

California Gambling Control Commission  
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2399 Gateway Oaks Drive, Suite 100  
Sacramento, CA 95833  
Thursday, July 7, 2004

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**MINUTES OF July 7, 2004**  
**COMMISSION MEETING**

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**OPEN SESSION**

Chairman Shelton called the meeting of July 7, 2004, to order at 1:33 p.m., with Commissioners Palmer, Sasaki and Smith present.

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

Upon motion of Commissioner Sasaki seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission adopted the June 9, 2004, Commission meeting minutes.

**DECISION ITEMS**

1. Applications for Work Permit:
  - a. Empire Sportsmen Association:  
Jordan, Samuel
  - b. Sonoma Joes:
    - i. Gayles III, James
    - ii. Hasler, Joe
    - iii. Lopez, Ruben
    - iv. Oba, Leah
    - v. Schafer, Devin
    - vi. Vachon, Laurie

Deputy Director Qualset indicated that the Division of Gambling Control recommends approval of the application for a work permit subject to the conditions of Family Code section 17520 for Item 1.a., Samuel Jordan. Commission staff recommends approval

of a 150-day temporary work permit in accordance with Family Code section 17520, and further recommends that the Commission delegate the authority to the Executive Director or his designee for the administrative approval of a work permit for the full term provided that all the requirements of Family Code section 17520 are satisfied by the applicant within the mandated 150-day period. Upon motion of Commissioner Palmer, seconded by Chairman Shelton and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission adopted the staff recommendation.

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 b.i., James Gayles III, b.ii., Joe Hasler, b.iii., Ruben Lopez, b.iv., Leah Oba, b.v., Devin Schafer and b.vi., Laurie Vachon. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes the Commission approved the applications for a work permit for Items b.i., James Gayles III, b.ii., Joe Hasler, b.iii., Ruben Lopez, b.iv., Leah Oba, b.v., Devin Schafer and b.vi., Laurie Vachon.

2. Request for Additional Authorized Tables:

- a. Outlaws Card Parlour: Alfred Brown and Dora Brown – Sole Proprietors

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend a denial of the request for three additional tables for Item 2.a., Outlaws Card Parlour. Deputy Director Qualset indicated that the recommendation for denial was based on the local ordinance, which did not allow for the increase in tables. Upon motion of Chairman Shelton, seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission denied the request for additional authorized tables for Item 2.a., Outlaws Card Parlour.

3. Applications for Renewal of State Gambling License:

- a. Poker Flats: Terry Vargas – Sole Proprietor  
b. Silver Fox, Inc.: Silver F, Inc. - 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 3.a., Poker Flats. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes the Commission approved the application for renewal of a state gambling license for Item 3.a., Poker Flats.

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 3.b., Silver F, Inc. Upon motion of Commissioner Smith, seconded by Commissioner Sasaki and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes the Commission approved the application for renewal of a state gambling license for Item 3.b., Silver F, Inc.

4. Applications for Tribal-State Compact Gaming Resource Supplier (Vendor) Finding of Suitability – Request for Withdrawal:

- a. California Gaming Corporation:
  - i. Clapper, Jeffrey
  - ii. Clapper, Ryan
  - iii. Clennon, Rodney
  - iv. Wyatt, Michael
- b. Gemaco Playing Card Company:
  - Fitzhugh, Curtis
- c. Paul-Son Gaming Supplies:
  - Sperrazza, Austin
- d. Worldwide Game Technology:
  - i. Clapper, Jeffrey
  - ii. Clapper, Ryan
  - iii. Clennon, Rodney
  - iv. Wyatt, Michael

