

CALIFORNIA GAMBLING CONTROL COMMISSION
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2399 Gateway Oaks Drive
Sacramento, CA 95833
December 4, 2002, 1:30 p.m.

MINUTES OF DECEMBER 4, 2002 COMMISSION MEETING

OPEN SESSION

Chairman Hensley called the meeting of December 4, 2002, to order at 1:36 p.m. with Commissioners Smith, Palmer, and Sasaki present.

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

The Pledge of Allegiance was recited.

Commissioner Sasaki moved to approve the November 21, 2002, Commission Meeting Minutes. Commissioner Smith seconded the motion, which was unanimously adopted.

DECISION ITEMS

1. Applications for Work Permit:
 - a. Empire Sportsmen's Association:
Ran, Chhan
 - b. Sonoma Joes:
Lyons, Estrellita
Martin, Dolores
Oswalt, Valerie

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a work permit for Chhan Ran, Estrellita Lyons, Dolores Martin, and Valerie Oswalt. Commissioner Smith moved to approve the applications for a work permit for Chhan Ran, Estrellita Lyons, Dolores Martin, and Valerie Oswalt. Commissioner Sasaki seconded the motion, which was unanimously adopted.

2. Application for Work Permit – Request for Withdrawal:

- a. Napa Valley Casino:
Luddy, Dennis
- b. Sonoma Joes:
Phin, Chanthoeun

Deputy Director Qualset indicated that the Division of Gambling Control recommends approval of the request for withdrawal of the application for a work permit without prejudice for Item 2a, Dennis Luddy. Deputy Director Qualset further indicated the Commission recommends approval of the request for withdrawal of the application for a work permit with prejudice in accordance with Business and Profession Code Section 19857A(a). Commissioner Palmer moved to approve the request for withdrawal with prejudice for Item 2a, Dennis Luddy. Commissioner Smith seconded the motion, which was unanimously adopted.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the request for withdrawal of the application for a work permit without prejudice for Item 2b, Chanthoeun Phin. Commissioner Sasaki moved to approve the request for withdrawal without prejudice of the application for a work permit for Item 2b, Chanthoeun Phin. Commissioner Smith seconded the motion, which was unanimously adopted.

3. Applications for Key Employee License:

- a. Artichoke Joe's Casino:
Vonasek, James
- b. California Commerce Casino:
Denio, James
- c. Lucky Lady Casino:
Ashmore, Steven
- d. Normandie Club:
Kika, James
McFarland, Linda
- e. Oaks Card Club:
Nguyen, Hoa
Thomas, Larry

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a key employee license for James Vonasek, James Denio, Steven Ashmore, James Kika, Linda McFarland, Hoa Nguyen, and Larry Thomas. Commissioner Smith moved to approve the applications for a key employee license for James Vonasek, James Denio, Steven Ashmore, James Kika, Linda McFarland, Hoa Nguyen, and Larry Thomas. Commissioner Sasaki seconded the motion, which was unanimously adopted.

4. Applications for Key Employee – Request for Withdrawal:
 - a. Lucky Lady Casino:
Smith, Jeremy

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval without prejudice of the request for withdrawal of the application for a key employee license for Jeremy Smith. Deputy Director Qualset further indicated that the Division of Gambling Control had not begun the background investigation for Jeremy Smith and upon approval of the application withdrawal request the \$1500.00 investigation deposit will be refunded. Commissioner Sasaki moved to approve the request for withdrawal, without prejudice, of the application for a key employee license for Jeremy Smith and to refund the investigation deposit of \$1500.00. Commissioner Palmer seconded the motion, which was unanimously adopted.

5. Applications for Renewal of State Gambling License:
 - a. Casino Club: Ileana Harris, Sole Proprietor.
 - b. Frank's Bavarian Inn: Franklin Fossett, Sole Proprietor.
 - c. Lucky Lady Card Room: Stanley Penn, Sole Proprietor.
 - d. Village Club: Harvey Souze, Sole Proprietor.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of a state gambling license for Item 5a, Casino Club, contingent upon receipt of the application fee payment in full. Commissioner Palmer moved to approve the staff recommendation. Commissioner Sasaki seconded the motion, which was unanimously adopted.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of a state gambling license for Item 5b, Frank's Bavarian Inn. Commissioner Sasaki moved to approve the renewal for a state gambling license for Item 5b, Frank's Bavarian Inn. Commissioner Palmer seconded the motion, which was unanimously adopted.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of a state gambling license for Item 5c, Lucky Lady Card Room. Commissioner Sasaki moved to approve the renewal for a state gambling license for Item 5c, Lucky Lady Card Room. Commissioner Smith seconded the motion, which was unanimously adopted.

