

California Gambling Control Commission  
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MINUTES OF FEBRUARY 23, 2006  
COMMISSION MEETING

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**OPEN SESSION**

Chairman Shelton called the meeting of February 23, 2006, to order at 1:30 p.m., with Commissioners Cruz, Sasaki, and Vuksich present.

Staff Participating: Cyrus Rickards, Chief Counsel, and Herb Bolz, Senior Legal Counsel and Regulations Coordinator, Legal Division, and Terri Ciau, Deputy Director, and Cara Podesto, Manager, Licensing Division.

Upon motion of Chairman Shelton, seconded by Commissioner Cruz and carried in the vote by roll call with Chairman Shelton and Commissioners Cruz and Sasaki voting yes, Commissioner Vuksich abstaining, the Commission adopted the August 18, 2005 Commission meeting minutes.

Upon motion of Commissioner Sasaki, seconded by Commissioner Cruz and carried in the vote by roll call with Chairman Shelton and Commissioners Cruz and Sasaki voting yes, Commissioner Vuksich abstaining, the Commission adopted the November 3, 2005 Commission meeting minutes.

Upon motion of Commissioner Cruz seconded by Commissioner Sasaki and carried in the vote by roll call with Chairman Shelton and Commissioners Cruz and Sasaki voting yes, Commissioner Vuksich abstaining, the Commission adopted the November 17, 2005 Commission meeting minutes.

Upon motion of Commissioner Vuksich, seconded by Commissioner Sasaki and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission adopted the January 26, 2006 Commission meeting minutes.

Deputy Director Ciau announced agenda revisions that included removal of Items 6.a., 6.c., and 9.e., also removed from the agenda was the addendum item concerning the

application for renewal of a state gambling license for the Gold Rush Gaming Parlor. Deputy Director Ciau indicated that these agenda items would be rescheduled on a future agenda for Commission consideration at a later date.

## DECISION ITEMS

1. Applications for Work Permit:
  - a. Club San Rafael:  
Smith, Caitlin
  - b. Gold Rush Casino:  
Ly, Quang
  - d. Napa Valley Casino:  
Watson, Kien
  - e. Sundowner Cardroom:  
Noi, Nathee
  - f. The 101 Casino:  
Des Marais, Nancy

Deputy Director Ciau presented agenda item 1.a., b., d., e., and f., for the Commission's consideration, under one motion, of the applications for a work permit for Caitlin Smith, Item 1.a., Quang Ly, Item 1.b., Kien Watson, Item 1.d., Nathee Noi, Item 1.e., and Nancy Des Marais, Item 1.f., and indicated that both the Division of Gambling and Commission staff recommend approval of these applications. Upon motion of Commissioner Sasaki, second by Commissioner Cruz and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes, the Commission approved the applications for a work permit for Caitlin Smith, Quang Ly, Kien Watson, Nathee Noi, and Nancy Des Marais.

- c. Lake Bowl Cardroom:  
Sivret, Steven

Deputy Director Ciau indicated that staff recommends that the Commission deny the application for a work permit for Steven Sivret, Item 1.c.

Upon learning that Steven Sivret was present at the meeting, Chairman Shelton asked Mr. Sivret if he wished to assert his right to an administrative hearing on the denial of his application. In response Mr. Sivret requested an administrative hearing and Chairman Shelton referred Mr. Sivret to Mr. Bolz, Legal Counsel for the Commission.

Chairman Shelton made a motion to ask staff to set a date with the Commission for Mr. Sivret's hearing on the recommendation for denial of his application. Commissioner Cruz seconded the motion, which unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes.

2. Applications for Key Employee License – Request for Withdrawal:

- a. Hawaiian Gardens Casino:  
Carroll, Michelle
- b. Silver Fox Casino:  
Truong, Det

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the request for withdrawal, without prejudice, of the applications for a key employee license for Michelle Carroll, Item 2.a., and Det Truong, Item 2.b. Upon motion of Commissioner Sasaki, seconded by Chairman Shelton and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes, the Commission approved the request for withdrawal, without prejudice, of the applications for a work permit for Michelle Carroll and Det Truong.

