chapter 463 of NRS and is charged with the
22 administration and enforcement of the gaming laws of this State as set forth in Title 41 of NRS
23 (Nevada Gaming Control Act) and the Regulations of the Nevada Gaming Commission
24 (Commission or NGC).

25 2. Respondent, COCK 'N BULL, located at 1350 South Taylor Street, Fallon, Nevada,
26 holds a nonrestricted gaming license, and, as such, is charged with the responsibility of
27 complying with all of the provisions of the Nevada Gaming Control Act and the Regulations of
28 the Commission.

RELEVANT LAW

3. The Nevada Legislature has declared under NRS 463.0129(1) that:

(a) The gaming industry is vitally important to the economy of the State and the general welfare of the inhabitants.

(b) The continued growth and success of gaming is dependent upon public confidence and trust that licensed gaming and the manufacture, sale and distribution of gaming devices and associated equipment are conducted honestly and competitively, that establishments which hold restricted and nonrestricted licenses where gaming is conducted and where gambling devices are operated do not unduly impact the quality of life enjoyed by residents of the surrounding neighborhoods, that the rights of the creditors of licensees are protected and that gaming is free from criminal and corruptive elements.

(c) Public confidence and trust can only be maintained by strict regulation of all persons, locations, practices, associations and activities related to the operation of licensed gaming establishments, the manufacture, sale or distribution of gaming devices and associated equipment and the operation of inter-casino linked systems.

(d) All establishments where gaming is conducted and where gaming devices are operated, and manufacturers, sellers and distributors of certain gaming devices and equipment, and operators of inter-casino linked systems must therefore be licensed, controlled and assisted to protect the public health, safety, morals, good order and general welfare of the inhabitants of the State, to foster the stability and success of gaming and to preserve the competitive economy and policies of free competition of the State of Nevada.

NRS 463.0129(1)(a)-(d).

4. The Commission has full and absolute power and authority to limit, condition, restrict, revoke or suspend any license, or fine any person licensed, for any cause deemed reasonable. See NRS 463.1405(4).

5. The BOARD is authorized to observe the conduct of licensees in order to ensure that the gaming operations are not being conducted in an unsuitable manner. See NRS 463.1405(1).

6. This continuing obligation is repeated in NGC Regulation 5.040, which provides as follows:

A gaming license is a revocable privilege, and no holder thereof shall be deemed to have acquired any vested rights therein or thereunder. The burden of proving his qualifications to hold any license rests at all times on the licensee. The board is charged by law with the duty of observing the conduct of all licensees to the

1 end that licenses shall not be held by unqualified or disqualified
2 persons or unsuitable persons or persons whose operations are
3 conducted in an unsuitable manner.

4 Nev. Gaming Comm'n Reg. 5.040.

5 7. Nevada Gaming Commission Regulation 5.010 provides as follows:

6 1. It is the policy of the commission and the board to
7 require that all establishments wherein gaming is conducted in this
8 state be operated in a manner suitable to protect the public health,
9 safety, morals, good order and general welfare of the inhabitants of
10 the State of Nevada.

11 2. Responsibility for the employment and maintenance of
12 suitable methods of operation rests with the licensee, and willful or
13 persistent use or toleration of methods of operation deemed
14 unsuitable will constitute grounds for license revocation or other
15 disciplinary action.

16 Nev. Gaming Comm'n Reg. 5.010.

17 8. Nevada Gaming Commission Regulation 5.011 states, in relevant part, as follows:

18 The board and the commission deem any activity on the
19 part of any licensee, his agents or employees, that is inimical to the
20 public health, safety, morals, good order and general welfare of the
21 people of the State of Nevada, or that would reflect or tend to
22 reflect discredit upon the State of Nevada or the gaming industry,
23 to be an unsuitable method of operation and shall be grounds for
24 disciplinary action by the board and the commission in accordance
25 with the Nevada Gaming Control Act and the regulations of the
26 board and the commission. Without limiting the generality of the
27 foregoing, the following acts or omissions may be determined to be
28 unsuitable methods of operation:

1. Failure to exercise discretion and sound judgment to
prevent incidents which might reflect on the repute of the State of
Nevada and act as a detriment to the development of the industry.

.....

8. Failure to comply with or make provision for compliance
with all federal, state and local laws and regulations pertaining to
the operations of a licensed establishment including, without
limiting the generality of the foregoing, payment of license fees,
withholding any payroll taxes, liquor and entertainment taxes and
antitrust and monopoly statutes.

The Nevada gaming commission in the exercise of its sound
discretion can make its own determination of whether or not the
licensee has failed to comply with the aforementioned, but any
such determination shall make use of the established precedents
in interpreting the language of the applicable statutes. Nothing in
this section shall be deemed to affect any right to judicial review.

.....

1 10. Failure to conduct gaming operations in accordance
2 with proper standards of custom, decorum and decency, or permit
3 any type of conduct in the gaming establishment which reflects or
tends to reflect on the repute of the State of Nevada and act as a
detriment to the gaming industry.

4 Nev. Gaming Comm'n Reg. 5.011(1), (8), and (10).

5 9. Nevada Gaming Commission Regulation 5.030 provides as follows:

6 **Violation of any provision of the Nevada Gaming**
7 **Control Act or of these regulations by a licensee**, his agent or
employee **shall be deemed** contrary to the public health, safety,
8 morals, good order and general welfare of the inhabitants of the
State of Nevada and **grounds for suspension or revocation of a**
9 **license**. Acceptance of a state gaming license or renewal thereof
by a licensee constitutes an agreement on the part of the licensee
10 to be bound by all of the regulations of the commission as the
same now are or may hereafter be amended or promulgated. **It is**
11 **the responsibility of the licensee to keep himself informed of**
the content of all such regulations, and ignorance thereof will
12 **not excuse violations.**

13 Nev. Gaming Comm'n Reg. 5.030 (emphasis added).

14 10. Nevada Revised Statutes 463.310 states in relevant part as follows:

15 1. The Board shall make appropriate investigations:

16 (a) To determine whether there has been any violation of
this chapter or chapter 462, 464, 465 or 466 of NRS or any
17 regulations adopted thereunder.