Deputy Director Qualset indicated that the Division of Gambling Control recommends approval of the application for renewal of a state gambling license for Item 5d, Village Club. Deputy Director Qualset further indicated that, upon their review, Commission staff has requested additional information from the

Division of Gambling Control, and pending receipt of that information, recommends a temporary three-month approval on the application for renewal of a state gambling license for Item 5d, Village Club. Commissioner Smith moved to approve the staff recommendation. Commissioner Sasaki seconded the motion, which was unanimously adopted.

Deputy Director Qualset announced that Commission staff has prepared a tentative schedule of Commission meeting dates for the first six months of year 2003, and that a copy of this schedule has been included with the handouts for this meeting.

6. Proposed Emergency Regulation Concerning Problem Gambling (Gambling Control Act).
7. Proposed Uniform Tribal Gaming Regulation Concerning Problem Gambling.

Item 6 and Item 7 were presented to the Commission concurrently.

Herb Bolz, Senior Legal Counsel and Regulations Coordinator, presented to the Commission, for discussion, the proposed Emergency Regulation concerning Program to Address Problem Gambling (Chapter 4 (commencing with Section 12350). Division 18, Title 4, California Code of Regulations) and proposed Uniform Tribal Regulation CGCC-8, Program to Address Problem Gambling. Mr. Bolz introduced Tom Tucker, Executive Director, California Council on Problem Gambling, to the Commission.

The proposed emergency regulations and the proposed Uniform Tribal Regulations are incorporated into the minutes as Attachment A and Attachment B respectively.

Tom Tucker, Executive Director, California Council on Problem Gambling, addressed the Commission to speak on issues of problem gambling and proposed adoption of regulations concerning signage and training as a possible means by which a problem gambler might receive information on programs that are available to assist problem gamblers.

Mr. Bob Heff, recovered gambler, spoke to the Commission of his personal experience as a problem gambler.

Carol O'Hare, Executive Director, Nevada Council on Problem Gambling, commented on the regulations concerning problem gambling that were adopted in the State of Nevada and provided statistical information on the impact of these regulations subsequent to adoption. Ms. O'Hare presented to the Commission written comments that provided an overview of Nevada Gaming Regulation 5.170. These comments are incorporated into the minutes as Attachment C.

Tom Tucker, Executive Director, California Council on Problem Gambling, presented to the Commission additional comments concerning issues of problem gambling in the State of California.

Rod Blonien commented on certain concerns regarding Section C of the Emergency Regulation.

8. Permanent Regulations Concerning Registration of Manufacturers and Distributors of Slot Machines (Title 4, California Code of Regulations, Section 12300 et seq.).

Herb Bolz, Senior Legal Counsel and Regulations Coordinator, presented to the Commission for its consideration the proposed Permanent Regulations Concerning Registration of Manufacturers and Distributors of Slot Machines (Title 4, California Code of Regulations, Section 12300 et seq.). Chairman Hensley moved to approve the proposed Permanent Regulations Concerning Registration of Manufacturers and Distributors of Slot Machines. Commissioner Smith seconded the motion, which was unanimously adopted. A copy of the Permanent Regulations, as adopted by the Commission, is incorporated into the minutes as Attachment D.

9. Emergency Regulations Adopted by the Commission on November 21, 2002, Concerning Registration of Manufacturers and Distributors of Slot Machines (Title 4, California Code of Regulations, Section 12300 et seq.).

Herb Bolz, Senior Legal Counsel and Regulations Coordinator, indicated that there was nothing to present to the Commission for consideration for Item 9, and requested that it be removed from the calendar. Commissioner Palmer moved to approve the request. Commissioner Sasaki seconded the motion, which was unanimously adopted.

