

CALIFORNIA GAMBLING CONTROL COMMISSION
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2399 Gateway Oaks Drive
Sacramento, CA 95833
January 29, 2003, 10:00 a.m.

MINUTES OF JANUARY 29, 2003 COMMISSION MEETING

OPEN SESSION

Chairman Hensley called the meeting of January 29, 2003, to order at 10:08 a.m. with Commissioners 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 January 29, 2003, Commission Meeting Minutes. Commissioner Palmer seconded the motion, which was unanimously adopted.

DECISION ITEMS

1. Applications for Work Permit:
 - a. Ven-A-Mexico:
Vu, Yen

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for a work permit for Yen Vu. Commissioner Sasaki moved to approve the application for a work permit for Yen Vu. Commissioner Palmer seconded the motion, which was unanimously adopted.

2. Request for Approval of Certificate of Amendment of Articles of Incorporation:
 - a. Phoenix Casino and Lounge, Inc.: A Corporation

Deputy Director Qualset indicated that the Division of Gambling Control's legal staff reviewed the Articles of Incorporation for the Phoenix Casino and Lounge, Inc., and recommends approval of the Certificate of Amendment of Articles of Incorporation. After conferring with Commission Counsel, Deputy Director Qualset indicated that it was not necessary for the Commission to take any action on this matter because the Articles of Incorporation were filed with the Secretary of State on December 12, 2000, prior to being presented to the Commission for consideration. The Commission took no action.

3. Request for Approval of Sale of Existing Gambling Establishment:
 - a. Axtion Jackson's Card Room: Jack Morgan, Sole Proprietor.

Deputy Director Qualset indicated that completion of the background investigation is still pending and the Division of Gambling Control has not provided a final recommendation to the Commission concerning Item 3a, Axtion Jackson's Card Room, therefore Commission staff request Item 3a be tabled pending receipt of a final recommendation. The Commission took no action on Item 3a.

4. Application for State Gambling License:
 - a. Axtion Jackson's Card Room: Jack Morgan, Sole Proprietor.

Deputy Director Qualset indicated that a final recommendation by the Division of Gambling Control is still pending, and because it is the Commission's policy not to issue a temporary license on a new application for a state gambling license, Commission staff requests that Item 4a, Axtion Jackson's Card Room be tabled. The Commission took no action on Item 4a.

5. Applications for Renewal of State Gambling License:
 - a. Don Juan Club and Casino: Juan Jose Guzman, Sole Proprietor.

Deputy Director Qualset indicated that Item 5a, Don Juan Club Casino, was previously issued a temporary two-month license to allow staff to meet with the applicant to verify certain information included on the application. Deputy Director Qualset further indicated that staff have met with the licensee and have requested additional information from the applicant. A response is pending. Staff currently recommends approval of an additional temporary three-month license to allow the applicant time to respond. Chairman Hensley moved to approve a temporary three-month license for Item 5a, Don Juan Club and Casino. Commissioner Sasaki seconded the motion, which was unanimously adopted.

b. El Resbalon: Marcos Cabrera, Sole Proprietor.

Deputy Director Qualset indicated the Item 5b, El Resbalon, was previously issued a temporary license pending staff's review of the Division of Gambling Control's recommendation. Deputy Director Qualset further indicated that the review process has been completed and both the Division of Gambling Control and Commission staff recommend a full approval of the application for renewal of a state gambling license through the remaining term of the license for Item 5b, El Resbalon. Commissioner Palmer moved to approve the application for renewal of a state gambling license through the remaining term of the license for Item 5b, El Resbalon. Chairman Hensley seconded the motion, which was unanimously adopted.

c. Hollywood Park Casino: Century Gaming Management Inc., A California Corporation.

