

STATE OF WASHINGTON
GAMBLING COMMISSION

In the Matter of the Suspension or Revocation of)
the Licenses to Conduct Gambling Activities of:)
) No. CR 2010-00277
Walstad Enterprises Inc.)
d/b/a Lake Pateros Sports Bar and Grill,) **NOTICE OF ADMINISTRATIVE**
) **CHARGES AND OPPORTUNITY**
) **FOR A HEARING**
Licensee.)
_____)

I.

The Washington State Gambling Commission issued:

- 1) Walstad Enterprises Inc., d/b/a Lake Pateros Sports Bar and Grill, in Pateros, organization number 00-21478, the following licenses:
- Number 05-20655, Authorizing Class "A" Punchboard/Pull-Tab Activity, and
 - Number 65-07211, Authorizing Class "D" Public Card Room Activity.

The licenses expire on December 31, 2010, and were issued subject to the licensee's compliance with state gambling laws and regulations.

- 2) Walstad Enterprises Inc., d/b/a Wagon Wheel Bar and Grill, in Malott, organization number 00-20203, the following licenses:
- Number 05-20031, Authorizing Class "A" Punchboard/Pull-Tab Activity; and
 - Number 65-07027, Authorizing Class "D" Public Card Room Activity.

These licenses, which expired on June 30, 2009, were issued subject to the licensee's compliance with state gambling laws and regulations.

II.

Rick Day, Director of the Washington State Gambling Commission, charges the licensees with the following violations of the Washington State Gambling Act, 9.46 RCW, and WAC Title 230:

- 1) Walstead Enterprises Inc. owns and operates Lake Pateros Sports Bar and Grill and Wagon Wheel Bar and Grill.
- 2) On June 30, 2009, Walstad Enterprises Inc., d/b/a Wagon Wheel Bar and Grill's gambling licenses expired. However, Wagon Wheel Bar and Grill continued to operate gambling activity from July 1, 2009, through February 8, 2010, in violation of WAC 230-06-125 and RCW 9.46.160.

3) Walstad Enterprises Inc. failed to pay the \$628 Class "A" Punchboard/Pull-Tab Activity license fee and the \$59 Class "D" Public Card Room Activity license fee for gambling activity that took place at the Wagon Wheel Bar and Grill from July 1, 2009, through February 8, 2010, in violation of WAC 230-05-025.

4) Therefore, under RCW 9.46.075(1) and WAC 230-03-085(1), grounds exist to suspend or revoke the licenses owned and operated by Walstad Enterprises Inc., d/b/a Lake Pateros Sports Bar and Grill.

RCW 9.46.075 Denying, suspending, or revoking an application, license or permit

The Commission may deny an application, or suspend or revoke any license or permit issued by it, for any reason or reasons, it deems to be in the public interest. These reasons shall include, but not be limited to, cases wherein the applicant or licensee, or any person with any interest therein: (The following subsections apply.)

(1) Has violated, failed or refused to comply with the provisions, requirements, conditions, limitations or duties imposed by chapter 9.46 RCW and any amendments thereto, or any rules adopted by the Commission pursuant thereto, or when a violation of any provision of chapter 9.46 RCW, or any Commission rule, has occurred upon any premises occupied or operated by any such person or over which he or she has substantial control.

WAC 230-03-085 Denying, suspending, or revoking a license or permit

We may deny, suspend, or revoke any application, license or permit, when the applicant, licensee, or anyone holding a substantial interest in the applicant's or licensee's business or organization:

(The following subsections apply.)

(1) Commits any act that constitutes grounds for denying, suspending, or revoking licenses or permits under RCW 9.46.075.

RCW 9.46.160 Conducting activity without license.

Any person who conducts any activity for which a license is required by this chapter, or by rule of the Commission, without the required license issued by the Commission shall be guilty of a class B felony. If any corporation conducts any activity for which a license is required by this chapter, or by rule of the Commission, without the required license issued by the Commission, it may be punished by forfeiture of its corporate charter, in addition to the other penalties set forth in this section.

WAC 230-06-125 Renew your license in a timely manner.

(1) Licensees must ensure a properly completed renewal application and all applicable fees are received at our administrative office in Lacey at least fifteen days before the expiration date on their license.

(2) If licensees do not submit a properly completed application and all fees and their license expires, they must immediately stop the gambling activity covered by their license.

(3) If your license expires, you must submit an application and you must not operate any gambling activity until a new license is issued.

WAC 230-05-025 Commercial stimulant fees.

All commercial stimulant license applicants must pay the following fees to us when applying for gambling licenses:

(The following subsections apply.)

- (1) Card games - Nonhouse-banked: Class D, Up to five tables – no fee to play, \$59.
- (3) Punch boards and pull-tabs: Class A, Up to \$50,000, \$628

III.

Jurisdiction of this proceeding is based on 9.46 RCW, Gambling, chapter 34.05 RCW, the Administrative Procedure Act, and WAC Title 230.

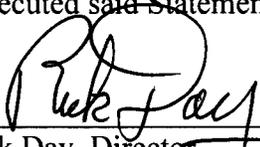
You will have the opportunity to have a hearing on the alleged violations.

In order to have a hearing or discuss settlement options, the enclosed REQUEST FOR HEARING must be COMPLETED AND RETURNED to the Gambling Commission *within 23 days* from the date of the mailing of this notice.

Based on RCW 34.05.440, failure to return this document will result in the entry of a default order REVOKING all the licenses.

STATE OF WASHINGTON)
) ss.
 COUNTY OF THURSTON)

Rick Day, being first duly sworn on oath, deposes and says: That he has read the foregoing Notice of Administrative Charges and Opportunity for Adjudicative Proceeding, knows the contents thereof, and believes the same to be true, and that he is the Director of the Washington State Gambling Commission and in that capacity has executed said Statement of Charges.


 Rick Day, Director

STATE OF WASHINGTON)
) ss.
 COUNTY OF THURSTON)

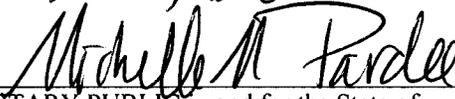
I hereby certify that I have this day served a copy of the document upon all parties of record in the proceeding by mailing a copy thereof, properly addressed with postage prepaid, by regular and certified mail to each party to the proceeding or his or her attorney or authorized agent.

Dated at Olympia, Washington this 23rd day of March, 2010

Communications and Legal Department
Washington State Gambling Commission



SUBSCRIBED AND SWORN TO before me this 23 day of March, 2010.


 NOTARY PUBLIC in and for the State of _____
 Washington residing at: LACEY
 My commission expires on JUNE 16, 2013



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