18 (b) To determine any facts, conditions, practices or matters
which it may deem necessary or proper to aid in the enforcement
of any such law or regulation.

19

20 2. If, after any investigation the Board is satisfied that a
license, registration, finding of suitability, pari-mutuel license or
21 prior approval by the Commission of any transaction for which the
approval was required or permitted under the provisions of this
22 chapter or chapter 462, 464 or 466 of NRS should be limited,
conditioned, suspended or revoked, it shall initiate a hearing before
23 the Commission by filing a complaint with the Commission in
accordance with NRS 463.312 and transmit therewith a summary
24 of evidence in its possession bearing on the matter and the
transcript of testimony at any investigative hearing conducted by or
25 on behalf of the Board.

26 NRS 463.310(1)(a) and (b), and (2).

27 ...

28 ...

1 11. In response to a Complaint brought by the BOARD, NRS 463.310(4) provides in
2 relevant part that the Commission may:

3 (a) Limit, condition, suspend or revoke the license of any
4 licensed gaming establishment or the individual license of any
licensee without affecting the license of the establishment;

5

6 (d) Fine each person or entity or both, who was licensed,
7 registered or found suitable pursuant to this chapter or chapter 464
of NRS

8

9 (2) . . . [N]ot more than \$100,000 for each separate
10 violation of the provisions of this chapter or chapter 464 or 465 of
11 NRS or of the regulations of the Commission which is the subject
of an initial complaint and not more than \$250,000 for each
12 separate violation of the provisions of this chapter or chapter 464
or 465 of NRS or of the regulations of the Commission which is the
subject of any subsequent complaint.

13

14 NRS 463.310(4)(a) and (d)(2).

15 12. Nevada Gaming Commission Regulation 9.010(2) states:

16 2. Except as provided in subsection 1, **any licensee** who
17 surrenders, abandons or quits his licensed establishment, or **who**
18 **closes all of his licensed games for a period exceeding 1**
19 **month, shall within 10 days after** surrendering, quitting or
20 abandoning his licensed establishment or so **closing his games,**
surrender his license to the board. The board may, upon
request, authorize closing for longer periods; however, such
extension will not permit closing for an entire calendar quarter.

21 Nev. Gaming Comm'n Reg. 9.010(2) (emphasis added).

22 13. Pursuant to NGC Regulation 5.012(2):

23 2. Payoff schedules or award cards must accurately state
24 actual payoffs or awards applicable to the particular game or
25 device and shall not be worded in such manner as to mislead or
26 deceive the public. Maintenance of any misleading or deceptive
27 matter on any payoff schedule or award card or failure on the part
of a licensee to make payment in strict accordance with posted
payoff schedules or award cards may be deemed an unsuitable
method of operation.

28 Nev. Gaming Comm'n Reg. 5.012(2).

1 14. Pursuant to NGC Regulation 5.060(1):

2 1. No applicant, licensee or enrolled person shall neglect or
3 refuse to produce records or evidence or to give information upon
4 proper and lawful demand by a board or commission member or
5 any agent of the board, or shall otherwise interfere, or attempt to
6 interfere, with any proper and lawful efforts by the commission, the
7 board, or any agent to produce such information.

8 Nev. Gaming Comm'n Reg. 5.060(1).

9 15. In regards to in-house progressive jackpot systems, NGC Regulation 5.110(2)
10 requires:

11 2. The amount of a progressive payoff schedule shall be
12 conspicuously displayed at or near the games or machines to
13 which the payoff schedule applies. Each licensee shall record the
14 base amount of each progressive payoff schedule when first
15 exposed for play and subsequent to each payoff. At least once a
16 day each licensee shall log the amount of each progressive payoff
17 schedule at the licensee's establishment except for those that can
18 be paid directly from a slot machine's hopper or those offered in
19 conjunction with an inter-casino linked system. Explanations for
20 reading decreases shall be maintained with the progressive logs.
21 When the reduction is attributable to a payoff, the licensee shall
22 record the payoff form number on the log or have the number
23 reasonably available.

24 Nev. Gaming Comm'n Reg. 5.110(2).

25 16. Pursuant to NGC Regulation 5.160(9):

26 9. Each licensee and applicant must submit a written
27 casino surveillance system plan to the chairman. The plan must be
28 in a form approved or required by the chairman, and must include
a description of all equipment utilized in the casino surveillance
system, a blueprint or diagram that shows all of the areas to be
monitored and the placement of surveillance equipment in relation
to the activities being observed, a description of the procedures
utilized in the operation of the casino surveillance system, and any
other information required by the casino surveillance standards. If
an applicant will not be conducting or a licensee does not conduct
an activity that is addressed in the casino surveillance standards,
then the plan must include a statement to that effect. Each
applicant must submit its plan within 60 days after its application is
filed. Thereafter, the plan must be amended and the amendments
to the plan or the plan as amended must be submitted to the board
on an annual basis by each licensee, to reflect any modification
made to the licensee's casino surveillance system during the
preceding year that resulted from (a) the repeal or revision of any
existing casino surveillance standard or the adoption of any new
casino surveillance standard, (b) a change in the layout or
configuration of any area required to be monitored, or (c) any

1 exemption granted by the chairman pursuant to subsection 8. If no
2 such modifications were made, then the licensee must submit a
statement to the board to that effect.