3. Applications for Key Employee License:

- a. Commerce Casino:  
Hayden, Scott Alden
- b. Lake Elsinore Casino:  
Gillies, William

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for a key employee license for Scott Alden Hayden, Item 3.a. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a roll call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved the application for a key employee license for Scott Alden Hayden.

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend that the Commission deny the application for a key employee license for William Gillies, Item 3.b. Upon motion of Chairman Shelton, seconded by Commissioner Sasaki and unanimously carried in a roll call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission denied the application for a key employee license for William Gillies.

4. Request for Additional Authorized Tables:

- a. Crystal Park Casino: California Casino Management Inc., California Corporation

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the request for eight additional tables, for a total of 30 tables authorized on the license, for Crystal Park Casino, Item 4.a. Upon motion of Commissioner Cruz, seconded by Commissioner Vuksich and unanimously carried in a roll-call vote, with Chairman Shelton and Commissioners Cruz, Sasaki, and

Vuksich voting yes, the Commission approved the request for eight additional tables, for a total of 30 tables authorized on the license for Crystal Park Casino.

5. Approval of Articles of Incorporation:

- a. Crystal Park Casino: Celebrity Casinos Inc., California Corporation

Deputy Director Ciau indicated that staff concurs with legal counsel's recommendation for the Commission to approve the Articles of Incorporation for Crystal Park Casino, Item 5.a. Upon motion of Chairman Shelton, seconded by Commissioner Cruz and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved the Articles of Incorporation for Crystal Park Casino.

6. Requests to Purchase Existing Gambling Establishment:

- b. Napa Valley Casino--BVK Gaming Inc., California Corporation

Deputy Director Ciau indicated that staff concurs with legal counsel's recommendation for the Commission to approve of the request of BVK Gaming Inc. to purchase the existing gambling establishment Napa Valley Casino, Item 6.b. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a vote by roll call with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved the request of BVK Gaming Inc. to purchase the existing gambling establishment Napa Valley Casino.

7. Applications for Renewal of State Gambling License:

- a. Crystal Park Casino: California Casino Management Inc., California Corporation

Deputy Director Ciau indicated that staff recommends approval of a three-month temporary state gambling license for the period of March 1, 2006 through May 31, 2006, contingent upon the payment of table fees, for Crystal Park Casino, Item 7.a. Deputy Director Ciau further indicated that staff recommends that the existing conditions be removed from the license. Upon motion of Chairman Shelton, seconded by Commissioner Vuksich and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved a three-month temporary state gambling license for the period of March 1, 2006 through May 31, 2006, contingent upon the payment of table fees, for Crystal Park Casino.

- b. Ginny's Club: Virginia Mahoney, Sole Proprietor

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of the state gambling license through February 28, 2007 for Ginny's Club, Item 7.b. Upon motion of Commissioner Sasaki, seconded by Commissioner Vuksich and unanimously carried in

a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved the application for renewal of the state gambling license through February 28, 2007 for Ginny's Club.

c. Kelly's: Albert Cianfichi, Sole Proprietor

Deputy Director Ciau indicated that staff recommends approval of a three-month temporary renewal, from March 1, 2006 to May 31, 2006, and with the existing condition: "*Licensee of Kelly's must have prior approval from the Division of Gambling Control of any advertisement and/or operations of promotions at the licensed gambling establishment*" to remain on the state gambling license, for Kelly's, Item 7.c. Upon motion of Chairman Shelton, seconded by Commissioner Sasaki and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved a three-month temporary renewal of the state gambling license and with the existing conditions remaining on the license for Kelly's.

d. Ocean View Cardroom: Veronica Allard, Sole Proprietor

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend approval of the application for renewal of the state gambling license through February 28, 2007 for Ocean View Cardroom, Item 7.d. Commissioner Sasaki moved to adopt the staff recommendation and Commissioner Vuksich seconded the motion.

