



## CALIFORNIA GAMBLING CONTROL COMMISSION

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### MINUTES OF COMMISSION MEETING

JULY 25, 2001

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#### OPEN SESSION

Commissioner Hensley called the meeting of July 25, 2001 to order at 9:33 am.

Commissioners present: John E. Hensley, J.K. Sasaki, and Michael C. Palmer. Commissioner Arlo E. Smith was absent.

Staff present: Gary Qualset, Deputy Director, Licensing and Compliance Division  
Peter Melnicoe, Chief Counsel.

The Pledge of Allegiance was recited.

Commissioner Sasaki moved to approve the July 12, 2001 Commission Meeting Minutes.

Commissioner Palmer seconded the motion, which was adopted unanimously.

#### **Item 1. Cardroom Approval of Request for Withdrawal of Key Employee Application Without Prejudice**

Deputy Director Qualset stated that both the Division of Gambling Control and Commission staff recommend approval of the request to withdraw the key employee application for the following:

- a. Crystal Park Casino:  
Archibald, Frederick

Commissioner Sasaki moved to approve the withdrawal of the above key employee application without prejudice. Commissioner Palmer seconded the motion, which passed unanimously.

**Item 2. Cardroom Approval of Request for Withdrawal of Work Permit Application Without Prejudice**

Deputy Director Qualset stated that both the Division of Gambling Control and Commission staff recommended approval of the request to withdraw the key employee application for the following:

- a. California Grand Casino:  
Falesoga, Jessie
- b. Jokers Wild Casino:  
Huyhn, Steven  
Wilson, Joshua

Commissioner Sasaki moved to approve the withdrawal of the above key employee application without prejudice. Commissioner Palmer seconded the motion, which passed unanimously.

**Item 3. Cardroom Request for Approval of Transfer of Work Permit Application**

Deputy Director Qualset stated that this item was incorrectly noticed and should be reviewed as a request for a new work permit instead of a transfer. Both the Division of Gambling Control and Commission staff recommend approval of the application for a new work permit for the following:

- a. Brooks Oceana  
Castillo, Rodrigo

Commissioner Sasaki moved to approve the above application as a new work permit. Commissioner Palmer seconded the motion, which passed unanimously.

**Item 4. Cardroom Request for Approval of Work Permit Application**

Deputy Director Qualset stated that both the Division of Gambling Control and Commission staff recommended approval of the following work permit applications. Qualset also stated that Item 4(d) was incorrectly noticed and should be reviewed as a transfer of a work permit as opposed to a new work permit:

- a. Brooks Oceana Cardroom:  
Brooks, Doyl
- b. Central Coast Casino:  
Kahanu, Bradley  
Leos, Jodi
- c. Empire Sportsmen's Association:  
Youkhanna, George
- d. Jokerz Wild Casino:  
Chek, Ronald
- e. McHenry's Men & Women's Club:  
Love, Herman
- f. Old Cayucos Tavern:  
Bailey, Bruce  
Bailey, Leigh
- g. Pacific News Card Casino:  
Jansen, Tracey

**Gambling Control Commission**  
**Commission Meeting Minutes of July 25, 2001**  
**Page 3**

Commissioner Hensley moved that Item 4(d) be approved as a request to transfer the work permit. Commissioner Sasaki seconded the motion, which passed unanimously.

Commissioner Hensley moved to approve work permit applications 4(a) through 4(c) and 4(e) through 4(g). Commissioner Palmer seconded the motion, which passed unanimously.

**Item 5. Cardroom Request for Approval of Application for Key Employee**

Deputy Director Qualset stated that both the Division of Gambling Control and Commission staff recommended approval of the request for key employee application for the following:

- a. Artichoke Joe's:  
Robertson, James MacIntosh III

Commissioner Palmer moved to approve the above application for key employee. Commissioner Hensley seconded the motion, which passed unanimously.

**Item 6. Cardroom Request for Approval of Gambling License Renewal**

Deputy Director Qualset stated that all items except Item 6(e) and Item 6(g) should be considered for renewal. Both the Division of Gambling Control and Commission staff recommend approval of requests for the remainder of the following gambling license renewals:

- a. Artichoke Joe's: Artichoke Joe's Inc.
- b. Big Tomato Card Club: Peter Mikacich, Sole Proprietor
- c. Busted Flush: Frank Fox, Sole Proprietor
- d. La Fuerza: Eusebio Rodriguez, Sole Proprietor
- e. Lucky Derby Casino: Point-Walker, Inc.
- f. Pacific News Card Club: The Malatesta Family Partnership
- g. Phoenix Casino & Lounge: Jack Cunningham & Lee Star, A California Corporation
- h. Silver Fox: Silver F., Inc.

Commissioner Palmer moved to approve Items 6(a) through Item 6(d) and Items 6(f) and 6(h). Commissioner Sasaki seconded the motion. The motion was passed unanimously.

Deputy Director Qualset stated Items 6(e) and 6(g) were both renewal requests that included requests for additional tables. The Division of Gambling Control had originally recommended approval of eight (8) tables for both applicants. However, a legal opinion is pending from the Attorney General's Office concerning the City of Citrus Heights' local ordinance amendment concerning the maximum number of tables. Therefore, the staff recommendation is that the Commission approve renewal of licenses for Items 6(e) and 6(g) at their current level of operation. Lucky Derby Casino, Item 6(e), is currently operating seven (7) tables and the Phoenix Casino and Lounge, Item 6(g), is currently operating five (5) tables.

Commissioner Hensley moved to approve renewal at the current level of seven (7) tables for Item 6(e). Commissioner Palmer seconded the motion, which passed unanimously.

**Gambling Control Commission**  
**Commission Meeting Minutes of July 25, 2001**  
**Page 4**

Commissioner Hensley moved to approve renewal at the current level of five (5) tables for Item 6(g). Commissioner Palmer seconded the motion, which passed unanimously.

Deputy Director Qualset stated staff would work with the Division of Gambling Control to determine if the impacted cardrooms are entitled to a refund. Commissioner Sasaki thanked staff, for their quick response to these license issues.

**Item 7. Proposed Commission Meeting Schedule**

Commissioner Hensley stated staff had prepared a suggested schedule for future Commission meetings. Most of the future meetings will be held on Wednesday and two meetings are scheduled each month. The Commissioners agreed to use the suggested schedule and asked staff to make it available on the Commission's web page. The meeting schedule will be subject to change.

**PUBLIC COMMENT**

- John Sustaita--Gambling Consultant, stated he had attended a seminar in Minnesota concerning pathological gambling. He obtained a manual by Gemini Research and will make it available to the Commission. He also asked about AB 1416 time line. Commissioner Hensley indicated the Commission is working on AB 1416 related regulations and invites public comment.

**CONSENT CALENDAR ITEMS**

- None

**CLOSED SESSION**

Commissioner Hensley announced that the Commission would be going into closed session and would reconvene at approximately 11:30 a.m. At 10:03 a.m., the Commission adjourned to closed session after Commission Counsel stated that discussions concerning litigation would take place under Government Code Section 11126(c) and 11126(e), and personnel issues under Government Code Section 11126(a)(1).

**RECONVENE OPEN SESSION**

Commissioner Hensley reconvened the open session at 11:45 a.m. and indicated there were no announcements. The next meeting would be scheduled for August 8, 2001. Commissioner Sasaki moved to adjourn the meeting and Commissioner Palmer seconded the motion. By unanimous vote, the meeting was adjourned at 11:46 a.m.