

CALIFORNIA GAMBLING CONTROL COMMISSION
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COMMISSION MEETING MINUTES

722 Capitol Mall
Sacramento, CA 95814
December 5, 2001, 9:30 a.m.

OPEN SESSION

Chairman Hensley called the meeting of December 5, 2001, to order at 9:32 a.m. with Chairman Hensley and Commissioners Sasaki, Smith, and Palmer present.

Staff Present: Gary Qualset, Deputy Director Licensing and Compliance Division; Peter Melnicoe, Chief Counsel; and Herb Bolz, Senior Legal Counsel and Regulations Coordinator.

The Pledge of Allegiance was recited.

After a discussion of the timeliness of the minutes and the need to see them prior to the start of the meeting Commissioner Sasaki moved to approve the November 20, 2001, Commission Meeting Minutes with the stipulation that the spelling of Deputy Director Qualset's name be corrected in Item 2. and incorporate Commissioner Sasaki's reference to non-compact tribes in Item 5. Commissioner Smith seconded the motion, which was unanimously adopted.

DECISION ITEMS

1. Applications for Cardroom Work Permits:
 - a. Oasis Card Club:
Tyler, Billy

Deputy Director Qualset indicated that both Division of Gambling Control and Commission staff recommend approval of Item 1. Commissioner Sasaki moved to approve Item 1. Commissioner Palmer seconded the motion, which was unanimously adopted.

2. Applications for Renewal of State Gambling License:
 - a. California Commerce Club: California Corporation.
 - b. Central Coast Casino: David & Theresa Stearns, Sole Proprietors.

Deputy Director Qualset indicated that Item 2. a., California Commerce Club, was previously issued a provisional license by the Division of Gambling Control pending completion of a background investigation. This item was now being presented for consideration of a full-approval of the initial state gambling license.

Deputy Director Qualset further indicated that Commission staff had recently received the Division's final report and that both the Division of Gambling Control and Commission staff recommended approval of the license.

Commissioner Sasaki moved to approve the state gambling license for Item 2. a., California Commerce Club. Commissioner Smith seconded the motion, which was unanimously adopted.

Deputy Director Qualset indicated that Item 2. b., Central Coast Casino, was previously issued a temporary license by the Commission to continue operating pending an additional report from the Division of Gambling Control. Deputy Director Qualset further indicated that the owner has gambling establishments in both Grover Beach and Paso Robles and the license renewal being presented for consideration was for the establishment located in Paso Robles. Deputy Director Qualset stated that Commission staff recommended an extension of the temporary license through February 28, 2002, to allow staff to prepare a final recommendation based on the recently received report from the Division. This will allow both locations to have the same temporary license expiration date so staff can come back to the Commission for further action on both locations at the same time.

Commissioner Smith moved to extend the temporary license through February 28, 2002, for Item 2. b. Commissioner Palmer seconded the motion, which was unanimously adopted.

3. Report on Review by the Office of Administrative Law of the Emergency Regulation Adopted by the Commission on November 20, 2001, Concerning Grounds for Denial of Work Permits; Consideration of any Amendments Responsive to Issues Raised by the Office of Administrative Law.

Senior Legal Counsel and Regulations Coordinator Herb Bolz presented an oral report to the Commission on the review by the Office of Administrative Law of the emergency regulation adopted by the Commission on November 20, 2001, concerning Grounds for Denial of Work Permits. Mr. Bolz reported that the emergency regulations submitted to the Office of Administrative Law on November 21, 2001, were approved as submitted and filed with the Secretary of State on November 29, 2001. Mr. Bolz further indicated staff would move forward to prepare a regular rulemaking to be submitted to the Office of Administrative Law for approval because the emergency regulations elapse 120 days from November 29, 2001, while it takes approximately six or seven months to complete the adoption process. Commissioner Sasaki thanked the legal staff for their work in this area.

PUBLIC COMMENT

Chairman Hensley announced the meeting was open for public comment.

Andy Schneiderman, General Counsel for California Commerce Casino expressed gratitude to the Commission on his and the California Commerce Casino's behalf for the Commission's determination to approve the state gambling license for the casino, and to the Division of Gambling Control for their efforts.

CONSENT CALENDAR ITEMS

None.

CLOSED SESSION

Chairman Hensley announced that the Commission would be going into closed session. At 9:53 a.m. the Commission adjourned to closed session after Commission Counsel stated that there would no discussions concerning litigation in the closed session, but personnel issues under Government Code Section 11126(a)(1) would take place.

RECONVENE OPEN SESSION

Chairman Hensley reconvened the open session at 10:30 a.m., and announced that during closed session the Commission members unanimously adopted a motion made by Commissioner Smith and seconded by Commissioner Sasaki that Deputy Director Gary Qualset be designated to act in lieu of the Executive Secretary pursuant to California Gambling Control Commission Regulations CGCC-2001-E-1, as provided in Title 4, Section 12100, subdivision (e), of the California Code of Regulations.

ADJOURNMENT

Commissioner Smith moved to adjourn the meeting. Commissioner Sasaki seconded the motion, which was adopted unanimously; the meeting was adjourned at 10:35 a.m.