Commissioner Cruz asked staff what the hours of operation for the gambling establishment were, and indicated his concern that this was a one-man operation and the hours of operation may determine the necessity for a key employee as well. Deputy Director Ciau responded that staff was not able to get that information prior to the meeting and then asked the Chief Counsel for advise on whether to table the item. Chief Counsel Rickards advised that, based on the license's renewal period, it appears that the license would expire at the end of the month, and the Commission should either approve renewal of the license and staff could bring the item back to the Commission in the event the hours of operation were cause for concern, or approve a temporary renewal of the license pending receipt of the information. Chairman Shelton indicated that he felt the license should be approved and if, after receiving information regarding the gambling establishments hours of operation, there were apparent problems it could then be brought back to the Commission for appropriate action.

The motion made by Commissioner Sasaki and seconded by Commissioner Vuksich to adopt the staff recommendation unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes. The Commission approved the application for renewal of the state gambling license through February 28, 2007 for Ocean View Cardroom.

- e. Oceans Eleven Casino: Ocean's Eleven Casino, Incorporated, Corporation

Deputy Director Ciau indicated that staff recommends approval of a temporary three-month state gambling license for the period of March 1, 2006 through May 31, 2006, contingent upon payment of the next installment of the annual table fees. Upon motion of Commissioner Sasaki, seconded by Commissioner Vuksich and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved a three-month temporary state gambling license for the period of March 1, 2006 through May 31, 2006, contingent upon the payment of table fees, for Oceans Eleven Casino.

8. Application for Renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability:

- a. Gaming Partners International USA, Inc.: Francois Carrette, Gerard Charlier, Eric Endy, Melody Sullivan, Laura McAllister Cox, Benoit Aucouturier, Paul Dennis, Alain Thieffry, Jerry West, Nevada Corporation

Deputy Director Ciau indicated that staff recommends approval of the application for renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Gaming Partners International USA, Inc. Upon motion of Chairman Shelton, seconded by Commissioner Sasaki and unanimously carried in a roll-call vote with Chairmen Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes the Commission approved the application for renewal of Tribal-State Compact Gaming Resource Supplier Finding of Suitability for Gaming Partners International USA, Inc.

9. Applications for Tribal-State Compact Key Employee Finding of Suitability:

- a. Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria – Colusa Casino:  
Villasenor, Sergio

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend that the Commission deny the application for Tribal-State Compact Key Employee Finding of Suitability for Sergio Villasenor, Item 9.a.

Chairman Shelton moved to adopt the staff recommendation and Commissioner Sasaki seconded the motion.

Alfred Pina, Colusa Gaming Commission, commented on the pending Commission action and stated that Sergio Villasenor had indicated to him that he had not received any notice from the Commission of the pending action on the staff recommendation for denial of the finding of suitability. Mr. Pina further stated that the tribe has licensed Mr. Villasenor under the Compact as a pre-existing employee and inquired if there was anything that Mr. Villasenor should do concerning the Commission's denial of his

application for finding of suitability, since he chose not to attend this meeting.

Chairman Shelton indicated in response that although Mr. Villasenor was denied a finding of suitability by the State he could continue his employment as a licensed employee under the authority of the tribal gaming commission.

Manager Podesto stated for the record that a notice of the Commission's consideration of staff's recommendation for denial was sent to Mr. Villasenor's by certified mail and staff has received a return receipt signed by Mr. Villasenor. Staff had also spoken to Mr. Villasenor by telephone the day prior.

The motion made by Chairman Shelton and seconded by Commissioner Sasaki to adopt the staff recommendation unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes. The Commission denied the application for Tribal-State Compact Key Employee Finding of Suitability for Sergio Villasenor.

- b. Middletown Rancheria of Pomo Indians of California – Twin Pine Casino:  
Pina, Joseph

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend that the Commission deny the application for Tribal-State Compact Key Employee Finding of Suitability for Joseph Pina, Item 9.b.

Commissioner Sasaki moved to adopt the staff recommendation and Commissioner Cruz seconded the motion.

Ursula Simon, Gaming Commissioner for Middletown Rancheria, presented comments to the Commission concerning the pending action and indicated that the Middletown Gaming Commission chooses to exercise their sovereignty and retain Joseph Pina as an employee at the casino.

The motion made by Commissioner Sasaki seconded by Commissioner Cruz, to adopt the staff recommendation, unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes. The Commission denied the application for Tribal-State Compact Key Employee Finding of Suitability for Joseph Pina.

