

California Gambling Control Commission  
2399 GATEWAY OAKS DRIVE, SUITE 100  
P.O. BOX 526013, SACRAMENTO, CA 95852-6013  
(916) 263-0700 FAX (916) 263-0499  
[www.cgcc.ca.gov](http://www.cgcc.ca.gov)

2399 Gateway Oaks Drive, Suite 100  
Sacramento, CA 95833  
Wednesday, August 4, 2004

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**MINUTES OF AUGUST 4, 2004**  
**COMMISSION MEETING**

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**OPEN SESSION**

Chairman Shelton called the meeting of August 4, 2004, to order at 1:30 p.m., with Commissioners Palmer, Sasaki and Smith present.

Staff Participating: Gary Qualset, Deputy Director, Licensing and Compliance.

Upon motion of Commissioner Palmer, seconded by Commissioner Smith and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki and Smith voting yes, the Commission adopted the July 1, 2004, Commission meeting minutes.

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 adopted the July 7, 2004, Commission meeting minutes.

**DECISION ITEMS**

1. Applications for Work Permit:
  - a. Gold Sombrero:  
Silva, Paul
  - b. Sonoma Joes:
    - i. Jazayeri, Mohammad
    - ii. Mai, Kejian
    - iii. Rapoza, Jeanette
    - iv. Rigsby, William

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the applications for a work permit fort Item

1.a., Paul Silva, 1.b.i., Mohammand Jazayeri, 1.b.ii., Kejian Mai, 1.b.iii., Jeanette Rapoza, and 1.b.iv., William Rigsby. Upon motion of Commissioner Sasaki, seconded by Commissioner Palmer and unanimously carried with Chairman Shelton and Commissioner Palmer, Sasaki and Smith voting yes, the Commission approved the applications for a work permit fort Item 1.a., Paul Silva, 1.b.i., Mohammand Jazayeri, 1.b.ii., Kejian Mai, 1.b.iii., Jeanette Rapoza, and 1.b.iv..

2. Application for Key Employee License:

- a. California Grand Casino:  
Fiedler, Scott
- b. Silver Fox:  
Luong, Phillip

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 2.a., Scott Fiedler, and 2.b., Phillip Luong. 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 applications for a key employee license for Item 2.a., Scott Fiedler, and 2.b., Phillip Luong.

3. Request for Additional Authorized Tables:

- a. Rancho's Club: Ruben Marquez and Blanca Marquez – Sole Proprietors

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the request for additional authorized tables for Item 3.a., Rancho's Club, that would increase the establishment's gambling tables by four, thereby increasing the total number of authorized tables from three to seven, effective September 1, 2004 through August 31, 2005. 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 approved the request for additional authorized tables for Item 3.a., Rancho's Club.

4. Application for State Gambling License:

- a. California Commerce Club:  
Roos, Michael Yancey

Deputy Director Qualset indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for a state gambling license for Item 4.a., California Commerce Club, Miachael Yancey Roos. Upon motion of Commissioner Smith, seconded by Commissioner Palmer and unanimously carried

with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the Commission approved the application for a state gambling license for Item 4.a., California Commerce Club, Michael Yancey Roos.

5. Applications for Renewal of State Gambling License:

- a. Gold Rush Gaming Parlor: Susan Barrows – Sole Proprietor
- b. Livermore Saloon & Casino: Sidney Ahn – Sole Proprietor
- c. Rancho's Club: Ruben Marquez and Blanca Marquez – Sole Proprietors
- d. Rooney's Cardroom: Walter Yee – Sole Proprietor

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 5.a., Gold Rush Gaming Parlor. 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 application for renewal of a state gambling license for Item 5.a., Gold Rush Gaming Parlor.

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 5.b., Livermore Saloon & Casino. 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 approved application for renewal of a state gambling license for Item 5.b., Livermore Saloon & 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 5.c., Rancho's Club. 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 approved application for renewal of a state gambling license for Item 5.c., Rancho's 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 5.d., Rooney's Cardroom. 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 application for renewal of a state gambling license for Item 5.d., Rooney's Cardroom.

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

Deputy Director Qualset presented for consideration by the Commission the following staff recommendation concerning the Revenue Sharing Trust Fund Report of Distribution of Funds to Non-Compact Tribes for the Quarter Ended June 30, 2004.

*It is recommended that:*

- 1) *the Commission approve distribution of the current full quarterly amount of approximately \$8.75 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, 2004, 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 this report, and any interest accrued for previously approved distributions held in abeyance in the Indian Gaming Revenue Sharing Trust Fund but not immediately disbursed, and*
- 2) *approval of distributions shall be made on a conditional basis subject to receipt of any required eligibility certification of the maximum number of gaming devices operated during the quarter by each tribe that is required to submit a completed certification form.*

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 adopted the staff recommendation. A copy of the report titled "Revenue Sharing Trust Fund Report of Distribution of Funds to Non-Compact Tribes for the Quarter Ended June 30, 2004." is incorporated into the minutes as Attachment A.

7. Presentation of Schedule for Regional Meetings with Non-Compacted Tribes to Discuss the Interpretation of the Terms as used in the Tribal-State Gaming Compact for "commercial operation" per Section 4.3.2.2(e).

Deputy Director Qualset presented a schedule prepared by staff of workshops with non-compacted tribes concerning the interpretation of the terms as used in the Tribal-State Gaming Compact for "commercial operation". Deputy Director Qualset

announced that the workshops were scheduled for: August 24, 2004, at 801 Capitol Mall, Sacramento, and August 26, 2004, at 1350 Front Street, San Diego.

8. Preliminary Discussion on Interpretation of the Term "Gaming Device" as used in the Tribal-State Gaming Compact Section 2.6.

Deputy Director Qualset announced that staff is preparing for two regional workshops with tribes to discuss interpretation of the term "Gaming Device" as used in the Tribal-State Gaming Compact 2.6. The workshops are tentatively scheduled for September 9, and 10, 2004, and staff anticipates having one workshop in Northern California and one in Southern California. Tribes will receive notice of the workshops sometime in August.

9. Adoption of Regulation 12410, Adequate Financing. Regulatory change to move the regulation from the Division's Title 11 to the Commission's Title 4 of the California Code of Regulations.

Item 9 was removed from the calendar.

#### **CONSENT CALENDAR ITEMS:**

1. Application for Renewal of Work Permit:
  - a. Central Coast Casino (Grover Beach):  
Cheung, Chun-Fai
  - b. Philippine Gardens:  
Garcia, Alicia
  - c. Sonoma Joes:  
Descaro, Gregg  
Kelly, Sheree  
Pastor, Anthony  
Willson, Constance

Deputy Director Qualser 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 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, NetworkM, presented comments to the Commission in regards to

correspondence he had sent the Commission concerning third party proposition player regulations.

**CLOSED SESSION:**

Chairman Shelton announced that the Commission would adjourn to Closed Session. At 1:47 p.m. the Commission adjourned to Closed Session.

**RECONVENE TO OPEN SESSION**

Chairman Shelton reconvened the open session at 2:20 p.m. with Commissioners Palmer, Sasaki and Smith present, and indicated that there were no announcements from closed session.

1. Commissioner Comments.

There were no comments from Commissioners.

**ADJOURNMENT:**

Upon motion to adjourn the meeting by Commissioner Smith, seconded by Chairman Shelton and unanimously carried with Chairman Shelton and Commissioners Palmer, Sasaki, and Smith voting yes, the meeting adjourned at 2:22p.m.