

**JIM. GIBBONS**  
Governor



STATE OF NEVADA  
**STATE ENVIRONMENTAL COMMISSION**

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Carson City, Nevada 89701-5249  
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[www.sec.nv.gov](http://www.sec.nv.gov)

**Leo Drozdoff, P.E.**  
Acting Director



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Las Vegas, NV

November 2, 2010

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Commission on Mineral  
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John Sevilla, General Manager  
Lake Tahoe Horizon Casino Resort  
P.O. Box C  
Stateline NV 89449

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COUNSEL  
Rose Marie Reynolds

STAFF  
[John B. Walker](#)  
Executive Secretary

[Kathy Rebert](#)  
Recording Secretary

RE: Penalty Assessment for Air Quality Violations No. 2232 and 2252

Dear Mr. Sevilla:

On August 31, 2010, the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP) issued Notice of Alleged Air Quality Violation and Order (NOAV) No. 2232 for failure to apply for and obtain an operating permit and construct or operate a stationary source in accordance with any condition of an operating permit. Class II Air Quality Permit AP7011-0508.01 issued to Lake Tahoe Horizon Casino Resort (Horizon Casino) expired on September 16, 2008. On August 31, 2010, NDEP issued Notice of Alleged Air Quality Violation and Order (NOAV) No. 2252 for failure to conduct emission compliance tests (source tests) required by an air quality operating permit. The acts as alleged in the NOAVs constitute major violations per NAC 445B.275(1)(a) and (c) and NAC 445B.281.

When NDEP sent the NOAVs by certified mail on or about August 31, 2010, it notified Horizon Casino of its appeal rights pursuant to NRS 445B.340 and NRS 445B.360. Since Horizon Casino did not appeal the NOAVs, the State Environmental Commission (SEC) will determine the appropriate penalty for the violations contained in NOAVs No. 2232 and 2252 at its meeting on December 7, 2010. This meeting will be held on Tuesday, December 7, 2010 at 9:30 a.m. at the Nevada Department of Wildlife's Conference Room A, 1100 Valley Road, Reno, Nevada.

Pursuant to NRS 445B.640(1), the SEC may levy an administrative fine of not more than \$10,000 per day per violation. Staff from NDEP will provide the SEC with a brief overview of the NOAVs and its recommendation for an administrative fine of \$38,100, which has been calculated from a penalty matrix previously approved by the Commission. The Commission will formally levy a fine by accepting NDEP's recommendation or increasing or decreasing the fine amount based on the information presented at the meeting.

Your presence is not required at the December 7, 2010 meeting, although you or a company representative may wish to attend and speak on behalf

of Horizon Casino. The SEC may, without further notice, take administrative action against Lake Tahoe Horizon Casino Resort, if the SEC determines that such administrative action is warranted after it considers NOAVs No. 2232 and 2252.

If you have any questions regarding this notice, please contact me at (775) 687-9308.

Sincerely,

John B. Walker  
Executive Secretary

JW:kr

enc.

Certified Mail #7007 0220 0003 5226 0484

cc: Colleen Cripps, NDEP  
Michael Elges, NDEP  
Francisco Vega, NDEP  
Kathy Rebert, SEC  
Rose Marie Reynolds, SEC/DAG