

CALIFORNIA GAMBLING CONTROL COMMISSION  
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300 South Spring Street, #1726  
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**MINUTES OF JANUARY 9, 2004  
COMMISSION MEETING**

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**OPEN SESSION**

Acting Chairman Smith called the meeting of January 9, 2004, to order at 1:13 p.m. with Commissioners Palmer and Sasaki present.

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

A motion to approve the December 16, 2003, Commission meeting minutes was made by Commissioner Sasaki and seconded by Acting Chairman Smith, with both Acting Chairman Smith and Commissioner Sasaki voting yes, and Commissioner Palmer, stating he objected to the way his point of order was characterized in the minutes, voted no.

At the suggestion of the Chief Counsel, Commissioner Sasaki moved to direct Commission staff to post on the Commission's website a staff report of the actions taken by the Commission at its December 16, 2003 meeting. The motion was seconded by Acting Chairman Smith. Acting Chairman Smith and Commissioner Sasaki voted yes on the motion, and Commissioner Palmer voted no.

**DECISION ITEMS**

1. Finding of Necessity for Changing the Time of the Special Order of Business Item: (Government Code section 11125.3(a)(2)).

Senior Legal Counsel Bolz recommended that the Commission adopt the following Finding of Necessity:

*The Commission finds: (1) that there is a need to take immediate action to change the time at which the special order of business will*

*be heard and (2) that the need for this action came to the attention of the Commission subsequent to the distribution of the agenda as specified in Government Code section 11125. The Commission has been apprised that persons interested in providing comment on this item would likely be unable to attend the full portion of the hearing on the special order of business if the matter were considered too late in the afternoon.*

*Therefore, to accommodate the full range of public comment, the revised agenda for January 9, 2004, moved the item up from 2:30 p.m. to 1:15 p.m.*

Upon motion of Commissioner Sasaki, seconded by Acting Chairman Smith and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission adopted the Finding of Necessity for Changing the time of the Special Order of Business Item.

#### **SPECIAL ORDER OF BUSINESS – 1:15 P.M.:**

5. Application for State Gambling License:

a. Hawaiian Gardens Casino: Hawaiian Gardens Casino – Corporation

Acting Chairman Smith announced that the Commission would resume hearing public comments concerning Item 5a, Hawaiian Gardens Casino's application for a state gambling license that was continued from the December 18, 2003, meeting.

Kathy Wilson, Hawaiian Gardens Casino employee, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Father Chris Ponnet, Saint Camillus Archdiocese, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Linda Amaro, resident of Hawaiian Gardens, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Louie Lu, former employee of Hawaiian Gardens Casino, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino. Mr. Lu submitted for the record various documents and tape recordings that are incorporated into the minutes as Attachment A.

John Hackerman, Hawaiian Gardens City Council Member, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Douglas Mirell, Attorney, Progressive Jewish Alliance, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Grace Johnson, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Clair Worbuckle, Coalition for Justice in Hawaiian Gardens and Jerusalem, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Maria Amaro, Hawaiian Gardens Casino employee, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Rabbi Jerrold Goldstein, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Maria Nunes, Hawaiian Gardens Casino employee, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Rabbi Shamerel Miller, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino and submitted written comments for the record that are incorporated into the minutes as Attachment B.

Ida Barba, Hawaiian Gardens Casino employee, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Mina Mayer, former Commissioner of Human Relations, City of Hawaiian Gardens, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Joel Beck, Hawaiian Gardens Casino employee, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Dr. Sharon Raphael, Professor, California State University, Dominguez Hills, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Jim Shipman, Blind Children's Center, commented in support of permanent licensure

for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Carol Greenberg commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Bob Martinez, National Latino Youth Forum, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Terry Weinant, Interfaith Alliance of Central California and Professor, California State University, Fresno, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Dick Floyd, retired Assembly Member, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Chuck Greenberg, Chairman, Long Beach Planning Commission, and Professor, California State University, Long Beach, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Max Kessler, Americans For a Safe Israel, commented in support of permanent licensure for Irving Moskowitz to operate the Hawaiian Gardens Casino.

Ronald Silverman commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino and submitted written comments for the record that are incorporated into the minutes as Attachment C.

Jay Plotkin, Attorney, Coalition for Justice in Hawaiian Gardens and Jerusalem, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Eugene Hernandez, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Bill Foote, Project Hope, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Acting Chairman Smith announced that the commission would take a ten-minute recess. The Commission recessed at 3:00 p.m.

The Commission reconvened at 3:12 p.m., with Acting Chairman Smith and Commissioner Palmer and Sasaki present.

Ed Asner, Honorary Chair, Coalition for Justice in Hawaiian Gardens and Jerusalem, commented in opposition to issuance of a state gambling license for Hawaiian Gardens Casino.

Robert Sullivan, Attorney for Irving Moskowitz, presented closing comments in support of Irving Moskowitz and permanent licensure for Hawaiian Gardens Casino.

David Moskowitz, son of Irving Moskowitz, spoke on behalf of his father Irving Moskowitz in support of permanent licensure for Hawaiian Gardens Casino.