CONSENT CALENDAR ITEMS:

1. Applications for Tribal-State Compact Key Employee Finding of Suitability:
 - a. Agua Caliente Band of Cahuilla Indians of the Agua Caliente Reservation – Agua Caliente Casino:

- | | |
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| Aguilera, Rosalba | Lantz, Charles |
| Allison, Judy | Laws, Sue |
| Arraz, Lorenzo | Lawson, Barbara |
| Beasley, Marcy | Leblanc, Signe |
| Bingham, Leslie | Lingana, Janet |
| Bobo, Diane | Loya, Julian |
| Bologa, Terri | Mariecris, David |
| Brown, Desmond | Melendy, Carmen |
| Butler, Sharon | Miles, Roger |
| Cardenas, Jesus | Mitchell, Jeanette |
| Collins, Debra | Murrell, Linda |
| Cook, Sue | Musson, Jean |
| Del Rosario, Adam | Paet, Alfredo |
| Diaz, Olga | Passmore, Stacie |
| Duarte, Arthur | Pepple, Jeffrey |
| Eckardt, June | Philbrook, Julia |
| Errico, Gerald | Raysser, Frederick |
| Espinoza, Ruth | Roy, Kathleen |
| Frahm, Wade | Shepherd, Ronald |
| Fry, Gerald | Smith, Shawn |
| Gaydos, Anna | Souza, Stephanie |
| Glander, Neil | Spillman, Charles |
| Gonzales, Vincent | Stewart, Cheryl |
| Gray, Johnny | Stine, Amy |
| Groves, Donna | Stuht, Karin |
| Guy, Elizabeth | Styve, Scott |
| Harnischfegar, Carl | Tallent, Bryan |
| Harrison, Maureen | Tovar, Jesse |
| Heatley, Richard | Tritchkov, Alice |
| Hernandez, Maureen | Violick, Donald |
| Hinton, Fredrick | Wdowiak, Christopher |
| Ho, Eddie | White, Nigel |
| Hodge, Melinda | Whitton, Steven |
| Jordan, Dan C. III | Wilkinson, Alva |
| Witcher, Grady | |
- b. Jackson Rancheria of Me-Wuk Indians of California – Jackson Rancheria Casino:
Weingart, Kenneth
 - c. Rumsey Indian Rancheria of Wintun Indians of California – Cache Creek Indian Bingo & Casino:
Manibot, Soudchay
 - d. Smith River Rancheria – Lucky 7 Casino:
Criteser, David

- e. Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of the Viejas Reservation - Viejas Casino and Turf Club:
 - Bisbines, Dawna
 - Bober, Charles
 - Harris, Thomas
 - Kramer, Stephen
 - Morgan, Douglas
 - Olivieri, Joseph
 - Pace, Steve
 - Paso, Michael
 - Rapay, Lloyd
 - Reidy, Edward
 - Samson, Esmerelda
 - Terrones, Holly
 - Quick, Richard

Deputy Director Qualset indicated that Item 1a, Roger Miles, had been removed from the Consent Calendar for consideration at a future meeting. Deputy Director Qualset also noted for the record the Sue Cook and Eddie Ho in Item 1a, presently work at the Spa Casino for the Agua Caliente Band of Cahuilla Indians of the Agua Caliente Reservation and they were still being presented for consideration of a Finding of Suitability because the Compact is Tribal specific not casino specific. Deputy Director Qualset then presented to the Commission for its consideration of the applications for a Tribal-State Compact Key Employee Finding of Suitability for Items 1a, 1b, 1c, 1d, and 1e. Chairman Hensley moved to approve the applications for a Tribal-State Compact Key Employee Finding of Suitability for Items 1a, 1b, 1c, 1d, and 1e. Commissioner Sasaki seconded the motion, which was unanimously adopted.

PUBLIC COMMENT

Incorporated into the minutes as Attachment E are written comments received at the Commission from Leo McCarthy.

CLOSED SESSION:

Chairman Hensley announced that there would be no closed session after Commission Counsel stated there would be no discussion on items concerning litigation under Government Code Section 11126(c) and 11126 (e).

ADJOURNMENT

Chairman Hensley moved to adjourn the meeting. Commissioner Smith seconded the motion, which was adopted unanimously. The meeting was adjourned at 2:25 p.m.