

# Sheriff: Tribal infighting leads to abrupt Chukchansi casino closure

By Marc Benjamin, Rory Appleton and Jim Guy

COARSEGOLD — Patrons of Chukchansi Gold Resort & Casino were abruptly ushered out of the casino in mid-game Thursday night by armed guards, and the casino and hotel were shut down.

The property was closed Friday morning after a chaotic night fueled by a feud between factions of the Picayune Rancheria of Chukchansi Indians, which owns the casino. The feud spilled over to the tribe's biggest asset Thursday night after one side said the other used force to try and retrieve key documents in the battle for tribal leadership.

Friday morning, Madera County sheriff's spokesman Erica Stuart said someone cut power to the resort for a time Thursday night and employees went home. The Madera County Sheriff's Office found itself caught between the factions and angry customers. Stuart said about 500 patrons were at Chukchansi when the blackout hit, including 200 hotel guests. The guests could not get into their rooms and could not even get valets to retrieve their cars.

Stuart said Sheriff John Anderson and his deputies became the target of the customers' frustrations. She said Anderson is calling for state and federal officials to straighten out the mess.

Anderson stayed at the casino complex overnight acting as a mediator and sheriff's deputies were stationed inside the casino as peacekeepers, Stuart said.

Friday morning, a group from the Tex McDonald tribal council was in the Chukchansi gaming commission office, said David Leibowitz, a spokesman for the McDonald council. Leibowitz said people affiliated with the Reggie Lewis/Nancy Ayala faction, which has occupied the 11th floor of the casino since a takeover more than a month ago, were running the rest of the hotel and casino.

Donn Hansler of Merced said he was playing Spanish 21 at a table about 7:45 p.m. Thursday when a security guard ordered the game shut down and the players to leave. Players were not allowed to cash in their chips or tickets, and even cashiers were locked out, he said.

"They threw us all out," he said. "I ended up getting screwed out of my money."

Hansler and another patron who did not want to give her name said customers at the casino were milling about the parking lot, angry about the abrupt closure and the inability to retrieve their money.

"All the workers have gone home," he said.

The woman said there were various rumors floating around the crowd, including that the casino was closed by auditors, or that a gun was seen inside. (Early reports included that a fire alarm had precipitated the evacuation.) Casino staff wasn't providing answers, she said, and patrons were growing frustrated.

"It's just crazy out here," she said.

Representatives of the factions offered accounts of what happened:

About 7 p.m. Thursday, a group from the McDonald council, aided by its new police chief, John Oliveira, and his officers, entered the casino and went to the gaming commission office, said Monica Davis, the McDonald faction's vice-chairwoman.

She said the group had gone into the office in an attempt to find two years of missing audits that have led to the National Indian Gaming Commission's order threatening to close the casino. She said they swept the room for documents, but the audits were not among the documents they now possess.

"We're trying to operate the casino and move forward with our audits because the rogue gaming commission hasn't turned in its audits," she said.

The "rogue" commission she referred to is affiliated with the Lewis/Ayala faction. They call themselves the "unification council."

Roger Salazar, spokesman for the Chukchansi Gold Resort & Casino who was hired by Lewis' group, said that about 10 to 15 people in three or four cars entered the casino about 6 p.m., pointed weapons at security staff and moved them to a conference room before going into the gaming office.

"The McDonald commission tried to remove documents," he said.

He said some casino security guards were hit with electronic stun guns.

Davis, of the McDonald faction, said a member of their police force was hit with a stun gun.

As of 9:30 p.m., Salazar said, order had been restored and Sheriff Anderson, whose department set up a command post near the casino, was sorting out the situation.

Stuart said just before 11 p.m. that no arrests had been made, and there was no immediate word on injuries.

After the casino shutdown, six or seven California Highway Patrol cruisers moved in blocking access to the casino on Lucky Lane at Highway 41, and troopers were waving traffic to stay on the highway. Two or three construction-type trucks were parked inside the blocked-off area, and construction workers were milling around.

Stuart said there was no word on when Lucky Lane would reopen.

Pockets of security guards were spread out throughout the hotel parking lot. By 9:30 p.m., only about 30 cars were left in the lot, with one or two leaving each minute.

The entrance to the hotel was blocked off by about a dozen sheriff's office and Cal Fire trucks. Guests were loading their cars with their luggage and leaving.

The casino serves as the financial center of the tribe's operations, funding monthly payments to tribe members, as well as housing, utility, tuition and clothing assistance.

The federal agency that oversees Indian gaming is threatening to shut down the Chukchansi casino because of missing audits, some of which were due last year.

The National Indian Gaming Commission says the casino could close Oct. 27 if the missing audits are not submitted. The tribe also faces fines of up to \$100,000 per day dating back to April 30. If fully assessed, those fines would equal \$16 million.

In a five-page letter dated Tuesday, the NIGC's acting chairman, Jonodev Chaudhuri, said that casino officials have not filed financial statements and audits dating back to 2012 and 2013, the earliest of which was due on April 30, 2013.

Audits are required so that the government officials are assured that tribal gaming meets certain federal guidelines.

Gary Montana, a Wisconsin lawyer who represented the McDonald group until recently, said Thursday night's events will make the NIGC think more seriously about closing the casino.

“When you have this happen, there’s a threat to public safety,” he said.

Lewis, leader of one of the tribal factions said he’s worried that if that happens, 1,000 employees would be out of work.

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