

CALIFORNIA GAMBLING CONTROL COMMISSION
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MINUTES OF MARCH 13, 2002 COMMISSION MEETING

OPEN SESSION

Chairman Hensley called the meeting of March 13, 2002, to order at 2:30 p.m. with Chairman Hensley and Commissioners Sasaki, Smith, and Palmer present.

Staff Participating: Gary Qualset, Deputy Director Licensing and Compliance Division; Herb Bolz, Senior Legal Counsel.

The Pledge of Allegiance was recited.

Commissioner Palmer moved to approve the February 26, 2002, Commission Meeting Minutes. Commissioner Smith seconded the motion, which was unanimously adopted.

DECISION ITEMS

1. Applications for Work Permit:
 - a. Pacific News Card Club:
Poor, Suzanne
 - b. Sonoma Joe's:
Chhith, Sovuthy

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for work permits. Deputy Director Qualset recommended that the Commission consider both of the work permit applications in Item 1 with one motion. Commissioner Sasaki moved to approve the applications for work permit for Item 1a. Suzanne Poor, and Item 1b. Chhith Sovuthy. Commissioner Smith seconded the motion, which was unanimously adopted.

2. Applications for Key Employee License:
 - a. California Commerce Club:
Maldonado, Valerie

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for key employee license for Item 2a. Valerie Maldonado. Commissioner Smith moved to approve the key employee license application for Item 2a. Valerie Maldonado. Commissioner Sasaki seconded the motion, which was unanimously adopted.

3. Applications for Key Employee License – Request to Withdraw:
 - a. Hollywood Park Casino:
Bianchino, Leonard
 - b. Hustler Casino:
Ta, Quang Vic
Tran, Don
 - c. River Cardroom:
Fay, Cathy

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval without prejudice of the requests to withdraw applications for key employee license. Deputy Director Qualset stated that the Division of Gambling Control did not complete the background investigations on the applicants and any non-encumbered application fees paid to the Division of Gambling Control will be refunded to the applicants if their application withdrawal requests are approved. Deputy Director Qualset recommended that the Commission consider all of the requests to withdraw in Item 3 with one motion. Commissioner Palmer moved to approve without prejudice the requests to withdraw applications for key employee license for Item 3a. Leonard Bianchino; Item 3b Vic Quang Ta, and Don Tran; and Item 3c. Cathy Fay. Commissioner Smith seconded the motion, which was unanimously adopted.

Chairman Hensley requested that the minutes record Commissioner Palmer's request for Commission staff to forward to the Division of Gambling Control a written request for it to provide the Commission with a list of all pending applications for key employee licenses.

4. Request to Purchase Existing Gambling Establishment:
 - a. Mike's Card Casino (Harold's Card Casino):
Michael P. Whiteley, Jr., Sole Proprietor.
5. Application for State Gambling License:
 - a. Mike's Card Casino: Michael P. Whiteley, Jr., Sole Proprietor.

Deputy Director Qualset recommended that the Commission consider both Item 4 and Item 5 with one motion. Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the request to purchase the existing gambling establishment and the application for state gambling license for Michael P. Whiteley, Jr. Deputy Director Qualset further indicated that approval of the state gambling license was contingent upon full payment of licensing fees. Commissioner Palmer moved to approve the request to purchase existing gambling establishment and the application for state gambling license for Michael P. Whiteley, Jr. Commissioner Smith seconded the motion, which was unanimously adopted.

6. Applications for Renewal of State Gambling License:
 - a. The Mint: James L. Podergois, Sole Proprietor.

Deputy Director Qualset indicated that Item 6a. The Mint, was previously issued a temporary license because the license renewal was not filed timely and completion of the background investigation and final recommendation by the Division of Gambling Control was still pending when the license had expired. Deputy Director Qualset indicated that Commission staff has received the Division of Gambling Control's final recommendation and both the Division of Gambling Control and Commission staff recommend full approval of the application for renewal of state gambling license for the remaining license term through December 31, 2002. Commissioner Sasaki moved to approve the application for renewal of state gambling license for the remaining license term through December 31, 2002, for Item 6a. The Mint. Commissioner Palmer seconded the motion, which was unanimously adopted.

7. Review of any Proposed Changes to Regulations CGCC-1 and CGCC-2, as Adopted by the Commission on January 23, 2002.

Chairman Hensley announced that Commission action on Item 7. review of proposed changes to regulations CGCC-1 and CGCC-2, as adopted by the Commission on January 23, 2002, would be put over to a future Commission meeting.

Chairman Hensley provided an update concerning the status of the distribution from the Indian Gaming Revenue Sharing Trust Fund. He indicated that the Department of Finance had approved the Commission's request to distribute funds to non-compact tribes for the quarters ending June 30, 2001, and

September 30, 2001. Chairman Hensley further indicated that distribution checks were currently being processed at the State Controllers Office, and the Commission anticipates that the checks will be mailed to the non-compact tribes between March 15, 2002, and March 19, 2002.

Deputy Director Qualset provided the Commission with a report that summarized the process for distribution of funds from the Indian Gaming Revenue Sharing Trust Fund.

PUBLIC COMMENT

The meeting was opened for comments from the public.

Brian Wallace, Chairman, Washoe Tribe of Nevada and California, presented to the Commission a letter dated March 12, 2002, and offered comments regarding distribution of funds from the Indian Gaming Revenue Sharing Trust Fund. A copy of the March 12, 2002, letter has been incorporated into these minutes as Exhibit A.

CONSENT CALENDAR ITEMS

None.

CLOSED SESSION

Chairman Hensley announced that the Commission would be going into closed session. At 3:00 p.m. the Commission adjourned to closed session after Commission Counsel stated that (1) there were no items for discussion concerning litigation under Government Code Section 11126(c) and 11126(e) and (2) that discussion of personnel issues would take place under Government Code Section 11126(a)(1).

RECONVENE OPEN SESSION

Chairman Hensley reconvened the open session at 4:17 p.m. and indicated there were no announcements from the closed session. Commissioner Smith moved to adjourn the meeting. Commissioner Palmer seconded the motion, which was adopted unanimously; the meeting was adjourned at 4:20 p.m.