

California Gambling Control Commission
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Hiram Johnson State Office Building
455 Golden Gate Ave, Room 13536
San Francisco, CA 94102
Wednesday, July 24, 2003

MINUTES OF JULY 24, 2003 COMMISSION MEETING

OPEN SESSION

Acting Chairman Smith called the meeting of July 24, 2003, to order at 1:35 p.m. with Commissioners Palmer and Sasaki present.

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

Acting Chairman Smith announced that approval of the June 25, 2003, Commission meeting minutes would be continued.

Commissioner Sasaki moved to approve the July 9, 2003, Commission meeting minutes. Commissioner Palmer indicated that pending approval of the June 25, 2003, Commission meeting minutes he wanted to put-over approval of the Commission meeting minutes of July 9, 2003. Acting Chairman Smith consented to put-over approval of the July 9, 2003, Commission meeting minutes, therefore the motion made by Commissioner Sasaki failed for lack of a second.

DECISION ITEMS

1. Applications for Work Permit:
 - a. Central Coast Casino:
Tapia, Jose
 - b. Empire Sportsmen Association:
Hoang, Andy
Ngai, Sing
Phonn, Kannitha

- d. Lake Bowl Card Room:
Juechter, Jennifer
e. Sonoma Joes:
Caamal, Maria

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a work permit for Jose Tapia, Andy Hoang, Sing Ngai, Marc Christy, Jennifer Juechter, and Maria Caamal. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved the applications for a work permit for Jose Tapia, Andy Hoang, Sing Ngai, Marc Christy, Jennifer Juechter, and Maria Caamal.

2. Application for Key Employee License – Request for Withdrawal:
a. Garden City Casino:
Marlowe, Scott

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 Item 2a, Scott Marlowe. Deputy Director Qualset further indicated that upon approval of the request for withdrawal, staff would request that a refund of any unearned background investigation deposit be made to the payor. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved, without prejudice the request for withdrawal of the application for a key employee license for Item 2a, Scott Marlowe.

3. Applications for Key Employee License:
a. Bay 101:
McKee, James
b. Crystal Park Casino:
Gomez, Andres
c. Golden West Casino:
Miller, Scott
d. Hollywood Park Casino:
Gomez, Andres

e. Normandie Casino:
Pettaveporndej, Prasert

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 Item 3a, James McKee, 3b, Andres Gomaz, 3c, Scott Miller, 3d, Andres Gomez, and 3e, Prasert Pettaveporndej. Upon motion of Commissioner Palmer, seconded by Commissioner Sasaki and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved the applications for a key employee license for Item 3a, James McKee, 3b, Andres Gomaz, 3c, Scott Miller, 3d, Andres Gomez, and 3e, Prasert Pettaveporndej.

4. Applications for Renewal of State Gambling License:
 - a. Artichoke Joe's: Artichoke Joe's Inc., A Corporation.
 - b. Johnny B's: Johnny Boscia, Sole Proprietor.
 - c. Lucky Derby Casino: Point-Walker Inc., A 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 4a, Artichoke Joe's. Deputy Director Qualset further indicated that renewal of the license would be contingent upon receipt of the application fees. Upon motion of Commissioner Palmer, seconded by Commissioner Sasaki and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved the application for renewal of a state gambling license for Item 4a, Artichoke Joe's.

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 4b, Johnny B's. Deputy Director Qualset further indicated that renewal of the license would be contingent upon receipt of the application fees. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved the application for renewal of a state gambling license for Item 4b, Johnny B's.

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 4c, Lucky Derby Casino. Deputy Director Qualset further indicated that the licensee had submitted a request and payment of table fees to

increase the number of licensed tables from seven to eight. An Attorney General opinion had been requested concerning the licensee's request as it pertains to compliance with gambling expansion and local ordinance provisions. Staff's recommendation on the one additional table is pending a response from the Office of the Attorney General, therefore a refund of the license fees for the additional table will be made to the licensee. Upon motion of Commissioner Palmer, Commission Meeting Minutes of July 24, 2003

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seconded by Commissioner Sasaki and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved the application for renewal of a state gambling license, authorizing seven tables, for Item 4c, Lucky Derby Casino.

5. Revenue Sharing Trust Fund Report of Distribution to Non-Compact Tribes.

Deputy Director Qualset presented the Revenue Sharing Trust Fund Report of Distribution of Funds to Non-Compact Tribes for the Quarter Ended June 30, 2003, to the Commission for its consideration of the following recommendation:

It is recommended that the Commission approve the current full quarterly distribution of approximately \$6.75 million of all payments made by tribes and any interest income received by the Indian Gaming Revenue Sharing Trust Fund during the most recent quarter ended June 30, 2003, to the listed tribes that are determined to be eligible Non-Compact Tribes in accordance with the Commission's identified methodology for determining a Non-Compact Tribe as shown in Exhibit 1 attached to the report.

It is also being recommended that this distribution be on a conditional basis pending receipt of certification of the maximum number of gaming devices operated during the quarter by each tribe that is required to submit a completed certification form. Tribes that are required to complete the certification form are those tribes that entered into Compacts with the State of California and have operated less than three hundred-fifty gaming devices during the previous quarter.

Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission adopted the recommendation as presented by staff.

A copy of the Revenue Sharing Trust Fund Report of Distribution of Funds to Non-Compact Tribes for the Quarter Ended June 30, 2003, is incorporated into the minutes as Attachment A.

6. Emergency Regulation Concerning Increase in Work Permit Application Fee (Gambling Control Act).

Chief Counsel Melnicoe presented Item 6 to the Commission for discussion regarding the staff proposal for an emergency regulation concerning an increase in work permit application fees under the Gambling Control Act. The Commission took no action on Item 6.

7. Emergency Regulation Concerning State Gambling License Renewal Application Fee (Gambling Control Act).

Chief Counsel Melnicoe presented Item 7 to the Commission for discussion regarding the staff proposal for an emergency regulation concerning state gambling license renewal application fees under the Gambling Control Act. The Commission took no action on Item 7.

8. Emergency Regulation Concerning State Gambling License Renewal Application Form (Gambling Control Act).

Chief Counsel Melnicoe indicated that staff had nothing to present to the Commission regarding the emergency regulation concerning a state gambling license renewal application form. The Commission took no action on Item 8.

9. Emergency Regulation Concerning "Third Party Providers of Proposition Player Services: Interim Registration" (Gambling Control Act).

Chief Counsel Melnicoe presented Item 9 to the Commission for discussion regarding the staff proposal for an emergency regulation concerning Third Party Providers of Proposition Player Services: Interim Registration, under the Gambling Control Act. The Commission took no action on Item 9.

CONSENT CALENDAR

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:
- | | |
|---------------------|--------------------|
| Becker, Casey | Cheney, Brian |
| Conlogue, William | Dennington, Jerald |
| Easterwood, William | France, Sharon |
| Hobbs, Elaine | Singer, Mona |

CLOSED SESSION

Commissioner Smith announced that the Commission would be going into closed
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session. At 2:55 p.m. the Commission adjourned to closed session after Commission Counsel stated that discussions concerning personnel issues under Government Code sections 11126(a), subsection (1), would take place.

ADJOURNMENT

Commissioner Smith reconvened the open session at 4:00 p.m., and indicated that there were no announcements from closed session. Upon a motion to adjourn the meeting by Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the meeting was adjourned at 4:04 p.m.