

California Gambling Control Commission  
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## MINUTES OF SEPTEMBER 24, 2003 COMMISSION MEETING

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### OPEN SESSION

Acting Chairman Smith called the meeting of September 24, 2003, to order at 1:31 p.m. with Commissioners Palmer and Sasaki present.

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

Upon motion of Commissioner Sasaki to approve the August 25, 2003, Commission meeting minutes, seconded by Commissioner Palmer and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved the minutes of the August 25, 2003, Commission meeting.

### DECISION ITEMS

1. Applications for Work Permit:
  - a. Brooks Oceana Card Room:  
Ullstrom, Mark
  - b. Empire Sportsmen Association:  
Hall, Sonethaly
  - c. Gloria's Lounge and Casino:  
Pacheco, Shannon  
Reynoso, Sal
  - d. Gold Rush Gaming Parlor:  
Feise, Dale  
Medlyn, Steven  
Miller, Ulchalee

- e. Gold Sombrero Card Room:
  - Johnson, Kimberly
  - Ly, John
  - Montes, Eddie
  - Salmeri, Frank
- f. Napa Valley Casino:
  - Yap, Kian Pang
- g. Sonoma Joes:
  - Fisher, Rick

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a work permit for Items 1a, Mark Ullstrom, 1b, Sonethaly Hall, 1c, Shannon Pacheco and Sal Reynoso, 1d, Dale Feise, Steven Medlyn and Ulchalee Miller, 1e, Kimberly Johnson, John Ly, Eddie Montes and Frank Salmeri, 1f, Kian Pang Yap, and 1g, Rick Fisher. 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 work permit for Items 1a, Mark Ullstrom, 1b, Sonethaly Hall, 1c, Shannon Pacheco and Sal Reynoso, 1d, Dale Feise, Steven Medlyn and Ulchalee Miller, 1e, Kimberly Johnson, John Ly, Eddie Montes and Frank Salmeri, 1f, Kian Pang Yap, and 1g, Rick Fisher.

- 2. Applications for Renewal of State Gambling License:
  - a. As De Espadas: Rachel Herevia, Sole Proprietor
  - b. Bay 101: Sutter's Place, Corporation
  - c. Garden City Casino: Frederick Wyle, Corporation
  - d. Lake Bowl Card Room: Waldemar Dreher, Sole Proprietor
  - e. Nineteenth Hole: Stephen E. Scudero, General Partnership

Deputy Director Qualset indicated that Item 2a, As De Espadas, previously approved for temporary licensure, was being recommended by staff for approval of a conditional temporary four-month license from October 1, 2003 to January 31, 2004, based on the following conditions that staff recommends be placed on the license:

- 1) *The gambling establishment shall not operate unless the current operator obtains a local business license from Tulare County and the Commission receives a recommendation from the Division of Gambling Control that is approved by the Commission.*

- 2) *Obtain approval of the sales agreement between the current operator and applicant/potential buyer or other approved new owner by the Commission.*
- 3) *Obtain Division recommendation and Commission approval of an Application for State Gambling License for an applicant or other new owner.*

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 a conditional four-month temporary license for Item 2a, As De Espades, as recommended by staff.

Deputy Director Qualset indicated that Item 2b, Bay 101, previously approved for temporary licensure was being recommended by staff for an additional temporary three-month license through December 31, 2003, pending receipt of additional information staff had requested from the Division of Gambling Control. Upon motion of Commissioner Palmer, seconded by Acting Chairman Smith and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved a temporary three-month renewal of the state gambling license for Item 2b, Bay 101.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommends approval of the application for renewal of a state gambling license for Item 2c, Garden City Casino. 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 through September 30, 2004, for Item 2c, Garden City Casino.

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 2d, Lake Bowl Cardroom. 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 through September 30, 2004, for Item 2d, Lake Bowl Cardroom.

Deputy Director Qualset indicated that both the Division of Gambling Control and

Commission staff recommends approval of the application for renewal of a state gambling license for Item 2e, Nineteenth Hole. 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 through September 30, 2004, for Item 2e, Nineteenth Hole.

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

Following an announcement by Acting Chairman Smith indicating that Commission action on Item 3, would be continued to the next Commission meeting, Chief Counsel Melnicoe gave an oral progress report on the draft process of the emergency regulation concerning "Third Party Provides of Proposition Player Services: Interim Registration"

Wally Blem, Gaming Management, commented on the proposed emergency regulation specifically Sections 12207(b)(5), 12207.5(e) and 12208. He also thanked Commissioner Sasaki for returning his phone call over the weekend preceding the hearing, stating that this was a very good level of customer service, much better than he had expected from the State.

Andrew Schniederma, Commerce Casino, commented in general on the emergency regulation and offered support in the implementation process.

Patrick Tierney, NetworkM, commented on the licensing application fee.

Haig Kelegian, Bicycle Casino, commented on the amount of the license application fee and recommended the Commission consider facilitating more workshops for future implementation of regulations, indicating it benefits both the Commission and industry.

4. Emergency Regulation Concerning Initial and Renewal License Application Forms and Supplemental Information Forms (Gambling Control Act).

Senior Counsel Bolz presented to the Commission the staff recommendation to adopt the proposed Finding of Emergency and the proposed emergency regulation: "Initial and Renewal License Applications; Required Forms."