Deputy Director Qualset indicated the Item 5c, Hollywood Park Casino, was previously issued a temporary license pending staff's review of the Division of Gambling Control's recommendation. Deputy Director Qualset further indicated that the review process has been completed and both the Division of Gambling Control and Commission staff recommend a full approval of the application for renewal of a state gambling license through the remaining term of the license for Item 5c, Hollywood Park Casino. Commissioner Sasaki moved to approve the application for renewal of a state gambling license through the remaining term of the license for Item 5c, Hollywood Park Casino. Commissioner Palmer seconded the motion, which was unanimously adopted.

d. Mortimer's Card Room: Edward Williamson and Heui Hanna, A General Partnership.

Deputy Director Qualset indicated the Item 5d, Mortimer's Card Room, was previously issued a temporary license pending receipt of additional information requested from the Division of Gambling Control. Deputy Director Qualset further indicated that staff received the information requested and with their review process now completed both the Division of Gambling Control and Commission staff recommends a full approval of the application for renewal of a state gambling license through the remaining term of the license for Item 5d, Mortimer's Card Room. Commissioner Palmer moved to approve the application for renewal of a state gambling license through the remaining term of the license for Item 5d, Mortimer's Card Room. Commissioner Sasaki seconded the motion, which was unanimously adopted.

e. Normandie Club: A General Partnership.

Deputy Director Qualset indicated the Item 5e, Normandie Club, was previously issued a temporary license pending completion of a review by staff of the Division of

Gambling Control's recommendation. Deputy Director Qualset further indicated that the review process has been completed and both the Division of Gambling Control and Commission staff recommend a full approval of the application for renewal of a state gambling license through the remaining term of the license for Item 5e, Normandie Club. Commissioner Sasaki moved to approve the application for renewal of a state gambling license through the remaining term of the license for Item 5e, Normandie Club. Chairman Hensley seconded the motion, which was unanimously adopted.

f. Phoenix Casino and Lounge, Inc.: A Corporation

Deputy Director Qualset indicated the Item 5f, Phoenix Casino and Lounge, Incorporated, was previously issued a temporary license pending receipt of additional information requested from the Division of Gambling Control. Deputy Director Qualset further indicated that staff has received the information requested and with their review process now completed, both the Division of Gambling Control and Commission staff recommends a full approval of the application for renewal of a state gambling license through the remaining term of the license for Item 5f, Phoenix Casino and Lounge, Incorporated. Commissioner Sasaki moved to approve the application for renewal of a state gambling license through the remaining term of the license for Item 5f, Phoenix Casino and Lounge, Incorporated. Commissioner Palmer seconded the motion, which was unanimously adopted.

g. Sonoma Joes: Alamo Investments Inc., A California Corporation.

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 5g, Sonoma Joes. Deputy Director Qualset further indicated that written comments were received at the Commission's office via facsimile, and these comments have been reviewed and considered by staff at the Commission. Commissioner Palmer moved to approve the application for renewal of a state gambling license for Item 5g, Sonoma Joes. Chairman Hensley seconded the motion, which was unanimously adopted.

6. Emergency Regulations Concerning Registration of Manufacturers or Distributors of Gambling Equipment (Title 4, California Code of Regulations, Sections 12300-12310).

Senior Legal Counsel and Regulation Coordinator Herb Bolz presented to the Commission a report of the status on the Emergency Regulations concerning Registration of Manufacturers or Distributors of Gambling Equipment. In his report, Mr. Bolz indicated that the emergency regulations, filed at the Office of Administrative Law, were approved on January 27, 2003.

CONSENT CALENDAR ITEMS

None.

PUBLIC COMMENT

Chairman Hensley announced that a meeting between individuals from the Commission and Gaming Commissioners of various Indian casinos for the purpose of establishing some type of regulation task force had taken place. Chairman Hensley indicated that this was a very positive and productive meeting and hopes to move forward.

Commissioner Sasaki announced that arrangements have been made and notices were mailed to the non-compact tribes informing them of upcoming meetings being held in both Southern and Northern California locations to discuss issue concerning the Revenue Sharing Trust Fund.

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

Commissioner Palmer moved to adjourn the meeting. Commissioner Sasaki seconded the motion, which was unanimously adopted; the meeting was adjourned at 10:26 a.m.