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval without prejudice of the requests for withdrawal of the applications for Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Items 4.a., California Gaming Corporation: Jeffrey Clapper, Ryan Clapper, Rodney Clennon, and Michael Wyatt, 4.b., Gemaco Playing Card Company: Curtis Fitzhugh, 4.c., Paul-Son Gaming Supplies: Austin Sperrazza, and 4.d., Worldwide Game Technology: Jeffrey Clapper, Ryan Clapper, Rodney Clennon, and Michael Wyatt. Deputy Director Qualset further indicated that for background investigations on the applicants that the Division of Gambling Control had not completed, any unearned background investigation deposit paid to the Division of Gambling Control would be refunded upon approval of the requests for withdrawal. A motion made by Commissioner Sasaki to approve without prejudice the requests for withdrawal of the applications for Tribal-State Compact Gaming Resource Supplier Finding of Suitability for 4.a., California Gaming Corporation: Jeffrey Clapper, Ryan Clapper, Rodney Clennon, and Michael Wyatt, 4.b., Gemaco Playing Card Company: Curtis Fitzhugh, 4.c., Paul-Son Gaming Supplies: Austin Sperrazza, and 4.d.,

Worldwide Game Technology: Jeffrey Clapper, Ryan Clapper, Rodney Clennon, and Michael Wyatt., was seconded by Commissioner Smith.

Ursula Simon, Gaming Commissioner, Middletown Rancheria, commented on the requests for withdrawal for the individuals listed on the agenda for California Gaming Corporation, Paul-Son Gaming Supplies, and Worldwide Game Technology, indicating that these three companies had applied for a license with the Middletown Rancheria Gaming Commission within the past six weeks.

Deputy Director Qualset indicated that in light of the comments made by Commissioner Simon, staff suggested the Commission table the individuals listed for Items 4.a., California Gaming Corporation. 4.c., Paul-Son Gaming Supplies, and 4.d., Worldwide Game Technology, for further review to determine what would be the appropriate Commission action with regards to the requests for withdrawal.

Commissioner Sasaki withdrew her standing motion, and Commissioner Smith withdrew his second.

Deputy Director Qualset indicated that staff amends its recommendation to: the Commission approve the request for withdrawal without prejudice of the application for Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Item 4.b., Gemaco Playing Card Company: Curtis Fitzhugh, and for the background investigation on the applicant that the Division of Gambling Control had not completed, any unearned background investigation deposit paid to the Division of Gambling Control would be refunded upon approval of the request for withdrawal.

Commissioner Sasaki moved to approve without prejudice the request for withdrawal for Item 4.b., Gemaco Playing Card Company: Curtis Fitzhugh. The motion was seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission approved the request for withdrawal without prejudice for Item 4.b., Gemaco Playing Card Company: Curtis Fitzhugh.

The Commission tabled Items 4.a., California Gaming Corporation. 4.c., Paul-Son Gaming Supplies, and 4.d., Worldwide Game Technology.

5. Emergency Readoption and Amendment of Proposition Player and Gambling Business Regulations (current Title 4 California Code of Regulations sections 12200-12232).

Senior Legal Counsel Herb Bolz presented an oral report on the status of the readoption and amendment of emergency regulations: Proposition Player and Gambling Business Regulations. Mr. Bolz indicated that the emergency regulations were approved on July 6, 2004, and will remain in effect for 120 day. Mr. Bolz also announced that the Public Hearing for the permanent regulations concerning Proposition Player and Gambling Business is scheduled for 1:30 p.m. on August 5, 2004, at the Commission offices and notice of the hearing was provided pursuant to the Administrative Procedure Act.

**CONSENT CALENDAR ITEMS:**

1. Application for Renewal of Work Permit:
  - a. Outlaws Card Parlour:
    - i. Kreider, Peggy
    - ii. Moore, Charlene
  - b. Poker Flats Casino:  
Herr, Geraldine
  - c. Sonoma Joes:  
Dionisio, Ador
  
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:  
Kershaw, John  
Saenz, Maria
  - b. Augustine Band of Cahuilla Mission Indians of the Augustine Reservation – Augustine Casino:  
Sharp, Lee
  - c. Berry Creek Rancheria of Maidu Indians – Gold County Casino:  
Silva, John  
Wilson, Richard
  - d. Cabazon Band of Cahuilla Mission Indians of the Cabazon Reservation – Fantasy Springs Casino:  
Humphrey, Mark
  - e. Campo Band of Diegueno Mission Indians of the Campo Indian Reservation – Golden Acorn Casino:

- Gaudette, Lisa
- f. Jackson Rancheria of Me-Wuk Indians of California – Jackson Rancheria Casino Hotel and Conference Center:
    - Godfrey, LeeAnne
    - Mettler, Sheryl
    - Price-Lakin, Tammy
  - g. Pala Band of Luiseno Mission Indians of the Pala Reservation – Pala Casino:
    - Bembenek, William
    - Crenshaw, Michael
    - Jackson, Lynda
  - h. Pauma Band of Luiseno Mission Indians of the Pauma & Yuima Reservation – Casino Pauma:
    - Darley, Joel
    - Holland, Dennis
  - i. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort & Casino:
    - Cliff, David
    - Knights, Avery
    - Pitts, Robert
    - Smith, Gary
  - j. Picayune Rancheria of Chukchasi Indians – Chukchasi Gold Resort and Casino:
    - Baker, Zachariah
  - k. Quechan Tribe of the Fort Yuma Indian Reservation – Paradise Casino California:
    - Defay, Barrett
    - Larson, Victor
    - Miller, Anna
    - Smith, Ross
  - l. Rincon Band of Luiseno Mission Indians of the Rincon Reservation – Harrah's Rincon Casino:
    - Haines, Judith
  - m. Robinson Rancheria of Pomo Indians – Robinson Rancheria Bingo and Casino:
    - Anderson, Carl
  - n. Rumsey Indian Rancheria of Wintun Indians – Cache Creek Casino Resort:
    - Heng, Vincent
    - Quijano, Robert
    - Saelee, Chan
  - o. San Manuel Band of Serrano Mission Indians of the San Manuel Reservation – San Manuel Indian Bingo and Casino:
    - Durling, Jeffrey
    - Gassaway, Michael
    - Lai, Steve
    - Rivas, Armando

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| Franklin, Nancy  | Russell, Michael  |
| Haggerty, Robert | Sanders, Jodie    |
| Isabell, Mark    | Taylor, James     |
| Kohn, Michael    | Willingham, James |
| Kuehnel, Steve   |                   |
- p. San Pasqual Band of Diegueno Mission Indians – Valley View Casino:  
Cawthra, Wyval
  - q. Smith River Rancheria – Lucky 7 Casino:  
Walker, Duane
  - r. Soboba Band of Luiseno Indians – Soboba Casino:  
Carriere, Elena  
Lorton, Brenda
  - s. Sycuan Band of Diegueno Mission Indians – Sycuan Casino and Resort:  
Duero, Virginia
  
  - t. Twenty-Nine Palms Band of Mission Indians of California – Trump 29  
Casino:  
Bickle, Karla
  - u. Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of  
the Viejas Reservation – Viejas Casino and Turf Club:  
Bryant, Jennifer  
Frank, Walter  
Gaitan, Angelina

Deputy Director Qualset presented the Consent Calendar to the Commission for its consideration of the applications for (1) renewal of a work permit and (2) Tribal-State Compact key employee findings of suitability. Upon motion of Commissioner Palmer, seconded by Commissioner Sasaki and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission approved the Consent Calendar.

**PUBLIC COMMENT:**

David Tierney, Network M, commented on the emergency regulations concerning Proposition Player and Gambling Business, indicating that the fees were excessive and would harm the industry and its employees.

**CLOSED SESSION:**

Chairman Shelton announced that the Commission would adjourn to Closed Session. At 1:55 p.m. the Commission adjourned to Closed Session.

Chairman Shelton reconvened the meeting at 3:35 p.m. with Commissioners Palmer and Sasaki present; Commissioner Smith was absent.

1. Commissioner Comments.

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

**ADJOURNMENT:**

Upon motion of Commissioner Palmer, seconded by Chairman Shelton and unanimously carried with Chairman Shelton and Commissioners Palmer and Sasaki voting yes, the Commission meeting adjourned at 3:37 p.m.