3 Nev. Gaming Comm'n Reg. 5.160(9) (emphasis added).

4 17. The BOARD's Chairman has the authority to adopt surveillance standards pursuant
5 NGC Regulation 5.160(2), which reads:

6 2. The chairman shall adopt standards for the installation,
7 maintenance and operation of casino surveillance systems at all
8 licensed establishments. The purposes of a casino surveillance
9 system are to assist the licensee and the state in safeguarding the
10 licensee's assets, in deterring, detecting and prosecuting criminal
acts, and in maintaining public confidence and trust that licensed
gaming is conducted honestly and free of criminal elements and
activity.

11 Nev. Gaming Comm'n Reg. 5.160(2).

12 18. A licensee is required under NGC Regulation 5.160(6) to:

13 ". . . install, maintain, and operate a casino surveillance
14 system in accordance with the casino surveillance standards
15 adopted by the chairman. The failure of a licensee to comply with
16 this section and the casino surveillance standards adopted by the
chairman or any variation to the casino surveillance standards
approved pursuant to subsection 8 is an unsuitable method of
operation."

17 Nev. Gaming Comm'n Reg. 5.160(6) (emphasis added).

18 19. Pursuant to Casino Surveillance Standard (hereinafter "CSS") 2.010(2), based on its
19 annual gross gaming revenue during the preceding calendar year, the COCK 'N BULL is
20 required to maintain and operate its surveillance system "from a secure location." Under CCS
21 2.010(3), the entrance to the "secured location must be located so that it is not readily
22 accessible by either casino employees who work primarily on the casino floor or the general
23 public." When any equipment that makes up the surveillance system malfunctions, CCS
24 2.010(14) requires that a reasonable effort be made to repair the equipment within 72 hours
25 after the malfunction is discovered. "If a malfunction is not repaired within 7 days after it is
26 discovered causing the licensee to be in non-compliance with these standards, the licensee
27 must immediately notify the enforcement division via facsimile of the malfunction." CCS
28 2.010(14).

1 20. Nevada Revised Statute 463.0155 defines a "gaming device" as "any object used
2 remotely or directly in connection with gaming or any game which affects the result of a wager
3 by determining win or loss and which does not otherwise constitute associated
4 equipment" NRS 463.0155.

5 21. Pursuant to NGC Regulation 14.200:

6 **A licensee shall not alter the operation of approved**
7 **gaming devices and shall maintain the gaming devices in a**
8 **suitable condition.** Each licensee shall keep a written list of
9 repairs made to gaming devices offered for play to the public that
10 require a replacement of parts that affect the game outcome and
11 shall make the list available for inspection by the chairman upon
12 his request.

13 Nev. Gaming Comm'n Reg. 14.200 (emphasis added).

14 BACKGROUND

15 22. On or about October 24, 2012, the BOARD issued an Order to Show Cause
16 (hereinafter "OSC") to the COCK 'N BULL as to why a Complaint should not be filed with the
17 Commission against the COCK 'N BULL for the violations cited in Counts Two through Five
18 below.

19 23. The COCK 'N BULL was given twenty days in which to file a written response to the
20 above described OSC with the BOARD's Executive Secretary.

21 24. The COCK 'N BULL submitted its response to the OSC on or about December 26,
22 2012, roughly twenty-eight days past the date it was due.

23 25. The COCK 'N BULL's response to the OSC was woefully inadequate. It consisted of
24 one, hand-written page, and failed to sufficiently address any of the violations raised in the
25 OSC.

26 26. The inadequate and untimely response to the OSC is in itself demonstrative of the
27 COCK 'N BULL's ongoing problems with adequately and timely responding to the concerns
28 and violations brought to its attention by the BOARD.

29 27. Given its repeat and prevalent compliance problems, the BOARD has decided to
30 pursue the present disciplinary action against the COCK 'N BULL.

1 COUNT ONE

2 VIOLATION OF GAMING COMMISSION REGULATION 9.020

3 28. Complainant BOARD realleges and incorporates by reference as though set forth in
4 full herein paragraphs 1 through 27 above.

5 29. On or about October 19, 2012, the COCK 'N BULL closed all of its licensed games,
6 which consisted solely of slot machines.

7 30. As of the date of the filing of this Complaint, the licensed games at the COCK 'N BULL
8 have not been offered to the public for play since their closure described above.

9 31. Pursuant to NGC Regulation 9.010(2), if a gaming licensee closes all of its games for
10 a period exceeding one month, it is required to surrender its gaming license to the BOARD
11 within 10 days of the expiration of the one month period. NGC Regulation 9.010(2).

12 32. The COCK 'N BULL has closed all of its games for a period exceeding one month, yet
13 it has not surrendered its non-restricted gaming license to the BOARD as it is required to do
14 under NGC Regulation 9.010(2).

15 33. Such failure on the part of the COCK 'N BULL constitutes a violation of NGC
16 Regulation 9.010(2). Such violation constitutes an unsuitable method of operation and
17 provides grounds for disciplinary action. See NGC Regulations 5.010(2) and 5.030.

18 COUNT TWO

19 VIOLATION OF GAMING COMMISSION REGULATIONS 5.011, 5.011(1) AND 5.011(10)

20 34. Complainant BOARD realleges and incorporates by reference as though set forth in
21 full herein paragraphs 1 through 33 above.

22 35. From July 14, 2011, through March 24, 2012, the BOARD conducted an investigation
23 of the COCK 'N BULL in which it discovered multiple violations of NGC Regulations 5 and 14,
24 and the "Surveillance Standards for Nonrestricted Licensees" (hereinafter "Surveillance
25 Standards").

26 36. As part of the investigation, the BOARD communicated with the sole proprietor of the
27 COCK 'N BULL, ELLIS LEE GARNER, and the COCK 'N BULL's Slot/Casino Manager,
28 Eugena K. Bass. These communications were made by mail, e-mail, telephone, and through

1 personal meetings. Throughout the investigation the BOARD found Mr. GARNER and Ms.
2 Bass to be generally difficult to work with and uncooperative. Further, the BOARD found the
3 COCK 'N BULL's responses to the issues of noncompliance noted to be slow and inadequate,
4 requiring the BOARD to expend an extraordinary amount of time and resources to ensure
5 compliance.