Beryl Weiner, Attorney for Irving Moskowitz, presented closing comments in support of Irving Moskowitz and permanent licensure for Hawaiian Gardens Casino.

Written comments submitted for the record were received at the Commission's office and are incorporated into the minutes as Attachment D.

Acting Chairman Smith announced that Commission action on the application for a state gambling license for Item 5a, Hawaiian Gardens Casino, would be continued for further evaluation of the comments presented to the Commission at the two hearings held on the matter.

2. Applications for State Gambling License:

- a. Commerce Club:
  - i. Survivor's Trust Under the Will of William George Bailey, Deceased
  - ii. Bertha Emily Bailey Trustee, Survivor's Trust Under the Will of William George Bailey, Deceased
  - iii. The Contrucci Family Irrevocable Living Trust
  - iv. Olga Marion Contrucci, Trustee, the Contrucci Family Irrevocable Living Trust
  - v. Edgar E. Pankey and Elizabeth S. Pankey Trust
  - vi. Elizabeth S. Pankey, Trustee, Edgar E. Pankey and Elizabeth S. Pankey Trust

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a state gambling license for Item 2a, Commerce Club, i, Survivor's Trust Under the Will of William George Bailey, Deceased. Upon motion of Commissioner Sasaki, seconded by Acting Chairman Smith and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes the Commission approved the application for a state gambling license for Item 2a, Commerce Club, i, Survivor's Trust

Under the Will of William George Bailey, Deceased.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a state gambling license for Item 2a, Commerce Club, ii, Bertha Emily Bailey Trustee, Survivor's Trust Under the Will of William George Bailey, Deceased. 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 a state gambling license for Item 2a, Commerce Club, ii, Bertha Emily Bailey Trustee, Survivor's Trust Under the Will of William George Bailey, Deceased.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a state gambling license for Item 2a, Commerce Club, iii, The Contrucci Family Irrevocable Living Trust. 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 a state gambling license for Item 2a, Commerce Club, iii, The Contrucci Family Irrevocable Living Trust.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a state gambling license for Item 2a, Commerce Club, iv, Olga Marion Contrucci, Trustee, the Contrucci Family Irrevocable Living Trust. 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 a state gambling license for Item 2a, Commerce Club, iv, Olga Marion Contrucci, Trustee, the Contrucci Family Irrevocable Living Trust.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a state gambling license for Item 2a, Commerce Club, v., Edgar E. Pankey and Elizabeth S. Pankey Trust. 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 a state gambling license for Item 2a, Commerce Club, v., Edgar E. Pankey and Elizabeth S. Pankey Trust.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a state gambling license for Item 2a, Commerce Club, vi, Elizabeth S. Pankey, Trustee, Edgar E. Pankey and Elizabeth S. Pankey Trust. Upon motion of Commissioner Palmer, seconded by

Commissioner Sasaski and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes the Commission approved the application for a state gambling license for Item 2a, Commerce Club, vi., Elizabeth S. Pankey, Trustee, Edgar E. Pankey and Elizabeth S. Pankey Trust.

3. Applications for Renewal of State Gambling License:

- a. As De Espades: Rachel Herevia – Sole Proprietor
- b. Club Caribe Casino: S&S Gaming, Incorporated – Corporation
- c. Lucky Buck Card Club: Dale Common – Sole Proprietor
- d. Sonoma Joes: Alamo Investments, Incorporated – Corporation

Deputy Director Qualset indicated that Commission staff recommends an approval of a four-month temporary license through May 31, 2004, for Item 3a, As De Espades, to allow the Division of Gambling Control to continue its background investigation on the new potential owner. Deputy Director Qualset further indicated that staff recommends inclusion of conditions identical to the conditions placed on the previous temporary license are to be endorsed on this temporary license as well. Upon motion of Commissioner Sasaki, seconded by Acting Chairman Smith and unanimously carried with Acting Chairman Smith and Commissioners Palmer and Sasaki voting yes, the Commission approved a four-month temporary license through May 31, 2004, for Item 3a, As De Espades with inclusion of the following conditions:

- 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 or 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.*

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 3b, Club Caribe Casino. 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 3b, Club

## Caribe 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 3c, Lucky Buck Card Club. 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 3c, Lucky Buck Card Club.

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 3d, Sonoma Joes. 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 3d, Sonoma Joes.

4. Regulation Concerning "Manufacturers or Distributors of Gambling Equipment"  
(Title 4 California Code of Regulations Sections 12300-12310).

Senior Legal Counsel Herb Bolz presented an oral report on the status of the process to make permanent the regulation concerning Manufacturers or Distributors of Gambling Equipment. Mr. Bolz announced that the Department of Finance had approved the Commission's request for an exemption, submitted pursuant to Executive Order S-02-03. The regulation was then forwarded to the Office of Administrative Law where it is pending approval.