- c. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation  
– Pechanga Resort and Casino:  
Grullon, Luis

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend that the Commission approve the application for Tribal-State Compact Key Employee Finding of Suitability for Luis Grullon, Item 9.c. Upon motion of Commissioner Sasaki, seconded by Commissioner Vuksich and unanimously

carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes. The Commission approved the application for Tribal-State Compact Key Employee Finding of Suitability for Luis Grullon.

- d. Rumsey Indian Rancheria of Wintun Indians of California – Cache Creek Casino Resort:  
Brown, Bobbie

Deputy Director Ciau indicated that both the Division of Gambling Control and Commission staff recommend that the Commission approve the application for Tribal-State Compact Key Employee Finding of Suitability for Bobbie Brown, Item 9.d. Upon motion of Commissioner Sasaki, seconded by Commissioner Vuksich and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes. The Commission approved the application for Tribal-State Compact Key Employee Finding of Suitability for Bobbie Brown.

#### **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:  
Lane, Patricia  
Nunuz, Patricia  
Pfeifer, Arthur
  - b. Alturas Indian Rancheria – The Desert Rose Casino:  
Walston, Diana
  - c. Barona Group of Capitan Grande Band of Mission Indians of the Barona Reservation – Barona Valley Ranch Resort and Casino:  
Cousins, Christopher  
Graham, Nicole  
Lake, James  
Liptak, Susan  
Pinaire, Mary  
Rios, Rene  
Robinson, James  
O'Connor, Terrence
  - d. Bear River Band of the Rohnerville Rancheria  
Dominick, David
  - e. Cachil DeHe Band of Wintun Indians of the Colusa Indian Community of the Colusa Rancheria – Colusa Casino:  
Hayes, Jenifer  
Motacek, Heather  
Rossovich, Karen

- f. Cahuilla Band of Mission Indians of the Cahuilla Reservation – Cahuilla Creek Casino:  
Witty, Jaymie
- g. Campo Band of Diegueno Mission Indians of the Campo Indian Reservation – Golden Acorn Casino and Travel Center:  
Grill, Randee
- h. Chemehuevi Indian Tribe of the Chemehuevi Reservation – Havasu Landing Resort and Casino:  
Cole, James  
Smith, Edwin
- i. Hopland Band of Pomo Indians of the Hopland Rancheria – Sho-Ka-Wah Casino:  
Monk, Harvey
- j. Jackson Rancheria of Me-Wuk Indians of California – Jackson Rancheria Casino, Hotel, and Conference Center:  
Compton, Parish  
Magana, Alfonso  
Storrie, Leanne  
Taylor, Holly  
Threet, Tamara
- k. Morongo Band of Cahuilla Mission Indians of the Morongo Reservation – Casino Morongo:  
Klier, Tammy  
Manuel, George  
Robertson, Jack  
Sahawneh, Raad  
Shain, Wendy  
Stamm, Katherine
- l. Pauma Band of Luiseno Mission Indians of the Pauma & Yuima Reservation – Casino Pauma:  
Harsch, Deborah  
Maxcy, Barbara  
Nuez, Alejandro  
Perez, Erylnda  
Prescott, David  
Reines, Robert
- m. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort and Casino:  
Baker, Valerie  
Beshara, Akmal  
Cannon, Scott  
Duong, Phong  
Giles, Jennifer  
Giles, Stewart  
Rose, Michael