6 37. The COCK 'N BULL's failure to cooperate and communicate with the BOARD during
7 its investigation, and to make timely and adequate measures to correct the numerous
8 violations that the BOARD brought to its attention, constitutes an unsuitable method of
9 operation pursuant to NGC Regulation 5.011(1), (8), and (10), and provides grounds for
10 disciplinary action by the BOARD against the COCK 'N BULL and LEE GARNER, its sole
11 proprietor. See Nev. Gaming Comm'n Regs. 5.010 and 5.030.

12 38. Presented below is a description of the difficulties BOARD Agents experienced when
13 communicating with the COCK 'N BULL, Mr. GARNER, and Ms. Bass, during the BOARD's
14 investigation, as well as the negative and uncooperative attitude those individuals displayed
15 when interacting with the Agents. Also presented below is a description of the extraordinary
16 efforts the BOARD has had to take in order to get the COCK 'N BULL to properly address and
17 correct the instances of noncompliance discovered during the BOARD's investigation. This
18 information is broken out by general area of noncompliance.

19 a. Surveillance Plan and Diagram.

20 i. On June 2, 2011, the BOARD mailed a letter dated June 1, 2011, to LEE
21 GARNER, the sole proprietor of the COCK 'N BULL, notifying him that the COCK 'N BULL
22 had failed to submit a written surveillance plan as required under NGC Regulation 5.160(9).
23 The letter gave Mr. GARNER 30 days from the receipt of the letter to submit the required plan
24 and diagram to the BOARD. As of July 14, 2011, the BOARD had not received the required
25 surveillance plan or diagram.

26 ii. On July 14, 2011, as a result of the lack of a response to the above referenced
27 letter, an Agent of the BOARD's Enforcement Division made an unannounced visit to the
28 COCK 'N BULL in hopes of discussing the violation in person with Mr. GARNER or with the

1 Slot/Casino Manager, Eugena K. Bass. Neither Mr. GARNER nor Ms. Bass were at the
2 location at the time of the Enforcement Agent's visit; however, an employee of the COCK 'N
3 BULL was able to reach Ms. Bass by phone to allow the Enforcement Agent to discuss the
4 violation with her.

5 iii. During the phone conversation, Ms. Bass acknowledged that the June 1, 2011,
6 letter from the BOARD was in fact received at the location. She stated that she gave the letter
7 to Mr. GARNER to handle. Ms. Bass further indicated that she did not know the status of the
8 surveillance plan or diagram. To assist the COCK 'N BULL in its efforts to correct the
9 violation, the Enforcement Agent explained to Ms. Bass the requirements of NGC Regulation
10 5.160(9) and the relevant requirements under the Surveillance Standards. Ms. Bass indicated
11 to the Enforcement Agent that she would inform Mr. GARNER about their telephone
12 conversation and that she would have him call the Enforcement Agent the next day, which
13 was July 15, 2011.

14 iv. As of July 20, 2011, Mr. GARNER had not telephoned the Enforcement Agent
15 as Ms. Bass had indicated she would have him do. This prompted the Enforcement Agent to
16 telephone Ms. Bass at the number she had provided. When the Enforcement Agent placed
17 the call a woman answered the telephone. The Enforcement Agent identified herself to the
18 woman and asked to speak to Ms. Bass to discuss the lack of a surveillance plan. In
19 response, the woman replied "No, this is a cell phone." The Agent once again identified
20 herself and again asked to speak to Ms. Bass about the surveillance plan. At that point, the
21 woman on the other end of the call identified herself as Ms. Bass.

22 v. Having established that the person on the other end of the call was Ms. Bass, the
23 Enforcement Agent asked her why Mr. GARNER had not called her on July 15, 2011, as Ms.
24 Bass had stated she would have him do. At that point in the conversation Ms. Bass became
25 defensive, deflective and evasive in her responses to the Enforcement Agent. Ms. Bass
26 stated that she had misunderstood what the Enforcement Agent had requested during their
27 earlier conversation and that she did not remember being asked to have Mr. GARNER call the
28 Enforcement Agent the next day. At that point, the Enforcement Agent once again took the

1 time to explain to Ms. Bass what the relevant requirements of NRS Regulation 5.160(9) and
2 Surveillance Standards. Ms. Bass responded by stating that she did not have any of the
3 information available to her that would be necessary in order to comply with the requirements.
4 Upon request, Ms. Bass provided the Enforcement Agent an e-mail address at which she
5 could be contacted.

6 vi. On July 21, 2011, the Enforcement Agent sent an e-mail message to the e-mail
7 address provided by Ms. Bass. The e-mail message was titled "Delinquent Surveillance Plan
8 and Diagram" and was addressed to both Ms. Bass and Mr. GARNER. The Enforcement
9 Agent attached a Portable Document Format (hereinafter "PDF") copy of NGC Regulation
10 5.160 with paragraph 9 highlighted for emphasis, and a PDF copy of the Surveillance
11 Standards to the e-mail.

12 vii. On July 22, 2011, Mr. GARNER telephoned the Enforcement Agent as
13 requested. During the telephone conversation with Mr. GARNER, the Enforcement Agent
14 discussed the June 1, 2011, letter and the failure of the COCK 'N BULL to submit a
15 surveillance plan and diagram as required. Mr. GARNER stated that he knew nothing about
16 the letter, and that he was not aware if a surveillance plan existed. He further stated that Ms.
17 Bass was responsible for the surveillance plan. At the end of the conversation, Mr. GARNER
18 asked the Enforcement Agent to send him a copy of the June 1, 2011, letter for his review.