Samuel Dudkiewicz, Division of Gambling Control, commented on the proposed emergency regulation indicating it was the result of a cooperative effort of both the Commission and Division and stated that the Division fully supports Commission adoption of the proposed emergency regulation. He stated that the Division particularly

appreciated the hard work and cooperative efforts of Herb Bolz. Commissioner Sasaki also expressed her appreciation for the good work done on this regulation by Herb Bolz.

Upon motion of Commission Palmer, seconded by Commissioner Sasaki and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission 1) approved the proposed emergency regulation text and forms, 2) directed staff to perform a final review and make any necessary non-substantive corrections to the proposed emergency regulation, and 3) approved the Finding of Emergency. Copies of the emergency regulation as adopted and the statement of the Finding of Emergency are incorporated into the minutes as Attachment A and Attachment B, respectively.

### **CONSENT CALENDAR ITEMS**

1. Applications for Renewal of Work Permit (Gambling Control Act):
  - a. As De Espadas:  
Serrano, Jose
  - b. Brooks Oceana Cardroom:  
Brooks, Doyle  
Colliver, Samran  
Castillo, Rodrigo
  - c. California Grand Casino:  
Chokmoh, Kanlaya  
Garcia, Gabriela  
Sevilla-Claudio, Olivia  
Wagner, Deborah  
Doan, Huey  
Royster, Christine  
Taylor, Haesuk
  - d. Central Coast Casino:  
Cheung, Chun-Fai  
Lim, Stephanie  
Svoboda, Janet  
Cool, Jodi  
Moser, Lloyd  
Watson, Brian
  - e. Club San Rafael:  
Marino, Frank
  - f. Oasis Cardroom:  
Gates, Grace  
Ratto, Sandra
  - g. Outlaws Card Parlour:  
Gable, Gloria  
Moore, Charlene  
Mowrey, Kimberly  
Kreider, Peggy  
Moore, Darell

2. 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:

Beal, Dean	Costello, Joseph
Fox, Stana	Johnson, Charles
Stevenson, Anita	Visser, Aaron

b. Big Sandy Rancheria of Mono Indians of California – Mono Wind Casino:

Dandy, Charles

c. Campo Band of Diegueno Mission Indians of the Campo Indian Reservation, California – Golden Acorn Casino:

Slack, Richard

d. Elk Valley Rancheria – Elk Valley Casino:

McClafin, Nancy

e. Jackson Rancheria of Me-Wuk Indians of California – Jackson Rancheria:

Burns, Leonard	Garcia, Joseph
Carson, Daniel	Mackenberg, Robert
Cates, Stephani	Mehrer, Tonie
Dabbs, Jacqueline	Mehrer, William
Emmett, Vickey	Pitts, Iva
Federer, Chyanna	Rangle, Victor
Frey, Lawrence	Rowland, Helen
Fuller, Kevin	

f. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California – Pechanga Resort and Casino:

Fausey, Russell	Joles, Karl
Hebert, Brian	Kanoknata, Supat
Hofreiter, Michael	Nelson, Craig
Hulej, Brian	Tabet, Philip

g. Redding Rancheria – Win River Casino:

Dellamaria, Anthony	Malone, Gregory
McGraw, Virgil	Roberts, Randall

h. Rumsey Indian Rancheria of Wintun Indians – Cache Creek Indian Bingo & Casino:

Keo, Andy	Madden, Lee
Newbre, Jacqueline	

i. Sycuan Band of Diegueno Mission Indians of California – Sycuan Casino and Resort:

Brosas, Emuel	Chen, Qi Ling
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j. Twenty-Nine Palms Band of Mission Indians of California – Trump

29 Casino:

Barrera, Miguel

Cordova, Karen

Meza, Oralia

Rameriz, Laura

Sedlock, Thomas

k. Viejas (Baron Long) Group of Capitan Grande of Mission Indians of the

Viejas Reservation – Viejas Casino and Turf Club:

Grijalva, Keith

Pampolina, Charles

Deputy Director Qualset presented to the Commission for its consideration of the applications for a work permit Consent Calendar Items 1a, 1b, 1c, 1d, 1e, 1f, and 1g, and the Tribal-State Compact Key Employee Finding of Suitability, Consent Calendar Items 2a, 2b, 2c, 2d, 2e, 2f, 2g 2h, 2i, 2j and 2k. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki and voting yes, the Commission approved the Consent Calendar Items.

### **PUBLIC COMMENT**

Haig Kelegian, Bicycle Casino, commented on the September 10, 2003, Commission meeting calendar item concerning applications for Tribal-State Compact Gaming Resource Supplier Finding of Suitability.

### **FUTURE AGENDA ITEMS**

Commissioner Palmer suggested three items for inclusion on a future Commission agenda. These items are: 1) Regulatory objectives and priorities for the rulemaking process and Compact regulations; 2) Policy and procedures concerning privileged communications, confidentiality issues, and requesting legal opinions; and 3) Commission discussion regarding development of a meeting schedule that considers upcoming industry meetings, anticipated dates that regulations will be presented to the Commission for consideration, and how far in advance proposed regulation text will be posted for public inspection.

### **ADJORNMENT**

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 adjourned its meeting at 3:15 p.m.