**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:

Agbayani, Amelia	Koven, Steven
Agbayani, Angel	Maras, Ivica
Aragon, Michael	McCool, Gary
Clark, Brian	Mesrobian, Hasmig
Cockrell, Clay	Oknyansky, Marianna
Condon, Theodore	Petillo, Vincent
Corona, Dioscelina	Power, Peter



Darcy, Debra	Sandoval, Romualda
Davis, Chylene	Stern, Jeffrey
Diep, Bryan	Taylor, Mark
Flores, Miguel	Tung, Ellen
Gabbard, Charles	Valdez, Marta
Gastelum, George	Villafana, Juan
Gonzalez, Martha	Waldheim, Richard
Heathershaw, Marty	Wallace, Ronald
Henschel, Karl	

- b. Augustine Band of Cahuilla Mission Indians of the Augustine Reservation, California – Augustine Casino:
  - Boshoff, Quinton
  - McMullen, Gary
  - Sambrano, Adam
  - Smith, Bobby
  
- c. Berry Creek Rancheria of Maidu Indians of California – Gold Country Casino:
  - Brown, Julie
  
- d. Big Sandy Rancheria of Mono Indians of California – Mono Wind Casino:
  - Silva, Carolyn
  - Wehagen, Robert
  
- e. Cabazon Band of Cahuilla Mission Indians of the Cabazon Reservation, California – Fantasy Springs Casino:
  - Gonzalez, Rudolph
  
- f. Campo Band of Diegueno Mission Indians of the Campo Indian Reservation, California – Golden Acorn Casino:
  - Harkins, Heidi
  - Hawk, Monica
  
- g. Jackson Rancheria of Me-Wuk Indians of California – Jackson Rancheria:
  - Bieker, Tami
  - Bray, Randolph
  - Brown, Donald
  - Callaway, Glenn
  - Caygle, Kenneth
  - Novaky, Zoltan
  - Steckler, Leonard
  - Thibodeaux, Kenneth
  - White, Mason

- h. Morongo Band of Cahuilla Mission Indians of the Morongo Reservation,  
California – Casino Morongo:
  - Burke, Lorna
  - Davis, William
  - Savage, Danny

- i. Pauma Band of Luiseno Mission Indians of the Pauma and Yuima Reservation, California – Casino Pauma:
  - Collins, Walter
  - Hood, Daryl
  - Keane, Lonnie
  - Werner, Scott
  
- j. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation, California – Pechanga Resort and Casino:
  - Miranda, Lawrence
  - Stilwell, John
  - Stilwell, Nola
  - Turnbull, John
  - Wier, Joseph
  
- k. Redding Rancheria – Win River Casino:
  - Adams, John
  
- l. Rumsey Indian Rancheria of Wintun Indians – Cache Creek Casino Resort:
  - Au, David
  - Benoit, Eugene
  - Day, Dustin
  - Shapiro, Jay
  - Sith, Sonyee
  
- m. San Pasqual Band of Diegueno Mission Indians of California – Valley View Casino:
  - Quisquis, James
  
- n. Soboba Band of Luiseno Indians, California – Soboba Casino:
  - Campbell, Jeffrey
  - Stoddard Gayle
  - Worthy, Barbara
  
- o. Sycuan Band of Diegueno Mission Indians of California – Sycuan Casino and Resort:
  - Abubo, Yolanda
  - Brackin, Randal
  - Buna, Alan
  - Lee, Kimberly
  - Maxwell, Peter
  - McHugh, Patrick

Burke, Michael  
Chan, Chun  
Cunanan, Eduardo  
Johnson, Charmaine  
Jones, Mark

Mitchell, James  
Perez, Sherwin  
Reeve-Bradford, Wendy  
Simmen, Eric

- p. Twenty-Nine Palms Band of Mission Indians of California – Trump 29 Casino:  
Bologa, John  
Lambert, Stepanie  
Thomas, Earl

- q. Viejas (Baron Long) Group of Capitan Grande of Mission Indians of the Viejas Reservation – Viejas Casino and Turf Club:  
Abasolo, Guillermo  
Arreola, Angelica  
Feigel, Leslie  
Leming, Pepina  
Phillips, Sean

Deputy Director Qualset presented the Consent Calendar to Commission for its consideration of the Tribal-State Compact Key Employee Findings of Suitability. 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 Consent Calendar.

**PUBLIC COMMENT:**

There were no comments from the public during this portion of the meeting.

**CLOSED SESSION:**

Acting Chairman Smith announced that the Commission would be going into closed session. At 4:00 p.m. the Commission adjourned to closed session after Commission Counsel stated that discussions concerning pending litigation matters, under Government Code sections 11126(a), subsection (1) would take place.

**RECONVENE TO OPEN SESSION:**

The Commission reconvened at 4:20 p.m., with Acting Chairman Smith and

Commissioners Palmer and Sasaki present.

1. Future Agenda Items: Commission Discussion

Commissioner Palmer indicated that he would like to see the three items suggested by him at the September 24, 2003, Commission meeting included on the agenda in the near future. 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.

**ADJOURNMENT:**

Upon motion to adjourn by 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 4:35 p.m.