19 viii. On July 22, 2011, the Enforcement Agent sent Mr. GARNER a copy of the June
20 1, 2011, letter along with a new cover letter from an Enforcement Division Supervisor
21 explaining that the 30 days Mr. GARNER had to respond to the June 1st letter expired on July
22 7, 2011. The cover letter further stated that Mr. GARNER's timely compliance with the
23 request was respectfully requested. The cover letter and the copy of the June 1, 2011, letter
24 were mailed return receipt to the COCK 'N BULL. Proof of delivery was received by the
25 Enforcement Agent on July 25, 2011. The return receipt was signed on July 23, 2011, by Mr.
26 GARNER's spouse, Luella Garner.

27 ix. On August 18, 2011, having still not received the required surveillance plan or
28 diagram, the Enforcement Agent conducting the investigation, along with an Agent of the

1 BOARD's Tax and License Division met with Mr. GARNER at the COCK 'N BULL to discuss
2 the issues of noncompliance, along with the apparent failure of Mr. GARNER and Ms. Bass to
3 adequately communicate with each other and with the BOARD. At the conclusion of the
4 conversation, Mr. GARNER asked the agents something to the effect of "don't you have
5 bigger things to worry about?"

6 x. The BOARD Agents then met with Ms. Bass. During the meeting the
7 Enforcement Agent once again explained the requirement of the surveillance plan and
8 diagram to Ms. Bass. To assist Ms. Bass in meeting the requirements, the Enforcement
9 Agent provided her with a sample surveillance plan to use as a guide in creating the COCK 'N
10 BULL's plan. The Enforcement Agent also provided Ms. Bass with another copy of NGC
11 Regulation 5.160 and the Surveillance Standards. The Enforcement Agent also confirmed
12 that Ms. Bass had access to the Internet and then advised her that she could find the NGC
13 Regulations and Surveillance Standards at the BOARD's website. Throughout the meeting,
14 the Enforcement Agent observed Ms. Bass taking copious notes. At the conclusion of the
15 conversation, Ms. Bass indicated to the BOARD Agents that she would be able to complete
16 and send the COCK 'N BULL's surveillance plan and diagram to the BOARD by September 7,
17 2011. The Enforcement Agent witnessed Ms. Bass making a note of the agreed upon due
18 date during their conversation.

19 xi. On September 7, 2011, Ms. Bass called the BOARD and spoke with the Tax and
20 License Agent that participated in the August 18, 2011, meeting at the COCK 'N BULL.
21 During the conversation, Ms. Bass indicated that she had thought that the BOARD was going
22 to go out to the COCK 'N BULL that day to pick up the surveillance plan and diagram. On
23 September 15, 2011, Ms. Bass had still not sent the COCK 'N BULL's surveillance plan and
24 diagram to the BOARD as agreed upon. Accordingly, the Enforcement Agent telephoned Ms.
25 Bass and left a voice message asking Ms. Bass to give the Enforcement Agent a call. On
26 September 17, 2011, having not received a response from Ms. Bass, the Enforcement Agent
27 once again telephoned her. After being put on hold for several minutes, the Enforcement
28 Agent was able to reach Ms. Bass.

1 xii. When asked by the Enforcement Agent why she had not yet sent the
2 surveillance plan and diagram to the BOARD's offices, Ms. Bass indicated that she had
3 thought that the BOARD was going to come and pick up the plan on September 7, 2011, at
4 the COCK 'N BULL. In response, the Enforcement Agent reminded Ms. Bass that they had
5 agreed that Ms. Bass would "send" the items to the BOARD by that date, and not that the
6 BOARD would send someone to the COCK 'N BULL to pick them up. Ms. Bass offered no
7 explanation as to why she did not mail, e-mail, or fax the plan to the BOARD offices after her
8 discussions with the Tax and License Agent on September 7, 2011. When the Enforcement
9 Agent asked Ms. Bass to fax the surveillance plan and diagram to the BOARD's offices that
10 day, she responded in a curtly fashion that the Agent would have to wait for the fax since she
11 was busy fixing slot machines. Later that afternoon, Ms. Bass faxed the surveillance plan and
12 diagram to the BOARD's offices as the Agent had requested.

13 xiii. In the end, it took the COCK 'N BULL over three months from the date it was
14 first notified of the violation to provide the required written surveillance plan and diagram to the
15 BOARD. Achieving this response from the COCK 'N BULL required multiple mailings,
16 telephone calls, and site visits by BOARD Agents, well beyond what is acceptable in such
17 situations. The unreasonable length of time to fix the problem and the difficulties BOARD
18 Agents had in communicating with the licensee is reflective of a general disregard and lack of
19 concern the COCK 'N BULL, its owner, and its key employee have toward the BOARD and
20 laws and regulations that govern the gaming industry within the State of Nevada.

21 b. Continued Disrepair Of Slot Machines On Casino Floor.

22 i. During the visit to the COCK 'N BULL on July 14, 2011, the Enforcement Agent
23 noticed that at least fifteen slot machines on the casino floor were placed out of service and
24 appeared to be in various states of disrepair. On August 18, 2011, during a return visit to the
25 COCK 'N BULL, the Enforcement Agent once again observed that an unusually high number
26 of slot machines on the casino floor were out of order. When asked about the continued
27 disrepair of the slot machines, Mr. GARNER indicated that he was seeking to sell the
28 establishment but was having a difficult time finding a buyer. When the Enforcement Agent

1 later asked Ms. Bass about those slot machines, she informed the Enforcement Agent that
2 33% of the slot machines on the casino floor were out of order. She further indicated that she
3 had been unable to find and hire a slot technician to perform the necessary repairs.