- Sanchez, Janice
- Sharber, Nancy
- Smith, Dennis
- Wilson, Ward
- n. Pit River Tribe – Pit River Casino:  
Faccenetti, Jason
- o. Redding Rancheria – Win-River Casino:  
Etchison, Darlene
- p. Rincon Band of Luiseno Mission Indians of the Rincon Reservation –  
Harrah's Rincon Casino and Resort:  
Nickles, Robert
- q. San Pasqual Band of Diegueno Mission Indians of California – Valley  
View Casino:  
Guy, Robert
- r. Santa Rosa Indian Community of the Santa Rosa Rancheria – The Palace  
Indian Gaming Center:  
Gonzales, Joaquin
- s. Santa Ynez Band of Chumash Mission Indians of the Santa Ynez  
Reservation – Chumash Casino Resort:  
Dunn, John  
Hackett, Michael  
Valadez, Patricia
- t. Soboba Band of Luiseno Indians- Soboba Casino  
Riley, Russell
- u. Susanville Indian Rancheria – Diamond Mountain Casino:  
Alderman, James
- v. Table Mountain Rancheria of California – Table Mountain Casino:  
Gutierrez, Maria  
Maldonado, Bryan
- w. Tule River Indian Tribe of the Tule River Reservation – Eagle Mountain  
Casino:  
Chanthaphone, Thasaphone  
Devine, Tiffani  
Gonzales, Susan
- x. Tuolumne Band of Me-Wuk Indians of the Tuolumne Rancheria of  
California – Black Oak Casino:  
Bettencourt, Bonnie  
Burns, Jaime  
Goldstein, Mitchell  
Linder, William  
Machado, Brian  
Masters, Crystal  
Ragsdale, Jamie

- y. United Auburn Indian Community of the Auburn Rancheria of California – Thunder Valley Casino:
    - Bain, Charles
    - Beach-Osborne, Cheryl
    - Finch, Rhonda
    - Lo, Bee
    - Nguyen, Michelle
    - Tran, Sang
  - z. Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of the Viejas Reservation – Viejas Casino:
    - Baker, Clifford
    - Beck, Marty
    - Briones, Christopher
    - Brown, Linda
    - Marich, Brandon
    - Thieng, Nick
    - Thornton, Angela
2. Applications for Tribal-State Compact Key Employee Finding of Suitability - Renewals:
- a. Agua Caliente Band of Cahuilla Indians of the Agua Caliente Reservation – Agua Caliente Casino:
    - Masalta, Virgil
    - Rahe, Richard
    - Schwartz, Christopher
    - Siffleet, Karl
    - Spencer, William
  - b. Jackson Rancheria of Me-Wuk Indians of California – Jackson Rancheria Casino, Hotel, and Conference Center:
    - Delap, James
    - Hard, Michael
    - Maisenbach, Sarah
    - McKinney, Tonie
    - Mendibles, Joe
    - Springsteen, Mary
    - Willing, Linda
  - c. Morongo Band of Cahuilla Mission Indians of the Morongo Reservation – Casino Morongo:
    - Anguiano, Maria
    - Krom, Jonathan
    - Newbold, Christopher
  - d. Pauma Band of Luiseno Mission Indians of the Pauma & Yuima Reservation – Casino Pauma:
    - Hood, Daryl

- e. Pechanga Band of Luiseno Mission Indians of the Pechanga Reservation – Pechanga Resort and Casino:  
White, Charles  
Zhou, Choomchuen
- f. Redding Rancheria – Win-River Casino:  
Blue, Kirk  
Johnson, Mary  
Mayle, Debra  
Ross, Christi
- g. San Pasqual Band of Diegueno Mission Indians of California – Valley View Casino:  
Haig, Donald
- h. United Auburn Indian Community of the Auburn Rancheria of California – Thunder Valley Casino:  
Hughes, Brian  
Johnson, Daniel  
Luttrell, Michael  
Mehlbrech-Brewton, Tamra  
Osburn, Micah  
Warstler, Melissa
- i. Viejas (Baron Long) Group of Capitan Grande Band of Mission Indians of the Viejas Reservation – Viejas Casino:  
Holmes, Amanda

Deputy Director Ciau presented the Consent Calendar to the Commission for its consideration of the applications for Tribal-State Compact Key Employee Finding of Suitability and renewal of Tribal-State Compact Key Employee Finding of Suitability. Upon motion of Commissioner Sasaki, seconded by Chairman Shelton and unanimously carried in a roll-call vote, with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes, the Commission approved the Consent Calendar.

#### **PUBLIC COMMENT**

Douglas Moore read for the record the written comments that he submitted to the Commission concerning the Gold Rush Gaming Parlor and its owner Sue Barrow. A copy of the written comments, submitted by Mr. Moore, are incorporated into the minutes as Attachment A.

#### **CLOSED SESSION:**

Chairman Shelton announced that the Commission would not adjourn to Closed Session since there were no new matters under Government Code section 11126(e); 11126(e)(b)(i); and 11126(e)(c)(i) that required discussion.

