

California Gambling Control Commission
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Wednesday, March 24, 2004

MINUTES OF MARCH 24, 2004
TELECONFERENCED COMMISSION MEETING

OPEN SESSION

Chairman Shelton called the meeting of March 10, 2004, to order at 1:32 p.m. with Commissioners Palmer and Smith present. Commissioner Sasaki participated in the meeting by conference call.

Staff Participating: Gary Qualset, Deputy Director, Licensing and Compliance Division and John Spittler, Commission Counsel.

Upon motion of Commissioner Palmer, seconded by Commissioner Sasaki and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission adopted the amendment to the December 18, 2003, Commission meeting minutes.

DECISION ITEMS

1. Applications for Work Permit
 - a. Sonoma Joes:
 - i. Deval, Dory
 - ii. Fricke, Carol
 - b. Sundowner Cardroom:
Thao, Ngia

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, Dory Deval and Carol Fricke, and 1b, Ngia Thao. Upon motion of Commissioner Sasaki, seconded by Commissioner Smith and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission approved the applications for a work permit for Items 1a, Dory Deval and Carol Fricke, and 1b, Ngia Thao.

- 2. Applications for Key Employee License:
 - a. Oaks Card Club:
Wasserman, Alan

The Commission took no action on Item 2a, which was continued at the request of staff.

- 3. Applications for Renewal of State Gambling License:
 - a. Bay 101: Sutter's Place, Inc. – Corporation
 - b. Cap's Saloon: Cap's Enterprises, Inc. – Corporation
 - c. Golden West Casino: Kern County Associates, L.P. - Limited Partnership
 - d. Sundowner Card Casino: Go Fish, Inc. – Corporation

Deputy Director Qualset indicated that staff recommends the Commission approve an additional six-month conditional temporary renewal through September 30, 2004, of the state gambling license for Item 3a, Bay 101 with the following two conditions placed on the license:

(1) The corporate owner licensee of the gambling establishment and Ronald Werner acknowledges that he is not a qualified holder of a state gambling license as a shareholder as previously endorsed on the license that was issued to the owner of the gambling establishment and that he will not be recognized as such unless an approval is subsequently granted as such by the California Gambling Control Commission; and

Deleted: a

(2) The corporate owner licensee shall require Ronald Werner to file with the California Gambling Control Commission an application for key employee license form CGCC-0031 and any forms and documents that the Division of Gambling Control of the Department of Justice may require before April 23, 2004.

Deleted: a

Upon motion of Chairman Shelton to adopt the staff recommendation, seconded by Commissioner Smith and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved a conditional six-month temporary renewal through September 30, 2004, of the state gambling license for Item 3a, Bay 101.

Deputy Director Qualset indicated that staff recommends approval of an additional four-month temporary renewal through July 31, 2004, of the state gambling license for Item 3b, Cap's Saloon. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved an additional four-month temporary renewal through July 31, 2004, of the state gambling license for Item 3b, Cap's Saloon.

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, authorizing 20 tables, for Item 3c, Golden West Casino. Upon motion of Chairman Shelton, seconded by Commissioner Smith and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved renewal of the state gambling license for Item 3c, Golden West Casino.

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend that the application for renewal of a state gambling license for Item 3d, Sundowner Card Casino, for Go-Fish, Incorporated and Charles Gardyn, be denied pursuant to Business and Professions Code section 19923. Deputy Director Qualset further indicated that the sole basis for denial was that the gambling establishment did not have a valid license under local government jurisdiction to conduct business. Commissioner Palmer moved to deny the application, on the basis that the gambling establishment did not have a valid license issued by the local government. Chairman Shelton seconded the motion.

Charles Gardyn, Sundowner Card Casino, requested that the Commission consider issuing a conditional license that would allow the gambling establishment to retain its state gambling license with a stipulation that the establishment could not conduct business without licensure by the local government authorizing Sundowner Card Casino to conduct controlled gaming at the establishment. Mr. Gardyn also submitted for the record written comments that are incorporated into the minutes as Attachment A.

Deborah DeRosier, Division of Gambling Control, commented on the Division of Gambling Control's findings from its investigation on Sundowner Card Casino. Agent DeRosier stated that, in the opinion of the Division, Mr. Gardyn did not possess a current local license to operate.

At the request of Chairman Shelton, Commissioner Palmer amended his motion to include: license fees collected in error by either the Division of Gambling Control or

the Commission would be refunded to the applicant. The amended motion was seconded by Chairman Shelton and carried unanimously in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes. The Commission denied the application for renewal of a state gambling license for Item 3d, Sundowner Card Casino and directed staff to process a refund of any license fees erroneously collected.

4. Approval of Amended Articles of Incorporation:
 - a. CalPac Group, Inc.

Deputy Director Qualset indicated that staff recommends approval of the amended Articles of Incorporation for Item 4a, CalPac Group, Incorporated. Upon motion of Commissioner Sasaki, seconded by Commissioner Smith and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved the amended Articles of Incorporation, for filing with the Secretary of State, for Item 4a, CalPac Group, Incorporated.

CONSENT CALENDAR ITEMS

1. Applications for Renewal of Work Permit:
 - a. Napa Valley Casino:
 - i. Dionisio, Arnel
 - ii. Tan, Bing
 - b. River Cardroom:
Marshall, Leonard

Deputy Director Qualset presented the Consent Calendar to the Commission for its consideration of the applications for renewal of a work permit. Upon motion of Chairman Shelton, seconded by Commissioner Smith and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved the Consent Calendar.

PUBLIC COMMENT

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

DISCUSSION ITEMS

1. Future Agenda Items: Commission Discussion.

No discussions took place concerning future agenda items.

ADJOURNMENT

Upon motion to adjourn the meeting by Commissioner Smith, seconded by Commissioner Palmer and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the meeting adjourned at 2:05 p.m.