4 ii. The Enforcement Agent visited the COCK 'N BULL again on October 12, 2011.
5 During that visit the Enforcement Agent again observed that the same 20 slot machines
6 previously noted, were still out of order and still in the same state of disrepair as they were
7 during the Enforcement Agent's previous visits to the location. When asked about the slot
8 machines, a shift supervisor indicated that there had been no change in the machines since
9 before the Enforcement Agent's first visit. The Enforcement Agent again noted that the same
10 machines were out of order and in the same state of disrepair during another site visit on
11 October 28, 2011.

12 iii. On November 25, 2011, the Enforcement Agent telephoned the COCK 'N BULL
13 and spoke with Mr. GARNER about the out of service slot machines. During the conversation
14 Mr. GARNER indicated that several of the non-working slot machines had been removed from
15 the casino floor, but he was not sure of the exact number. The Enforcement Agent then
16 attempted to contact Ms. Bass to discuss the slot machines. The Enforcement Agent left a
17 voicemail message asking Ms. Bass to return the call.

18 iv. Having not received a call back from Ms. Bass, the Enforcement agent called her
19 again on December 9, 2011, and again left a voicemail message for Ms. Bass to return the
20 call. On December 12, 2011, Ms. Bass left a voicemail message on the Enforcement Agents
21 telephone instructing the Enforcement Agent to give her a call on her cell phone. On
22 December 22, 2011, the Enforcement Agent called Ms. Bass's cell phone and left a voicemail
23 message for her to return the call.

24 v. On December 23, 2011, the Enforcement Agent returned to the COCK 'N BULL
25 and met with Mr. GARNER to discuss the continued disrepair of slot machines on the casino
26 floor in violations of NGC Regulation 14.200. During the conversation Mr. GARNER explained
27 that the issues with the slot machines were due to his inability to find and hire a slot repair
28 technician in the poor economy. Mr. GARNER further stated that there were no slot

1 technicians available for hire in Fallon, Nevada, the city in which the COCK 'N BULL is
2 located.

3 vi. At one point during the conversation, Mr. GARNER inquired as to how the
4 BOARD issues gaming employee registrations. In response, the Enforcement Agent
5 explained the requirements and process set forth under NRS 463.335. Mr. GARNER then
6 made a comment along the lines of "then it's just your opinion [to object]." The Enforcement
7 Agent went on to explain that there are statutory and regulatory criteria for an objection to a
8 gaming application, generally based on criminal history and determination of suitability to be
9 employed in the gaming industry. The Enforcement Agent was aware at the time of the
10 meeting that the slot technician that Mr. GARNER had hired in 2009 had been placed in
11 "object" status due to his criminal history, so the Enforcement Agent assumed the inquiry by
12 Mr. GARNER was generated in part by what happened with his past slot technician.

13 vii. Near the end of the meeting with Mr. GARNER, the Enforcement Agent asked
14 him when he thought he might be able to get the slot machines in working condition, to be in
15 compliance with NGC Regulation 14.200. In response, Mr. GARNER asked something along
16 the lines of "and how does this help the state?" When the Enforcement Agent started to
17 respond, citing to NGC Regulation 5 and the requirement that casinos must maintain their
18 operations in appearance of good repair, Mr. GARNER looked past the Enforcement Agent
19 and waved his hand vaguely. The Enforcement Agent then stopped explaining and thanked
20 Mr. GARNER for his time and Mr. GARNER then left the casino floor.

21 viii. As part of the investigation, the Enforcement Agent researched BOARD records
22 and discovered that the BOARD's Technology Division had noted numerous problems with
23 the slot machines at the COCK 'N BULL in the previous four years. Along with the noted
24 issues regarding the machines, the records also reveal the difficulties the BOARD had with
25 communicating with Ms. Bass to resolve the noted problems. The difficulties noted included
26 the following:

27 1) Inspection Date 2/19/2008 – Monitors on seven slot machines not properly
28 calibrated. Between 3/3/2008 and 1/26/2009, the BOARD made 24 phone calls/attempts to

1 contact Ms. Bass regarding the noted issues. Ms. Bass stated that the COCK 'N BULL was
2 having continuing difficulties finding a slot technician.

3 2) Inspection Date 11/24/2008 – The monitors of the same seven slot machines
4 as above were still not properly calibrated. Between 1/26/2009 to 4/6/2009, the BOARD made
5 8 phone calls with Ms. Bass regarding the necessary repairs to the slot machines. Ms. Bass
6 sent an e-mail message to the BOARD dated 4/4/2009, indicating that the necessary repairs
7 had been made.

8 3) Inspection Date 4/6/2009 – Non-approved (faded) chip labels found in three
9 slot machines. Between 4/21/2009 and 8/5/2009, the BOARD made 14 calls to the COCK 'N
10 BULL regarding the issue. Records indicate that Ms. Bass returned one of the calls on
11 5/12/2009, in which Ms. Bass left a voice message asking “what do you want?” The call logs
12 note that for many of the calls made by the BOARD Ms. Bass was unavailable, busy, or
13 otherwise not able to come to the phone. After not being able to reach Ms. Bass by phone, on
14 7/16/2009, three BOARD Technicians went to the COCK 'N BULL and met with Ms. Bass in
15 person. During the meeting, Ms. Bass indicated that she would get the chip labels made.
16 After another series of phone calls by the BOARD, Ms. Bass faxed a corrected list of the label
17 numbers and confirmed that the labels in the machines had been corrected.

18 4) Inspection Date 8/31/2010 – All bar top slot machines at the COCK 'N BULL
19 had inaccurate and misleading award schedules, in that they stated that the machines paid
20 out 1,000 coins, when in fact the bartender pays all cash outs. Also, certain machines had
21 drop doors with data cables that were not secured from public access. Lastly, various other
22 problems noted with several slot machines including improperly calibrated monitors, available
23 coin heads on machines that did not accept coin, and exterior components missing bill
24 validators. Between 9/1/2010 and 2/2/2011, the BOARD made 10 phone calls to the COCK
25 'N BULL regarding the noted issues. In one of the phone calls, made on 1/12/2011, Ms. Bass
26 indicated that the repairs on three of the machines had not been completed because the
27 bartender quit. BOARD records indicate that the necessary repairs had been completed on
28 2/2/2011, five months after they were discovered.