**ADJOURNMENT**

Upon motion to adjourn the meeting by Chairman Shelton, seconded by Commissioner Sasaki and unanimously carried in a roll-call vote with Chairman Shelton and Commissioners Cruz, Sasaki, and Vuksich voting yes, the meeting adjourned at 2:09 p.m.

To: The California Gaming Control Commission  
From: Douglas C. Moore  
Date: February 23, 2006  
RE: Re: The Gold Rush Gaming Parlor & Saloon in Grass Valley, CA

Dear Commissioners:

Good afternoon and hello again Commissioners. My name is Douglas Moore. On January 3, 2006, Susan J Barrows, the current owner of record for the Gold Rush Gaming Parlor in Grass Valley threatened me with a lawsuit for defamation of her character and for ruining her business and for that reason I am reading this statement so that the record is clear.

On January 26, 2006 I spoke at the Commission Meeting in support of the sale of the Gold Rush Gaming Parlor to Cal-Pac with the condition that **all individuals that have loaned Ms Barrows monies be paid in full and that all taxes due the City, State and Federal Agencies be paid.**

It is my understanding that the commission in its wisdom increased the funds to be held in escrow from \$50,000 to \$150,000, however this is not nearly sufficient to cover individual business debts that Ms Barrows has incurred let alone the taxes, late charges and penalties due the City, County, State and Federal Agencies.

On Sep 9, 2004 I took out an equity loan on the house that Ms Barrows and I co-own and I put an additional \$72,842 in funds into the Gold Rush to keep it solvent. Because of Ms Barrows' poor credit, the equity loan as well as the previous refinanced mortgage were taken out in my name only. I am solely liable for the equity loan as well as the mortgage on this home, which Sue is presently living in with her current boyfriend and refuses to let me sell.

Keep in mind that it was only shortly after putting those funds the Gold Rush that I stopped working there because of the way the funds were being spent and the way Ms Barrows was managing the operations, and I left Ms Barrows shortly after that due to irreconcilable differences.

In Jan 2005, when Ms Barrows needed my cooperation to stay in the house, she promised to make all the loan payments and agreed she owed me monies. Ms Barrows was reported in The Union Newspaper, Grass Valley in a Jan 27, 2006 publication, as "denying owing Moore money", and has reportedly told others that "he wont get a cent". Three payments are currently past due on our house and they have been reported to the credit bureaus against me (not her). A notice has been sent from the mortgage holder to the residence regarding the risk of foreclosure, which she has yet to notify me of. According to the county records, the property taxes for July 2005 and Jan 2006 have yet to be paid and it would not surprise me if she hasn't paid the house insurance premium either.

She has verbally told my sister that she will pay her and my Dad back and yet refuses to document it.

Her intent is clear to me as well as others.

It is my understanding that there is currently an ongoing investigation by the Department of Justice into Ms Barrows' conduct with respect to the operations of the Gold Rush Gaming Parlor.

Ms Barrows hired individuals as independent contractors rather than as employees during the time I worked at the Gold Rush, and she was later audited by EDD. For the record, I do not want to be held liable in any way for unpaid Social Security, Workers Comp, or other employer required payments to the Franchise Tax Board or the IRS.

I also do not want to be held responsible for any illegal actions that have taken place at the Gold Rush Gaming Parlor since I stopped working there.

It is my belief based on her past and present behavior that Ms Barrows is positioned to take whatever proceeds she can get out of escrow and leave the town, the state and possibly the country, to avoid paying off her debts and attempt to avoid any possible prosecution, leaving me with the burden which will force me into foreclosure and bankruptcy.

It is imperative that ALL of Ms Barrows debts be paid out of the escrow to protect the public and to insure that all taxes, late charges, penalties and fines be paid to the city, county, state and federal agencies and that NO FUNDS be released to Ms Barrows until the courts have time to act and all debts are paid.

**I request that the California Gaming Control Commission take these facts into consideration and mandate the hold on all escrow funds.**

I would be glad to provide the Department of Justice and the Gaming Control Commission with any supporting documentation that they would like to see.

I thank you for your time and consideration in this matter.

Sincerely,



Douglas C. Moore