1 5) Inspection Date 2/22/2012 – Noted slot machine drop areas that had data
2 cables or controller electronic boxes that were not properly secured from public access
3 (repeat violation). Cabling for the slot machines was strung along the walls and across the
4 floor. Also noted, continuing and new issues regarding the condition of certain slot machines
5 on the floor, including improperly calibrated monitors, missing components from bill validators,
6 and non-functioning card cage fans. Lastly, the BOARD technicians noted that 13 slot
7 machines on the casino floor were non-functioning.

8 ix. In all, the Enforcement Agent visited the COCK 'N BULL on three occasions to
9 review the status of the machines that were not functioning (8/18/2011, 10/12/2011, and
10 10/28/2011). On those dates, the Enforcement Agent found twenty-one machines on the
11 casino's floor that were non-operative.

12 x. On 12/23/2011, the Enforcement Agent once again visited the COCK 'N BULL.
13 This time the Enforcement Agent observed at least 20 slot machines stored outside, behind
14 the casino. The Enforcement Agent was able to verify that 10 of these machines had recently
15 been removed from the casino floor, and that 7 of the machines were among the 21
16 inoperative machines that the Enforcement Agent had noted on the casino floor during
17 previous visits to the casino. The other 14 inoperative machines remained on the casino floor.

18 xi. On 1/12/2012, the Enforcement Agent spoke with Ms. Bass over the telephone
19 regarding the status of the non-functioning slot machines. Ms. Bass indicated that she had
20 consulted a slot technician regarding what repairs were necessary for the machines, but that
21 she did not actually employ that person.

22 xii. On 3/22/2012, the Enforcement Agent received information from a Confidential
23 Source that had cold called the COCK 'N BULL asking if the casino manager was looking for a
24 slot technician to repair the inoperative machines. The Confidential Source was informed that
25 there were no openings or need for a slot technician at the casino. This was in direct
26 contradiction to Mr. GARNER's and Ms. Bass's repeated assertions that they could not repair
27 the slot machines at issue because they were unable to find and hire a slot technician in
28 Fallon.

1 xiii. By the end of the BOARD's investigation, the COCK 'N BULL had not
2 completely resolved the issue of the inoperative slot machines on its floor, roughly eight
3 months after the BOARD first discussed the issues with Mr. GARNER. During that time, the
4 Enforcement Agent made multiple telephone calls and site visits to discuss the issue, which is
5 well beyond what is acceptable. The continued failure to resolve the issue and the difficulties
6 the BOARD had in communicating with the license is reflective of a general disregard and lack
7 of concern the COCK 'N BULL, its owner, and its key employee have toward the BOARD and
8 laws and regulations that govern the gaming industry within the State of Nevada.

9 c. Failure To Explain Progressive Jackpot Meter Decrease.

10 i. During the visit to the COCK 'N BULL on October 12, 2011, the Enforcement
11 Division Agent inspected the property's slot machine progressive jackpot records. Through
12 this inspection, the Enforcement Agent discovered an unexplained decrease to a progressive
13 jackpot on August 8, 2011, for which no explanation was documented as required under NGC
14 Regulation 5.160. When asked about the unexplained decrease, the Shift Supervisor on duty
15 stated that she would report the apparent violation to Ms. Bass and marked the page on the
16 log with a Post-it like note.

17 ii. During the visit to the COCK 'N BULL on December 23, 2011, the Enforcement
18 Agent asked to inspect the progressive jackpot log to check and see if an explanation for the
19 August 8, 2011, decrease had been subsequently documented. Upon examination of the log,
20 the Enforcement Agent noted that the Post-it like note was still on the log and that no
21 explanation for the decrease had been documented. When asked about this, the Shift
22 Supervisor stated that she had informed Ms. Bass of the Enforcement Agent's observation
23 and that she had shown her the missing entry on the progressive log.

24 iii. The failure of Ms. Bass, or other personnel from the COCK 'N BULL, to follow-up
25 on the apparent violation of NGC Regulation 5.160 after having over two months in which to
26 do so, further demonstrates the COCK 'N BULL's general disregard and lack of concern it, its
27 owner, and its key employee have toward the BOARD and the laws and regulations that
28 govern the gaming industry within the State of Nevada.

1 d. Failure To Secure Surveillance Room.

2 i. On October 12, 2011, the Enforcement Agent returned to the COCK 'N BULL to
3 conduct a follow-up inspection of the location and the surveillance system. During her
4 inspection, the Agent noted that the door to the room that housed the surveillance system was
5 not secured in such a manner as to prevent employees that work on the casino floor from
6 having access, as required under Surveillance Standard 2.010(3). The door to the room was
7 open and accessible to any employee. This apparent violation was brought to the attention of
8 COCK 'N BULL's personnel.

9 ii. On October 28, 2011, the Enforcement Agent returned to the location and once
10 again observed that the door to the room that housed the surveillance system was open,
11 making the room accessible to any employee. When asked if the door could be locked, a shift
12 supervisor stated it could since each shift supervisor maintained the key to the room. The
13 Agent explained the requirements of Surveillance Standard 2.010(2) to the Shift Supervisor,
14 which requires that the room housing the surveillance system be secured to prevent casino
15 employees from having access. At that point, the Shift Supervisor closed and locked the door.
16 At the conclusion of their conversation, the Agent gave the shift supervisor a copy of NGC
17 Regulation 5.160 and the Surveillance Standards, with Surveillance Standard 2.010(2)
18 highlighted, along with a note stating that the door to the surveillance room had to be kept
19 closed and locked, and instructed the Shift Supervisor to give them to Ms. Bass when she was
20 on property. No further incidents of noncompliance regarding the door to the surveillance
21 room were noted by the Agent on subsequent visits to the location.

22 iii. The fact that the Enforcement Agent had to instruct the COCK 'N BULL on two
23 separate occasions to do the relatively simple task of ensuring the door to the room that
24 housed the surveillance system be kept closed and locked, once again demonstrated the
25 COCK 'N BULL's lack of respect for the BOARD and a general disregard of the laws that
26 govern the gaming industry in the State of Nevada.

27 ...

28 ...

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

COUNT THREE

VIOLATION OF GAMING COMMISSION REGULATIONS 5.011, 5.011(1) AND 5.011(10)

39. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 38 above.

40. Under NGC Regulation 5.160(9), as of November 21, 1991, all gaming existing licensees were required to file a written surveillance plan and diagram with the BOARD's Chairman that contained the information set forth therein. Thereafter, on an annual basis, gaming licensees are required to amend their plan and diagram for any modifications made to the system during the year and to submit such amendments to the BOARD's Chairman. Nev. Gaming Comm'n Reg. 5.160(9). If no modifications are made to the surveillance system during the year, a gaming licensee is required to submit a written statement to the BOARD's Chairman to that effect. *Id.*

41. The COCK 'N BULL has not submitted a surveillance plan or diagram as required under NGC Regulation 5.160(9), nor has it submitted any of the annual amendments or non-amendment statements that are required therein. The BOARD notified the COCK 'N BULL of the lack of the plan and diagram on or about June 1, 2011. After numerous contacts with the licensee by telephone, mail, e-mail, and in person, the COCK 'N BULL submitted the required plan to the BOARD on September 17, 2011, over three months after first being notified of the violation and nearly twenty years after the requirement became effective.

42. The COCK 'N BULL's failure to timely submit the required surveillance plan and diagram constitutes a violation of NGC Regulation 5.160(9). Such violation constitutes an unsuitable method of operation and provides grounds for disciplinary action. See Nev. Gaming Comm'n Regs. 5.010(2) and 5.030.

COUNT FOUR

VIOLATION OF GAMING COMMISSION REGULATIONS 5.011, 5.011(1) AND 5.011(10)

43. Complainant BOARD realleges and incorporates by reference as though set forth in full herein paragraphs 1 through 42 above.

...

1 44. Pursuant to NGC Regulation 14.200, a gaming licensee is required to maintain slot
2 machines on its premises in a suitable condition. BOARD Agents noted on numerous
3 occasions that the COCK 'N BULL had numerous slot machines on its casino floor that were
4 continually not in working condition.

5 45. The COCK 'N BULL's failure to properly maintain those slot machines in working order
6 constitutes a violation of NGC Regulation 14.200. Such violation constitutes an unsuitable
7 method of operation and provides grounds for disciplinary action. See Nev. Gaming Comm'n
8 Regs. 5.010(2) and 5.030.

9 **COUNT FIVE**

10 **VIOLATION OF GAMING COMMISSION REGULATIONS 5.011, 5.011(1) AND 5.011(10)**

11 46. Complainant BOARD realleges and incorporates by reference as though set forth in
12 full herein paragraphs 1 through 45 above.

13 47. Nevada Gaming Commission Regulation 5.110(2) requires gaming licensees to
14 maintain explanations for any decrease in a progressive jackpot meter with their progressive
15 meter reading logs. On October 12, 2011, an Agent of the BOARD's Enforcement Division
16 discovered an unexplained decrease to a progressive meter that occurred on August 8, 2011.
17 As of the date of this OSC no explanation has been provided to the BOARD.

18 48. The COCK 'N BULL's failure to document an explanation for the decrease in the
19 above reference progressive meter constitutes a violation of NGC Regulation 5.110(2). Such
20 violation constitutes an unsuitable method of operation and provides grounds for disciplinary
21 action. See Nev. Gaming Comm'n Regs. 5.010(2) and 5.030.

22 **PRAYER FOR RELIEF**

23 WHEREFORE, based upon the allegations contained herein, which constitute
24 reasonable cause for disciplinary action against the COCK 'N BULL, pursuant to NRS
25 463.310, and NGC Regulations 5.010, 5.011 and 5.030 the BOARD prays for the relief set
26 forth as follows:

27 1. That the Nevada Gaming Commission serve a copy of this Complaint on the COCK 'N
28 BULL pursuant to NRS 463.312(2);

1 2. That the Nevada Gaming Commission fine the COCK 'N BULL a monetary sum
2 pursuant to the parameters defined at NRS 463.310(4) for each separate violation of the
3 provisions of the Nevada Gaming Control Act or the Regulations of the Nevada Gaming
4 Commission Regulations;

5 3. That the Nevada Gaming Commission revoke the COCK 'N BULL's license or licenses
6 pursuant to NRS 463.310(4)(a);

7 4. That the Nevada Gaming Commission take action against the COCK 'N BULL's license
8 or licenses pursuant to the parameters defined at NRS 463.310(4); and

9 5. For such other and further relief as the Nevada Gaming Commission may deem just
10 and proper.

11 DATED this 25th day of June, 2013.

12 STATE GAMING CONTROL BOARD

13 
14 _____
A.G. BURNETT, Chairman

15 
16 _____
SHAWN R. REID, Member

17 
18 _____
TERRY JOHNSON, Member

19 Submitted by:

20 CATHERINE CORTEZ MASTO
21 Attorney General

22 By: 

23 EDWARD L. MAGAW
24 Deputy Attorney General
25 Gaming Division
26 (702) 486-3224
27
28